YOMA
STRATEGIC HOLDINGS LTD.

ANNUAL REPORT 2023

FINANCIAL PERIOD FROM 1 OCTOBER 2021 TO 31 MARCH 2023

EMERGING STRONGER POSITIONING FOR THE FUTURE

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ABOUT US

CORPORATE PROFILE

Yoma Strategic Holdings Ltd. ("Yoma Strategic", the "Company", or collectively with its subsidiaries, the "Group") was listed on the Mainboard of the Singapore Exchange in 2006 and has established itself as one of the leading conglomerates in the Republic of the Union of Myanmar ("Myanmar"). Over the last 10 years, Yoma Strategic has built a diversified portfolio of businesses in Myanmar through organic expansions and collaborations with established international and local partners.

Yoma Strategic was founded by Mr. Serge Pun. Born in Myanmar, Mr. Pun emigrated to Beijing in 1965 and subsequently to Hong Kong in 1973, where he began a career in real estate. Mr. Pun led many real estate developments in Hong Kong and the People's Republic of China ("China"), as well as regional hubs such as Bangkok and Kuala Lumpur. After returning to Myanmar in 1991, he founded First Myanmar Investment Company Limited ("FMI"), one of Myanmar's earliest public companies which became the first company to be listed on the Yangon Stock Exchange in March 2016.

Leveraging the Group's experience in Myanmar and a strong commitment to corporate governance, Yoma Strategic has forged partnerships with many international players. These partners provide invaluable expertise and capabilities which add to the Group's capacity to execute its business strategy and help to ensure that the Group's projects adhere to international standards.

OUR MISSION

BUILD A
BETTER
MYANMAR
FOR ITS
PEOPLE

CORE VALUES

OUR VISION

INVESTOR SATISFACTION

We create sustainable investment opportunities by leading with integrity and robust business practices.

CUSTOMER SATISFACTION

We serve our customers by being their trusted partner to deliver the best products and services for their needs.

EMPLOYEE SATISFACTION

We invest in our people to build careers around a shared culture of fairness, diversity, empowerment and recognition.

CHAIRMAN & CEO STATEMENT

Over the past 18 months, we have continued to strengthen our position in the market. The improvement in our operations and financial standing have positioned us favorably to navigate the evolving economic landscape and capitalise on emerging opportunities.

MR. SERGE PUN
Executive Chairman

MR. MELVYN PUN
Chief Executive Officer and Executive Director

NAVIGATING A RAPIDLY CHANGING ENVIRONMENT

Myanmar's economy achieved a modest recovery of 3.0% in 2022 following a steep economic decline of 18.0% in 2021. The upward trend is expected to continue with economic growth projected to continue at 3.0% in 2023[1].

Whilst the business environment has shown gradual improvement in recent quarters, Myanmar continues to face significant challenges. The depreciation of Myanmar kyat, along with rising global food, fuel and electricity prices, has led to high inflation which has eroded purchasing power and living standards. Furthermore, changes in government policies, persistent shortages of foreign currency and restrictions on trade have created operational hurdles for the private sector.

In the face of this rapidly changing landscape, we have remained prudent in managing our businesses and strengthening our core operations. We have implemented several measures to increase revenue, improve core EBITDA and generate cashflow. We have taken proactive steps to improve our financial position which included reducing our net debt by US$125.2 million during 12M-Mar2023. These strategic initiatives have contributed to our overall financial performance, as well as providing operational and financial flexibility for the Group going forward.

REVENUE
⬆ 54.5%
Y-o-Y

US$123.6 million

Driven by record home sales[2], record F&B sales and completion of the Wave Money acquisition

CORE EBITDA
⬆ 50.4%
Y-o-Y

US$17.6 million

Supported by higher sales, lack of operational disruptions and continued efficiency measures

NET DEBT
⬇ US$125.2 million

US$159.1 million

Net gearing ratio declined from 28.2% as at 31 March 2022 to 18.6% at 31 March 2023

STRONGER OPERATING PERFORMANCE

Our revenue grew by 54.5%, reaching US$123.6 million in 12M-Mar2023 as compared to US$80.0 million in 12M-Mar2022. Furthermore, we improved operating profitability with core EBITDA increasing by 50.4% to US$17.6 million in 12M-Mar2023 from US$11.7 million in 12M-Mar2022.

This remarkable growth was primarily driven by the exceptional recovery of our Yoma Land and Yoma F&B businesses, along with the inclusion of Wave Money's results since December 2022. In particular, Yoma Land Development achieved the milestone of recording the highest number of property sales[2] in the Group's history. Revenue from this segment surged by 64.7% year-on-year to US$45.8 million in 12M-Mar2023.

CHANGE IN FINANCIAL YEAR

This Annual Report will cover a period of 18 months from 1 October 2021 to 31 March 2023, which is a result of the following:

- On 7 September 2021, the Central Bank of Myanmar announced the change in the Myanmar fiscal year and the Department of Taxpayer Services for Medium Taxpayers Office mandated that all taxpayers must adopt a fiscal year period from 1 April to 31 March. Prior to this change, the fiscal year period for taxpayers in Myanmar had been from 1 October to 30 September.
- On 25 February 2022, the Group announced a change of its financial year end from 30 September to 31 March to align with its Myanmar subsidiaries' reporting periods.

In order to provide a more meaningful comparison and better understanding of the financial results of the Group, we have also provided a comparative analysis of our unaudited results for a 12-month period from 1 April 2022 to 31 March 2023 ("12M-Mar2023") and 12-month periods from 1 April 2021 to 31 March 2022 ("12M-Mar2022") and 1 April 2020 to 31 March 2021("12M-Mar2021") in pages 25 to 35 of this Annual Report.

1 Myanmar Economic Monitor, June 2023: A Fragile Recovery, World Bank Group.
2 By number of units sold.

Similarly, despite operating on a smaller platform, Yoma F&B achieved record revenue which grew by 64.4% year-on-year to US$24.5 million for the same period.

Our net losses in 12M-Mar2023 were impacted by fair value and impairment losses related to Yoma Central as a result of the expected changes to the project's completion timeline and the current macroeconomic environment. Higher finance costs arising from increased interest expenses at Yoma Central, the rise in USD LIBOR rates, and currency translation losses on the Thai baht bond also impacted our bottom line.

SIGNIFICANT IMPROVEMENT IN FINANCIAL POSITION

In 12M-Mar2023, we generated positive operating cashflow of US$11.3 million primarily from the performance of Yoma Land Development, as well as the stringent cash management measures implemented across the Group. In addition, we disposed of certain investment properties to raise approximately US$55.6 million of proceeds which were mainly used for the repayment of borrowings.

Together with the restructuring of the project loan facility for Yoma Central, there was a US$125.2 million decrease in net debt from US$284.3 million as at 31 March 2022 to US$159.1 million as at 31 March 2023. As a result, our net gearing ratio declined significantly from 28.2% to 18.6% as of those respective dates.

We remain committed to reduce our borrowings further over the next 12 months to strengthen our financial position and enhance our balance sheet flexibility. These measures are expected to reduce interest expenses in the coming financial year which will improve the Group's bottom line performance.

STRATEGIC FOCUS: YOMA LAND AND WAVE MONEY

Over the past year, we achieved numerous milestones that strengthened the position of Yoma Land and Wave Money as the primary drivers of the Group's future growth potential.

Yoma Land continues to solidify its position as the leading real estate developer in Myanmar, building vibrant residential communities through product innovation, customer awareness and execution capabilities. Our most recent project, City Villas, received an overwhelming response and highlighted our ability to identify and capitalise on the strong demand for affordable landed housing.

To further strengthen our real estate development business, we have introduced City Loft West, a 3,000-unit[3] development in the west of Yangon, and plan to expand our affordable landed housing products. In addition, we will look to further scale up our real estate development activities in the coming years by partnering with landowners to obtain land bank opportunities in a capital-efficient manner.

Although we have recently monetised some of our investment properties to generate cash flow, our focus remains on enhancing long-term recurring revenue streams, and Yoma Central is a pivotal project in that regard. Despite temporarily suspending construction in mid-2021, alongside other large-scale real estate developments, we have taken measures to ensure the project's long-term success, including revising its development plan and restructuring its debt facilities. Construction of the project is set to resume in the second half of 2023[4], commencing with the branded residences tower, The Peninsula Residences Yangon.

The acquisition of Telenor's stake in Wave Money substantially elevated our position in the financial services sector.

3 Based on the latest development plans and subject to change.

4 Subject to stakeholders' approval.

We are now the largest and controlling shareholder in the company with a 65% effective interest, and Wave Money is now a consolidated subsidiary of the Group.

We are enthusiastic about the opportunities at Wave Money given its significant position in mobile financial services. We aim to enhance Wave Money's digital platform and leverage its 58,000 agent network nationwide to expand the Group's product offerings and reach a vast user base. By utilising both digital and over-the-counter platforms, we aim to better serve our customers' needs with a wider array of financial services and products and fulfill Wave Money's ambition of promoting financial inclusion in Myanmar.

PURSUING GROWTH PRUDENTLY

Over the past two years, we have diligently worked to reduce costs, optimise our operations and focus on essential capital expenditures that are vital to our long-term growth. With improved fundamentals in place, we expect opportunities to arise in the coming years and will explore them in a prudent manner.

Notwithstanding the cautious posture, in sectors that present growth opportunities, we will look to expand by allocating resources wisely to maximise shareholder value and drive long-term success. On the other hand, for sectors that continue to face challenges, we will manage those businesses in a cash flow sustainable manner and may consider disposing of them in the future.

EMBRACING SUSTAINABILITY

At our core, our mission is to build a better Myanmar for its people. It is a responsibility that we take very seriously, and everything we do – from the products and services we provide to how we operate day-to-day – is rooted in this mission.

For example, Wave Money is a leader in driving financial inclusion in Myanmar and, since its inception, has served millions of customers, many of whom reside in rural areas. In 12M-Mar2023, Wave Money generated over US$24.1 million in agent commissions for small business owners and has collaborated with numerous NGOs to reach over 430,000 beneficiaries over the past three years.

In addition, Yoma Micro Power has made significant strides towards our sustainability initiatives. As at 31 March 2023, Yoma Micro Power has built and operates 608 off-grid and 5 grid-tied solar power plants, bringing electricity to 28 villages and 16,000+ people in rural areas of Myanmar. These solar power plants have offset more than 6 million liters of diesel per year which equates to more than 16,000 tonnes of greenhouse gas emissions. In addition, both Pun Hlaing Estate and StarCity have installed ground mounted solar farms that can supply up to 30% of the electricity needs of the residential estates.

Another significant achievement over the past year has been the number of Myanmar executives who have assumed leadership roles within the Group. We take pride in our commitment to raise the capacity of the Myanmar people, cultivate local management, empower our leadership team and equip them with the necessary resources to succeed.

We are confident that we can continue to achieve great things together and positively impact the communities we serve.

APPRECIATION

In closing, we want to emphasise the strength and resilience of our businesses over the past 12 months in the face of significant uncertainties. We believe that Yoma Land and Wave Money will continue to experience strong tailwinds, driven by the macro trend towards hard assets and the accelerating digital transformation of financial services.

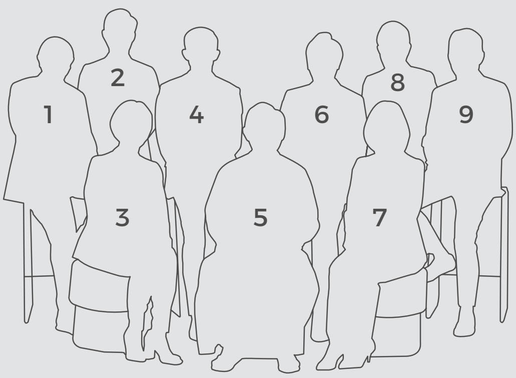
We are sincerely grateful to our fellow Directors for their dedication and invaluable guidance. We also want to convey our heartfelt appreciation to our shareholders, employees, customers, and partners for their unwavering trust and support. With a strong foundation built upon our people, we have confidence in our capacity to position for the future and capitalise on opportunities in the evolving economic landscape. Together, we shall emerge stronger in the years ahead.

SERGE PUN
Executive Chairman

MELVYN PUN
Chief Executive Officer and Executive Director

BOARD OF DIRECTORS

(as at the date of this Annual Report)



1. MR. GEORGE THIA PENG HEOK
2. MR. CYRUS PUN CHI YAM
3. PROFESSOR ANNIE KOH
4. MR. JAIME ALFONSO ANTONIO EDER ZOBEL DE AYALA
5. MR. SERGE PUN
6. MR. MELVYN PUN CHI TUNG
7. MS. WONG SU YEN
8. MR. ALBERTO MACAPINLAC DE LARRAZABAL
9. DATO TIMOTHY ONG TECK MONG

MR. SERGE PUN

Executive Chairman

Board Committee(s) served on: Nil

Present Directorships in other listed companies:
- First Myanmar Investment Public Company Limited
- Myanmar Thilawa SEZ Holdings Public Co., Ltd.

Past Directorships in listed companies held over the preceding 3 years: Memories Group Limited (Memories Group Limited was delisted from the Catalist of the Singapore Exchange Securities Trading Limited ("SGX-ST") with effect from 18 January 2023)

Present Principal Commitments:
- Executive Chairman of Yoma Strategic Holdings Ltd.
- Executive Chairman of First Myanmar Investment Public Company Limited
- Executive Chairman of Yoma Bank Limited

Education and Achievements:
Awarded the special honour of being selected as one of the 65 and 70 outstanding Overseas Chinese Models worldwide to feature on a series of commemorative postage stamps celebrating the 65th and 70th anniversaries, respectively, of the founding of the People's Republic of China.

Date of Appointment: 17 August 2006

Last Re-elected: 29 January 2021

Mr. Serge Pun is a Myanmar national and the Chairman of Serge Pun & Associates (Myanmar) Limited ("SPA"). In 1983, Mr. Pun founded Serge Pun & Associates Limited in Hong Kong and eventually returned to the country of his birth to establish SPA in 1991.

In 1992, Mr. Pun established First Myanmar Investment Company Limited ("FMI"), as one of the earliest public companies (unlisted) in Myanmar. In 2006, he led Yoma Strategic to a successful listing on the mainboard of the Singapore Stock Exchange, and in 2016, FMI became the first company to list on the Yangon Stock Exchange.

Mr. Pun is a member of the World Economic Forum's ASEAN Regional Strategy Group and ASEAN Regional Business Council. He is a standing member of the Chinese People's Political Consultative Conference of Dalian and a member of the Asia Business Council. He is the Chair of the International Advisory Board of Singapore Management University for Myanmar and served as an Honorary Business Representative for Myanmar at International Enterprise Singapore from 2004 until 2006. Mr. Pun is a frequent speaker at international forums on Myanmar and ASEAN.

MR. MELVYN PUN CHI TUNG

Chief Executive Officer and Executive Director

Board Committee(s) served on: NGC (Member)

Present Directorships in other listed companies: Nil

Past Directorships in listed companies held over the preceding 3 years: Nil

Present Principal Commitments:
- Chief Executive Officer of Yoma Strategic Holdings Ltd.

Education and Achievements:
- Bachelor of Arts (Honours), University of Cambridge
- Master of Engineering, University of Cambridge
- Master of Arts, University of Cambridge

Date of Appointment: 27 July 2015

Last Re-elected: 24 July 2019 (will be seeking re-election at the 2023 AGM)

Mr. Pun was the Alternate Director to Mr. Serge Pun at Yoma Strategic and the Chief Executive Officer of SPA, an affiliate of the Group, between 2012 and 2015. Since being appointed Chief Executive Officer of Yoma Strategic in 2015, Mr. Pun has spearheaded the move to diversify the Group along its core businesses whilst also building recurring streams of revenues and profits. He has been extensively involved in developing the Group's relationships with key partners, including Ayala Corporation, Mitsubishi Corporation, Hongkong and Shanghai Hotels, IFC, ADB, Tokyo Century, Yum! Brands, New Holland, Kokubu, SF Express and Pernod Ricard, amongst others.

Mr. Pun is an executive committee member of the Myanmar Institute of Directors.

Prior to joining SPA, Mr. Pun spent 12 years at Goldman Sachs in Hong Kong where he was Managing Director, Head of Asia Ex-Japan Corporate Solutions Group. He has extensive financial and corporate experience in various markets across Asia, such as Greater China, Southeast Asia, and Korea, where he provided corporations and non-profit organisations with financial services that included fund raising, investments and risk management.

MS. WONG SU YEN

Non-Executive Lead Independent Director

Board Committee(s) served on: RC (Chairman), NGC (Member)

Present Directorships in other listed companies:
- CSE Global Ltd.
- First Resources Ltd.
- Pegasus Asia

Past Directorships in listed companies held over the preceding 3 years: Nera Telecommunications Ltd.

Present Principal Commitments: Chief Executive Officer of Bronze Phoenix Pte. Ltd.

Education and Achievements:
- Bachelor of Arts (summa cum laude) in Music and Computer Science, Linfield College
- Master of Business Administration, the University of North Carolina at Chapel Hill

Date of Appointment: 15 December 2015

Last Re-elected: 29 January 2021 (will be seeking re-election at the 2023 AGM)

Ms. Wong Su Yen brings over 30 years of experience in driving business strategy, strategic talent development, organisational transformation, operations re-design and risk management. She is an Independent Director at CSE Global, First Resources, and Pegasus Asia. Ms. Wong also serves on the board of Kemin Industries. She is a Fellow and Chairperson of the Governing Council of the Singapore Institute of Directors.

DATO TIMOTHY ONG TECK MONG

Non-Executive Independent Director

Board Committee(s) served on: NGC (Chairman), ARMC (Member)

Present Directorships in other listed companies: Nil

Past Directorships in listed companies held over the preceding 3 years: Tee Land Limited

Present Principal Commitments: Independent Director of Baiduri Bank Bhd

Education and Achievements:
- Bachelor of Arts (Honours) in Economics and Political Science, Australian National University
- Master of Science (with Distinction) in International Relations, London School of Economics

Date of Appointment: 20 May 2016

Last Re-elected: 28 January 2022

Dato Timothy Ong is a leading Brunei businessman who served as the Acting Chairman of the Brunei Economic Development Board from 2005 to 2010.

He is a member of a number of boards, including Baiduri Bank and National Insurance of Brunei and PHINMA Inc. and PHINMA Education in the Philippines.

Dato Ong has represented Brunei on various regional councils, including as Chair of the APEC Business Advisory Council.

He is a recipient of the Most Honourable Order of Seri Paduka Mahkota Brunei (DPMB) conferred by his Majesty, the Sultan of Brunei, and the Grand Cross of the Order of Bernardo O'Higgins conferred by the President of Chile.

MR. GEORGE THIA PENG HEOK

Non-Executive Independent Director

Board Committee(s) served on: ARMC (Chairman), RC (Member)

Present Directorships in other listed companies: CH Offshore Ltd.

Past Directorships in listed companies held over the preceding 3 years:
- DISA Limited

Present Principal Commitments:
- National Cancer Centre of Singapore (Board of Trustees)

Education and Achievements:
- Life Member of the Institute of Singapore Chartered Accountants
- Retired Member of the Association of Chartered Certified Accountants (UK)
- Master of Gerontology, Singapore University of Social Science (formerly known as UniSIM)

Date of Appointment: 22 December 2017

Last Re-elected: 28 January 2022

Mr. George Thia has more than 35 years of experience in merchant banking and financial services, being actively involved in many corporate finance transactions in Singapore and the surrounding region. He is a chartered accountant (Singapore) and practiced with Cooper Brothers & Co. (now known as PricewaterhouseCoopers).

Mr. Thia is currently a business consultant for mergers and acquisitions at GAAB Private Limited and Asianic Private Limited and an advisor to a private equity fund focusing on healthcare, eldercare and education. He is a board member of the National Cancer Centre. He is also an Independent Non-Executive Chairman of CH Offshore, an SGX-listed company in the business of offshore supplies and services.

Mr. Thia was formerly a Managing Director at Morgan Grenfell, Merrill Lynch International, Sun Hung Kai Securities and Lum Chang Securities. He was also an Executive Director and Partner of Kay Hian (now UOB Kay Hian Securities). Mr. Thia was the Executive Chairman of two publicly listed companies and had served as an Independent Director and the Chairman of the Audit Committees of several listed companies in Singapore, Malaysia and Indonesia. He was a consultant to the SGX on the training of regulation officers and rendered advice on the development and launch of the Catalist of the SGX. Mr. Thia also practiced business consultancy in association with the law firms Rodyk & Davidson (Singapore) from 2003 to 2005 and Kelvin Chia & Partners (Myanmar) from 2012 to 2013.

PROFESSOR ANNIE KOH

Non-Executive Independent Director

Board Committee(s) served on: ARMC (Member), RC (Member)

Present Directorships in other listed companies:

- AMTD IDEA Group (formerly known as AMTD International Inc.)
- KBS US Prime Property Management Pte. Ltd. (manager of Prime US REIT)

Past Directorships in listed companies held over the preceding 3 years:

- Health Management International Ltd.
- K1 Ventures Limited

Present Principal Commitments:

- Professor Emeritus of Finance (Practice), Lee Kong Chian School of Business, Singapore Management University (SMU)
- Senior Advisor, Business Families Institute, SMU

Education and Achievements:

- Bachelor of Social Science and Economics (Honours), National University of Singapore
- Master of Philosophy and Doctor of Philosophy in International Finance, New York University
- Monetary Authority of Singapore Scholar and Fulbright Scholar
- Awarded the Bronze and Silver Singapore Public Administration Medals in 2010 and 2016, respectively, and the Adult Education Prism Award in 2017 for her contributions to the education and public sectors

Date of Appointment: 3 November 2020

Last Re-elected: 29 January 2021

Professor Annie Koh is Professor Emeritus of Finance (Practice) at the Lee Kong Chian School of Business at SMU. She is a renowned conference speaker, panel moderator and commentator. She chairs the Asian Bond Fund 2 Supervisory Committee for the Monetary Authority of Singapore and is a committee member of Singapore's Customs Advisory Council. She has been recently appointed as a board member of the Singapore Food Agency with effect from 1 April 2023.

Professor Koh is currently the Chairman of Prime US REIT and an Independent Director of AMTD IDEA Group, Prudential Assurance Company Singapore and EtonHouse Community Fund. She previously served on the boards of GovTech, Singapore's CPF, HMI and K1 Ventures, and was a member of the World Economic Forum Global Future Council from 2019-2022 and the HR Industry Transformation Advisory Panel from 2018-2023. Professor Koh also advises privately-owned enterprises such as Flexxon, PBA Group and TOP International, startups such as Dedoco, Hyperscal Solutions, Pyxis Maritime and RABC Holdings, and non-profits such as Blockchain Association of Singapore and Cyber Youth Singapore. She has been an investment committee member of iGlobe Partners since July 2010 and an advisor to CUBE3 Ventures and Asia Food Sustainability Fund since October 2021 and February 2022, respectively. Professor Koh previously held leadership positions at SMU, including Vice President for Business Development, V3 Group Professor of Family Entrepreneurship, Academic Director of the Business Families Institute and the International Trading Institute, Associate Dean of the Lee Kong Chian School of Business and Dean of the Office of Executive and Professional Education.

MR. JAIME ALFONSO ANTONIO EDER ZOBEL DE AYALA

Non-Executive Non-Independent Director

Board Committee(s) served on: Nil

Present Directorships in listed companies: Nil

Within the Ayala Group:

- ACEN Corporation (formerly known as AC Energy Corporation)
- AyalaLand Logistics Holdings Corp.
- Globe Telecom, Inc.

Outside the Ayala Group:

- First Myanmar Investment Public Company Limited

Past Directorships in listed companies held over the preceding 3 years: Nil

Present Principal Commitments:

- Head of Business Development and Digital Ventures Group, Ayala Corporation

Education and Achievements:

- Primary Concentration in Government, Harvard University
- Master of Business Administration, Columbia Business School

Date of Appointment: 10 November 2022

Last Re-elected: N.A (will be seeking re-election at the 2023 AGM)

Mr. Jaime Alfonso Antonio Eder Zobel De Ayala is the Head of Business Development and Digital Ventures Group of Ayala Corporation. He sits on the board of ACEN Corporation, Globe Telecom, Mynt (Gcash), Ayala Land Logistics and First Myanmar Investment, amongst others.

He is a member of the investment committees of Kickstart Ventures, the corporate venture vehicle of Ayala Group, and 917Ventures, Globe Telecom's corporate incubation vehicle.

Prior to these roles, Mr. Zobel de Ayala was previously Head of Fixed-Mobile Convergence (Product Management) and Head of Business Development (Prepaid Division) of Globe Telecom.

MR. CYRUS PUN CHI YAM

Alternate Director to Mr. Serge Pun

Board Committee(s) served on: Nil

Present Directorships in other listed companies: Nil

Past Directorships in listed companies held over the preceding 3 years:

- Non-Executive Director of Yoma Strategic Holdings Ltd.
- Memories Group Limited (Memories Group Limited was delisted from the Catalist of the SGX-ST with effect from 18 January 2023)

Present Principal Commitments:

- Chief Executive Officer of Memories Group Pte. Ltd. (formerly known as Memories Group Limited)

Education and Achievements:

- Bachelor of Science in Economics, London School of Economics
- Executive MBA, Kellogg-HKUST

Date of Appointment: 1 January 2022

Last Re-elected: N.A

Mr. Cyrus Pun started his career working in the export industry in China at Hutchison Port Holdings' South China Commercial Division. He joined SPA in 2007 to develop a mixed-used real estate project in Dalian, China.

Mr. Pun was an Executive Director of Yoma Strategic and headed the Group's Real Estate business from 2012 to 2018. During this time, he led the Group's real estate activities, including some of Myanmar's largest and most prominent projects, and was responsible for attracting international partners and investors to these developments. Mr. Pun's last initiative at Yoma Strategic was to launch the Group's expansion into the affordable housing segment.

Prior to his re-designation as the Alternate Director to Mr. Serge Pun, he was a Non-Executive Non-Independent Director of Yoma Strategic.

MR. ALBERTO MACAPINLAC DE LARRAZABAL

Alternate Director to Mr. Jaime Alfonso Antonio Eder Zobel de Ayala

Board Committee(s) served on: Nil

Present Directorships in listed companies:

- First Myanmar Investment Public Company Limited - Alternate Director
- Integrated Micro-Electronic, Inc.
- ENEX Energy Corporation
- Manila Water Company, Inc.

Past Directorships in listed companies held over the preceding 3 years: Nil

Present Principal Commitments: Chief Financial Officer, Chief Risk Officer and Chief Sustainability Officer of Ayala Corporation

Education and Achievements:
Bachelor Degree in BS Industrial Management Engineering, De La Salle University

Date of Appointment: 20 April 2023

Last Re-elected: N.A

Mr. Alberto Macapinlac de Larrazabal is the Chief Financial Officer, Chief Risk Officer and Chief Sustainability Officer of Ayala Corporation. He has over two decades of extensive experience as a senior executive in finance, business development, treasury operations, joint ventures, mergers and acquisitions, investment banking and investor relations.

Prior to joining Ayala Corporation, Mr. Larrazabal served as the Chief Commercial Officer and Chief Financial Officer of Globe Telecom, a business unit of Ayala Corporation. Before Globe Telecom, he held positions at JPMorgan Hong Kong as a Vice President and Head of Consumer Investment Banking and at San Miguel Corporation as a Senior Vice President and Chief Financial Officer.

His other directorships include FMI (Myanmar), Integrated Micro-Electronic (Philippines), ENEX Energy (Philippines) and Manila Water (Philippines).

Information as at the date of this Annual Report

KEY MANAGEMENT

MR. JR CHING
Chief Financial Officer

MR. KENNETH SEE CHIN YEH
Group General Counsel

MS. JOYCELYN SIOW LI YUEN
Group Financial Controller

MS. JANE CHIA
Group Treasurer

MS. THINN THANDAR SHWE
Head of Group Human Resources

MR. MICHAEL TOH
Head of Risk Management and Assurance

MR. PHYO THET KHINE @ CHASE
Head of Group Technology

MR. YE MON MIN
Head of Business Development

MR. BEN KOO
Head of Yoma Financial Services

MR. MINN HTET KHINE
General Manager, KFC Myanmar

MR. GERHARD HARTZENBERG
Head of Heavy Equipment

MR. MICHAEL RUDENMARK
Head of Passenger Vehicles

MR. SERGE PUN

Executive Chairman

MR. MELVYN PUN

Chief Executive Officer and Executive Director

MR. JR CHING

Chief Financial Officer

Mr. JR Ching has served as the Group's Chief Financial Officer since May 2015 and is responsible for the Group's financial functions, listing procedures, investor engagement and strategic business development. He manages the Group's relationships with key financial partners and certain operating partners, including ADB, FMO, CGIF, IFC, Ayala Corporation, Yum! Brands, and Mitsubishi Corporation, amongst others. Since joining the Group in May 2013, Mr. Ching has overseen over US$1 billion of funding and investments into Myanmar.

Mr. Ching graduated as a Morehead Scholar from the University of North Carolina at Chapel Hill with a Bachelor of Arts Degree in International Studies with the Highest Distinction. He then spent over a decade at Goldman Sachs in the Fixed Income, Currency & Commodities, Capital Markets and Investment Banking Divisions in London and Hong Kong, where he was the Head of Structured Finance for the Asia-Pacific ex-Japan region. Mr. Ching has extensive financial and corporate experience in a wide range of business sectors and has executed investing, financing and risk management transactions across Asia, the Middle East, Europe and North America.

MR. KENNETH SEE CHIN YEH

Group General Counsel

Mr. Kenneth See Chin Yeh rejoined the Group in July 2022 and was appointed as Group General Counsel to lead the Group's legal and compliance functions. Mr. See has overseen the legal aspects of several notable projects at the Group, such as the implementation of the Yoma Central project and the acquisition of the controlling interest in Wave Money from Telenor, amongst others. Prior to his rejoining the Group, Mr. See was the resident partner for global law firm Baker McKenzie's Myanmar practice, where he advised on mergers and acquisitions (M&A), corporate law and Myanmar regulatory and compliance matters. Mr. See also spent time in Baker McKenzie's Singapore office where he worked on various cross-border transactions across Southeast Asia.

Mr. See graduated from the University of Manchester with a Bachelor of Laws and completed an Executive Master of Laws (Financial Law & Regulation) with Distinction from the London School of Economics and Political Science. He has a barrister-at-law qualification from Lincoln's Inn, UK and was admitted to practice as an advocate and solicitor in West Malaysia and Singapore. Mr. See is currently serving as the chair of the British Chamber of Commerce Myanmar's Legal Working Group.

MS. JOYCELYN SIOW LI YUEN

Group Financial Controller

Ms. Joycelyn Siow Li Yuen joined the Group in 2008 and has held the position of Group Financial Controller since May 2013. Her principal duty is overseeing the financial reporting of the Group to ensure compliance with the Singapore Financial Reporting Standards (SFRS) and the SGX listing requirements. She is also involved in the Group's corporate actions, including capital raising exercises, acquisitions and the realisation of assets. In addition, Ms. Siow is responsible for the technical development of the finance teams and gives regular training sessions to them on SFRS. Since 2022, she has also acted as the corporate secretary for certain subsidiaries of the Group.

Ms. Siow graduated with a Diploma in Banking and Financial Services from Singapore Polytechinc and went on to pursue her ACCA (Association of Chartered Certified Accountants). Prior to joining the Group, she spent 10 years at international audit firms where she led the audit of publicly listed companies and multinational corporations. Besides audit engagements, she was also assigned to other assignments such as internal audit, preparing financial statements for initial public offerings and reverse takeover transactions, and financial due diligence reviews.

MS. JANE CHIA

Group Treasurer

Ms. Jane Chia has served as Group Treasurer since 2019 and has direct oversight over the Group's cashflow management and funding operations. She manages the Group's relationships with its key local and international financial institutions and executes fundraising activities in relation to the banks and international debt capital markets. Ms. Chia joined the Group in October 2015 and served as the Head of Finance of KFC Myanmar for more than 2 years.

Prior to joining the Group, Ms. Chia held several management roles overseeing the financial reporting, treasury and internal audit functions at various SGX listed and private companies. She holds a Bachelor of Accountancy Degree from Nanyang Technological University.

MS. THINN THANDAR SHWE

Head of Group Human Resources

Ms. Thinn Thandar Shwe was appointed as the Head of Group Human Resources in October 2021. She has been with the Yoma g roup for the past 19 years serving in multiple roles. Ms. Shwe spent 7 years with Yoma Bank and 6 years with the Group's finance team in Singapore before relocating to Yangon in June 2017 to join Group Human Resources. She was previously the HR Director of Compensation and Benefits. Ms. Shwe also serves on the leadership team of Yoma Land for Pun Hlaing Estate and StarCity.

Ms. Shwe graduated with a Bachelor of Arts Degree from the University of Yangon and has further studied at ACCA (Association of Chartered Certified Accountants) Singapore.

MR. MICHAEL TOH

Head of Risk Management and Assurance

Mr. Michael Toh has served as the Head of Risk Management and Assurance since 2021 and is responsible for the Group's risk management, compliance and segmental performance management. He has designed and executed a transformation strategy to align the budgeting and reporting processes across the Group and has implemented a range of preventive, detective and corrective control measures to safeguard assets and prevent fraud. He joined the Group in 2019.

Mr. Toh graduated with a Bachelor of Commerce Degree from the University of Adelaide and has been a qualified Certified Practicing Accountant (Australia) since 1998. He spent over a decade at Schlumberger where he was responsible for overseeing various regional finance functions, including controllership, taxation, treasury and internal audit in multiple jurisdictions such as Indonesia, Australia, Vietnam, Thailand and the USA. Prior to joining the Group, Mr. Toh was an independent consultant for Interplex Precision Technology and served as Head of Finance at Puma Energy (Myanmar).

MR. PHYO THET KHINE @ CHASE

Head of Group Technology

Mr. Phyo Thet Khine was appointed as the Head of Group Technology in October 2021. He is currently responsible for overseeing the Group's technology platform and initiating new digital businesses and applications. He helped to launch Pocket, Myanmar's first coalition loyalty platform, and oversaw the formation of Onenex as one of the leading software developers in Myanmar. Prior to joining the Group in 2018, Mr. Khine worked in IT in the financial services industry.

Mr. Khine graduated with a Bachelor of Information Technology from the University of Newcastle.

MR. YE MON MIN

Head of Business Development

Mr. Ye Mon Min has served as the Head of Business Development since July 2022 and leads the Group's M&A activities whilst supporting strategic business development initiatives for the Group. Mr. Min first joined the Group in February 2016 and has managed a variety of deals and projects in the real estate, consumer, infrastructure and automotive sectors, amongst others.

Prior to joining the Group, Mr. Min was with Ernst & Young Thailand in their Transactions Advisory Division where he managed buy-side and sell-side deals, conducted business valuations and performed post-merger integrations across Southeast Asia, whilst specialising on the Myanmar market. Mr. Min graduated from the University of Oklahoma in 2010 with a Bachelor of Arts in Finance and Accounting and obtained a Master of Business Administration from Chulalongkorn University in 2014.

YOMA LAND

MR. SERGE PUN

Mr. Serge Pun took over leadership of Yoma Land during the previous financial year. He is supported by two teams designated to manage Pun Hlaing Estate and StarCity. Each team comprises mainly local employees in functions such as projects, sales, marketing, finance and human resources. The teams report directly to Mr. Serge Pun who is responsible for overseeing and driving the growth strategies of Yoma Land.

WAVE MONEY

MR. MELVYN PUN

Following the departure of Mr. Brad Jones as the Chief Executive Officer of Wave Money in May 2023, Mr. Melvyn Pun assumed direct oversight of Wave Money's leadership team, which consists of executives across various functions such as corporate strategy, digital transformation and technology, business operations, finance and human resources.

LEASING

MR. BEN KOO

Head of Yoma Financial Services

Mr. Ben Koo has been with the Group since October 2018 and was appointed as the Head of Yoma Financial Services in August 2019. He is the Head of Yoma Fleet and a Non-Executive Director of Wave Money. Mr. Koo also oversees various financial services initiatives for the Group. He works closely with the Group's strategic partners in the financial services sector and has helped to manage several of the Group's M&A deals in this space. Mr. Koo also works on a number of digital initiatives of the Group.

Prior to joining the Group, Mr. Koo had over 20 years of experience in working at leading financial institutions, including Goldman Sachs, Macquarie, Deloitte and Arthur Andersen. Prior to moving to Myanmar in 2017, he was based in Singapore and was responsible for overseeing investment coverage in Asia as the Co-Head of Pan Asia Financial Institutions Investment Research and the Co-Head of ASEAN Investment Research at Goldman Sachs.

Mr. Koo graduated from the Australian National University with a Bachelor of Commerce and Economics Degree in 1994. He was also a member of the Chartered Accountants Australia and New Zealand from 2001 to 2017.

YOMA F&B

MR. MINN HTET KHINE
General Manager, KFC Myanmar

Mr. Minn Htet Khine was appointed as the General Manager of KFC Myanmar in February 2022 and is responsible for leading the KFC business into its next phase of sustainable and profitable growth. He also oversees the alignment of the Yoma F&B platform between KFC and YKKO.

Mr. Khine holds a Bachelor of Science Degree in Economics from Duke University where he graduated with High Distinction. In 2015, he joined Delta Capital Myanmar, a Myanmar-focused private equity fund where he looked at investment opportunities and managed portfolio companies across various sectors including consumer, manufacturing and information technology. After supporting the Group in its acquisition of a 65% stake in YKKO in 2019, Mr. Khine transferred to the Yoma F&B business unit to facilitate the integration of YKKO into Yoma F&B and to oversee the Auntie Anne's and Little Sheep franchise businesses.

YOMA MOTORS

MR. GERHARD HARTZENBERG
Head of Heavy Equipment

Mr. Gerhard Hartzenberg joined the Group in January 2015 and is responsible for the entirety of the Heavy Equipment business, including New Holland and Case Agriculture, Hino Trucks and FPT Power Generation, that operates out of 9 branches and reconditioning centres across Myanmar. He manages the Group's relationships with each of the major OEMs and has also recently started a Case Construction business in Thailand in a separate capacity.

Mr. Hartzenberg graduated from the University of Pretoria with a Bachelor of Commerce (Hons) Degree. He has extensive senior management experience in automotive, trucks, agriculture, construction equipment and leasing businesses with the likes of Imperial Group, Super Group, John Deere, General Motors, Mercedes Benz and Toyota. He is a member of the JD Worldwide Leadership Council, Toyota Wings League and an honorary lecturer at the NWU Post Graduate Business School.

MR. MICHAEL RUDENMARK
Head of Passenger Vehicles

Mr. Michael Rudenmark was appointed as the Head of Passenger Vehicles in March 2013 and is responsible for growing the Group's Passenger Vehicles division. He played a pivotal role in securing the Volkswagen and Ducati brands for the Group and worked extensively with the Group's joint venture partners for the Mitsubishi Motors, Bridgestone Tyres and Hino Trucks businesses.

Mr. Rudenmark has a Bachelor of Arts in Economics from Rollins College. He has lived in Yangon for more than 25 years and has extensive experience in the Myanmar automotive market as the Founder and Managing Director of German Car Industries, a sales and after-sales company started in April 1996.

Veggie Farm at Pun Hlaing Estate

Employee flu vaccination programme at The Campus

Star Ferry connects StarCity and downtown Yangon

Information as at the date of this Annual Report

Build a Better Myanmar for its People

Board of Directors' visit to StarCity

Launch of the Book Garden at The Campus

Happy Friday Event at The Campus

Yoma Family Day 2023

GEOGRAPHICAL PRESENCE

Despite the challenging economic environment, the Group maintains a leading nationwide platform in its core sectors as part of its endeavour to Build a Better Myanmar for Its People.

REAL ESTATE

3
Large scale developments in Yangon

>6
Million square feet of landbank[1]

WAVE MONEY

300
Townships and 58,000 Wave Money agents nationwide with 4.6 million MAUs[2]

LEASING

28
Yoma Fleet rental hubs in 8 cities with 115 vehicles

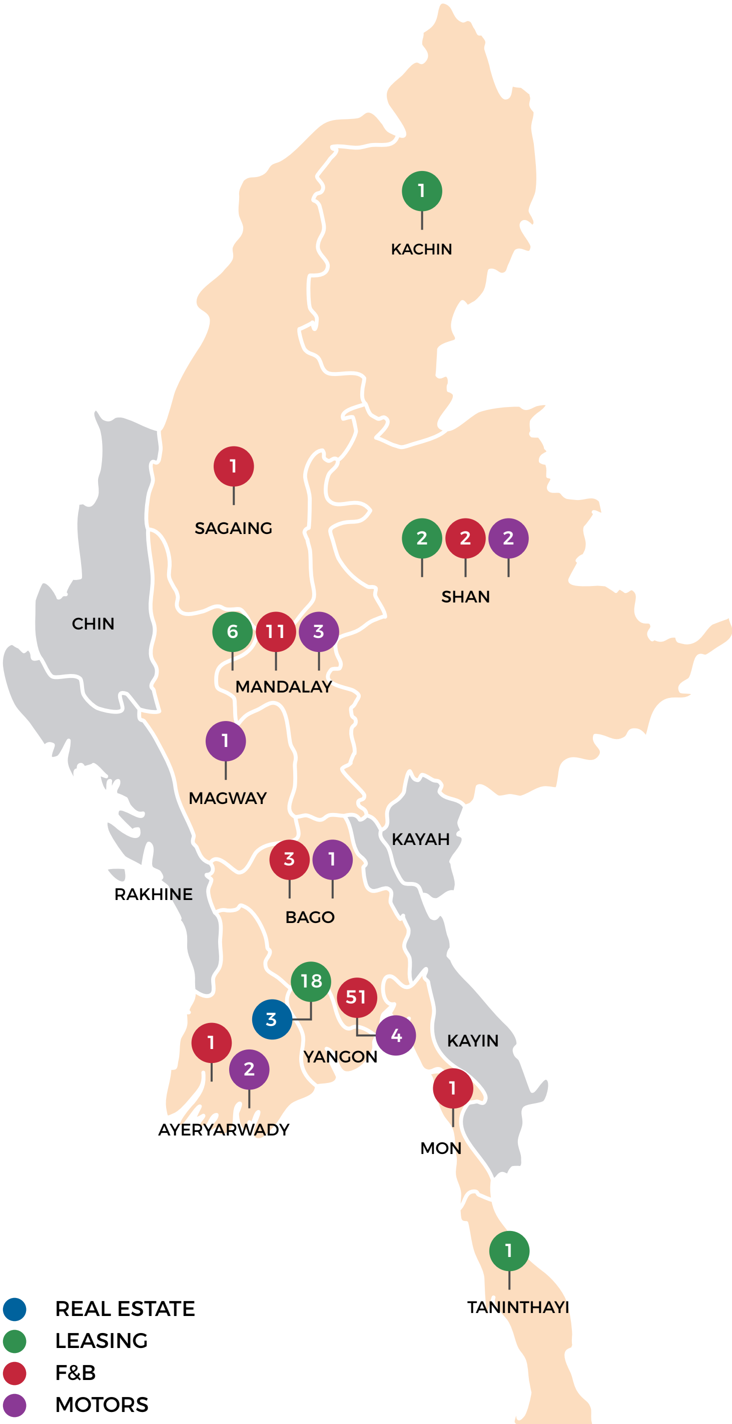
F&B

70
Restaurants in 9 cities

MOTORS

11
Heavy Equipment branches, reconditioning centres and a subdealer

2
Passenger vehicle showrooms



1 Includes only landbank at StarCity, Pun Hlaing Estate and other miscellaneous land plots.

2 Monthly active users

3 Excluding Wave Money agents which have presence in 300 townships across Myanmar.

Information as at 30 April 2023

123.6 m

12M-MAR2023 REVENUE

17

TOTAL NUMBER OF CITIES[3]

5,432

TOTAL EMPLOYEES

40%

EMPLOYEE GENDER DIVERSITY

BUSINESS MODEL

INPUTS → KEY FOCUS AREAS

Inputs

- Financial and Operational Capital
- Intellectual Capital
- Human Capital
- Relationship and Reputational Capital

Key Focus Areas

Financial and operational flexibility
- Prioritise cashflow generation and continued balance sheet deleveraging
- Maintain cost optimisation measures with reduced fixed overheads

Going Forward

Strengthening our core businesses
- Primary focus on real estate and mobile financial services
- Rationalisation of non-core and under-utilised assets

Corporate governance
- Reinforce high standards of corporate governance and a robust approach to risk management

Prioritise health, safety and well-being of staff
- Various initiatives to protect and improve the livelihood of the "Yoma Family"

Foster a culture of innovation
- Digital transformation initiatives across the Group
- Utilise technology and new processes to improve efficiency and adapt to the changing business environment

Elevate local talent
- Promote and empower local management and create a clear pathway for growth and development
- Enhance training programmes to equip the workforce with the necessary skills

Leverage experience and know-how
- Combine the Group's innate knowledge of Myanmar with international best practices
- Develop new product offerings to target a wider group of customers

Proactive approach to engagement
- Build upon existing relationships with key stakeholders
- Consistent, frequent and transparent communications strategy

VALUE CREATED

- Record sales at Yoma Land Development[1] and Yoma F&B
- Completed the acquisition of a controlling stake in Wave Money to expand footprint in Mobile Financial Services

- Yoma Land introduced City Villas, an affordable landed housing product at StarCity
- Launch of City Loft West expands the affordable housing product to the west of Yangon
- Construction of Yoma Central to restart in the second half of 2023[2]

- Positive operating cashflow of US$11.3 million and positive investing cashflow of US$62.1 million
- Restructured Yoma Central's loan facility
- Reduced net debt by US$125.2 million, resulting in net gearing ratio of 18.6% as at 31 March 2023

12M-Mar2023

- Wave Money continued to enhance its over-the-counter business and digital platform
  - Achieved 4.6 million MAUs as at 31 March 2023
  - Successfully onboarded over 200,000 merchants since 2022
  - Leveraged nationwide network of 58,000 agents

- Retained key employees at all levels, despite a challenging jobs market
- Promoted a number of Myanmar executives to leadership positions
- Launched internal programme to develop future leaders
- Implemented initiatives to boost employee productivity, morale and culture
- Continued flexible working arrangements given movement restrictions and curfews

- Yoma F&B continued brand leadership in its product categories

- Maintained its ranking within the top 5% of listed companies for the SGX-ST Governance and Transparency Index
- Won Best Annual Report (Sliver) under the small cap company category for the Singapore Corporate Awards.
- Sustained engagement with investors, lenders and other partners of the Group's businesses

STAKEHOLDERS

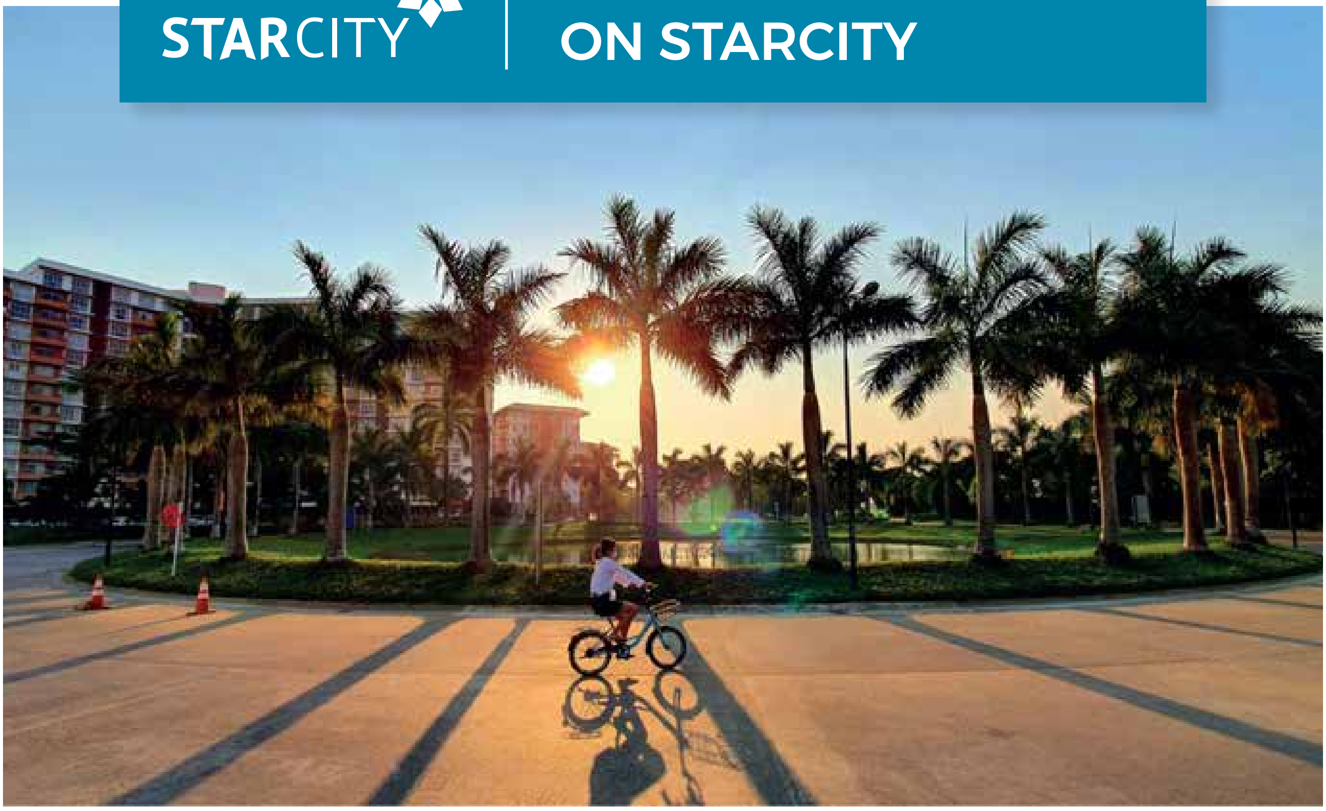
- Customers
- Employees
- Shareholders
- Lenders
- Government and Regulators
- Contractors and Suppliers
- Communities

1 *By number of units sold.*

2 *Subject to stakeholders' approval.*

STARCITY

SPOTLIGHT ON STARCITY



Despite the COVID-19 pandemic and the events of 2021, StarCity has developed into a vibrant residential community that now hosts a population of more than 5,500 residents and over 2,000 daily visitors. Throughout, Yoma Land was able to continue construction activities and handed over 1,000 units between 2020 and 2022.

Yoma Land's pivot to create product offerings that cater to a wider population has paid off at StarCity and is evident from the success of City Loft, Star Villas and City Villas. City Villas is a new landed housing product at a more competitive price point than Star Villas with the flexibility to customise living space according to the buyers' needs.

STARCITY DEVELOPMENT MILESTONES

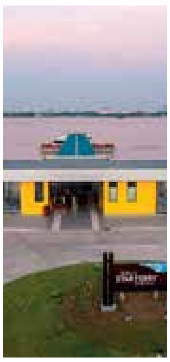
2010
Started

2015
Zone A
Zone B
Star City Links

2017
Galaxy Towers

2019
City Loft
River Park

2020
Star Villas



2021
The Hangar
Star Ferry
Solar Farm
Yoma Bank
(Headquarters)

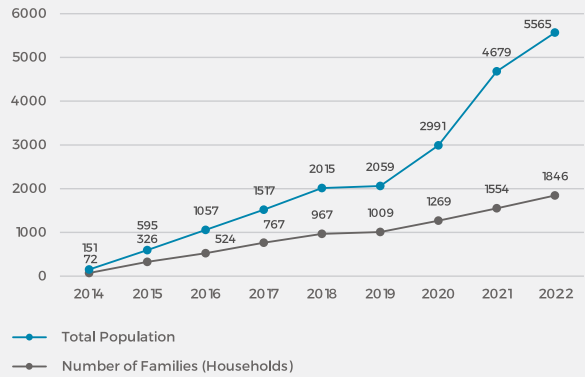
2022
City Villas
StarCity
Sports Club

In addition to the development activities at StarCity, Yoma Land has also added new facilities to the estate to enhance the amenities on offer to residents and visitors. Some of the notable new offerings include:

- The Hangar, a wet market and food court
- Star Ferry, an alternative transportation option to travel to/from downtown Yangon
- StarCity Sports Club, a membership based sporting facility with, an Olympic-sized swimming pool and four football fields that allow for the hosting of sporting events

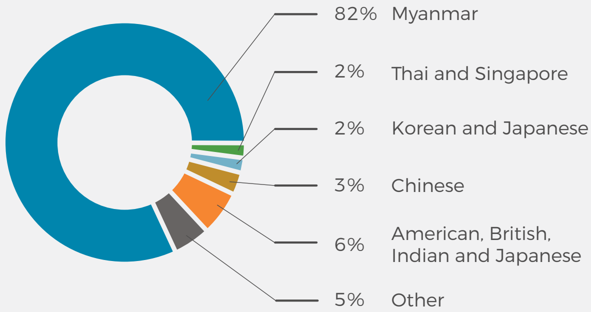
Meanwhile, the refurbishment of the former Dulwich Campus into two office buildings, which now serve as Yoma Bank's headquarters, has added to the overall commercial vibrancy at StarCity. This aligns with the Group's vision to develop the estate into a residential, leisure, and business destination in the east of Yangon.

NUMBER OF RESIDENTS



Significant population growth

RESIDENTS BY NATIONALITY



Demand driven by local owner-occupiers

StarCity Sports Club (SCSC)

The Hanger

Yoma Bank Headquarters

The table below shows the level of sales and bookings for each of Yoma Land's products under construction at StarCity as at 31 March 2023:

Project	Description	Launch Date	Number of units launched	Number of units sold and booked
CITY LOFT	Modern affordable apartment	November 2018	1,071	1,040
STARVILLAS	First landed housing	Phase I: May 2020 Phase II: January 2022	43	43
CITYVILLAS	Affordable landed housing	Phase I: August 2022	130	116

SPOTLIGHT ON WAVE MONEY

Since 2016, Wave Money has built a substantial financial services platform throughout Myanmar. Its extensive network of 58,000 agents has fueled an over-the-counter remittance business with more than 80% market share[1].

Wave Money's efforts to expand the digital payments ecosystem in support of its mobile app, WavePay, have also resulted in the onboarding of over 200,000 merchants. Digital transaction volumes reached an all-time high in 12M-Mar2023, and altogether Wave Money transferred approximately US$6.8 billion, equal to 10%[2] of Myanmar's GDP, in the period.

58,000
Agents in 300 townships

>80%
Share of the country's OTC remittance market[1]

US$6.8 Billion
Remittances and payments in 12M-Mar2023

114%
Increase in digital transaction volumes in 12M-Mar2023

>200K
Merchants onboarded since 2022[3]

1 Based on Wave Money's internal data.
2 Based on Myanmar's 2023 GDP data from IMF (https://www.imf.org/en/Countries/MMR).
3 As at 31 March 2023.

GROWTH IN DIGITAL FINANCIAL SERVICES IN MYANMAR

Wave Money is embarking on an exciting new phase of growth as it looks to capitalise on the ongoing digitalisation and modernisation of Myanmar's financial system. Building on the strength of its existing platform, Wave Money plans to roll out new product categories covering payments, financial services, inflows, lifestyle, and business solutions, along with leveraging its agent network to offer a broader range of services, such as e-commerce delivery, cash withdrawal and collection, and customer KYC and support for the WavePay app.

This expansion will create a powerful digital ecosystem that will allow Wave Money to tap into new markets and customer segments and promote WavePay as the most widely used mobile wallet in Myanmar. As of March 2023, Wave Money has already achieved a total monthly active user base of 4.6 million.

RAISED STAKE IN WAVE MONEY TO 65%

The Group's outlook for the digital financial services sector in Myanmar remains optimistic, and as such, Wave Money is poised to play a pivotal role in connecting the Group's businesses and customers.

Given the growth prospects for Wave Money, in December 2022, the Group and a consortium of investors completed the acquisition of Telenor's 51% interest in Wave Money for US$40.0 million. The Group invested US$16.5 million for an additional 21% effective interest in Wave Money which brought the Group's overall effective interest in Wave Money to 65%.

As a result, Wave Money has become a subsidiary of the Group, and its consolidation is expected to have a positive impact on the Group's financial performance and balance sheet position.

GROUP STRUCTURE

YOMA LAND

DEVELOPMENT

›	STARCITY
70%	Thanlyin Estate Development Limited
›	PUN HLAING ESTATE
100%	Yoma Development Group Limited
100%	Lion Century Properties Limited
›	OTHERS
25%	CLW Development Limited

SERVICES

›	STARCITY
70%	Thanlyin Estate Development Limited
›	PUN HLAING ESTATE
100%	Yoma Development Group Limited
›	OTHERS
100%	Yangon Sand Industries Limited
70%	StarCity International School Company Limited
100%	SPA Design and Project Services Limited

YOMA CENTRAL

›	YOMA CENTRAL AND THE PENINSULA YANGON
48%	Meeyahta Development Limited
24%	Peninsula Yangon Limited

MOBILE FINANCIAL SERVICES

›	WAVE MONEY
65%	Digital Money Myanmar Limited

LEASING

›	LEASING
80%	Yoma Fleet Limited

YOMA F&B

RESTAURANTS

›	KFC
100%	Summit Brands Restaurant Group Company Limited
›	YKKO
65%	Yankin Kyay Oh Group of Companies Limited

Yoma Strategic Holdings Ltd.[1]
Updated as at the date of this Annual Report
Unless otherwise stated, effective interests are held through direct or deemed wholly owned subsidiaries.
The complete list of subsidiaries and associated companies is available at the Company's website: www.yomastrategic.com

YOMA MOTORS

HEAVY EQUIPMENT

›	NEW HOLLAND
100%	Yoma Heavy Equipment Company Limited (formerly known as Convenience Prosperity Company Limited)
›	HINO MOTORS
100%	Summit SPA Motors Limited

PASSENGER VEHICLES

›	VOLKSWAGEN AND DUCATI
100%	Yoma German Motors Limited
›	MITSUBISHI MOTORS
100%	MM Cars Myanmar Limited[2]

INVESTMENTS

›	AGRICULTURE
100%	Plantation Resources Pte. Ltd.
100%	Yoma Agriculture Company Limited
›	BOTTLING
19.8%	Seagram Myanmar Company Limited
›	DALIAN SHOPPING MALL
100%	XunXiang (Dailan) Enterprise Co., Ltd.
›	DIGITAL
100%	Atlas Digi Myanmar Limited (Onenex)
100%	Digital Loyalty Service Myanmar Limited (Pocket)
›	ENERGY AND POWER
35%	Yoma Micro Power Myanmar Limited
100%	Yoma-AC Energy Holdings Pte. Ltd.[3]
›	LOGISTICS AND DISTRIBUTION
50%	KOSPA Limited
›	MITSUBISHI ELEVATORS
40%	MC-Elevator (Myanmar) Limited
›	PRIVATE INVESTMENTS
100%	Welbeck Global Limited
›	TOURISM
33.3%	Memories (2022) Pte. Limited

1 All interests are held by a wholly owned intermediary holding company, Yoma Strategic Investments Ltd.

2 The Company continues to equity account a 50% interest in MM Cars Myanmar Limited until the adjustment to the purchase price has been agreed with Mitsubishi Corporation, as can be referred to in the Company's previous announcements dated 14 April 2022, 22 April 2022 and 18 April 2023.

3 This will be a 50:50 joint venture with ACEN Corporation (formerly known as AC Energy Corporation) upon satisfaction of certain terms and conditions.

FINANCIAL HIGHLIGHTS

The consolidation of Wave Money has transformed the nature of the Group's financials, particularly as a result of the diversification in the Group's material costs and expenses. As such, a change in presentation of the Group's financial statements was required to provide a more informative representation of the Group's financial position and performance. This change, which conforms with the accounting principles and standards, was implemented in the current financial period. Going forward, the financial statements will be presented by nature, which is a more compatible format for all businesses across the Group, rather than by function.

Key Profit or Loss Statement Items US$ million	12M-Mar2021	12M-Mar2022	12M-Mar2023
Revenue	**95.1**	**80.0**	**123.6**
Other gains or losses	4.1	6.0	8.7
Operating expenses			
Cost of inventories and subcontractors and related costs	(55.0)	(46.7)	(62.1)
Employee compensation	(22.9)	(13.2)	(18.3)
Marketing and commission	(4.5)	(2.0)	(15.7)
Others	(11.0)	(12.4)	(18.6)
Core EBITDA	**5.8**	**11.7**	**17.6**
Finance costs	(25.6)	(18.7)	(27.4)
Amortisation and depreciation of non-financial assets	(18.1)	(13.7)	(12.2)
Currency gains/(losses), net	0.2	2.4	(5.2)
Share of losses of joint ventures	(2.0)	(2.4)	(1.0)
Share of losses of associated companies	(4.7)	(1.0)	(2.7)
Net fair value (losses)/gains	(11.8)	37.0	(20.8)
(Losses)/gains on disposal of investment properties	-	(4.9)	3.8
Loss allowance on financial assets at amortised cost, net	(1.1)	(3.7)	(1.2)
Impairment losses on non-financial assets	(5.6)	(6.4)	(9.2)
Write-off of property, plant and equipment	(0.6)	(5.0)	(0.1)
Other non-core expense	(2.8)	(4.9)	(0.3)
Loss before income tax	(66.3)	(9.6)	(58.8)
Net loss	**(69.6)**	**(12.1)**	**(63.3)**
Net loss attributable to shareholders	**(64.5)**	**(14.6)**	**(41.2)**
Basic loss per share (US$ cents)	(2.9)	(0.7)	(1.9)

Key Balance Sheet Items US$ million	As at 31 Mar 2021	As at 31 Mar 2022	As at 31 Mar 2023
Total assets	1,366.2	1,224.8	1,208.5
Total liabilities	597.4	500.5	511.8
Shareholder's equity	564.3	528 .3	446 .4
Net Debt	336.0	284.3	159.1
Net gearing ratio (%)	30.4%	28.2%	18.6%
Net asset value per share (US$)	25.2	23.6	19.9

PROFIT OR LOSS STATEMENT

REVENUE

In 12M-Mar2023, the Group's revenue increased significantly by 54.5% year-on-year to US$123.6 million, driven by the gradual economic recovery in the key urban cities where the Group operates. This growth was primarily attributed to the strong performance of Yoma Land Development and Yoma F&B which witnessed year-on-year growth rates of 64.7% and 64.4%, respectively.

In addition, the Group successfully completed the acquisition of its additional interest in Wave Money which became a subsidiary of the Group and has been consolidated into the Group's financial statements effective from 1 December 2022. The inclusion of Wave Money in the Group's financial statements contributed US$19.7 million to total revenue in 12M-Mar2023.

OPERATING EXPENSES

In 12M-Mar2023, the cost of inventories and subcontractors and related costs increased by 33.0% year-on-year to US$62.1 million. This increase was commensurate with the growth in revenue observed at Yoma Land Development and Yoma F&B. Employee compensation expenses increased to US$18.3 million in 12M-Mar2023, which represented a 38.6% change year-on-year, primarily due to the consolidation of Wave Money, which accounted for 12.6% of the Group's total employee compensation expenses, and the partial reinstatement of salaries for employees and key management from the stringent cost control measures implemented in 2021.

The substantial increase in marketing and commission expenses from US$2.0 million in 12M-Mar2022 to US$15.7 million in 12M-Mar2023 was mainly due to the inclusion of operational expenses at Wave Money where commissions are paid to its agents as part of its over-the-counter remittance business model. These commissions contributed 79.0% of the Group's total marketing and commission expenses.

CORE EBITDA

In 12M-Mar2023, core EBITDA significantly increased by 50.4% year-on-year to US$17.6 million. This growth in operating profits was primarily driven by improvements at Yoma Land Development and Yoma F&B, which experienced impressive year-on-year growth of 123.3% and 120.0%, respectively. These positive results were attributed to higher sales, the absence of operational disruptions and ongoing efficiency measures. Wave Money also contributed US$2.7 million of core EBITDA in 12M-Mar2023, and Yoma Motors recorded a remarkable 333.3% year-on-year growth in core EBITDA during the period.

NET LOSS

The Group recorded a net loss of US$63.3 million which was mainly attributed to:

(i) Net fair value (losses)/gains

In 12M-Mar2023, the Group reported net fair value losses of US$20.8 million, a significant contrast to the net fair value gains of US$37.0 million recorded in 12M-Mar2022. This variance was attributed to the fair value loss of US$26.3 million at Yoma Central arising from changes to the project timeline and the prevailing economic situation. This loss was partially offset by fair value gains of US$3.9 million on the Group's investment properties at StarCity and Pun Hlaing Estate which were primarily driven by the depreciation of MMK against USD. Please refer to table 1 on page 27 for explanation.

In 12M-Mar2022, there were no fair value adjustments at Yoma Central, and the Group recorded fair value gains of US$41.4 million on its investment properties at StarCity and Pun Hlaing Estate primarily from the greater degree of depreciation of MMK against USD.

PROFIT OR LOSS STATEMENT

TABLE 1: BREAKDOWN OF NET FAIR VALUE LOSSES IN 12M-MAR2023

US$ million	Breakdown of fair value losses
(17.9)	Fair value losses on investment properties in US$ terms. Valuation exercise conducted in US$ as generally 1) rent is charged in US$ and 2) selling prices of comparable properties in Myanmar are determined in US$ per square foot.
21.8	Currency gains at the Myanmar subsidiary level from the conversion of US$ valuation into MMK. US$ appreciated more than 13.4% against MMK since 30 September 2021 (last valuation date).
3.9	Net fair value gain on investment properties at Pun Hlaing Estate and StarCity held by Myanmar subsidiaries with MMK as their functional currency.
(26.2)	Fair value losses on investment properties in Yoma Central.
(22.3)	**Net fair value losses on investment properties**
0.5	Fair value gain on the Group's investment in a private equity fund and the Mandalay airport
1.0	Fair value gains on share warrants
(20.8)	**Net fair value losses**

(ii) Impairment losses on non-financial assets

Impairment losses on non-financial assets of US$9.2 million in 12M-Mar2023 comprised mainly the impairment loss recorded by Yoma Central on the hotel building under construction which was classified as property, plant and equipment. The impairment loss was in line with the valuation of the entire development of Yoma Central as explained in the prior section above. In 12M-Mar2022, impairment losses on non-financial assets of US$6.4 million mainly relates to the impairment of the Group's agriculture investments.

(iii) Finance costs

Interest expenses on borrowings increased in 12M-Mar2023 as compared to 12M-Mar2022 despite a decrease in average borrowings outstanding during the period. This increase was primarily driven by higher interest expenses at Yoma Central, which contributed US$10.2 million in 12M-Mar2023, due to the cessation of certain interest expenses being capitalised at the project following its temporary suspension and the increase in USD LIBOR rates. Currency translation losses in 12M-Mar2023 were mainly due to the weakening of USD against THB in this period as compared to the strengthening of USD against THB in 12M-Mar2022.

TABLE 2: BREAKDOWN OF FINANCE EXPENSES IN 12M-MAR2022 AND 12M-MAR2023

US$ million	12M-Mar2022	12M-Mar2023
Interest expenses on borrrowings	17.8	23.0
Interest expenses on lease liablities	3.7	3.6
Currency (gain)/losses on borrowings, net	(2.8)	0.8
Total	**18.7**	**27.4**

FINANCIAL POSITION

BALANCE SHEET MANAGEMENT

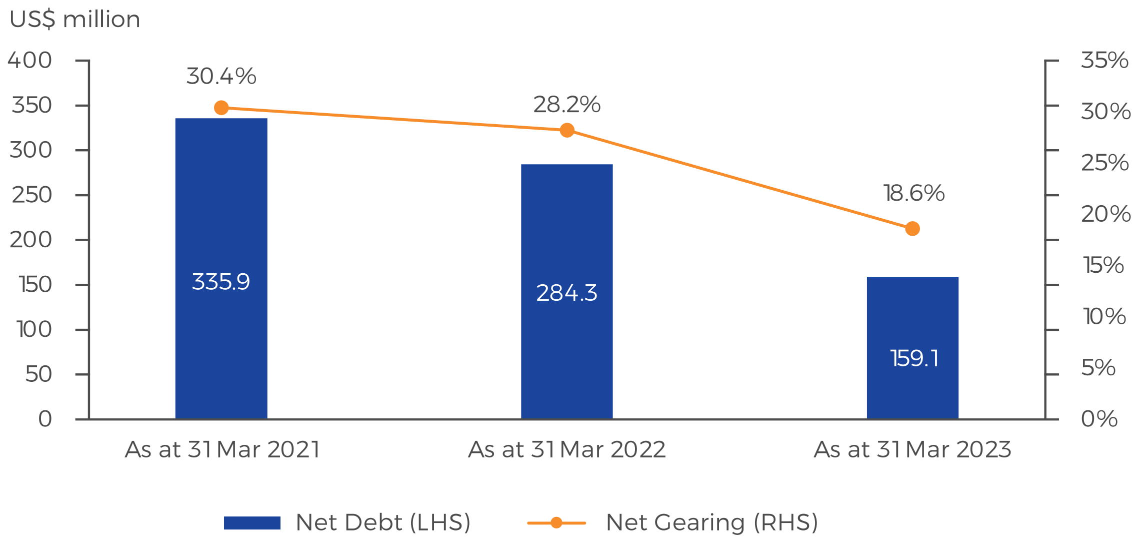
To sustain financial stability and balance sheet flexibility, the Group has placed an emphasis on maintaining sufficient liquidity and continuing to decrease leverage through cashflow generation. In 12M-Mar2023, the Group recorded positive operating cashflow of US$11.3 million primarily from the performance at Yoma Land Development and positive investing cashflow of US$62.1 million primarily from the disposal of certain investment properties, which were substantially used for the repayment of borrowings.

In March 2023, the Group also completed the restructuring of Yoma Central's debt facilities which resulted in a substantial US$54.0 million decrease in the Group's consolidated borrowings. As a result, the next principal instalment on the debt facility is due on 15 June 2025.

As a result of the above, the Group's net debt reduced by US$125.2 million from US$284.3 million as at 31 March 2022 to US$159.1 million as at 31 March 2023, thereby reducing the Group's net gearing ratio from 28.2% to 18.6% as of those respective dates.

The Group remains committed to reduce its borrowings and anticipates net debt to decline by a further US$15-25 million over the next 12 months.

NET DEBT AND NET GEARING RATIO



YOMA LAND DEVELOPMENT

Key Income Statement Items US$ million	12M-Mar2021	12M-Mar2022	12M-Mar2023
Revenue	**26.3**	**27.8**	**45.8**
Other gains or losses	(0.7)	0.8	-
Operating expenses	(21.9)	(24.3)	(36.2)
Core EBITDA	**3.7**	**4.3**	**9.6**
Finance costs	(0.1)	-	-
Amortisation and depreciation of non-financial assets	(0.5)	(0.6)	(0.6)
Currency gains, net	0.4	3.4	0.2
Share of losses of associated companies	(0.2)	(1.1)	(0.9)
Net fair value losses	-	(0.6)	-
Loss allowance on financial assets at amortised cost	(0.6)	(2.6)	(0.6)
Write-off of property, plant and equipment	-	(0.7)	-
Other non-core expense	(0.3)	(3.4)	(3.7)
Profit/(loss) before income tax	**2.4**	**(1.3)**	**4.0**

Revenue increased by 64.7% year-on-year to US$45.8 million in 12M-Mar2023 which represented 37.1% of the Group's total revenue. Demand for real estate remains resilient which is reflected by the consistently strong sales recorded at all of the Group's residential projects. This performance is driven by the competitive positioning of the Group's product offerings, the continued construction activities in both estates and the demand for hard assets in the current environment.

The increase in revenue was mainly attributed to new projects launched, including City Villas at StarCity and The Hills at Pun Hlaing Estate, during 12M-Mar2023. The total selling price of the 113 City Villas units sold was approximately US$33.6 million, out of which US$18.3 million was recognised as revenue in 12M-Mar2023. In Pun Hlaing Estate, the total selling price of the 7 The Hills units sold was approximately US$11.0 million, out of which US$6.0 million was recognised as revenue in 12M-Mar2023. Additionally, the sale and construction of City Loft units and Star Villas units at StarCity and land sales at Pun Hlaing Estate further contributed towards revenue in 12M-Mar2023.

Unrecognised revenue amounting to approximately US$33.8 million as at 31 March 2023 for the sold units at StarCity and Pun Hlaing Estate is expected to be realised in the coming 12-18 months as construction progresses. Of this amount, US$28.3 million is attributed to StarCity. For reference as at 31 March 2023, 1,040 City Loft units have been sold or booked out of 1,071 units launched, 43 Star Villas units have been sold or booked out of 43 units launched and 116 City Villas units have been sold or booked out of 130 units launched in Phase I. In response to the strong demand for City Villas, the Group has since launched an additional phase (Phase X) comprising 77 units.

Operating expenses as a percentage of revenue declined from 87.4% in 12M-Mar2022 to 79.0% in 12M-Mar2023 due to the continued cost control measures and the improvement in product margins. Product margins improved as the prevailing inflationary and currency environment, the variability of the product offering and the completion of the initial phases of City Loft and Star Villas enabled the Group to increase pricing on the subsequent phases of each of those projects.

As a result, core EBITDA and profit before income tax in 12M-Mar2023 improved significantly to US$9.6 million and US$4.0 million, respectively.

YOMA LAND SERVICES

Key Income Statement Items US$ million	12M-Mar2021	12M-Mar2022	12M-Mar2023
Leasing	4.0	3.1	4.1
Estate Operations	3.4	8.0	6.1
Project Management and Construction	0.3	1.6	0.6
Revenue	**7.7**	**12.7**	**10.8**
Other gains or losses	0.2	0.6	-
Operating expenses	(5.5)	(6.4)	(7.3)
Core EBITDA	**2.4**	**6.9**	**3.5**
Finance costs	0.2	-	-
Amortisation and depreciation of non-financial assets	(1.2)	(0.8)	(2.0)
Currency gains/(losses), net	0.4	-	(1.9)
Share of losses of joint ventures	(0.7)	-	-
Net fair value (losses)/gains	(12.1)	38.8	2.8
(Loss)/gain on disposal of investment properties	-	(4.9)	3.8
(Loss allowance)/reversal of loss allowance on financial assets at amortised cost	(0.1)	0.1	-
Other non-core expense	-	(0.4)	(0.2)
(Loss)/profit before income tax	**(11.1)**	**39.7**	**6.0**

Revenue was lower at US$10.8 million in 12M-Mar2023 primarily due to lower operator fee income as compared to 12M-Mar2022. The operator fee income was attributed to the Group's share of profits in Hlaing River Golf and Country Club Company Limited[1] ("HRGCCL") where there was a fair value gain on investment properties of US$0.9 million in HRGCCL's 12M-Mar2023 income statement as compared to US$4.8 million in 12M-Mar2022. This decrease in the fair value gain was due to MMK depreciating to a lesser degree against USD in 12M-Mar2023.

Excluding the impact of operator fee income, revenue from estate operations increased from US$3.2 million in 12M-Mar2022 to US$4.9 million in 12M-Mar2023. This increase was attributed to the enlarged population at StarCity which resulted in higher estate management fees and increased utilisation of facilities. The resident population at StarCity grew year-on-year from approximately 4,700 to 5,800 as at 31 March 2023.

There was also an increase in total leasing revenue in 12M-Mar2023 due to the commercial leasing revenue generated from the office building that was converted from the StarCity Dulwich campus[2] which offset a decrease in residential leasing revenue at both StarCity and Pun Hlaing Estate. This decrease in residential leasing revenue resulted from a reduction in rental rates and fewer units available for lease following the sale of certain serviced apartments to rebalance the Group's investment property portfolio. Apart from the lower revenue, core EBITDA in 12M-Mar2023 was further impacted by higher operating expenses, primarily as a result of rising utility costs for generator usage at StarCity due to the more frequent power cuts.

Profit before income tax was significantly impacted by lower net fair value gains on investment properties at both StarCity and Pun Hlaing Estate. As above, this decrease in net fair value gains was driven by MMK depreciating to a lesser degree against USD in 12M-Mar2023. (Please refer to Table 1 on page 27 for more explanation). These effects, however, were partially offset by a net gain on disposal of investment properties. Please see table 3 below for more information on the disposal of investment properties.

TABLE 3: DISPOSAL OF INVESTMENT PROPERTIES

US$ million	12M-Mar2022	12M-Mar2023
Gain on disposal of commercial office building in StarCity	-	11.6
Loss on disposal of Aurora apartments in StarCity	(4.9)	(7.8)
(Loss)/gain on disposal of investment properties	(4.9)	3.8

1 The Group reflects a 70% share of HRGCCL's profits as operator fee income in its revenue.

2 As of the end of March 2023, the office buildings and related land rights had been sold to the tenant, Yoma Bank.

WAVE MONEY

Key Income Statement Items US$ million	12M-Mar2021	12M-Mar2022	12M-Mar2023
Revenue	**-**	**-**	**19.7**
Other gains or losses	-	-	1.5
Operating expenses	-	-	(18.5)
Core EBITDA	**-**	**-**	**2.7**
Finance costs	-	-	(0.7)
Amortisation and depreciation of non-financial assets	-	-	(0.5)
Currency losses, net	-	-	(1.0)
Share of profits of associated companies	5.8	2.8	1.3
Other non-core expense	-	-	0.8
Profit before income tax	**5.8**	**2.8**	**2.6**

Upon completion of the acquisition of Telenor's interest in Wave Money in December 2022, Wave Money became a subsidiary of the Group. Revenue from Mobile Financial Services in 12M-Mar2023 refers to the US$19.7 million of revenue generated by Wave Money from December 2022 to March 2023 which represented 15.9% of the Group's total revenue. Prior to December 2022, the Group accounted for Wave Money's results as a share of profits in an associated company, and hence there was no such revenue for previous periods.

As the table above does not provide a direct comparison, a commentary on Wave Money's standalone year-on-year performance (12M-Mar2022 vs. 12M-Mar2023) has been included in this section.

Wave Money's revenue grew by 48.3% year-on-year driven by the recovery of its over-the-counter ("OTC") business and the expansion of its digital offerings. Revenue from the OTC business recorded an increase of 47.5% year-on-year due to an increase in transaction numbers and larger average ticket sizes from the improved liquidity in Wave Money's agent network. Despite the improvement in the OTC business, transaction numbers have not yet reached the levels observed prior to February 2021 due to the relative contraction in economic activity and the heightened regulatory environment. Meanwhile, Wave Money's efforts to expand its digital offerings have led to a 50.6% year-on-year increase in digital revenue with transaction volumes growing by 114.1% year-on-year.

The number of total monthly active users increased to 4.6 million as at 31 March 2023.

In 12M-Mar2023, core EBITDA reflected an increase in operating expenses as compared to the previous year mainly due to the allocation of additional resources towards digital expansion initiatives and technology upgrades, customer acquisition and retention costs, implementation of QR merchant services, and higher marketing expenditures to facilitate the growth of Wave Money's business.

Despite these higher costs, Wave Money remained focused on cash flow generation and profitability. As a result, profit before income tax was US$2.6 million in 12M-Mar2023.

LEASING

Key Income Statement Items US$ million	12M-Mar2021	12M-Mar2022	12M-Mar2023
Revenue	**7.2**	**5.9**	**4.7**
Other gains or losses	0.2	0.5	2.1
Operating expenses	(2.5)	(2.1)	(3.0)
Core EBITDA	**4.9**	**4.3**	**3.8**
Finance costs	(0.4)	(0.1)	-
Amortisation and depreciation of non-financial assets	(3.2)	(3.0)	(2.8)
Currency gains/(losses), net	0.2	(0.6)	(2.0)
Loss allowance on financial assets at amortised cost	(0.4)	(0.8)	-
Profit/(loss) before income tax	**1.1**	**(0.2)**	**(1.0)**

In 12M-Mar2023, revenue from Yoma Fleet decreased by 20.3% year-over-year to US$4.7 million which represented 3.8% of the Group's total revenue.

Contract terminations and expirations in the lease portfolio, coupled with rental relief granted for idle Caterpillar equipment and contract renewals and extensions at lower rates, led to the decrease in revenue. This decrease was partially offset by higher demand for daily rental vehicles as domestic travel resumed and corporate usage materialised.

As of 31 March 2023, third-party assets under management ("AUM") stood at US$40.6 million and the total number of vehicles under lease was 1,117 as compared to third-party AUM of US$40.5 million and total number of vehicles under lease of 1,233 as at 31 March 2022.

Operating expenses in 12M-Mar2023 increased by 42.9% year-on-year primarily due to higher maintenance and repair costs associated with the ageing fleet and higher employee compensation expenses. In addition, operating leases, which carry higher operating expenses compared to finance leases, constituted a higher percentage of Yoma Fleet's revenue in 12M-Mar2023 (73.0% in 12M-Mar2023 vs. 66.8% in 12M-Mar2022).

The lower revenue and higher operating expenses were partially mitigated by other gains derived from the disposal of ex-fleet vehicles and favourable customer collections that resulted in a core EBITDA of US$3.8 million in 12M-Mar2023.

Loss before income tax amounted to US$1.0 million due to currency translation losses.

YOMA F&B

Key Income Statement Items US$ million	12M-Mar2021	12M-Mar2022	12M-Mar2023
Revenue	**16.5**	**14.9**	**24.5**
Other gains or losses	0.2	0.2	0.3
Operating Expenses	(16.0)	(13.6)	(21.5)
Core EBITDA	**0.7**	**1.5**	**3.3**
Finance costs	(1.1)	(0.7)	(0.5)
Amortisation and depreciation of non-financial assets	(8.2)	(5.0)	(3.4)
Currency losses, net	(0.1)	(0.5)	(0.8)
Write-off of property, plant and equipment	(0.2)	(4.2)	-
Other non-core expense	(0.3)	(0.6)	-
Loss before income tax	**(9.2)**	**(9.5)**	**(1.4)**

Yoma F&B has shown significant recovery over the past year with the most notable improvement occurring in the last six months of the period.

Revenue in 12M-Mar2023 increased by 64.4% year-on-year to US$24.5 million which represented 19.8% of the Group's total revenue. KFC and YKKO benefited from increased consumer spending and experienced fewer disruptions compared to the same period in the previous year. Furthermore, successful marketing campaigns and partnerships with Wave Money, foodpanda and other service providers contributed to the record breaking sales performance.

As of 31 March 2023, Yoma F&B operated a total of 70 restaurants, comprised of 35 YKKO restaurants (of which two new restaurants were opened in March 2022 and March 2023) and 35 KFC restaurants.

In 12M-Mar2023, operating expenses increased by 58.1% year-on-year, primarily driven by the higher level of sales, the expanded operating platform and the addition of more staff to support it, and higher utility costs resulting from increased generator usage during the frequent power outages.

Despite the higher operating expenses, core EBITDA in 12M-Mar2023 demonstrated strong performance and increased by 120.0% to US$3.3 million. This achievement was supported by improved gross profit margins of 52.0% that were attributed to upward pricing adjustments at both KFC and YKKO to counter inflationary cost pressures, a lower proportion of delivery sales that consequently reduced packaging costs and delivery commissions, and the increasing localisation of the supply chain.

Write-off of property, plant, and equipment of US$4.2 million in 12M-Mar2022 was an extraordinary expense resulting from the permanent closure of certain restaurants as part of the right-sizing of the platform in that year.

As a result, loss before income tax in 12M-Mar2023 significantly reduced to US$1.4 million which reflected the improvement in core EBITDA and the reduction in non-operating expenses.

YOMA MOTORS

Key Income Statement Items US$ million	12M-Mar2021	12M-Mar2022	12M-Mar2023
Revenue - Passenger Vehicles	5.3	3.3	2.0
Revenue - Heavy Equipment	15.4	8.7	9.3
Revenue	**20.7**	**12.0**	**11.3**
Other gains and losses	0.2	0.1	0.7
Operating expenses	(20.6)	(11.8)	(10.7)
Core EBITDA	**0.3**	**0.3**	**1.3**
Finance costs	(0.2)	(0.1)	(0.1)
Amortisation and depreciation of non-financial assets	(2.0)	(1.5)	(1.2)
Currency gains/(losses), net	0.3	(1.6)	(0.6)
Share of profits of joint ventures	1.2	0.1	0.2
Loss allowance on financial assets at amortised cost	(0.1)	(0.4)	(0.7)
Other non-core (expense)/income	(0.1)	(0.2)	2.0
(Loss)/profit before income tax	**(0.6)**	**(3.4)**	**0.9**

Revenue at Yoma Motors declined slightly to US$11.3 million in 12M-Mar2023 as compared to US$12.0 million in 12M-Mar2022.

Heavy Equipment revenue increased by 6.9% year-on-year, driven primarily by the additional revenue generated from Hino trucks following the Group's acquisition of Sumitomo's 76.8% stake in the Hino business in February 2023. Excluding the Hino business, revenue from New Holland tractors and JCB construction equipment was broadly flat at approximately US$8.6 million in both 12M-Mar2023 and 12M-Mar2022. The total number of tractors, implements and construction equipment sold in 12M-Mar2023 was 590 units as compared to 654 units in 12M-Mar2022. Despite fewer units sold, the Group was able to maintain revenue at a similar level by increasing prices as a result of supply constraints.

Passenger Vehicle revenue generated from Volkswagen vehicles and Ducati motorbikes decreased to US$2.0 million in 12M-Mar2023 as compared to US$3.3 million in 12M-Mar2022 with 55 units and 132 units, respectively, sold. The Group was able to sell Volkswagen vehicles at higher prices with better margins due to supplies being limited from the import restrictions on new vehicles.

In 12M-Mar2023, operating expenses decreased by 9.3%, mainly due to the closure of five Heavy Equipment branches and synergies achieved from the consolidation of the Mitsubishi Motors/Volkswagen operations under a single location to reduce costs. In February 2023, the Group also announced that it would terminate the sale of new Volkswagen vehicles whilst continuing to provide after-sales services.

Core EBITDA increased by 333.3% year-on-year to US$1.3 million in 12M-Mar2023. This significant growth in core EBITDA was driven primarily by the continued cost control measures at Yoma Motors.

Profit before income tax turned positive in 12M-Mar2023 at US$0.9 million, mainly due to the US$2.2 million one-time bargain purchase gain recognised in other non-core income upon the acquisition of the Hino business.

PORTFOLIO OF INVESTMENTS

KOSPA

The Group holds a 50.0% interest in Kospa Limited ("KOSPA"), which is a joint venture between the Group, Kokubu Group Corporation and S.F. Express (Overseas) Limited that provides third-party logistics (3PL) services throughout Myanmar. KOSPA's current services include warehousing, transportation, cross-border, freight forwarding and customs clearance.

Despite challenges in Myanmar's logistics sector, including curfews, trade restrictions and security risks, KOSPA improved its operational performance year-on-year with revenue increasing from US$4.9 million in 12M-Mar2022 to US$5.4 million in 12M-Mar2023. Furthermore, KOSPA added 1,900 square metres of warehouse space that increased its overall footprint to a total of 6,400 square metres of multi-temperature storage capacity. In addition, KOSPA acquired new customers in the FMCG sector and expanded its "express" product offering in last mile delivery for corporate customers.

MEMORIES GROUP

The Group holds approximately 33.3% interest in Memories (2022) Pte. Limited (together with its subsidiaries, the "Memories Group"), a leading integrated tourism platform in Myanmar comprising hotels, experiences, services, consultancy and third party management. Whilst the global health crisis has largely subsided, Memories Group continues to be impacted by the downturn in international arrivals to Myanmar since the COVID-19 pandemic and the events of February 2021. Despite these challenging circumstances, Memories Group continues to operate Awei Metta (urban hotel in Yangon), Awei Pila (private island retreat) and Balloons over Bagan. It has also taken over the management of several F&B concepts in Yangon.

In light of the uncertain business environment, Memories Group Limited was delisted from the Catalist of the SGX-ST in January 2023. This corporate action is expected to provide Memories Group greater flexibility in utilising its available resources and facilitating the implementation of strategic initiatives and/or operational changes aimed at safeguarding its long-term competitiveness.

YOMA MICRO POWER

Yoma Micro Power (S) Pte. Ltd. ("Yoma Micro Power") is a joint venture between the Group, the International Finance Corporation and the Norwegian Investment Fund for Developing Countries that builds micro-power plants and mini-grids to provide off-grid power to telecommunication towers and villages. As at 31 March 2023, Yoma Micro Power has built 608 off-grid hybrid and 5 grid-tied solar power plants and has connected 28 village mini-grids.

In October 2019, the Group also formed a 50:50 strategic partnership with AC Energy Corporation (now known as ACEN Corporation) which has invested approximately US$25 million in Yoma Micro Power. As such, the partnership continues to explore additional renewable energy opportunities in Myanmar and the Philippines.

SEAGRAM MM

Seagram MM Holdings Pte. Ltd. ("Seagram MM") is an associated company of the Group that engages in the production, branding, marketing, import and distribution of international spirits and whiskey. The other shareholders of Seagram MM are Pernod Ricard, Delta Capital and the Win Brothers.

Over the past year, Seagram MM expanded its product offering by introducing new locally blended and imported whisky products and successfully managed to increase prices to counter inflationary cost pressures. Seagram MM currently utilises 36 key wholesalers nationwide to distribute its products in over 300 townships.

POCKET

Digital Loyalty Service Myanmar Limited, a wholly owned subsidiary of the Group, launched Pocket, a digital lifestyle platform offering a customer loyalty and rewards programme. Since its launch in November 2022, Pocket has successfully partnered with more than 20 service providers across various industries, including F&B, travel, wellness, beauty and lifestyle. As part of the Group's digital vision, Pocket aims to offer a wide range of products and services on its platform that cater to the diverse needs of the Myanmar consumer base and build competencies that utilise data for valuable consumer trends, insights and analytics.

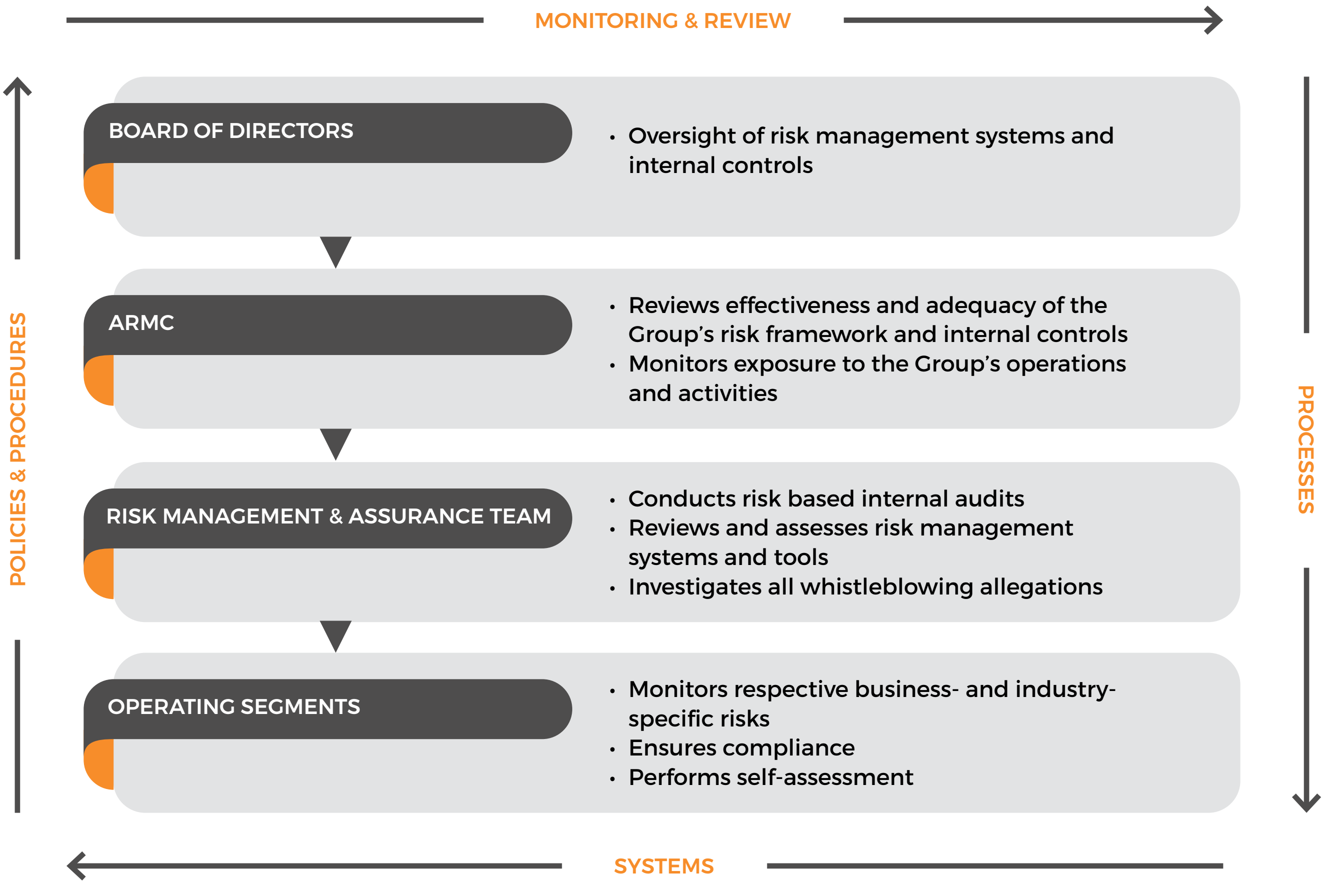
ONENEX

As part of the Group's overarching digital transformation strategy and to manage technology development costs more efficiently, Atals Digi Myanmar Limited ("Onenex"), a wholly owned subsidiary of the Group, was formed to provide web application, mobile application and website development services to both internal entities and external customers. Going forward, Onenex is poised to expand its internal development capabilities whilst also exploring offshoring arrangements to attract and retain top-tier IT talent.

RISK MANAGEMENT

The Group has a robust risk management framework in place to identify, measure, monitor and manage critical risks. A strong risk awareness culture aimed at safeguarding stakeholders' interests is embedded in all strategic and operational decision-making activities to strike a balance between acceptable risk tolerance levels against anticipated returns. Material risk issues are reported to and discussed with the Audit and Risk Committee ("ARMC") and the Board of Directors (the "Board").

An enterprise Risk Management ("ERM") framework identifies material risks through a Group-wide self-assessment exercise. Supporting the ERM framework is a system of mitigating measures, internal controls, policies and procedures that are regularly reviewed and enhanced by Management with guidance and oversight from the ARMC and the Board.



RISK MANAGEMENT

DESCRIPTION	MITIGATION
STRATEGIC RISK	
Business Model / Strategy The Group's strategic risk lies in the evolving competitive landscape, changing customer preferences, capacity for execution and disruptive technology. These factors could impact the decisions made in each of the Group's business segments and affect their operations and performance.	We manage this risk by: a) Requiring all segments to perform rigorous analysis and discussion as part of their decision-making process, including input from Management. b) Formulating strategies to maintain a competitive advantage through differentiation and innovation. c) Focusing on the customer experience and distinguishing the quality, value, and efficiency of our products and services. d) Increasing emphasis on talent development and training to upgrade employees' capability to address the changing business environment. e) Diversifying the Group's business mix and sources of revenue and profitability.
MACRO RISK	
Business Environment Continued uncertainty in the economic and business environment in Myanmar, coupled with the global geopolitical situation, has resulted in heightened macro risk to the Group in conducting its businesses. Myanmar's reinsertion to the Financial Action Task Force blacklist and/or the imposition of further trade restrictions and additional sanctions could impact the flow of capital, reduce foreign investment, slow economic growth and cause higher unemployment. Enhanced due diligence processes may also require additional time and resources to implement the Group's business plans. Furthermore, changes in regulation and/or government policies could also affect the Group's operations and financial performance.	The Group has made a long-term commitment to Myanmar. Its continued presence, participation and provision of essential products and services is paramount in fulfilling its mission to Build a Better Myanmar for its People. We mitigate this risk by: a) Maintaining a balanced approach in making decisions to ensure commercial survival, business resilience and sustainability. This includes supporting key sectors and engaging with other stakeholders – e.g. employees, customers, vendors, regulators, partners, lenders and investors – and the broader business community. b) Committing to ethical business practices and avoiding actions that could negatively impact the Group's reputation.
OPERATIONAL RISK	
Global Health The unprecedented COVID-19 pandemic had created unexpected challenges for the Group's businesses. In the event of a similar global or regional outbreak, there could be disruptions to the Group's operations which would severely affect its ability to execute its business plans and ultimately its long-term sustainability.	We manage this risk by: a) Adopting digital solutions to maintain business continuity. b) Facilitating cross-collaboration between business segments to impart best practices and improve operational efficiency. c) Routine maintenance of workplace hygiene standards and regular vaccination programmes to prevent the spread of infections. d) Updating employees on disease prevention measures and monitoring the emergence of new global health crises.

RISK MANAGEMENT

<table>
<tr><th>DESCRIPTION</th><th>MITIGATION</th></tr>
<tr><td colspan="2">OPERATIONAL RISK</td></tr>
<tr><td>Corruption and Fraud

The risk of corruption and fraud is inherent to any business in Myanmar and remains elevated in the current operating environment. These acts could be perpetrated by employees, officers, customers or vendors engaged by the Group.</td><td>We manage this risk by:

a) Providing regular training and communication on the Group's Code of Conduct and Conflict of Interest Policy and reinforcing a zero-tolerance approach towards any incidents of corruption and fraud.
b) Having a Whistleblowing Policy that provides accessible channels for reporting improprieties or concerns to the Risk Management and Assurance Team for investigation and ultimate oversight by the ARMC.
c) Conducting regular internal audits focused on areas with greater inherent risks, such as procurement and cash management, and introducing adequate internal controls commensurate with each business unit's operations.</td></tr>
<tr><td colspan="2">FINANCIAL RISK</td></tr>
<tr><td>Changes in Values of Investments

The Group holds investments which are required under the accounting standards to be regularly tested for impairment of their carrying value. The Group's investment properties are also subjected to an annual valuation process at the end of each financial year.

Factors such as currency movements, interest rates, project timelines and revisions to business plans may impact the value of these investments and investment properties and therefore the financial performance of the Group.</td><td>The Group maintains a long-term perspective and avoids making decisions based on short-term market fluctuations. In addition to assessing investment goals, market conditions and broader economic trends, the Group also rebalances its investment portfolio when needed to maintain the intended level of risk versus return, capture opportunities for growth, and manage an optimal balance sheet.</td></tr>
<tr><td>Inflation Risk

Increases in the costs of the Group's operations, including labor, materials, energy, transportation and distribution costs, could adversely affect its pricing strategy, profit margins, and overall operations and financial results. Furthermore, several of the Group's business segments rely on inputs from abroad that have been subject to global inflationary pressures.

The Group does not have unlimited capacity to increase pricing without affecting consumer appetite for its products and services.</td><td>The Group seeks to manage the impact of rising prices by:

a) Seeking additional revenue streams at higher margins to generate improved returns.
b) Localising supply chains and fixed overheads to reduce inflationary pressures from abroad.
c) Implementing cost-saving measures and revised operational processes to improve efficiency.
d) Negotiating long-term fixed price arrangements with vendors.
e) Monitoring and adjusting financial plans regularly to protect margins and allocating capital across different asset classes.</td></tr>
</table>

RISK MANAGEMENT

DESCRIPTION	MITIGATION
FINANCIAL RISK	
Cashflow and Funding The Group's business model is subject to its ability to secure adequate funding at reasonable cost. The current elevated level of macro risk, volatility in the financial markets and a tightening credit environment may require additional cash preservation measures and further balance sheet deleveraging.	There continues to be a stringent focus on cash generation and preservation. These efforts have taken the form of: a) Maintaining control of fixed overheads to keep them at reduced and optimised levels. b) Managing capital expenditures in a prudent manner for essential maintenance and growth. c) Reducing inventory and monetising non-core and under-utilised assets to raise additional liquidity. d) Refinancing activities to extend the debt maturity profile and with a greater focus on domestic sources of funding to mitigate foreign exchange risk. e) Diversifying funding sources to provide greater flexibility and reduce concentration risk. The measures implemented will ensure the Group maintains a competitive cost base, has sufficient cashflow and funding ability to meet its operational needs, and can seize potential future opportunities.
Foreign Exchange and Interest Rates The Group's activities are exposed to fluctuations in MMK against USD. In addition to currency translation movements, foreign exchange risk arises as local currency cashflows may need to be converted into foreign currencies to meet certain international payment obligations. Regulations on foreign exchange announced by the Central Bank of Myanmar have impacted the availability of USD and the volatility in MMK/USD exchange rates . Furthermore, there are no financial instruments available to effectively hedge against foreign exchange risk in Myanmar. The Group is also exposed to the rising interest rate environment that could have a negative impact on the cost of borrowings.	The Group's treasury function constantly monitors the currency position in each business unit's operations and the Group's overall economic exposure to movements in exchange rates. Strategies employed to mitigate the impact of foreign exchange and interest rate risks include: a) Implementing natural hedges to balance sheet positions. b) Increasing the proportion of MMK borrowings and prioritising the repayment of USD borrowings. c) Adjusting internal processes to facilitate the shortening of the currency conversion cycle. d) Maintaining a mix of both fixed and floating rates on borrowings and maximising the tenor of fixed rate borrowings where cost effective.

RISK MANAGEMENT

DESCRIPTION	MITIGATION
FINANCIAL RISK	
Credit Risk The Group has credit exposure to selected customers. The possibility of default or delinquency remains elevated as the current market conditions could affect a counterparty's ability to fulfill its payment obligations.	Credit exposure is managed by: a) Stringent background checks on credit-worthiness, assessment of cashflow generation capabilities, and acceptance of only high quality collateral. b) Focusing on customer collections and managing overdue amounts in the early stages of delinquency. c) Rigorous approvals within each business unit where credit terms are extended. Cash terms are prioritised where possible. These measures form part of a continuous effort to minimise potential credit losses.
COMPLIANCE RISK	
Regulatory and ESG Compliance Non-compliance with various laws and regulations may have a detrimental effect on the operations and financial performance of each of the Group's businesses. The Group is subject to the jurisdiction of a number of regulators, including the Central Bank of Myanmar, and regulations and policies could be issued on short notice. Furthermore, Environmental, Social and Governance (ESG) compliance has become one of the most pressing issues expected by key stakeholders, including customers, lenders and regulators, and has posed additional challenges in the current business environment.	The Group's compliance framework is guided by our core values and Code of Conduct. This entails: a) Regular reporting by each business unit to ensure that compliance risks are effectively assessed, managed and mitigated whilst keeping updated on changes to laws and regulations. b) Maintaining ongoing dialogue with the relevant regulatory authorities. The Risk Management and Assurance Team monitors the Group's compliance with its ESG targets and obligations and ensures that ESG disclosures are documented, accurate and complete. Furthermore, the Group supports the Task Force on Climate-Related Financial Disclosures and is working towards incorporating its recommendations in our reporting framework. This implementation includes analysing climate risks, identifying decarbonisation opportunities, and adopting energy efficiency programmes at the Group's projects.
INFORMATION TECHNOLOGY (IT) RISK	
IT Security The digital transformation journey has increased the Group's reliance on technology as a business enabler and to maintain business continuity. This transition has heightened the risk of cyberattacks and other IT threats, including network security, data protection, fraud and cybercrimes.	The Group remains focused on embedding cyber security and data protection/privacy into its ongoing business practices. Measures and considerations have also been taken to safeguard against the loss of information, data security and prolonged service disruption of critical IT systems. Continuous monitoring of information security policies is enhanced by the following: a) Maintaining an IT security framework to address evolving IT security threats, such as hacking, malware and mobile threats. b) Secure access two-factor authentication. c) Back-up and privileged access protocols. d) Data storage capacity and utilisation monitoring.

SUSTAINABILITY SUMMARY

OUR SUSTAINABILITY STRATEGY

We focus on solutions that help our customers and employees build a better Myanmar for its people. The sustainability journey provides new opportunities for the communities in which we operate and seeks to create value for all stakeholders.

We have identified a set of focus areas that are relevant to our businesses and are guided by environmental, social and governance ("ESG") factors. These sustainability objectives are organised around People, Planet and Profit.

Our sustainability focus areas are closely aligned to the Sustainable Development Goals ("SDGs") of the 2030 Agenda for Sustainable Development and the Ten Principles of the UN Global Compact ("UNGC").

MISSION

BUILD A BETTER **MYANMAR** FOR ITS **PEOPLE**

STRATEGIC OBJECTIVES	**OUR BUSINESS**	**OUR PLANET**	**OUR PEOPLE**
MATERIAL TOPICS	• Economic Performance • Ethical Business Practices • Compliance	• Energy Efficiency • Climate Change • Water Use and Reduction • Waste and Effluents	• Diversity and Equal Opportunity • Training and Development • Talent Retention • Human Rights and Labour Management • Health and Safety
OUR ACTIONS	Enhance protocols to identify underage workers to prevent the use of child labour Train managers on building and maintaining a respectful workplace Strengthen training on health and safety across the Group's businesses	Raise awareness on the importance of recycling and reducing the use of plastics across the Group's various businesses to minimise their environmental impact Implement procurement guidelines to reduce the amount of waste generated	Uphold and adhere to the Group's zero tolerance approach to corruption, bribery and fraud Strive to comply with the relevant national environmental policies, laws and regulations as well as the International Financial Corporation's Performance Standards, the Asian Development Bank's Safeguard Policy and the Sustainability Policy Framework from the Netherlands Development Finance Company (FMO)

SUSTAINABILITY SUMMARY

SUSTAINABLE DEVELOPMENT GOALS

We are committed to supporting the UN's SDGs in our operations.

SDG	OUR CONTRIBUTIONS
1 NO POVERTY	**Driving Job Creation and Financial Inclusion in Myanmar** Our businesses provide approximately 5,432 jobs, with a majority filled by local individuals in Myanmar. We ensures that all employees receive compensation that meets or exceeds the statutory minimum wage requirements. However, our mpact goes beyond direct employment through our active support for local businesses, fostering job creation, and the promotion of financial inclusion in communities across Myanmar. For instance, Wave Money runs a network of 58,000 agents in both urban and rural communities across 300 townships[1]. It caters to the estimated 70% of Myanmar's population that is unbanked, which includes are micro and small business owners as well as migrant workers who have relocated to urban centres in search of employment. Wave Money has also been a trusted payment partner for many NGOs disbursing COVID-19 relief funds.
2 ZERO HUNGER	**Empowering Myanmar's Agricultural Sector through Mechanisation** Yoma Heavy Equipment is committed to facilitate the mechanisation of Myanmar's agricultural industry with the aim of helping farmers improve crop profitability and save time, energy and labour. Yoma Heavy Equipment operates eight branches and has appointed one independent dealer and over 40 independent parts distributors. Furthermore, a dedicated maintenance team supports farmers and rural communities throughout Myanmar.
3 GOOD HEALTH AND WELL-BEING	**Promoting Mental Well-Being: Be Well, Work Well** We offers a mental health support programme available in both Myanmar and English aimed at prioritising the well-being of employees. This initiative provides accessible, professional and compassionate services to address mental health concerns. By creating a safe and supportive environment, individuals and their families are encouraged to openly discuss issues they may be facing . **Anargat Programme: Supporting Working Mothers** The Anargat programme is a dedicated initiative designed to provide comprehensive support to female employees within the Yoma Group[2] who are starting a family. Effective from 29 December 2020, this programme applies to all permanent female employees. **Policy:** In line with Myanmar labour laws, employees are entitled to 14 weeks of paid maternity leave. However, the Yoma Group goes beyond these requirements by offering improved maternity leave options to empower women in the workplace. Expectant mothers who are part of the Yoma Group are entitled to 20 weeks of paid maternity leave. In addition, the programme includes a maternity leave policy that provides extended leave options of up to 20, 40 or 52 weeks. The policy also guarantees employment at the end of the maternity leave period.

1 As at 31 March 2023.
2 For this purpose, Yoma Group comprises Yoma Strategic, FMI and their respective subsidiaries.

SUSTAINABILITY SUMMARY

SDG	OUR CONTRIBUTIONS

3 GOOD HEALTH AND WELL-BEING

Financial Support and Employee Services

The Anargat programme offers financial support and employee services to ensure the well-being of working mothers, including pre- and post-pregnancy counselling. To support breastfeeding mothers, a dedicated lactation room has also been made available at The Campus. The Anargat programme demonstrates the Yoma Group's commitment to creating a supportive and inclusive workplace and addressing the needs of its female employees.

Family Events: Unity and Connection

Yoma Family Day:
On 26 February 2023, the Yoma Group organised its first Yoma Family Day at the newly refurbished StarCity Sports Club. This event brought together Yoma Group employees, their families and friends with the aim of fostering unity, inclusivity and a strong sense of belonging under the "ONE YOMA" banner.

Hundreds of volunteers from across the Yoma Group enthusiastically arranged the event which included a variety of fun and engaging activities. The success of Yoma Family Day was evident by an impressive turnout with over 5,000 employees and their family members attending the festivities.

Yoma Family Cup:
The Yoma Sports Council hosted the annual Yoma Family Cup Tournament in Yangon. Commencing in 2022, this football tournament aims to foster connection amongst employees, promote a healthier lifestyle and advance our core values of innovation, teamwork, integrity, and respect.

Through these events, the Yoma Group has demonstrated its commitment to foster a positive and supportive work environment where employees and their families can come together, build relationships, and create a sense of connection.

Yoma Group COVID-19 Vaccination Policy:
Throughout the COVID-19 pandemic, we privately arranged for 8,296 doses of vaccine to be administered to staff and their families. Vaccination against COVID-19 is a requirement for all Yoma Group employees, except for those with underlying medical conditions, and as at 31 March 2023, 100% of employees have been vaccinated.

Partner of M2030:
Various companies within the Yoma Group are partners of M2030, is a movement launched by the Asia Pacific Leaders Malaria Alliance (APLMA) to eliminate malaria in Asia by 2030. The existing M2030 partners in the Yoma Group include Pun Hlaing Hospitals, Wave Money, Volkswagen, New Holland, KFC, YKKO, Yoma Micro Power and Yoma Land.

SUSTAINABILITY SUMMARY

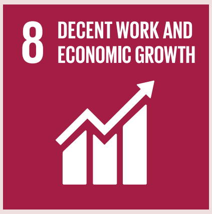
SDG	OUR CONTRIBUTIONS
4 QUALITY EDUCATION	**Enhancing Skills and Empowering People** The Yoma Group dedicates a significant amount of effort to training, and accumulated a total of 36,634 training hours were accumulated in 12M-Mar2023. These training programmes are designed to equip employees with the skills relevant to their roles and to provide opportunities for personal and professional development. We also emphasise the importance of cross-training and encourages employees to explore new skills related to their current position or other roles within the organisation. Various training programmes are offered in areas such as leadership, professional development (both hard and soft skills), product and service improvement and financial awareness. These programmes are available in both online (digital learning) and offline (classroom learning) formats to offer flexibility and accessibility to employees. In line with our commitment to sustainability, training courses also encompassed a range of sustainability topics. These included climate change, digital clean-up, resource efficiency, solid waste management, single-use plastics elimination, recycling, sustainability communication, materiality, SDGs, the "Refill Not Landfill" campaign and general sustainability advice.
5 GENDER EQUALITY	**Promoting Gender Equality and Respectful Workplaces** Gender diversity and fostering a respectful workplace are key priorities for us. Currently, approximately 40% of our workforce comprises women which reflects our commitment to inclusivity and equal opportunity. In addition, Yoma Strategic has a 22% female representation on its Board of Directors. We firmly believe that diverse perspectives at the leadership level contribute to better decision-making and overall organisational success. Starting in FY2019, we have implemented comprehensive training programmes for its managers that focus on building and maintaining a respectful workplace. In 12M-Mar2023, approximately 100% of our managers had attended such training which covered essential topics such as the Code of Conduct, anti-harassment policies and fostering respectful interactions among colleagues. The Yoma Group also serves as a founding member of the Business Coalition for Gender Equality (BCGE). Through active participation in the BCGE, the Yoma Group collaborates with like-minded organisations to advance gender equality in the business community.

SUSTAINABILITY SUMMARY

SDG	OUR CONTRIBUTIONS
7 AFFORDABLE AND CLEAN ENERGY	**Promoting Clean Energy** Since 2018, Yoma Micro Power has successfully operated a 52.65kWp grid-tied rooftop solar power system at StarCity and a similar 52.40 kWp rooftop system at The Campus in Pun Hlaing Estate. In 2021, a 273.92 kWp grid-tied solar power system at The Campus carport was also established. Furthermore, in 2022, Yoma Micro Power completed the installation of two ground-mounted grid-tied solar plants at StarCity and Pun Hlaing Estate with capacities of 1.9MWp and 2.5MWp, respectively, that are capable of powering up to 30% of the electricity usage at the residential estates. In March 2023, an 80.75kWp hybrid off-grid solar power plant was installed at Awei Pila on Kyun Pila Island, one of the assets of Memories Group. As at 31 March 2023, Yoma Micro Power has successfully completed 608 off-grid hybrid and 5 grid-tied solar power plants. We are particularly proud of this accomplishment in bringing electricity to 28 villages which benefit over 16,000 individuals in off-grid areas of Myanmar. These solar power plants have offset more than 6 million liters of diesel per year and prevented over 16,000 tonnes of greenhouse gas emissions.

Ground-mounted solar farms at StarCity

SUSTAINABILITY SUMMARY

SDG	OUR CONTRIBUTIONS
	**Upholding Ethical Labor Practices** We fully support and practice the International Labour Organisation's Eight Fundamental Core Conventions and the IFC's Labour and Working Conditions Standards. We prohibit child labour at all of our business operations and projects, and there were no cases of child labour reported in 12-Mar2023.
	**Yoma Land Pioneers Quality Affordable Housing in Yangon** Yoma Land developed City Loft, a product offering of quality affordable housing for the underserved middle class population, in-line with its wider mission to build better communities for the future of Myanmar. City Loft delivers a competitive pricing point and works with banks to offer mortgages of up to 25-years to make homeownership accessible. The first City Loft development of approximately 1,400 units is being built on a 22-acre master planned site at StarCity ("City Loft @ StarCity"). Building on the success of City Loft @ StarCity, Yoma Land launched its second City Loft development- City Loft West - in May 2023 in the west of Yangon. City Loft West is expected to have approximately 3,000 units[3] upon completion. This expansion further demonstrates Yoma Land's commitment to addressing the shortage of quality affordable housing for the middle class population in Myanmar.


City Loft @ StarCity

3 *Based on the latest development plans and subject to change.*

SUSTAINABILITY SUMMARY

SDG	OUR CONTRIBUTIONS
12 RESPONSIBLE CONSUMPTION AND PRODUCTION	**Reducing Single-Use Plastics and Waste** We actively raise awareness about the importance of reducing single-use plastics and promoting recycling practices to minimise waste sent to landfills. As part of the "Refill Not Landfill" campaign, we advocate for the use of reusable aluminium bottles as an eco-friendly alternative to plastic water bottles. These bottles can be refilled at various Yoma Group locations, including The Campus, Yoma Heavy Equipment branches, Yoma Bank branches, and the commercial venues at StarCity and Pun Hlaing Estate. We have also taken measures to reduce plastic waste within our own operations. For instance, The Campus refills glass pitchers from 20L water dispensers which has resulted in a reduction of over 13,200 single use plastic bottles annually. In February 2023, in collaboration with Golden Dowa Eco-System Myanmar, a solid waste management and recycling programme was launched at StarCity and The Campus to reduce waste sent to landfills.
16 PEACE, JUSTICE AND STRONG INSTITUTIONS	**Firm Stance Against Corruption and Discrimination** We strongly oppose bribery and all other kinds of corruption. To reinforce our Code of Conduct, we conduct training for all employees covering our policies on Anti-Bribery and Anti-Corruption, Conflicts of Interest and Whistle Blowing. These policies extend to our business dealings with third party service providers and vendors. We prohibit any form of discrimination or preference made on the basis of race, colour, sex, religion or political opinion which has the effect of impairing equal opportunity or treatment. As a committed nation builder, we believe that it is important to lead by example so as to ensure that internationally recognised best practices are established early on in the development of Myanmar.

Further information on our sustainability efforts and performance will be detailed in the Sustainability Report to be published by July 2023. The Sustainability Report would be based on the internationally recognised framework Global Reporting Initiative ("GRI") and aligned with the Singapore Exchange's Sustainability Reporting Guidelines.

CORPORATE INFORMATION

BOARD OF DIRECTORS

MR. SERGE PUN
(Executive Chairman)

MR. PUN CHI TUNG MELVYN
(Chief Executive Officer and Executive Director)

MS. WONG SU YEN
(Non-Executive Lead Independent Director)

DATO TIMOTHY ONG TECK MONG
(Non-Executive Independent Director)

MR. THIA PENG HEOK GEORGE
(Non-Executive Independent Director)

PROFESSOR KOH ANNIE
(Non-Executive Independent Director)

MR. JAIME ALFONSO ANTONIO EDER ZOBEL DE AYALA
(Non-Executive Non-Independent Director)

MR. PUN CHI YAM CYRUS
(Alternate Director to Mr. Serge Pun)

MR. ALBERTO MACAPINLAC DE LARRAZABAL
(Alternate Director to Mr. Jaime Alfonso Antonio Eder Zobel de Ayala)

AUDIT AND RISK MANAGEMENT COMMITTEE

MR. THIA PENG HEOK GEORGE *(Chairman)*
DATO TIMOTHY ONG TECK MONG
PROFESSOR KOH ANNIE

NOMINATING AND GOVERNANCE COMMITTEE

DATO TIMOTHY ONG TECK MONG *(Chairman)*
MS. WONG SU YEN
MR. MELVYN PUN CHI TUNG

REMUNERATION COMMITTEE

MS. WONG SU YEN *(Chairman)*
MR. THIA PENG HEOK GEORGE
PROFESSOR KOH ANNIE

COMPANY REGISTRATION NUMBER

196200185E
63 Mohamed Sultan Road
#02-14 Sultan-Link
Singapore 239002
Tel: (65) 6223 2262 | Fax: (65) 6223 1990

COMPANY SECRETARY

MR. LUN CHEE LEONG

REGISTRAR AND SHARE TRANSFER OFFICE

B.A.C.S. Private Limited
77 Robinson Road
#06-03 Robinson 77
Singapore 068896
Tel: (65) 6593 4848

INDEPENDENT AUDITOR

CLA Global TS Public Accounting Corporation (formerly known as Nexia TS Public Accounting Corporation)

80 Robinson Road
#25-00 Singapore 068898

MR. LOH JI KIN
Director-in-charge
(Appointed with effect from the financial year ended 30 September 2021)

PRINCIPAL BANKERS OF THE GROUP

Bangkok Bank Public Company Limited
Corporate Banking, Conglomerate 2
12th Floor, 333 Silom Road
Bangrak District, Bangkok 10500, Thailand

DBS Bank Ltd
12 Marina Boulevard
DBS Asia Central @ Marina Bay Financial Centre Tower 3
Singapore 018982

Industrial and Commercial Bank of China Limited, Singapore Branch
6 Raffles Quay, #23-01 Singapore 048580

Myanma Apex Bank Ltd.
207, Thein Phyu Road, Middle Block
Botahtaung Township, Yangon, Myanmar

CORPORATE GOVERNANCE REPORT

The Board of Directors (the "**Board**" or "**Directors**") and the management (the "**Management**") of Yoma Strategic Holdings Ltd. (the "**Company**") and its subsidiaries (together, the "**Group**") firmly believe that a genuine commitment to good corporate governance is a fundamental part of their responsibility to protect and enhance shareholder value and the financial performance of the Group.

In compliance with Rule 710 of the Listing Manual of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") ("**Listing Manual**"), this report describes the Group's corporate governance practices and structures that were in place during the 18-month financial period ended 31 March 2023 ("**FP2023**"), with specific reference to the principles and provisions of the Code of Corporate Governance 2018 (the "**2018 Code**"). If there is any variation from the 2018 Code, appropriate disclosures and explanations are provided in accordance with the requirements of the Listing Manual. The Company has complied in all material aspects with the core principles and provisions of the 2018 Code. This Annual Report should be read in totality for the Company's full compliance.

Corporate Governance Accolades

- The Company continues to uphold the highest standards of corporate governance and it remains in the top 5% of the Singapore Governance and Transparency Index ("**SGTI**") in 2022. The SGTI is aimed at assessing companies on their corporate governance disclosures and practices, as well as the timeliness, accessibility and transparency of their financial results announcements.

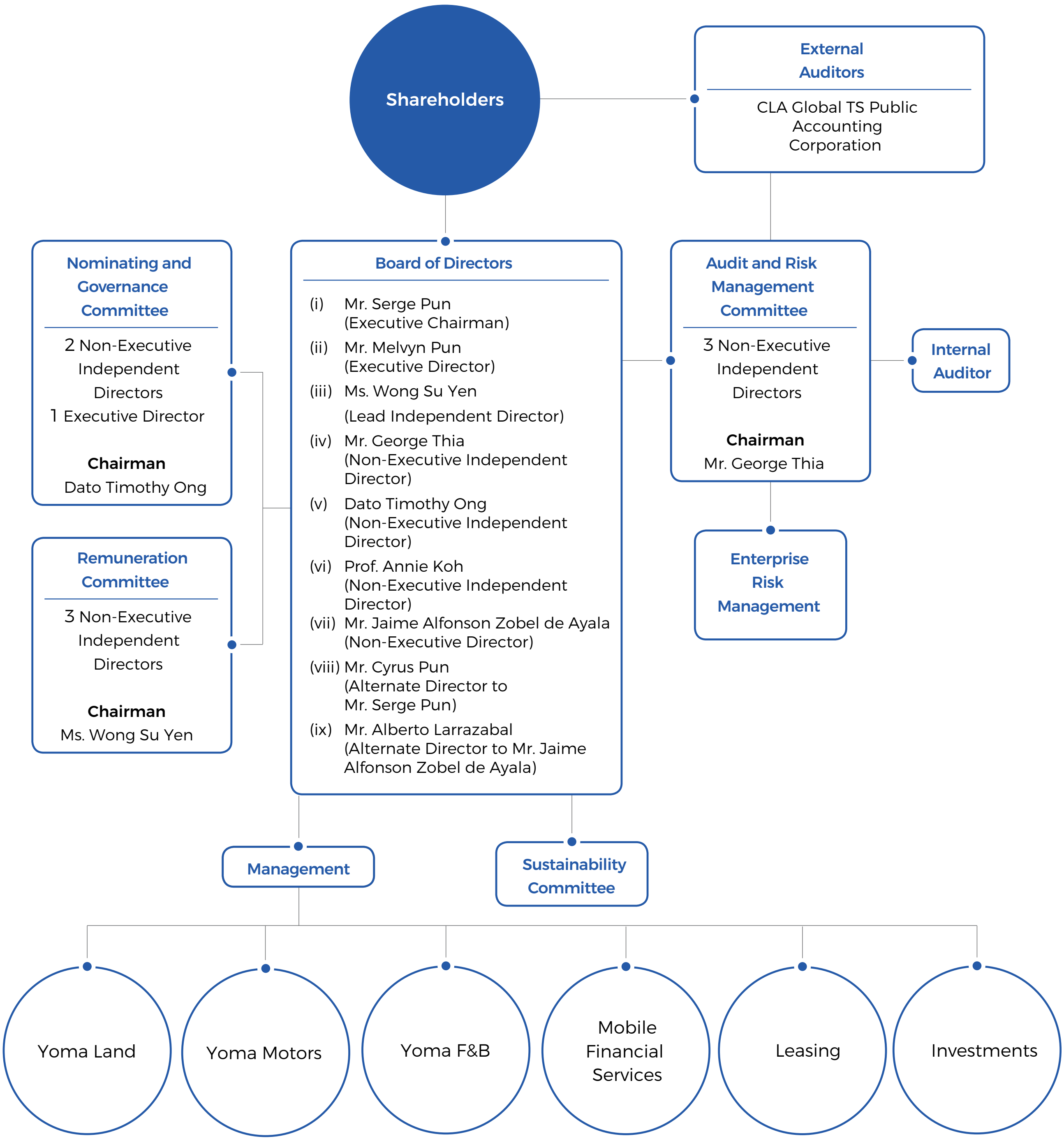
- The Company has won the Best Annual Report (Silver Award) under the small-cap company category at the Singapore Corporate Awards 2022.

- The Company has been placed on the SGX Fast Track programme since April 2018. This is a programme which was launched by the Singapore Exchange Regulation ("**SGX RegCo**") in recognition of listed companies which have maintained a good corporate governance standing and compliance track record. Companies under this programme will receive prioritised clearance on selected corporate action submissions to SGX RegCo.

CORPORATE GOVERNANCE REPORT

Corporate Governance Framework

As at the date of this Annual Report, the Company's Corporate Governance Framework is as follows:



CORPORATE GOVERNANCE REPORT

BOARD AND BOARD INDEPENDENCE

As at the date of this Annual Report, the Board comprises two (2) Executive Directors, one (1) Non-Executive Non-Independent Director, four (4) Non-Executive Independent Directors, one (1) Alternate Director to an Executive Director and one (1) Alternate Director to a Non-Executive Non-Independent Director. The four (4) Non-Executive Independent Directors collectively comprises more than fifty per cent. (50%) of the Board.

Profiles and qualifications of the Directors and the listed company directorships and principal commitments held by them as at the date of this Annual Report and in the last three (3) years are set out in the section on Board of Directors of this Annual Report and the section on Role of the Lead Independent Director below.

BOARD MATTERS

Principle 1 – The Board's Conduct of Affairs

The Board leads and controls, and is collectively responsible and works with Management to oversee, the business and affairs of the Company and the long-term success of the Group.

The Board sets appropriate tone-from-the-top and the desired organisational culture and ensures proper accountability within the Group. The Board has put in place a Code of Conduct for the Group with which all directors and employees, including senior management, are required to comply. For more information, please refer to the section on Corporate Values and Conduct of Business below.

Management is responsible for the day-to-day operations and administration of the Company in accordance with the policies and strategies set by the Board. Management remains accountable to the Board and provides the Board with complete, adequate and timely information prior to meetings and on an on-going basis to enable them to make informed decisions and discharge their duties and responsibilities.

Role of the Board

(a) Provides entrepreneurial leadership, sets strategic objectives, and ensures that the necessary financial and human resources are in place for the Company to meet its objectives.

(b) Establishes a framework of prudent and effective controls which enables risks to be assessed and managed, including the safeguarding of shareholders' interests and the Company's assets.

(c) Reviews Management's performance.

(d) Identifies the key stakeholder groups and recognises that their perceptions affect the Company's reputation.

(e) Sets the Company's values and standards (including ethical standards).

(f) Ensures that obligations to shareholders and other stakeholders are understood and met.

(g) Considers sustainability issues, such as environmental and social factors, as part of its strategic formulation.

Board's Guidance on the Uncertain Economic and Business Environment in Myanmar

The business environment in Myanmar has experienced gradual recovery and growth over the past eighteen (18) months, particularly in the key urban cities where the Group operates. However, the operating environment remains challenging with the overall reduction in the macro economy, decreased foreign investment, USD availability, inflationary pressures, persistent electricity outages, import restrictions, as well as regulatory and policy changes. Despite these challenges, the Board remained focused on strengthening the Group's core businesses and its financial position. In addition to prioritising the health and safety of our employees, the Board has also spent time looking at how the Group can continue to retain and develop local talents, recognising their importance to the future of the organisation.

Reshaping and Strengthening the Business

The Group, under the guidance of the Board, remains focused on maintaining cost optimisation with reduced fixed overheads. With improved fundamentals in place, the Board expects opportunities to arise in the coming years which the Group will explore in a prudent manner. On the other hand, for sectors that continue to face challenges, the Board together with Management will evaluate the sustainability of these businesses and may consider divesting them in the future.

CORPORATE GOVERNANCE REPORT

Management continues to look at ways to develop the capabilities of local employees for future career advancement. This includes re-allocating resources and forming management teams with a greater contribution from local employees to manage the Group's businesses and functions.

Board Committees & Delegation (Provision 1.4)

To assist the Board in discharging its responsibilities and to enhance the Company's corporate governance framework, the Board had, without abdicating its responsibility, established three (3) Board Committees namely, the Audit and Risk Management Committee (the "**ARMC**"), the Nominating and Governance Committee (the "**NGC**") and the Remuneration Committee (the "**RC**"). Each Board Committee has its own terms of reference to address its respective areas of focus, and which set out its composition, authorities and duties, including reporting back to the Board.

All terms of reference were approved by the Board and reviewed periodically to ensure their continued relevance, taking into account the changes in governance and legal environment. All Board Committees are chaired by a Non-Executive Independent Director.

Directors' Duties (Provisions 1.1 and 1.2)

Directors are fiduciaries who act objectively in the best interests of the Company and hold Management accountable for performance. The Board sets appropriate tone-from-the-top and the desired organisational culture and ensures proper accountability within the Group. The Board has put in place a Code of Conduct for the Group with which all directors and employees, including senior management, are required to comply. For more information, please refer to the section on Corporate Values and Conduct of Business below.

Directors understand the Group's business as well as their directorship duties (including their roles as executive, non-executive and independent directors). There is formal communication from the Company to each of the Directors on their appointment and their roles, duties, obligations and responsibilities, and the expectations of the Company, including each Director developing his or her competencies to effectively discharge his or her duties. For further details, please refer to the sections on Board Orientation (Provision 1.2) and Training (Provision 1.2).

All Directors are expected to exercise independent judgment in the best interests of the Company. Management provides the Board with monthly operational updates. Decisions on all key matters such as material acquisitions and disposals of assets or undertakings and the release of the Company's results are made by the Board. Based on the results of peer and self-assessments carried out by the Directors for FP2023, all Directors have duly discharged this duty.

Conflicts of Interest (Provision 1.1)

Every Director is required to declare any conflict of interest in a transaction or proposed transaction with the Company as soon as is practicable after the relevant facts have come to his/her knowledge in accordance with the provisions of the Companies Act 1967 (the "**Act**").

Directors facing conflicts of interest recuse themselves when the issue of conflict is discussed, unless the Board is of the opinion that his/her presence is necessary to enhance such discussion, and in which case such Director shall abstain from voting in relation to the issue of conflict, with abstention duly recorded within the minutes and/or the resolutions of the Board and/or the Board Committees.

Board Strategic Review

The Board periodically reviews and approves the Group's strategic plans. The Group's strategic plans for the near future are (i) to focus on its real estate activities and to resume the construction of Yoma Central in the second half of 2023[1]; (ii) to enhance Wave Money's digital platform by expanding its product offerings to reach a larger user base and strengthening its role as a leading player in Myanmar's financial technology sector; (iii) to build out the Group's broader digital ecosystem; (iv) to leverage Ayala Corporation's capabilities and experiences to strengthen the Group's businesses and to support its corporate functions; and (v) to maintain operational and financial discipline in the current environment.

Review Process

A process is in place to support the Board in reviewing and monitoring the Group's strategic plans. The Board aims to hold annual off-site Board strategy meetings for in-depth discussion on strategic issues and the direction

1 Subject to stakeholders' approval.

CORPORATE GOVERNANCE REPORT

of the Group, and this is followed by an update of each business unit's strategic plans for alignment with the Group's strategy. To support the Board's oversight of the implementation of the strategic plans, Management will also present the plans and current challenges of the key business units at each Board meeting and at the off-site Board strategy meetings. Selected business units are also invited to meet the Board so as to provide the Board an opportunity to perform an in-depth review into each of the Group's core businesses. The FP2023 off-site Board strategy meeting was held in February 2023 in Myanmar over a 4-day period. Except for Mr. Paolo Maximo Francisco Borromeo ("**Mr. Paolo Borromeo**"), the Alternate Director to Mr. Jaime Alfonso Antonio Eder Zobel de Ayala ("**Mr. Jaime Alfonso Zobel de Ayala**"), who was unable to attend due to a prior engagement, all Directors attended this off-site Board strategy meeting. Upon the Board's invitation, Mr. Alberto Macapinlac de Larrazabal ("**Mr. Alberto Larrazabal**"), a representative of the Ayala Corporation, attended the off-site Board strategy meeting.

Meetings (Provision 1.5)

Board meetings are scheduled to coincide with the reporting of the half yearly financial results in order to facilitate a review of the financial statements and the announcement of the unaudited half yearly and full year results of the Group. The Board also holds voluntary quarterly meetings after the close of each of the first and third quarters, and the Company provides trading updates to shareholders for these quarters. Board meetings are typically scheduled before the start of the financial year to enable the Directors to plan ahead to attend these meetings. The Board typically plans to hold at least one Board meeting a year in Myanmar, where the Group conducts most of its operations, so that the Board can be better apprised of the business developments on the ground and to provide an opportunity for the Non-Executive Directors to familiarise themselves with the key management personnel.

For FP2023, no Board meeting was held in Myanmar. However, the Board had the opportunity to be apprised of the Group's business developments and meet with the Group's key management personnel during the Board strategy meeting held in Myanmar in February 2023.

Board meetings generally last more than half a day and may include presentations by the key management personnel as well as external consultants/experts on strategic issues relating to specific business areas and presentations by the Group's associates. This allows the Board to develop a good understanding of the Group's businesses and to promote active engagement with the Group's partners and key executives. Other ad-hoc Board meetings will be convened to discuss and approve material acquisitions and disposals of assets and major undertakings of the Group as and when the need arises, in addition to the scheduled Board meetings.

FP2023

During FP2023, six (6) Board meetings, seven (7) ARMC meetings, two (2) NGC meetings and two (2) RC meetings were held. The number of Board and/or Board Committee meetings as well as the attendance of each Board member at these meetings and the shareholders' meetings are disclosed in Table 1. Notwithstanding such disclosure, the Board is of the view that the contribution of each Director should not be focused only on his/her attendance at meetings of the Board and/or Board Committees. A Director's contribution also extends beyond the confines of the formal environment of such meetings through the sharing of views, advice, experience and strategic relationships which further the interests of the Company.

The Constitution of the Company provides for meetings to be held via telephone, electronic or other communication facilities which permits all persons participating in the meeting to communicate with each other simultaneously. Where the attendance of certain Directors was not physically possible, the meeting was conducted with these Directors communicating through video conferencing. To further facilitate the efficient decision-making of the Board, resolutions of the Board are also passed by way of circulating resolutions pursuant to the Constitution of the Company.

CORPORATE GOVERNANCE REPORT

Table 1: Directors' Attendance at meetings held during FP2023

Name	Board	ARMC	NGC	RC	AGM#	EGM^
Total number of meetings held	6*	7*	2*	2*	1	1
Executive Directors						
Mr. Serge Pun[1] [or in his absence, Mr. Pun Chi Yam Cyrus ("**Mr. Cyrus Pun**")[2]]	6/6	N.A.	N.A.	N.A.	1/1	1/1
Mr. Pun Chi Tung Melvyn ("**Mr. Melvyn Pun**")	6/6	N.A.	2/2	N.A.	1/1	1/1
Non-Executive Directors						
Ms. Wong Su Yen	6/6	2/2	1/1	2/2	1/1	1/1
Dato Timothy Ong Teck Mong ("**Dato Timothy Ong**")	6/6	7/7	2/2	N.A.	1/1	1/1
Mr. Thia Peng Heok George ("**Mr. George Thia**")	6/6	7/7	N.A.	2/2	1/1	1/1
Prof. Koh Annie ("**Prof. Annie Koh**")	6/6	5/5	N.A.	1/1	1/1	1/1
Mr. Jaime Alfonso Zobel de Ayala[3,7] [or in his absence, Mr. Paolo Borromeo[4,5] or Mr. Alberto Larrazabal[5]]	1/2	N.A.	N.A.	N.A.	N.A.	1/1
Mr. Cyrus Pun[2]	1/1	N.A.	N.A.	N.A.	N.A.	N.A.
Mr. Adrian Chan Pengee ("**Mr. Adrian Chan**")[6]	1/1	N.A.	1/1	1/1	N.A.	N.A.
Mr. Cezar Peralta Consing ("**Mr. Cezar Consing**")[3] [or in his absence, Mr. Paolo Borromeo[4]]	4/4	N.A.	N.A.	N.A.	1/1	N.A.

Notes:

- \# Annual General Meeting held on 28 January 2022.
- ^ Extraordinary General Meeting held on 6 March 2023.
- * The total number of meetings comprises scheduled and ad hoc meetings.
- 1 Mr. Serge Pun was unable to attend one Board meeting as he had a prior engagement.
- 2 Mr. Cyrus Pun resigned as a Non-Executive Non-Independent Director with effect from 31 December 2021 and was re-designated as the Alternate Director to Mr. Serge Pun with effect from 1 January 2022.
- 3 Mr. Jaime Alfonso Zobel de Ayala was appointed as a Non-Executive Non-Independent Director with effect from 10 November 2022 to replace Mr. Cezar Consing, who resigned with effect from the same day. Each of them is a nominee of Ayala Corporation, which is a substantial shareholder of the Company.
- 4 Mr. Paolo Borromeo ceased as the Alternate Director to Mr. Cezar Consing following the resignation of Mr. Cezar Consing on 10 November 2022. Mr. Paolo Borromeo was appointed as the Alternate Director to Mr. Jaime Alfonso Zobel de Ayala with effect from 10 November 2022.
- 5 Mr. Alberto Larrazabal was appointed as the Alternate Director to Mr. Jaime Alfonso Zobel de Ayala with effect from 20 April 2023 to replace Mr. Paolo Borromeo, who resigned with effect from the same day.
- 6 Mr. Adrian Chan resigned as a Non-Executive Lead Independent Director with effect from 31 December 2021.
- 7 Mr. Jaime Alfonso Zobel de Ayala was unable to attend one Board meeting as he had a prior engagement.

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Board Approval (Provision 1.3)

The Board decides on matters that require its approval and clearly communicates this to Management in writing.

The Board has adopted a board approval matrix whereby the approval of the Board is required for any matters which are likely to have a material impact on the Group's operating units and/or financial position as well as matters other than in the ordinary course of business.

Board Approval Matrix

Matters that specifically require Board approval include without limitation

- ☑ Group's strategic plans
- ☑ Group's quarterly trading updates, half-year and full-year results announcements and financial statements
- ☑ Dividend policy and payout
- ☑ Acquisitions and divestments exceeding the prescribed amount by any company in the Group
- ☑ Group's annual budget
- ☑ Capital-related matters including capital adequacy objectives, capital structure, capital issuance and redemption
- ☑ Commitments to term loans and lines of credit exceeding one year from international banks and financial institutions

Board Orientation (Provision 1.2)

The Company conducts an induction programme for newly appointed Directors which seeks to familiarise Directors with the Group's businesses, board processes, internal controls and governance practices at the Company's expense. The induction programme includes site visits, Management's presentations on the Group's businesses, strategic plans and objectives, meetings with key management personnel and briefings on key areas of the Company's operations. The Company provides a formal letter to each new Director upon his/her appointment, setting out clearly the Director's duties and obligations.

If a new Director has no prior experience as a director of a listed company on a recognised stock exchange, the Company will endeavour to arrange for training appropriate to the level of his/her prior experience in areas such as accounting, legal and industry-specific knowledge, and will ensure that he/she undergoes training in the roles and responsibilities of a director of a listed company as prescribed under the Listing Manual.

During FP2023, on 10 November 2022, one (1) Non-Executive Non-Independent Director, Mr. Jaime Alfonso Zobel de Ayala and one (1) Alternate Director to the Non-Executive Non-Independent Director, Mr. Paolo Borromeo, were appointed. Mr. Jaime Alfonso Zobel de Ayala did not have prior experience as a director of a company listed on the SGX-ST and was required to attend the Listed Entity Director Programme ("**L.E.D.P.**"), conducted by Singapore Institute of Directors ("**SID**") and as mandated under the Listing Manual within one (1) year from the date of his appointment. Mr. Paolo Borromeo had attended the L.E.D.P. previously.

Mr. Alberto Larrazabal was appointed as the Alternate Director to Mr. Jaime Alfonso Zobel de Ayala on 20 April 2023, replacing Mr. Paolo Borromeo.

The newly appointed Directors have been briefed on their duties and statutory obligations as a Director of the Company. Prior to the appointment of Mr. Alberto Larrazabal as the Alternate Director to Mr. Jaime Alfonso Zobel de Ayala, the Company invited him for a site visit and he attended the off-site Board strategy meeting held in February 2023 in Myanmar together with all Directors, except for Mr. Paolo Borromeo, the Alternate Director to Mr. Jaime Alfonso Zobel de Ayala, who was unable to attend due to a prior engagement.

Mr. Alberto Larrazabal has extensive directorship experience in several public-listed companies in Southeast Asia, including Integrated Micro-Electric, Inc., ENEX Energy Corporation, Manila Water Company, Inc. and First Myanmar Investment Public Company Limited. Therefore, the NGC is of the view that the mandatory training prescribed by Rule 210(5)(a) of the Listing Manual for Mr. Alberto Larrazabal is not required. For more information, please refer to the section on Board of Directors of this Annual Report.

Training (Provision 1.2)

Directors are provided with opportunities to develop and maintain their skills and knowledge at the Company's expense.

The Directors are provided with updates and/or briefings from time to time by professional advisers, auditors,

CORPORATE GOVERNANCE REPORT

Management and the Company Secretary in areas such as directors' duties and responsibilities, corporate governance practices, risk management matters and changes in financial reporting standards. Directors also attended seminars, conferences and presentations to supplement and keep themselves updated on areas such as accounting, legal and industry-specific knowledge. The Company will also, where it feels appropriate, arrange for training courses for Directors at the Company's expense. In addition, Directors are also at liberty to approach Management should they require any further information or clarification concerning the Group's operations.

The NGC and the Board are kept informed of the training sessions attended by the Directors during the year. As part of the NGC's annual assessment of the skills set of the Board and Board Committees, the NGC will also recommend further training for the Directors in specific areas, if so required, to supplement the regular updates/ briefings provided to the Directors from time to time.

The Directors are regularly provided with updates on regulatory changes and apprised of amendments to the Listing Manual and relevant media releases by the SGX-ST.

In 2022, the Directors attended sustainability training modules prescribed by SGX RegCo to equip themselves with basic knowledge on sustainability matters, save for the newly appointed Director, Mr. Jaime Alfonso Zobel de Ayala, and Mr. Alberto Larrazabal, the newly appointed Alternate Director to Mr. Jaime Alfonso Zobel de Ayala. The Company will arrange for Mr. Jaime Alfonso Zobel de Ayala and Mr. Alberto Larrazabal to attend the sustainability training modules prescribed by SGX RegCo.

Some of the other professional development programmes attended by some of the Directors in FP2023 include the following:

1. SID Directors Conference 2022;
2. ACRA-SGX-SID Audit Committee Seminar 2022;
3. Audit & Risk Committee Seminar 2023 organised by the SID;
4. Blockchain & Finance organised by Massachusetts Institute of Technology OCW; and
5. Anti-Money Laundering and Countering the Financing of Terrorism (AML/CFT) in Singapore organised by the Investment Management Association of Singapore & Compliance Asia.

Directors' Participation (Provision 1.5)

Directors attend and actively participate in Board and/ or Board Committee meetings. In particular, Non-Executive Independent Directors contribute to the Board process by monitoring and reviewing Management's performance in maintaining the Group's strategy and meeting its agreed goals and objectives. Their views and opinions provide alternative perspectives to the Group's businesses. With constructive oversight of Management's proposals or decisions, they bring independent judgment to bear on business activities and transactions involving conflicts of interests and other complexities.

Non-Executive Directors' Meetings (Provision 2.5)

Led by the Non-Executive Lead Independent Director, the Non-Executive Independent Directors communicate regularly through emails and chat groups without the presence of the other Directors or Management, so as to facilitate a more effective check on Management. The Non-Executive Lead Independent Director will provide feedback to the Executive Chairman after such sessions.

During FP2023, led by the Non-Executive Lead Independent Director, the Non-Executive Independent Directors had discussions without the presence of Management to facilitate open discussions regarding the performance and effectiveness of Management.

Directors' Time Commitments (Provisions 1.5 and 4.5)

Notwithstanding that some of the Directors have multiple board representations, the NGC has adopted a guide that each Director should not have board representations on more than six (6) listed groups. In determining whether each Director is able to devote sufficient time to, and has been adequately discharging his/her duty, the commitment of time for Board and/or Board Committee meetings, contributions by Directors at such meetings, preparedness for such meetings, as well as their attendance at such meetings are also taken into account.

In respect of FP2023, the NGC was of the view that each Director has given sufficient time and attention to the affairs of the Company and has been able to discharge his/her duties as director effectively. Furthermore, the NGC was satisfied that in FP2023, where a Director had other listed company board representations and/or other

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principal commitments, the Director was able and had been adequately carrying out his/her duties as a Director of the Company.

The listed company directorships and principal commitments held by each Director as at the date of this Annual Report and in the last three (3) years are set out in the section Board of Directors of this Annual Report.

Complete, Adequate and Timely Information (Provision 1.6)

Management provides Directors with complete, adequate and timely information prior to meetings and on an on-going basis to enable them to make informed decisions and discharge their duties and responsibilities.

Prior to each meeting, members of the Board and the Board Committees are provided with the meeting agenda and the relevant documents (including board papers and supporting information) being submitted by Management at least seven (7) days (as far as reasonably possible) in advance of the meeting, containing where possible and practicable, complete, adequate and timely information to enable full deliberation on the issues to be considered at the respective meetings.

All Directors are given sufficient time to prepare for Board and/or Board Committees meetings and to enable them to make informed decisions and discharge their duties and responsibilities. The Company has also adopted initiatives, including regular informal updates by Management to brief the Directors on prospective deals and potential developments at an early stage before formal Board approval is sought. Management also regularly keeps the Board updated on the Group's operational activities, future prospects, progress and developments, and monthly management reports of the Group's businesses are provided. The quarterly trading updates and comprehensive half-yearly financial announcements, which include background and explanatory information, are submitted to the Board for approval and release to the public. Management and the Company's Independent Auditor, who can provide additional insight into the matters for discussion, are also invited from time to time to attend Board and/or Board Committee meetings.

In addition, the Directors receive periodic Myanmar news updates and analysts' reports on the Company (when available). Such reports and news updates enable the Directors to keep abreast of key issues and developments in the industry and the country, as well as the challenges and opportunities faced by the Group.

Access to Management, Company Secretary and Independent Professional Advice (Provision 1.7)

The Directors have separate and independent access to Management on the Company's expense in order to better understand the challenges faced by the Group as and when further enquiry or additional information is required. Management endeavours to meet their requirements in a timely manner so as to enable them to make informed decisions. The input of the Directors, through such engagement, provides valuable perspective to Management.

Directors also have ongoing interactions across various levels and functions within the Company.

The Directors also have separate and independent access to the Company Secretary on the Company's expense. The Company Secretary plays a significant role in supporting the Board in discharging its duties and is trained in legal and company secretarial practices. The Company Secretary attends all Board and/or Board Committee meetings to provide guidance for the Board procedures to be followed. The Company Secretary, together with Management, also ensures that the Company complies with the applicable statutory and regulatory rules. Together with Management, the Company Secretary also advises the Chairman, the Board and/or the Board Committees on corporate governance practices and processes, including ensuring good information flow within the Board and/or the Board Committees and between the Directors and Management, facilitating the induction for newly appointed Directors and newly appointed Board Committee members, and assisting in the continuing training and development programme for the Directors.

The appointment and removal of the Company Secretary is a decision of the Board as a whole.

Furthermore, the Directors, whether as a group or individually, are entitled to seek and obtain independent professional advice, in the furtherance of their duties and in the event that circumstances warrant the same. The expenses incurred in procuring such advice shall be borne by the Company.

CORPORATE GOVERNANCE REPORT

Principle 2 – Board Composition and Guidance

As at the date of this Annual Report, the Board comprises two (2) Executive Directors, four (4) Non-Executive Independent Directors, one (1) Non-Executive Non-Independent Director, one (1) Alternate Director to an Executive Director and one (1) Alternate Director to a Non-Executive Director. The Non-Executive Directors make up a majority of the Board.

The composition of the Board and Board Committees as at the date of this Annual Report is set out below:

Name	Date of First Appointment	Last Re-election	Board	ARMC	RC	NGC
Mr. Serge Pun	17 August 2006	29 January 2021	Chairman	–	–	–
Mr. Melvyn Pun[1]	27 July 2015	24 July 2019	Member	–	–	Member
Ms. Wong Su Yen[1]	15 December 2015	29 January 2021	Member	–	Chairman	Member
Dato Timothy Ong	20 May 2016	28 January 2022	Member	Member	–	Chairman
Mr. George Thia	22 December 2017	28 January 2022	Member	Chairman	Member	–
Prof. Annie Koh	3 November 2020	29 January 2021	Member	Member	Member	–
Mr. Jaime Alfonso Zobel de Ayala[2]	10 November 2022	N.A.	Member	–	–	–
Mr. Cyrus Pun (Alternate Director to Mr. Serge Pun)	1 January 2022	N.A.	Member	–	–	–
Mr. Alberto Larrazabal[3] (Alternate Director of Mr. Jaime Alfonso Zobel de Ayala)	20 April 2023	N.A.	Member	–	–	–

Notes:

1. Ms. Wong Su Yen and Mr. Melvyn Pun will retire pursuant to Regulation 105 of the Constitution of the Company and stand for re-election at the Annual General Meeting to be held on 27 July 2023 ("**2023 AGM**"). The NGC has considered their contributions and performances and recommended to the Board to nominate them for re-election at the 2023 AGM. Additional information on Ms. Wong Su Yen and Mr. Melvyn Pun may be found on Pages 265 to 269 of this Annual Report.
2. Mr. Jaime Alfonso Zobel de Ayala will retire pursuant to Regulation 115 of the Constitution of the Company and stand for re-election at the 2023 AGM. The NGC has considered his contributions and performances and recommended to the Board to nominate him for re-election at the 2023 AGM. Additional information on Mr. Jaime Alfonso Zobel de Ayala may be found on Pages 265 to 269 of this Annual Report.
3. Mr. Alberto Larrazabal will continue to serve on the Board as the Alternate Director to Mr. Jaime Alfonso Zobel de Ayala subject to shareholders' approval on the re-election of Mr. Jaime Alfonso Zobel de Ayala as a Director at the 2023 AGM.

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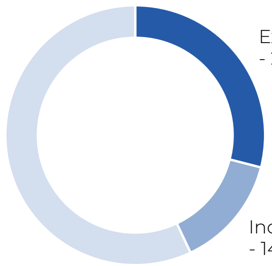
Board Independence (Provisions 2.1, 2.2 and 2.3)



There is a strong and independent element on the Board. The 2018 Code provides that the independent directors should make up a majority of the Board where, *inter alia*, (i) the chairman is not an independent director, (ii) the chairman and the Chief Executive Officer ("**CEO**") are immediate family members, or (iii) the chairman is part of Management team. The Executive Chairman, Mr. Serge Pun, is not an Independent Director and is part of Management team. Further, Mr. Serge Pun is the father of the CEO, Mr. Melvyn Pun. As such, the Company appointed Ms. Wong Su Yen (as the Non-Executive Lead Independent Director), Mr. George Thia, Dato Timothy Ong and Prof. Annie Koh as the Non-Executive Independent Directors, and they together make up a majority of the Board.

The independence of each Director is reviewed annually by the NGC based on the requirements of the Listing Manual, the 2018 Code and its accompanying Practice Guidance. Pursuant to Provision 2.1 of the 2018 Code, an "independent" director is one who is independent in conduct, character and judgement, and has no relationship with the Company, its related corporations, its substantial shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the director's independent business judgement in the best interests of the Company. The NGC requires each Non-Executive Independent Director to confirm his or her relationships with the Company, its related corporations, its substantial shareholders or its officers in writing every year and reviews these confirmations of independence with the Director concerned abstaining and not taking part in any such deliberations. As part of its consideration of the independence of the Non-Executive Independent Directors, the NGC takes into account other directorships, annual confirmations of independence, disclosures of interest in transactions, abilities to avoid any apparent conflicts of interests, especially by abstaining from deliberation and decision-making on interested transactions, and abilities to maintain objectivity in conduct as Directors of the Company. The NGC will recommend the independence of the Non-Executive Independent Directors to the Board only after it is satisfied that the independence of these Directors is not compromised.

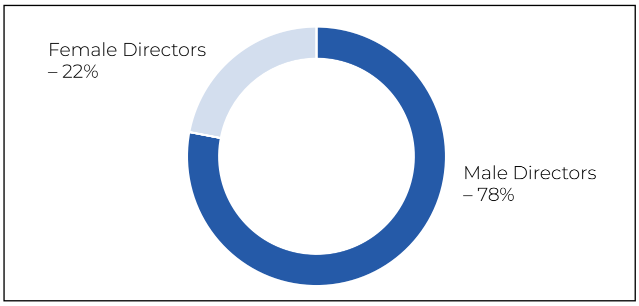
The NGC is of the view that the Non-Executive Independent Directors had avoided apparent conflicts of interests especially by abstaining from deliberation on transactions in which they had a direct/indirect interest and were able to maintain objectivity in their conduct as Directors of the Company. During FP2023, no conflicts of interests from the Non-Executive Independent Directors have arisen.

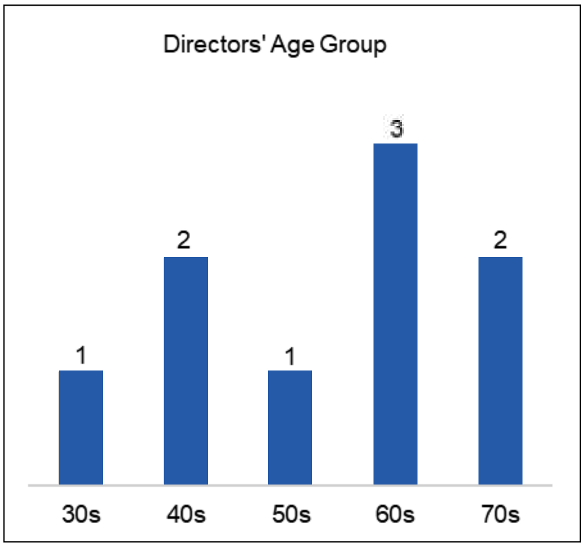
SGX RegCo announced in January 2023 that it will limit the tenure of independent directors serving on the boards of issuers listed on SGX to nine (9) years and there is a transition period until the Company's AGM held for the financial year ending 31 March 2024.

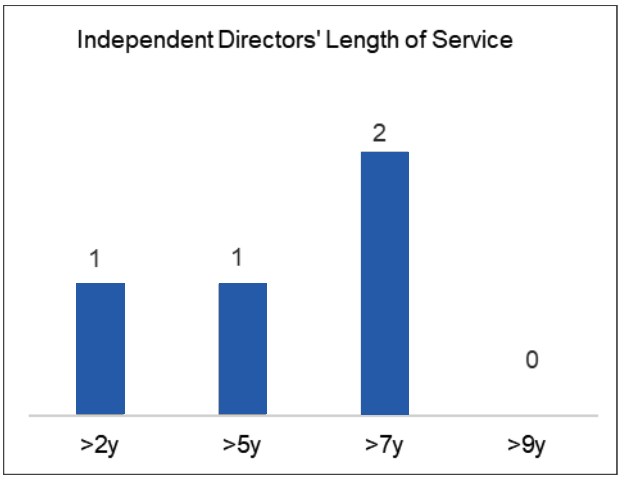
For the period under review, none of the Independent Directors had served on the Board for more than nine (9) years. The tenure of each Independent Director is monitored so that the process for Board renewal is commenced ahead of any Independent Director reaching the nine-year mark to facilitate a smooth transition and to ensure that the Board continues to have an appropriate balance of independence.

CORPORATE GOVERNANCE REPORT

Board Composition, Size and Diversity (Provision 2.4)







The Board comprises business leaders and professionals with financial and business management backgrounds. The NGC has reviewed the composition of the Board and the Board Committees, taking into account the scope and nature of the Group's operations, the requirements of the Company and the need to avoid undue disruptions from changes to the composition of the Board and/or the Board Committees, and is satisfied that the current size of the Board and the Board Committees is appropriate and allows for effective decision making. The standing of the members of the Board and the Board Committees in the business and professional communities, and with their combined business, management and professional experience, knowledge and expertise, provides an appropriate balance and diversity of skills, knowledge, experience, gender, age, knowledge of the Group and necessary core competencies to meet the Group's needs and to allow for diverse and objective perspectives on the Group's strategic direction and growth, thereby avoiding groupthink and fostering constructive debate.

The four (4) Non-Executive Independent Directors had objectively raised issues and sought clarification as and when necessary from the Board, Management and the Group's external advisers on matters relating to their areas of responsibility as at the date of this Annual Report.

Board Diversity Statement (Provision 2.4)

Board Diversity Pledge

The Board welcomes the push for greater diversity in the boardroom which can provide a more diverse approach to decision-making and the Company had, on 28 August 2015, supported the Board Diversity Pledge initiated by the SID and SGX-ST where the Company pledged its commitment to promote "diversity as a key attribute of a well-functioning and effective Board" and shared the view "that a diverse Board will enhance decision-making by harnessing the variety of skills, industry and business experiences, gender, age, ethnicity and culture, geographical background and nationalities, tenure of service, and other distinguishing qualities of the members of the Board".

The Company is strongly committed to fostering diversity and inclusion on its Board, leveraging on the collective strength of its members who possess diverse abilities, knowledge, skills and professional experiences, and are able to contribute unique and valuable perspectives

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due to their different backgrounds, gender and cultures, which effectively spurs innovative thinking and cultivates sustainable competitive advantages for the Company's long-term growth and success.

The Board has adopted a formal Board Diversity Policy which sets out the framework for promoting diversity on the Board. The objective of the Board Diversity Policy provides, *inter alia*, that when reviewing and assessing the composition of the Board and making recommendations to the Board for the appointment of Directors, the NGC will consider all aspects of diversity in order to arrive at an optimal balanced composition of the Board. The final decision on the selection of Directors will be based on merit against objective criteria that complements and expands the skills and experience of the Board as a whole, and giving due regard to the overall balance and effectiveness of a diverse Board.

The Board recognises that a diverse Board is an important element which will better support the Company's strategic objective for sustainable development by enhancing the decision-making process of the Board. The NGC is responsible for ensuring that the Board Diversity Policy is implemented in an effective and practical manner and reports to the Board periodically on the progress made in achieving the objectives set for promoting diversity. The Board is of the view that gender is an important aspect of diversity and will strive to ensure that (a) if external search consultants are used to search for candidates for Board appointments, the brief will include a requirement to also present female candidates; (b) when seeking to identify a new Director for appointment to the Board, the NGC will request for female candidates to be fielded for consideration; (c) at least one female Director be appointed to the Board; and (d) there is significant and appropriate female representation on the Board. The final decision on the selection of Directors will be based on merit against an objective criterion that complements and expands the skills and experience of the Board as a whole, and after having given due regard to the overall balance and effectiveness of a diverse Board.

In FP2023, the Board has two (2) female members (22% female representation). Directors have ages ranging from the early-30s to more than 70 years old and have served the Board for different tenures.

The NGC reviews the Board Diversity Policy from time to time, as appropriate, for an assessment of its effectiveness and will recommend changes, as appropriate, to the Board.

Principle 3 – Chairman and Chief Executive Officer

There is a clear division of the roles and responsibilities between the Executive Chairman and the CEO of the Company established in writing, such that no one individual has unfettered powers of decision-making. The Executive Chairman and the CEO are separate persons to ensure an appropriate balance of power and increased accountability and enhances the Board's capacity for independent decision-making.

The CEO, Mr. Melvyn Pun, is the son of the Executive Chairman, Mr. Serge Pun.

Role of Chairman (Provisions 3.1 and 3.2)

The Executive Chairman and the CEO are separate persons to ensure an appropriate balance of power and increased accountability and enhances the Board's capacity for independent decision-making.

Mr. Serge Pun is the Executive Chairman of the Company.

Mr. Serge Pun plays an instrumental role in providing the Company with strong leadership and vision, assisting the Board to develop policies and strategies and ensuring that these are implemented effectively, as well as promoting high standards of corporate governance. The Company further benefits from the strength he brings to such a role by virtue of his stature and experience.

As the Executive Chairman, he bears primary responsibility for the workings of the Board by ensuring effectiveness in all aspects of its role, including setting the agenda for Board meetings with input from Management, and exercising control over the quality, quantity and timeliness of information flow between the Board and Management to encourage constructive relations within the Board and between the Board and Management. In order to promote a culture of openness and debate at the Board, he ensures that adequate time is available for discussion of all agenda items, in particular strategic issues, and also facilitates the effective contribution of Non-Executive Directors. At the AGM and other shareholder meetings, he plays a pivotal role in fostering constructive dialogue between shareholders, the Board and Management.

Role of the CEO (Provisions 3.1 and 3.2)

Mr. Melvyn Pun is the CEO of the Company. The CEO, assisted by Management, makes strategic proposals to the Board and after robust and constructive discussion,

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executes the agreed strategy, manages and develops the Group's businesses and implements the Board's decisions.

Role of the Lead Independent Director (Provision 3.3)

As (i) the Executive Chairman is not an independent director, (ii) the Executive Chairman and the CEO are immediate family members, and (iii) the Executive Chairman is part of Management team, the Board appointed a Non-Executive Lead Independent Director to provide leadership and to co-ordinate the activities of the Non-Executive Independent Directors in circumstances where the Executive Chairman is conflicted and it would be inappropriate for him to serve in such capacity, as well as to provide a channel to Non-Executive Directors for confidential discussions on any concerns and to resolve conflicts of interest as and when necessary. The Non-Executive Lead Independent Director assists the Board in ensuring effective corporate governance in managing the affairs of the Board and the Company.

The Non-Executive Lead Independent Director also facilitates a two-way flow of information between the shareholders on one part, and the Executive Chairman and the Board on the other part. The Non-Executive Lead Independent Director is available to shareholders when they have concerns and for which contact through the normal channels of communication with the Executive Chairman, the CEO, the Chief Financial Officer ("**CFO**") or other members of Management are inadequate or inappropriate.

Ms. Wong Su Yen was appointed as the Non-Executive Lead Independent Director on 1 January 2022. She also served as Chairman of the RC and a member of the NGC, helping the RC to design and assess the Executive Chairman's and CEO's remuneration and the NGC to conduct the annual performance evaluations and developing succession plans for the Executive Chairman and the CEO.

Ms. Wong Su Yen is the Chairperson of the SID. Her email address is wongsuyen.yoma@gmail.com. Please refer to the sections Board of Directors and Non-Executive Lead Independent Director for further information on the Non-Executive Lead Independent Director.

Principle 4 – Board Membership

NGC Composition and Role (Provision 4.2)

Nominating and Governance Committee ("NGC") The NGC has been established to make recommendations to the Board on all board appointments.		
Dato Timothy Ong Non-Executive Independent Director	Ms. Wong Su Yen Non-Executive Lead Independent Director	Mr. Melvyn Pun CEO and Exeutive Director

In FP2023, the NGC comprised three (3) directors. The majority of the members of the NGC, including the Chairman, were Non-Executive Independent Directors. Dato Timothy Ong was the Chairman of the NGC.

The NGC is regulated by a set of written terms of reference endorsed by the Board, setting out the duties and responsibilities of its members and the authority delegated to it by the Board.

Role (Provision 4.1)

(a) Develops and maintains a formal and transparent process for the appointment of new Directors (including Alternate Directors), including the nomination and selection process of the new Director and how he/she will fit in the overall competency of the Board.

(b) Recommends to the Board as to the reappointment of Directors (including Alternate Directors).

(c) Reviews the Board succession plans for Directors and key management personnel, in particular, for the Executive Chairman and the CEO.

(d) Determines annually whether a Director is independent, bearing in mind the circumstances set forth in the Listing Manual, the 2018 Code and any other salient factors.

(e) Recommends to the Board as to whether the Director is to be considered independent.

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(f) Reviews the change in circumstances upon notification of an Independent Director to the Board that he no longer meets the criteria for independence as a result of a change in circumstances and makes its recommendation to the Board.

(g) Decides whether a Director is able to and has adequately carried out his/her duties as a Director of the Company, in particular where the Director concerned has multiple board representations.

(h) Develops and maintains a formal assessment process for the evaluation of the effectiveness of the Board as a whole and the contributions of each individual Director to the Board's effectiveness.

(i) Develops a process and criteria for evaluation of the performance of the Board, its Board Committees and Directors.

(j) Decides how the Board's performance may be evaluated and proposes objective performance criteria for the Board's approval.

(k) Reviews the training and professional development programs for the Board.

(l) Considers the various disclosure requirements for the appointment of Directors, particularly those required by regulatory bodies such as the SGX-ST.

(m) Undertakes such other duties as may be agreed between itself and the Board.

Re-nomination of Directors and Review of Independence (Provisions 4.3 and 4.4)

The NGC reviews annually the nomination of the relevant Directors for re-election and re-appointment. The NGC also reviews annually, and as and when circumstances require, the independence of Non-Executive Independent Directors. The NGC conducts an annual performance assessment of individual Directors. When considering the nomination of Directors for re-election and re-appointment, the NGC takes into account their contribution to the effectiveness of the Board, preparedness, participation and the competing time commitments faced by Directors with multiple board representations, and also reviews their independence having regard to the applicable provisions in the Listing Manual and Provision 2.1 of the 2018 Code, the respective Directors' self-declaration in the Directors' Independence Checklist of their relationships with the Company, its related corporations, its substantial shareholders or its officers, if any, which may affect their independence, and their actual performance on the Board and/or Board Committees. The NGC, in assessing the performance of each individual Director, considers whether sufficient time and attention has been given by the Director to the affairs of the Company. It also has regard to the Director's other board memberships and commitments.

Directors are subject to re-election at least once every three (3) years and the Constitution of the Company provides that one-third of the Directors (or, if their number is not three (3) or a multiple of three (3), then the number nearest one-third) for the time being, shall retire as Directors at each AGM of the Company. Shareholders are provided with relevant information on the candidates for election or re-election.

At the 2023 AGM, Ms. Wong Su Yen and Mr. Melvyn Pun will retire and seek re-election pursuant to Regulation 105 of the Constitution of the Company.

Mr. Jaime Alfonso Zobel de Ayala will retire and seek re-election pursuant to Regulation 115 of the Constitution of the Company. Mr. Alberto Larrazabal will continue to serve the Board as the Alternate Director to Mr. Jaime Alfonso Zobel de Ayala subject to shareholders' approval on the re-election of Mr. Jaime Alfonso Zobel de Ayala as a Director at the 2023 AGM.

Alternate Directors

Mr. Paolo Borromeo was re-designated as the Alternate Director to Mr. Jaime Alfonso Zobel de Ayala in FP2023 on 10 November 2022, to ensure that sufficient time and attention are given to the affairs of the Company and so that he is able to discharge his duty as Director effectively. As an Alternate Director, Mr. Paolo Borromeo bears all the duties and responsibilities of a Director. All rules and procedures that apply to Directors similarly apply to Mr. Paolo Borromeo as an Alternate Director. Mr. Paolo Borromeo is fully apprised of all Board matters, receives notices to attend Board meetings and Board papers, as well as Board resolutions by circulation. In the absence of the principal Director, Mr. Jaime Alfonso Zobel de Ayala, the Alternate Director, Mr. Paolo Borromeo, is competent to contribute to the Board on behalf of the principal Director and to discharge the duties as Director, including but not limited to attending Board meetings on behalf of Mr. Jaime Alfonso Zobel de Ayala.

CORPORATE GOVERNANCE REPORT

Mr. Alberto Larrazabal was appointed to replace Mr. Paolo Borromeo as the Alternate Director to Mr. Jaime Alfonso Zobel de Ayala on 20 April 2023.

Criteria and Process for Selection and Appointment of New Directors (Provision 4.3)

The NGC reviews annually the balance and diversity of skills, experience, gender and knowledge required by the Board and the size of the Board which would facilitate decision-making. It also considers the need to position and shape the Board in line with the evolving needs of the Company and the Group's businesses. The NGC undertakes the process of identifying the quality of directors aligned with the Company's strategic direction. The NGC, in consultation with Management, assesses if there is adequate representation in respect of any of those attributes and if so, determines the role and the desirable competencies for a particular appointment. The NGC's criteria for the selection and appointment of new Directors are based on potential candidates' skills, knowledge and experience.

External help may be used to source for potential candidates, if need be. Directors and Management may also make recommendations. The NGC would conduct a review of the skills and experience that is needed of a potential candidate and thereafter actively seek out such potential nominees that can provide positive contributions in those areas to the Board by conducting external searches. The NGC will take an active role in screening and interviewing potential candidates before assessing the candidate's suitability and recommending him/her for nomination to the Board.

The NGC has fulfilled its duty of making the requisite recommendations to the Board on all Board appointments, re-nominations and re-elections.

Succession Planning

The Board believes in carrying out succession planning for itself, the Executive Chairman, the CEO and other key management personnel to ensure continuity of leadership.

There is a progressive renewal of the Board over time so that the experience of longer serving Directors can be drawn upon while tapping into the perspectives and insights of new appointees. In line with the ongoing Board renewal process, during FP2023, Mr. Jaime Alfonso Zobel de Ayala was appointed as a Non-Executive Non-Independent Director.

The Board approved the appointment of Mr. Jaime Alfonso Zobel de Ayala as a Director, having considered that his experiences will strengthen the core competencies of the Board. The Board has maintained majority independence as at the date of this Annual Report.

The CEO leads the evaluation of performance of the Group's key management personnel and ensures that robust succession plans are in place for the senior management team.

Board Development (Provision 4.5)

The NGC ensures that new Directors are aware of their duties and obligations. Please refer to the section on Provision 1.2 for further details.

Key Information on Directors (Provision 4.5)

Please refer to the section on Board of Directors in this Annual Report for key information on the Directors, including their date of first appointment and latest re-appointment to the Board, their academic/professional qualification, major appointments/principal commitments, directorships held in listed companies both currently and in the preceding three (3) years, and other relevant information.

Principle 5 – Board Performance

The Board and the NGC strive to ensure that Directors on the Board possess the experience, knowledge and skills relevant to the Group's businesses so as to enable them to make sound decisions. The Board also endeavours to hold an annual Board retreat at an off-site location with Management to discuss broader issues of strategy and business direction for the Group.

Board Evaluation Process (Provisions 5.1 and 5.2)

The Board acknowledges the importance of a formal assessment of the Board's performance. The NGC has recommended, and the Board has approved, objective performance criteria and the process to be used under a formal system of evaluating the effectiveness of the Board as a whole and of its Board Committees separately, as well as to assess the contributions by the Executive Chairman and each individual Director to the Board. The performance evaluation criteria are reviewed by the NGC periodically and approved by the Board. The performance criteria are not changed from year to year unless the NGC is of the view that it is necessary to change the performance criteria, for

CORPORATE GOVERNANCE REPORT

example, in order to align the criteria with any changes in the 2018 Code.

Board and Board Committees

In order to assess the overall effectiveness of the Board, each Director is requested to complete a Board Performance Evaluation Form. The Board Performance Evaluation Form is accompanied with explanatory notes to clarify the objective and the background of the form, and to explain the scoring system of the various performance criteria. The evaluation criteria for the Board take into account factors and criteria such as the Board's structure, size, composition, conduct of meetings, provision of information, procedures, relationship with Management, succession planning and standard of conduct.

In order to assess the effectiveness of the Board Committees, each member of a Board Committee is requested to complete a Board Committee Performance Evaluation Form in respect of his or her respective Board Committee. Each Board Committee Performance Evaluation Form is accompanied with explanatory notes to clarify the objective and the background of the form, and to explain the scoring system of the various performance criteria. The evaluation criteria for each Board Committee take into account factors and criteria such as the composition of the Board Committee, the provision of information, committee procedures as well as criteria which are specific to each Board Committee.

Completed forms are returned for collation and compilation on a non-attribution basis, so that open and frank feedback and comments can be encouraged. The compiled reports are then sent to the NGC for its deliberation and discussion. No external facilitator had been engaged for FP2023. Thereafter, the NGC makes its recommendations to and shares its conclusions with the Board.

Individual Directors

The Board has also approved a process of assessment of the contribution made by each individual Director towards the effectiveness of the Board and/or the Board Committees.

The evaluation process for each individual Director's performance comprises two parts: (a) review of background information concerning the Director, including his or her attendance records at Board and/or Board Committees meetings; and (b) an individual performance evaluation form. Each Director is requested to complete performance evaluation forms in respect of the other individual Directors. The evaluation criteria take into account factors including, *inter alia*, the Director's attendance, commitment of time, contributions at Board and/or Board Committee meetings, interactive and interpersonal skills, insight, foresight, analytical skills and preparedness for meetings. The results of the individual evaluation of the Directors are used by the NGC, in its consultation with the Executive Chairman to review, where appropriate, the composition of the Board and/or the Board Committees. The Executive Chairman will act on the results of the performance evaluation, and, in consultation with the NGC, propose, where appropriate, changes to the Board and/or the Board Committees.

In FP2023, the NGC had assessed the performance of the Board, Board Committees and the contributions of the Directors through its formal annual evaluation process. There is no significant issue that warrants the Board's attention and the results of the assessments were satisfactory and accepted by the Board.

REMUNERATION MATTERS

Principle 6 – Procedures for Developing Remuneration Policies

Principle 7 – Level and Mix of Remuneration

Principle 8 – Disclosure on Remuneration

Composition and Role of RC (Provisions 6.1 and 6.2)

Remuneration Committee ("RC") The principal responsibility of the RC is to ensure the level of remuneration for the Directors and key management personnel is fair, equitable and competitive based on their level of contribution.		
Ms. Wong Su Yen Chairman and Non-Executive Lead Independent Director	Mr. George Thia Non-Executive Independent Director	Prof. Annie Koh Non-Executive Independent Director

In FP2023, the RC comprised three (3) Directors. All members of the RC, including the Chairman, were Non-Executive Independent Directors. The RC had two (2) meetings during FP2023.

CORPORATE GOVERNANCE REPORT

The RC is regulated by a set of written terms of reference, setting out the duties and responsibilities of its members, and the authority delegated to it by the Board.

Role (Provisions 6.1 and 6.3)

(a) Develops and maintains the formal and transparent policy for the determination of the Directors' remuneration, including but not limited to the Directors' fees, salaries, allowances, bonuses, options, share-based incentives and awards, and benefits-in-kind.

(b) Recommends to the Board a framework of remuneration for the Directors and key management personnel, and specific remuneration packages for each Executive Director, the CEO and key management personnel.

(c) Reviews the remuneration of senior management.

(d) Considers what compensation commitments the Directors' and key management personnels' contracts of service would entail in the event of early termination, if any, and ensures that such contracts of service contain fair and reasonable termination clauses which are not overly generous.

(e) Ensures that the level of remuneration offered is appropriate to the level of contribution, taking into account factors such as effort and time spent, pay and employment conditions within the industry and in comparable companies, and responsibilities undertaken.

(f) Reviews whether the Directors should be eligible for benefits under long-term incentive schemes and evaluates the costs and benefits of long-term incentive schemes.

(g) Makes recommendations in consultation with the CEO and submits its recommendations for endorsement by the entire Board.

(h) Retains such professional consultancy firm as it may deem necessary to enable it to discharge its duties hereunder satisfactorily.

(i) Considers the various disclosure requirements for Directors' remuneration, particularly those required by regulatory bodies such as the 2018 Code and the SGX-ST, and any other regulations to ensure that there is adequate disclosure in the financial statements to ensure and enhance transparency between the Company and the relevant interested parties.

(j) Undertakes such other duties as may be agreed between itself and the Board.

RC's Evaluation Criteria and Recommendations on Directors' Remuneration (Provisions 6.3 and 7.3)

Based on the remuneration framework, the remuneration packages for key management personnel comprise a fixed component (in the form of a base salary and where applicable, fixed allowances determined by the Group's Human Resource policies) and variable components (which would normally comprise short-term incentives in the form of year-end and variable bonuses), together with benefits-in-kind, if any.

The RC makes recommendations on all aspects of remuneration, including but not limited to directors' fees, salaries and benefits in kind. In setting remuneration packages, the RC takes into account the performance of the Group, as well as individual Directors and key management personnel, aligning their interests with those of shareholders and linking rewards to corporate and individual performance. The RC also seeks to ensure that the level and mix of remuneration is competitive and appropriate to balance between current versus long-term compensation and between cash versus equity incentives. In its deliberations, the RC also took into consideration industry practices and norms in compensation. Remuneration is appropriate to attract, retain and motivate Directors to provide good stewardship of the Company and key management personnel to successfully manage the Company for the long term. The RC reviewed the cost control measures in relation to the remuneration of key management personnel during FP2023 and recommended them for endorsement by the Board. No Director was involved in deciding his own remuneration.

CORPORATE GOVERNANCE REPORT

The RC seeks expert advice and views on remuneration and governance matters from both within and outside the Group as appropriate. In FP2023, in view of the COVID-19 pandemic and the uncertain economic and business environment in Myanmar, no remuneration consultants were engaged by the Company and the RC was satisfied that the level and structure of remuneration align with the long-term interests and risk management policies of the Company.

Remuneration of Directors and Key Management Personnel (Provision 7.1, Provision 8.1(a), Provision 8.1(b) and Provision 8.3)

In setting the remuneration packages of the Executive Directors and key management personnel, the RC takes into consideration the remuneration and employment conditions within the same industry and of comparable companies as well as the Group's size and scope of operations. A significant and appropriate portion of the Executive Directors' and key management personnel's remuneration is structured so as to link rewards to corporate and individual performance.

Performance-related remuneration is aligned with the interests of shareholders and other stakeholders and promotes the long-term success of the Company. Such performance-related remuneration takes into account the risk policies of the Company, is symmetric with risk outcomes and is sensitive to the time horizon of risks. In assessing the performance of the Executive Directors and key management personnel, the RC takes into account the financial and operational performance of the Group as well as their execution and the growth of the Company. The RC has the discretion not to award incentives or to reclaim incentive components of remuneration in any year if an Executive Director or a key management personnel is involved in exceptional circumstances of misstatement of financial results or misconduct or fraud resulting in financial loss to the Company.

Shareholders had on 25 May 2012 approved the Yoma Strategic Holdings Employee Share Option Scheme 2012 (the "**YSH ESOS 2012**") for the remuneration of Directors and employees of the Group. The YSH ESOS 2012 is administered by the RC. In FP2023, no options were granted. Details of the YSH ESOS 2012 are set out in the Directors' Statement section of this Annual Report.

The RC also recognises that long-term incentives reinforce the delivery of long-term growth and shareholder value, drive an ownership culture and retain key talent. As such, a performance share plan (the "**YSH PSP**") which comprises equity awards provisionally granted to employees based on performance had been approved by shareholders on 27 July 2015. Details of the YSH PSP are set out in the section on Directors' Statement of this Annual Report.

The Company has a service agreement with:

(a) the Executive Chairman, Mr. Serge Pun, which can be terminated by not less than six (6) months' notice in writing by either party; and

(b) the CEO, Mr. Melvyn Pun, which can be terminated by not less than six (6) months' notice in writing by either party.

The Executive Directors and key management personnel are remunerated on an earned basis and there are no termination, retirement and post-employment benefits to be granted.

Disclosure on Executive Directors' and CEO's Remuneration (Provision 8.1(a))

The RC has taken into consideration the various disclosure requirements for Directors' remuneration, particularly those required by regulatory bodies such as the SGX-ST, and also endorses adequate disclosure in the financial statements for enhanced transparency between the Company and the relevant interested parties.

CORPORATE GOVERNANCE REPORT

The level and mix of each of the Executive Directors' and CEO's remuneration for FP2023 are set out below:

Remuneration & Name of Executive Director	Base / Fixed Salary (%)	Variable or Performance-Related Income or Bonuses (%)	Share Awards (%)	Benefits in kind, Allowances and Other Incentives (%)	Total (%)
Executive Directors					
Mr. Serge Pun S$100,800	–	–	–	100	100
Mr. Melvyn Pun S$2,274,585	22	29	42[1]	7	100

[1] The share awards comprised a total of 7,000,000 ordinary shares of the Company which will be subject to shareholders' approval at the 2023 AGM and will only be released in accordance with the prescribed vesting schedules upon such approval. Please refer to Resolutions 12 and 13 in the Notice of AGM dated 11 July 2023 for more details.

Remuneration of Non-Executive Directors (Provision 7.2, Provision 8.1(a))

The remuneration of Non-Executive Directors is appropriate to the level of contribution, taking into account factors such as effort, time spent and responsibilities. Non-Executive Directors are paid directors' fees which are subject to shareholders' approval at a general meeting. The RC believes that the current fees are appropriate and comparable to the market. The payment of the directors' fees for the financial period from 1 October 2021 to 30 September 2022 was approved by the shareholders at the last AGM held on 28 January 2022 ("**2021 AGM**"). The Company would be seeking shareholders' approval at the 2023 AGM for the payment of the directors' fees for the 6-month period from 1 October 2022 to 31 March 2023 and the financial year ending 31 March 2024.

Disclosure on Non-Executive Directors' Remuneration (Provision 8.1(a))

The fee structure of the Non-Executive Directors for FP2023 is as follows:

	S$ Per annum
Basic Retainer Fee	
Non-Executive Director	48,000
Non-Executive Lead Independent Director	10,000
Fee for appointment to ARMC	
Committee Chairman	24,000
Committee Member	12,000
Fee for appointment to NGC and RC	
Committee Chairman	16,000
Committee Member	8,000

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Information on the remuneration of the Non-Executive Directors for FP2023 is set out below (assuming that shareholders approve the payment of fees for the 6-month period ended 31 March 2023 at the 2023 AGM):

Non-Executive Directors	Fee (S$)	Variable or Performance-Related Income or Bonuses (S$)	Share Awards[1] (S$)	Benefits in kind, Allowances and Other Incentives (S$)	Total (S$)
Mr. Cyrus Pun[2]	6,000	–	–	–	6,000
Mr. Adrian Chan[3]	10,250	–	28,272	–	38,522
Mr. Cezar Consing[4]	26,720	–	–	–	26,720
Mr. Jaime Alfonso Zobel de Ayala[5]	9,280	–	–	–	9,280
Ms. Wong Su Yen	60,750	–	135,559	–	196,309
Dato Timothy Ong	56,000	–	135,559	–	191,559
Mr. George Thia	60,000	–	135,559	–	195,559
Prof. Annie Koh	48,500	–	90,856	–	139,356
Mr. Paolo Borromeo[6]	N.A.	N.A.	N.A.	N.A.	N.A.
Mr. Alberto Larrazabal[7]	N.A.	N.A.	N.A.	N.A.	N.A.

Notes:

(1) These share awards comprised of a total of (a) 4,300,000 ordinary shares of the Company which will be subject to shareholders' approval at the 2023 AGM and will only be released in accordance with the prescribed vesting schedules upon such approval. Please refer to Resolution 11 in the Notice of AGM dated 11 July 2023 for more details; and (b) 1,250,000 ordinary shares of the Company which were granted on 29 November 2021 and approved by shareholders at the Company's AGM held on 29 January 2021. The share awards will be released in accordance with the prescribed vesting schedules.

(2) Mr. Cyrus Pun ceased to be a Non-Executive Non-Independent Director on 31 December 2021 and was redesignated as an Alternate Director to Mr. Serge Pun on 1 January 2022. His director's fees in the table reflects fees in respect of the period from 1 October 2021 to 31 December 2021. Mr. Cyrus Pun is not paid any director's fee as an Alternate Director.

(3) Mr. Adrian Chan ceased to be a Non-Executive Lead Independent Director on 31 December 2021. His directors' fees in the table reflect the fees in respect of the period from 1 October 2021 to 31 December 2021.

(4) Mr. Cezar Consing ceased to be a Non-Executive Non-Independent Director on 10 November 2022. His directors' fees in the table reflect the fees in respect of the period from 1 October 2021 to 10 November 2022.

(5) Mr. Jaime Alfonso Zobel de Ayala was appointed as a Non-Executive Non-Independent Director on 10 November 2022. His directors' fees in the table reflect fees in respect of the period from 10 November 2022 to 31 March 2023.

(6) Mr. Paolo Borromeo was an Alternate Director. He was not paid any director's fee. Mr. Paolo Maximo ceased as an Alternate Director on 20 April 2023.

(7) Mr. Alberto Larrazabal is an Alternate Director. He is not paid any director's fee.

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Disclosure on Key Executives' Remuneration (Provisions 8.1(b), 8.2 and 8.3)

Taking into consideration the highly competitive business environment, the nature of the industry and the confidentiality of the Group's remuneration policies, the Board is of the view that providing full disclosure of the remuneration of each key management personnel is not in the best interest of the Group and may adversely affect talent attraction and retention.

The level and mix of the remuneration of each of the key management personnel and senior management, in bands of S$200,000, for FP2023, are set out below:

Remuneration Band & Name of Key Management Personnel and Senior Management[a] (in alphabetical order)	Base / Fixed Salary (%)	Variable or Performance-Related Income or Bonuses (%)	Share Awards[b] (%)	Benefits in kind, Allowances and Other Incentives (%)	Total (%)
S$1,600,000 – S$1,800,000					
Mr. JR Ching	22	24	49	5	100
S$400,000 – S$600,000					
Mr. Ben Koo	78	18	–	4	100
Ms. Joycelyn Siow	51	26	20	4	100
S$200,000 – S$400,000					
Mr. Gerhard Hartzenberg	84	4	–	12	100
Ms. Jane Chia	45	35	20	–	100
Mr. Kenneth See[c]	62	20	8	10	100
Mr. Michael Toh	64	13	23	–	100
Mr. Michael Rudenmark	95	5	–	–	100
Mr. Minn Htet Khine	52	19	22	7	100
Mr. Phyo Thet Khine @ Chase	60	14	26	–	100
Ms. Thinn Thandar Shwe	45	8	28	19	100
Mr. Ye Mon Min	55	32	13	–	100

Notes:

[a] The above table set out the key management personnel and senior management who are still in employment with the Group as at the date of this Annual Report.

[b] The share awards will only be released in accordance with the prescribed vesting schedules.

[c] Mr. Kenneth See was appointed as the Group General Counsel on 13 July 2022. The remuneration in the table reflects his remuneration in respect of the period from 13 July 2022 to 31 March 2023.

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The aggregate amount of the total remuneration including share awards of the above key management personnel and senior management for FP2023 is approximately S$5.17 million. During FP2023, no termination, retirement and post-employment benefits have been granted to the Directors, the CEO or the key management personnel. Depending on the Group's performance in the coming financial year, the RC is again contemplating the grant of share awards under the YSH PSP to the key management personnel and senior management in the financial year ending 31 March 2024. These share awards will be granted pursuant to the remuneration framework adopted by the Company.

Apart from Mr. Serge Pun (who is the father of Mr. Melvyn Pun) and Mr. Melvyn Pun (who is the son of Mr. Serge Pun), there were no employees who are immediate family members of a Director, the CEO or a substantial shareholder of the Company and whose remuneration exceeds S$100,000 during FP2023. The remuneration of Mr. Serge Pun and Mr. Melvyn Pun are disclosed above. Under the Listing Manual, the term "immediate family members" means the spouse, child, adopted child, step-child, brother, sister and parent.

ACCOUNTABILITY AND AUDIT

Principle 9 – Risk Management and Internal Controls

Principle 10 – Audit Committee

Accountability of Board and Management

The Board undertakes the responsibility of overseeing the corporate performance of the Company and is accountable to shareholders for the processes and structure of directing and managing the Company's business and affairs. Management's role is to report to the Board on the operational and financial performance of the Group through the provision of regular comprehensive financial and management reports as the Board may require from time to time to enable the Board to make a balanced and informed assessment of the Group's performance, position and prospects.

Aside from adopting corporate governance practices in line with the spirit of the 2018 Code, the Company also observes obligations of continuing disclosure under the Listing Manual. The Company undertakes to circulate timely, adequate and non-selective disclosure of information. The Board has also issued half-yearly financial statements reviewed by the ARMC to provide shareholders with comprehensive information and a balanced view on the Group's performance, position and prospects.

Risk Management and Internal Controls (Provision 9.1)

The Board determines the nature and extent of the significant risks which the Company is willing to take in achieving its strategic objectives and furthering value creation. The Board has set up the ARMC to specifically address this.

The Board is responsible for the governance of risk and ensures that Management maintains a sound system of risk management and internal controls, policies and systems to safeguard the interests of the Company and its shareholders. The ARMC with the assistance of internal and independent auditors reviews the effectiveness and adequacy of the Company's internal controls, including financial, operational, compliance and information technology controls, systems and risk management policies established by Management. In addition to an internal audit and risk management function, the Independent Auditor also reviews the internal controls of the Group and reports these findings to the ARMC during its meetings. The ARMC reviews the adequacy of the actions taken by Management to address the recommendation of the Independent Auditor and the internal audit function, comments on the effectiveness and adequacy of internal controls and submits its findings to the Board and provides reasonable assurance to the Board that sufficient measures to control and mitigate any areas of significant risk have been put in place.

A framework of internal controls is in place and will be refined to reflect changes in market conditions and activities of the Group. The internal controls structure established includes:

(a) a risk management framework for the identification, assessment and monitoring of the Group's key risks;

(b) policies and procedures and an approved authorisation matrix in place, which are reviewed from time to time, that govern and allow for the monitoring of financial and operational controls;

(c) a programme of external and internal audits; and

CORPORATE GOVERNANCE REPORT

(d) a whistle-blowing programme, whereby staff can raise in confidence, whether anonymously or otherwise, concerns on possible improprieties relating to accounting, financial reporting, internal controls and auditing matters without fear of reprisals in any form, and the provision of internal arrangements for the investigation of matters raised thereunder.

Internal Audit Function (Provision 10.4)

The Group's internal audit function has been partly outsourced to Mazars LLP, an independent accounting and auditing firm and partly undertaken by the Group's Risk Management and Assurance ("**RMA**") team (collectively the "**Internal Auditors**") as a consequence of the uncertain economic and business environment in Myanmar. The Internal Auditors report to the Chairman of the ARMC. The ARMC reviews and approves, on an annual basis, the internal audit plans and the resources required to adequately perform this function. The internal audit plan complements the audit plan of the Independent Auditor and together forms a robust risk-based audit approach to facilitate the ARMC's review of the adequacy and effectiveness of the Group's risk management and internal control systems. Furthermore, the ARMC decides on the appointment, termination and remuneration of the Internal Auditors.

The ARMC is satisfied that the Internal Auditors are able to discharge their duties effectively given that:

- Mazars LLP is adequately qualified, given that it is a member of the Institute of Internal Auditors and adheres to the Standards for the Professional Practice of Internal Auditing laid down in the International Professional Practices Framework issued by the Institute of Internal Auditors;

- the RMA team is led by Mr. Michael Toh who has a broad range of financial experience including internal audit and the RMA team is adequately resourced to undertake internal audit work; and

- Mr. Michael Toh has the appropriate standing in the Company, given, *inter alia*, his involvement in certain ARMC meetings and his unfettered access to all of the Group's documents, records, properties and personnel, including direct access to the ARMC.

The Company has in place an Enterprise Risk Management Framework which is subject to review periodically. The implementation and maintenance of the Company's risk management framework is undertaken by the Group's RMA team. The RMA team assists the ARMC in ensuring that the Company maintains a sound system of internal controls through regular monitoring of key controls and procedures and ensuring their effectiveness, undertaking investigations as directed by the ARMC, and conducting regular audits of high-risk areas. The Company had appointed Mr. Michael Toh as the Head of RMA and the RMA team will continue to review and monitor the Group's internal control systems and risk management processes and report to the ARMC as well as work together with Mazars LLP. The ARMC approves the hiring, removal and evaluation of the Head of RMA.

Please refer to the information on the Enterprise Risk Management Framework implemented by the Group on Page 36 of this Annual Report for a description of the processes and framework used to assess the internal control and risk management systems.

The ARMC was satisfied that the Group's internal audit function was independent, effective and adequately resourced.

During FP2023, the Board and the ARMC reviewed the internal control and risk management systems and after taking into consideration and adopting the recommendations of the Group's RMA team, the work done by both the Internal Auditors and the Independent Auditor, and written assurances from Management, the Board is of the opinion, with the concurrence of the ARMC, that the internal control and risk management systems, addressing the financial, operational, compliance and information technology risks faced by the Group, are adequate and effective in safeguarding the interests of the Company and its shareholders. The ARMC had also met the Head of RMA without the presence of Management during FP2023.

The Board however notes that no system of internal controls can provide absolute assurance against the occurrence of material errors, poor judgment in decision-making, human error, losses, fraud or other irregularities. The system of internal controls and risk management policies established by the Company is designed to manage, rather than eliminate, the risk of failure in achieving the Company's strategic objectives. These systems are designed to provide reasonable, but not absolute assurance against material misstatement or loss.

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The Board, together with the ARMC and Management, will continue to enhance and improve the existing internal control framework to identify and mitigate these risks.

An annual internal audit programme is developed based on the key risk areas identified during the annual enterprise risk assessment exercise. Please refer to the information on the Enterprise Risk Management Framework implemented by the Group on Page 36 of this Annual Report for a description of the categories of risk identified by the Company. Terms of reference are issued for each audit prior to field work detailing the objectives, scope, methodology, audit team, timing, reporting and follow up information. Field work includes:

(a) Site visits, onsite observations and discussions with the relevant staff to obtain an understanding of the control environment and procedures.

(b) Documenting key control processes and undertaking walkthroughs to assess their effectiveness.

(c) Data-mining and testing of key controls to determine compliance with policies and procedures.

(d) Documenting observations, identifying opportunities for improvement and recommending action plans to Management to address the issues identified.

(e) Discussing findings with Management, and obtaining feedback.

Implementation due dates and action plans are agreed with Management, and follow up reviews are conducted to validate the existence and effectiveness of the action plans implemented.

MATERIAL CONTRACTS

Save for the interested person transactions disclosed in this Annual Report or via SGXNet, there were no material contracts entered into by the Company or any of its subsidiaries involving the interests of any Director or controlling shareholder during FP2023.

Assurance from the Key Management Personnel (Provision 9.2)

The Board has received written assurances from:-

(a) the CEO and the CFO that the financial records have been properly maintained and the financial statements give a true and fair view of the Group's operations and finances, and that the Company has put in place and will continue to maintain an effective and reliable system of risk management and internal controls; and

(b) the CEO and key management personnel that the Group's risk management and internal control systems in place were adequate and effective to address the principal risks (including financial, operational, compliance and information technology risks) facing the Group.

The above written assurances are supported by similar written assurances provided by the heads of the Group's core business segments and key operating subsidiaries.

Composition of ARMC (Provision 10.2, Provision 10.3)

Audit and Risk Management Committee ("ARMC") The principal responsibility of the ARMC is to assist the Board in maintaining a high standard of corporate governance, particularly by providing an independent review of the effectiveness of the Group's financial reporting process and material internal controls, including financial, operational, compliance, information technology and risk management controls.		
Mr. George Thia Chairman and Non-Executive Independent Director	Dato Timothy Ong Non-Executive Independent Director	Prof. Annie Koh Non-Executive Independent Director

In FP2023, the ARMC comprised of three (3) directors. All members of the ARMC, including the Chairman, were Non-Executive Independent Directors.

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The Board is of the view that all the members, including the Chairman of the ARMC, have accounting, financial, business management and corporate expertise and experience to discharge their responsibilities as set out in its terms of reference. The Chairman of the ARMC, Mr. George Thia, is a member of the Institute of Singapore Chartered Accountants and the Chartered Association of Certified Accountants (U.K.), and is well qualified to chair the ARMC. One other member of the ARMC, Dato Timothy Ong, possesses recent and relevant related financial management expertise and experience.

None of the members of the ARMC were partners or directors of the Company's existing Independent Auditor within the last two (2) years and none of the members of the ARMC hold any financial interest in the Company's existing Independent Auditor.

The ARMC has discussed significant financial reporting matters with Management and the Independent Auditor which have been included as key audit matters ("**KAMs**") in the Independent Auditor's Report for FP2023, as set out in Pages 95 to 102 of this Annual Report.

CORPORATE GOVERNANCE REPORT

KEY AUDIT MATTERS

KEY AUDIT MATTERS	HOW ARMC REVIEWED THESE MATTERS AND WHAT DECISIONS WERE MADE
Revenue recognition from contracts with customers – sale of development properties	The ARMC reviewed Management's assessment of the recognition of revenue from sale of products and rendering of services with regards to the requirement of SFRS(I) 15 Revenue from Contracts with Customers, particularly for the identification of the performance obligations and the timing for recognizing revenue. The ARMC also reviewed Management's basis of assessment that the Group has an enforceable right to payment for performance to date for recognition of revenue from development properties over time (i.e. percentage of completion) based on the input method by reference to the construction costs incurred to-date over the estimated total construction costs of the sold development properties. The ARMC concurred with Management's methodology of revenue recognition for sale of development properties as described in the Group's significant accounting policies and the judgements involved in the determination of the estimated total construction costs to completion, which included estimation for variation works and any other claims from contractors. The ARMC also discussed with Management to obtain understanding on the status and impact of the uncertain economic and business environment in Myanmar on the development properties to collaborate the changes in the key assumptions used in forming any revised completion timeline and estimated total construction costs.
Valuation of investment properties	The ARMC considered the methodology applied to the valuation models in assessing the valuation of investment properties conducted by the independent real estate valuers (the "Valuers"), and also evaluated the valuers' objectivity and competency. The ARMC also reviewed the outcomes of the annual valuation process and discussed the details of the valuations, including the Valuers' assessment of the appropriateness of valuation methodologies, the underlying key assumptions applied in the valuation investment properties and the uncertain economic and business environment in Myanmar, with Management and the Independent Auditor. The ARMC is satisfied with the methodology and key assumptions applied by the Valuers in assessing the fair values of the Group's investment properties. The ARMC had also considered the disclosures in the financial statements in describing the subjectivity of the valuations, the key observable inputs and the relationships between the key unobservable inputs and fair value.

CORPORATE GOVERNANCE REPORT

Valuation of land development rights and development properties	The ARMC reviewed on a half-yearly basis (a) the actual transacted selling prices of the Group's land development rights and development properties as well as comparable land development rights and development properties sold by other developers; and (b) the estimated total costs to completion to ensure that the selling prices of the Group's land developments rights and development properties are above their carrying amounts plus estimated costs to complete the development properties. The ARMC evaluated the appropriateness of the key judgements and estimates applied by Management in assessing the net realisable value, taking into consideration the observation of the subsequent sales and assessment of the budgeted total costs to complete the development properties presented by the Independent Auditor. Overall, the ARMC is satisfied that Management did monitor closely the net realisable value of land development rights and development properties and concurred with Management's conclusion that no write-down is required for the Group's land development rights and development properties as at 31 March 2023.
Impairment of non-financial assets	The ARMC reviewed and agreed with Management's impairment process for the Group's non-financial assets including their considerations of the uncertain economic and business environment in Myanmar on the Group's operations, industry outlook and other external factors. The ARMC considered the approach and methodology applied to the impairment of non-financial assets, focusing on goodwill and intangible assets with indefinite useful lives and those with indicators of impairment and the key assumptions used in determination of the value-in-use ("VIU") calculations. The ARMC reviewed the outcomes of the impairment processes of the above non-financial assets and discussed the details of the review with Management, focusing on the significant judgments in deriving the future cash flow projections of the business and the appropriate terminal growth rates and discount rates applied to the future cash flow projections. The ARMC also discussed the above with the Independent Auditor on the work performed over the appropriateness of the key estimates, namely the revenue growth rates under various recovery scenarios including the impact of the uncertain economic and business environment in Myanmar, budgeted gross margin, budgeted operating costs, discount rates and long-term growth rates. The ARMC is satisfied with the impairment review process, the approach and methodology used, and the amount of impairment losses applied to certain non-financial assets and the resultant carrying values of the non-financial assets as at 31 March 2023.

CORPORATE GOVERNANCE REPORT

Business combination	The ARMC had reviewed the Management's accounting treatment to account the investment in Digital Money Myanmar Limited ("Wave Money") based on SFRS(I) 3. The ARMC had also considered the methodology applied by the independent valuer to allocate the purchase consideration to the fair value of the identified assets acquired and liabilities assumed, determining the goodwill arising from the acquisitions. The ARMC reviewed the appropriateness of the key assumption and methodology applied to determine the purchase price allocation. The ARMC is satisfied with the methodology and key assumptions applied by the independent valuer to derive the fair value of the identifiable assets acquired and liabilities assumed and fair value of the previously held interest.

Powers and Duties of the ARMC (Provision 10.1)

The ARMC is authorised by the Board to investigate any matter it deems appropriate within its terms of reference and has direct and unrestricted access to the Independent Auditor and the Internal Auditors. It may invite any Director, any officer or employee of the Company, the Independent Auditor or the Internal Auditors to attend its meetings. It is also authorised to engage any firm of accountants, lawyers or other professionals as it sees fit to provide independent counsel and advice to assist in the review or investigation on such matters it deems appropriate within its terms of reference at the Company's expense.

Role (Provision 10.1)

(a) Reviews with Management and, where appropriate, the Independent Auditor on the half-yearly and full-year financial statements to be issued by the Group before their submission to the Board.

(b) Reviews the significant financial reporting issues and judgements so as to ensure the integrity of the financial statements of the Group to be announced or reported and any other formal announcements relating to the Group's financial performance.

(c) Assesses the role, adequacy, effectiveness, independence, scope and results of the Group's internal audit function in the overall context of the Group's internal control and risk management systems.

(d) Reviews the assurance from the CEO and the CFO on the financial records and financial statements.

(e) Reviews and approves the annual audit plans of the Internal Auditors and the Independent Auditor.

(f) Reviews, on an annual basis, the adequacy, effectiveness, scope and results of the external audit and its cost-effectiveness and the independence and objectivity of the Independent Auditor and also the nature and extent of any non-audit services provided by the Independent Auditor to the Company.

(g) Reviews half-yearly and/or annually, as applicable, with Management, the Internal Auditors and the Independent Auditor, the results of their review on the Group's internal controls, including financial, operational, compliance and information technology controls, systems and risk management policies and reports to the Board annually on the adequacy and effectiveness of such controls, systems and risk management policies.

(h) Makes recommendations to the Board on the nomination for the appointment, re-appointment and removal of the Independent Auditor, and approves the remuneration and terms of engagement of the Independent Auditor.

(i) Reviews interested person transactions falling within the scope of Chapter 9 of the Listing Manual.

(j) Reviews the Company's whistle-blowing policy and arrangements put in place for safely raising concerns about possible improprieties in matters of financial reporting or any other matters, independently investigating and appropriately following up on such matters. The Company publicly discloses, and clearly

CORPORATE GOVERNANCE REPORT

communicates to employees, the existence of the whistle-blowing policy and procedures for raising such concerns.

The ARMC has explicit authority to investigate any matter within its terms of reference, the right of full access to and co-operation of Management, and full discretion to invite any Director, officer or employee to any of its meetings. The ARMC is in possession of reasonable resources to enable it to discharge its functions properly.

ARMC meeting with Independent Auditor and Internal Auditors (Provision 10.5)

During FP2023, the ARMC met with the Internal Auditors without the presence of Management at least annually.

During FP2023, the ARMC met with Management and the Independent Auditor on seven (7) occasions. These meetings included, amongst other things, a review of the Group's financial statements, prospects of the Group and the independence of the Independent Auditor. The ARMC is satisfied that the independence of the Independent Auditor is not compromised by any other material relationship with the Company.

During FP2023, the Independent Auditor also met with the ARMC members without the presence of Management at least annually.

The Independent Auditor provides periodic updates and briefings to the ARMC on changes or amendments to the accounting standards to enable the members of ARMC to keep abreast of such changes and their corresponding impact on the financial statements, if any.

Independent Auditor

The Company has engaged CLA Global TS Public Accounting Corporation ("**CLA Global TS**") as its Independent Auditor. CLA Global TS has confirmed that it is registered with the Accounting and Corporate Regulatory Authority in Singapore. The report of the Independent Auditor is set out in the section on the Independent Auditor's Report of this Annual Report.

During FP2023, the fees paid or payable by the Group to the Independent Auditor for their audit services amounted to S$585,500. The Independent Auditor did not provide any non-audit services during FP2023. As mentioned above, the ARMC is satisfied that the independence of the Independent Auditor is not compromised by any other material relationship with the Company.

The Company has complied with Rules 712 and 715 of the Listing Manual in relation to the appointment of the Independent Auditor.

The ARMC is primarily responsible for proposing the appointment and removal of the Independent Auditor. After considering the adequacy of the resources and experience of the current auditing firm and the audit engagement partner assigned to the audit, the firm's other audit engagements, the size and complexity of the Group and the number and experience of the supervisory and professional staff assigned to the particular audit, and having taken into consideration the Audit Quality Indicators Disclosure Framework published by the Accounting and Corporate Regulatory Authority, the ARMC has recommended that the Board re-appoint CLA Global TS as the Independent Auditor at the forthcoming 2023 AGM.

Release of Annual Reports

The Company ensures that the audited financial statements and the Annual Report are released at least 14 days before the date of its AGM, and the Directors affirm in the Directors' Statement that the consolidated financial statements of the Group give a true and fair view of the state of affairs of the Group and the Company. Financial statements and other price sensitive information are disseminated to shareholders through announcements on SGXNet, press releases, the Company's website as well as during results briefings. This Annual Report is accessible on the Company's website and SGXNet.

Whistle-blowing Policy

The Group has in place a Whistle-Blowing Policy that provides a channel for employees to raise or report any genuine concerns about possible improprieties in matters of business activities, financial reporting or other matters they may encounter in confidence and without fear of retaliatory action. All whistle-blowing reports, other than reports involving any Director or member of senior management shall be received by the most senior member of the RMA team who will conduct a review of the report received and recommend the remedial, disciplinary or other action to be taken by the Company. All

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investigations are reported to the ARMC for further action as necessary.

In the event that the whistle-blowing report involves any Director or member of senior management or the Head of the RMA or the equivalent, such report shall be escalated to the Chairman of the ARMC, for his attention and further action as necessary.

All employees who make a disclosure or raise a concern in accordance with such policy will be protected if such employee (a) discloses the information in good faith; (b) has reasonable grounds to believe such disclosure or concern is substantially true; (c) does not act maliciously; and (d) does not seek any personal or financial gain. While employees are strongly encouraged to disclose their identity when lodging complaints, efforts will be made to ensure confidentiality as far as reasonably practicable. Furthermore, anonymous complaints will not be disregarded and will be considered by the Non-Executive Independent Directors. The contact details of the Non-Executive Independent Directors have been made known to the employees for the purposes of raising their concerns under the Whistle-Blowing Policy. The Company has policies and procedures to protect an employee who reveals illegal or unethical behaviour from retaliation.

Under these procedures, arrangements are in place for independent investigation of such matters raised and for appropriate follow-up action to be taken. On an ongoing basis, the Whistle-Blowing Policy is covered during employee training and periodic communications to employees as part of the Group's efforts to promote awareness of fraud controls.

COMMUNICATION WITH SHAREHOLDERS

Principle 11 – Shareholder Rights and Conduct of General Meetings

Principle 12 – Engagement with Shareholders

Principle 13 – Engagement with Stakeholders

The Company treats all shareholders fairly and equitably in order to enable them to exercise their shareholders' rights and have the opportunity to communicate their views on matters affecting the Company. The Company is committed to delivering high standards of corporate disclosure and transparency through an open and non-discriminatory approach towards its communications with shareholders, the investment community and the media. Shareholders are given the right to participate in certain decisions, including amendments to the Company's Constitution, the authorisation to issue additional shares and the transfer of all or substantially all of the assets of the Company. Shareholders also have the opportunity to approve remuneration (including fees, allowances and other emoluments) and increases in remuneration for Non-Executive Directors.

The Company gives shareholders a balanced and understandable assessment of its performance, position and prospects. The Company has in place a communications framework that disseminates timely and complete financial data, price- sensitive information and material developments to shareholders. Financial results and all other information, including presentation materials, are first announced on the website of the SGX-ST via SGXNet and then posted on the Company's website at https://yomastrategic.com. The Company's latest financial results and annual reports are available on the website. There is also a specific "Investor" link and the investor relations contacts are provided on the Company's website. The Company also issues press releases after the occurrence of significant developments and regularly conducts briefings with the analyst and investment community. Presentation materials for such briefings are made available on SGXNet and on the Company's website. The Company makes timely disclosure of any new material information to the SGX-ST. These filings are also posted on the Company's website which allow investors to keep abreast of strategic and operational developments.

As announced on 14 February 2020, the Company has ceased quarterly reporting of its financial statements, and instead, the Company will announce its financial statements on a half-yearly basis (within the prescribed forty-five (45) days after the relevant financial period in the case of its first half financial statements and sixty (60) days after the relevant financial period in the case of its financial statements for the full financial year) and provide trading updates for the other quarters. As part of its commitment to ensure transparent disclosure to investors, it also notifies investors of the scheduled date of announcement of the financial statements about one week before the scheduled date by way of a separate SGX-ST announcement.

CORPORATE GOVERNANCE REPORT

The contact details of the Company's investor relations personnel are as follows:

Company

Ms. Jane Kwa, Tel: (65) 9759 2602
Email: janekwa@yoma.com.mm

Ms. Hnin Yu Mon, Tel: (95) 09 25300 1100
Email: hninyumon@yoma.com.mm

General Meetings (Provision 11.1 to 11.5)

The Company provides shareholders with the opportunity to participate effectively in and vote at its general meetings of shareholders and encourages active shareholder participation at its general meetings. The Company also informs shareholders of the rules governing its general meetings. It delivers the notice of general meetings within the prescribed notice period set out in the Company's Constitution and the prevailing laws and regulations together with their respective circulars and letters to shareholders. Detailed information on each item in the agenda of the general meetings is provided in the explanatory notes to the notice of general meetings. The notices are also released via SGXNet and published in the local newspapers. The Company also holds its general meetings at a central location in Singapore with convenient access to public transportation.

The Company's Constitution allows for absentia voting at general meetings of shareholders. Shareholders who are unable to attend its general meetings may appoint up to two (2) proxies each to attend and vote on their behalf, and shareholders who hold shares through nominees and custodial services may attend the general meetings as observers without being constrained by the two (2) proxies requirement. A registered shareholder who is not a relevant intermediary (as defined in the Act) and who is unable to attend may choose to appoint up to two (2) proxies to attend and vote on his/her behalf, while relevant intermediaries may appoint more than two (2) proxies to attend and participate in its general meetings. The Company's ordinary shares have one vote per share. The Company's Constitution does not currently permit shareholders to vote in absentia by mail, facsimile or email as there are still concerns in respect of the authentication of the identity of shareholders and related security and integrity issues.

The Company tables separate resolutions at general meetings of shareholders on each substantially separate issue unless the issues are interdependent and linked so as to form one significant proposal. Where the resolutions are "bundled", the Company explains the reasons and material implications in the notice of meeting. Detailed results of the voting will be published on the website of the SGX-ST via SGXNet on the same day the general meeting is held.

Prior to the commencement of each general meeting, the Executive Chairman and/or the CEO will deliver a presentation to update shareholders on the Company's progress over the past year. Shareholders are given an opportunity to air their views and ask questions regarding the Company and the Group. The Directors and senior management are in attendance to address queries and concerns about the Company. The Company's Independent Auditor also attends the general meeting to help address shareholders' queries relating to the conduct of the audit and the preparation and content of the Independent Auditor's Report.

Pursuant to Rule 730A(2) of the Listing Manual, all resolutions to be proposed at general meetings and at any adjournment thereof shall be put to vote by way of poll. An external firm will also be appointed as scrutineers to count and validate the votes cast at the general meetings. Voting and vote tabulation procedures will be disclosed at the general meeting(s). The total number of votes cast for or against the resolutions and the respective percentages will also be announced on SGXNet after the general meetings.

General Meetings held during the FP2023

Due to the COVID-19 situation in Singapore, the 2021 AGM and the extraordinary general meeting held on 6 March 2023 (collectively, the "**FP2023 General Meetings**") were held via electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020. The FP2023 General Meetings were attended by all the Directors appointed at that point in time, including the Executive Chairman, the CEO and the Chairmen of all the Board Committees. The Company's Independent Auditor was also present. Shareholders participated in the FP2023 General Meetings by attending the live audio-visual webcast or the live audio only stream, submitting questions in advance of the FP2023 General Meetings and/or appointing the Chairman of the FP2023 General Meetings as proxy to attend, speak and vote on their behalf at the FP2023 General Meetings. The Company answered all substantial and relevant questions submitted

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by shareholders prior to the FP2023 General Meetings. The Company made the results of the votes of all resolutions of the FP2023 General Meetings publicly available on the website of the SGX-ST via SGXNet on the same day that the respective meeting was held.

The Company Secretary prepared minutes of the FP2023 General Meetings which record the substantial and relevant comments or queries from shareholders relating to the agenda of the FP2023 General Meetings and the responses from the Board and Management. The minutes of the FP2023 General Meetings were published on the Company's website and the SGXNet as soon as practicable.

2023 AGM

The Company's 2023 AGM will be held at Sophia Cooke Ballroom, Level 2, YWCA Fort Canning, 6 Fort Canning Road, Singapore 179494 on Thursday, 27 July 2023 at 10:00 a.m.. Shareholders should submit their written questions related to the resolutions to be tabled at the forthcoming AGM in advance of the lodgment of the proxy forms for the 2023 AGM, in accordance with the instructions set out in the Notice of AGM dated 11 July 2023. Proxy documents were made available to shareholders via post.

The Company strongly encourages and supports shareholder participation at its general meetings. The Company gives sufficient time to shareholders to review the notice of AGM and appoint a proxy to attend the AGM, if they wish. In line with this, the Company is committed to address all substantial and relevant questions and will endeavour to publish its responses to those questions on the Company's website and SGXNet 48 hours before the deadline for shareholders to submit their proxy forms. This is to ensure that shareholders have sufficient time to review the answers to questions posed and digest them before voting. Where substantial and relevant questions submitted by shareholders are unable to be addressed prior to the AGM, the Board and Management will address them during the AGM.

The minutes of the AGM would be published on the Company's website and the SGXNet within one (1) month after the date of the AGM.

Shareholders' Trip and Site Visits in Yangon

The Company endeavours to organise an annual shareholders' trip to Myanmar as it believes that such a trip will reinforce the Company's efforts to enhance communications with shareholders. Between March 2014 and February 2019, the Company had organised five (5) shareholders' trips hosting more than 300 participants of various nationalities (e.g. Bangladesh, France, Germany, Myanmar, Singapore, Thailand, the United Kingdom, and the United States).

During the shareholders' trips, the Company arranged site visits to its key real estate development projects in Yangon as well as its financial services, food and beverage and motors businesses. Interactive sessions were also hosted with the Group's key management personnel, including the Executive Directors and the heads of various business divisions. The trip enhanced shareholders' understanding of both the Company and Myanmar. The Company will continue to seek effective ways to engage with shareholders.

Since March 2020, the shareholders' trip has been suspended due to the COVID-19 pandemic and the uncertain economic and business environment in Myanmar. The Company will continue to monitor the situation and will organise the next shareholders' trip when such trips are appropriate to be organised.

Dividend Policy (Provision 11.6)

The Company has adopted a dividend policy which aims to provide shareholders with an annual dividend payout of between ten per cent. (10%) to twenty per cent. (20%) of its profit after income tax attributable to shareholders subject to (a) the level of cash, gearing, return on equity and retained earnings; (b) expected financial performance; (c) projected levels of capital expenditure and other investment plans; (d) restrictions on the payment of dividends that may be imposed by the Group's financing arrangements; and (e) such other factors that the Directors deem appropriate ("**Dividend Policy**").

The declaration and payment of dividends is determined at the sole discretion of the Board, and the Dividend Policy is intended to maintain a balance between meeting shareholders' expectations and prudent capital management. The Board will continually review the Dividend Policy and reserves the right to update, amend, modify and/or cancel the Dividend Policy at any time.

In paying dividends, all shareholders will be treated equally and final dividends will be approved by shareholders at general meetings.

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In light of the uncertain operating environment and the Group's results for FP2023, the Board has reviewed and recommended no dividend for FP2023.

Communication with Investors (Provision 12.1)

The Company provides avenues for communication between the Board and all shareholders. The Company communicates regularly with its shareholders and facilitates the participation of shareholders during its general meetings and other dialogues to allow shareholders to communicate their views on various matters affecting the Company.

The Company is committed to understand shareholders' viewpoints and concerns and to provide the investment and media communities with regular, effective and transparent information. It engages its investors actively through a wide variety of communication channels, such as direct meetings, conference calls, email communications, investor roadshows, conferences and social media platforms, to provide updates on the latest developments of the Company and Myanmar.

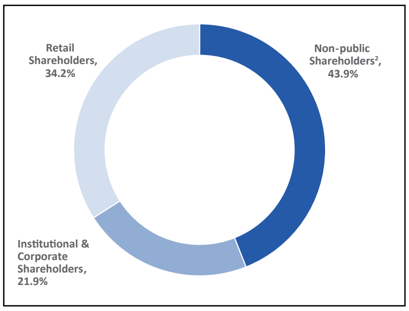
Prior to the COVID-19 outbreak in January 2020, the Company also frequently arranged site visits to its businesses in Yangon for investors and analysts. The Company believes that such trips can offer the investment community a firsthand experience of the Group's operations and a greater appreciation of the long-term growth potential of its businesses.

Despite the challenges of the last two (2) years, the Company continued to engage with the investment community and has resumed one-on-one meetings and conferences.

The Company also held its analysts' briefings via conferences calls in May 2022, November 2022 and May 2023 for its first half-year, second half-year and 18 months results to communicate its results, strategies and outlook. Key management personnel (including the CEO and/or the CFO) attended these conference calls to answer any questions that the analysts had. In addition, the Company has taken proactive steps to provide frequent updates to institutional shareholders through group and one-on-one conference calls.

As at March 2023, non-public shareholders[2] formed 43.9% of the Company's shareholder base, while institutional and corporate shareholders and retail shareholders formed 21.9% and 34.2% respectively[3]. The Company's institutional and corporate shareholders are predominantly located in North America, comprising 61.2% of the total, followed by 34.5% in Asia Pacific, with the remaining 4.3% from the UK and the rest of Europe[3].

Shareholdings by Investors



[2] Shares held by the Company's Board of Directors and the Directors' associates including Ayala Corporation (which holds 14.84% of the Company's shares).

[3] Based on the Company's internal data.

CORPORATE GOVERNANCE REPORT

Investor Relations Policy (Provisions 12.2 and 12.3)

The Company has implemented an Investor Relations Policy which aims to provide timely, unbiased and accurate disclosure of material information to the public and allows for an ongoing exchange of views so as to actively engage and promote regular, effective and fair communication with shareholders, in accordance with the Listing Manual, the 2018 Code and current best practices. The Company's Investor Relations Policy sets out the process and mechanism to engage its stakeholders, including the channel of communication through which shareholders and investors may contact the Company with queries and through which the Company may respond. Further information on the Company's Investor Relations Policy can be found on the Company's website https://yomastrategic.com.

Corporate Values and Conduct of Business

The Company has adopted a Code of Conduct for the Group with which all Directors and employees, including senior management, are required to comply. It sets out principles to guide employees in carrying out their duties and responsibilities to the highest standards of personal and corporate integrity when dealing with the Company, its competitors, its customers, its suppliers and the broader community. The Code of Conduct is clearly stipulated to guide employees in carrying out their daily tasks. Measures are taken to ensure compliance with the Code of Conduct, and breaches of the Code of Conduct will result in disciplinary action. In line with the Board's commitment to maintain high ethical standards which are integral to the Company's corporate identity and businesses, the Company also has the following corporate policies in place:-

(a) Anti-Bribery and Anti-Corruption Policy
(b) Conflicts of Interest Policy
(c) Environmental, Health and Safety Policy
(d) Human Rights Policy
(e) Land Acquisition Policy

These policies are available on the Company's website at https://yomastrategic.com.

Periodic Review

The Group continues to enhance its compliance policies and procedures on the basis of a periodic risk assessment to ensure their continued effectiveness, taking into account relevant developments such as international and industry standards and addressing the individual circumstances of the Group, including but not limited to its geographical organisation, corruption risks and sectors of operation.

Training and Employee Participation

The Group continuously ensures that its compliance policies and procedures are communicated effectively to all Directors, officers and employees and, where necessary and appropriate, agents and business partners. The Company has policies and programmes in place to enhance the performance of its employees. Please refer to the section on Sustainability Summary of this Annual Report for more information on these training and development programmes.

Role of Stakeholders (Provisions 13.1 to 13.3)

The Company values its stakeholders and has affirmed its support for the Ten Principles of the United Nations Global Compact. Its efforts to promote the welfare of its stakeholders are reflected in the Sustainability Summary section of this Annual Report.

The Company has arrangements in place to identify and engage with its material stakeholder groups and to manage its relationships with such groups. The Company maintains a current corporate website https://yomastrategic.com to communicate and engage with stakeholders. The Company's contact details for both its Singapore and Myanmar offices are provided on its corporate website to enable stakeholders to contact the Company.

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Another key area of focus for the Company is the environment and sustainable development. The Company encourages value chains that are environmentally friendly and consistently promote sustainable development. It advocates a "paperless culture" by encouraging employees to read documents through digital means instead of printing and has introduced a "cloud based" file sharing system which eliminates the need for printing and photocopying documents.

In addition to the Company's Code of Conduct, the Whistle-Blowing Policy stated above is a prominent example of its efforts to work against corruption.

INTERESTED PERSON TRANSACTIONS

The Company has adopted an internal policy governing procedures for the identification, approval and monitoring of interested person transactions. This policy requires Directors to disclose their interest in transactions and any other conflicts of interest, and abstain from participating in Board discussions on a particular agenda when they are conflicted. The Company ensures that interested person transactions are conducted fairly and on an arm's length basis**.** The Company discloses trading in the Company's shares by its Directors where such trading has taken place.

All interested person transactions are subject to review by the ARMC which determines whether such transactions are in the best interest of the Company and shareholders. None of the interested person transactions in FP2023 can be classified as financial assistance to entities other than wholly-owned subsidiary companies.

On 26 July 2017, the Company obtained shareholders' approval for the modifications to, and renewal of, a shareholders' mandate to enable the Company and its subsidiaries not listed on the SGX-ST or an approved exchange to enter into transactions within the categories of Interested Person Transactions set out in the Company's circular with such persons within the class or classes of Interested Persons as described in that circular (the "**IPT Mandate**"), provided that such transactions are carried out on normal commercial terms and will not be prejudicial to the interests of the Company and its minority shareholders. An interested person and his associates will abstain from voting on the resolution approving the IPT Mandate. The IPT Mandate was last renewed by shareholders on 28 January 2022 and shareholders' approval will be sought at the 2023 AGM to renew the IPT Mandate. The details of interested person transactions for FP2023 are set out below.

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Name of Interested Person	Nature of relationship	Aggregate value of all interested person transactions during FP2023 (excluding transactions less than S$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920) US$'000	Aggregate value of all interested person transactions during FP2023 which are conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S$100,000) US$'000
General Transactions			
(a) First Myanmar Investment Public Company Limited	Associates of Mr. Serge Pun, Executive Chairman	–	188
(b) Hlaing River Golf & Country Club Co., Ltd		–	3,479
(c) JJ-Pun Trading Company Limited		–	216
(d) Myanmar Agri-Tech Ltd		–	65
(e) Pun Hlaing International Hospital Limited		–	275
(f) Serge Pun & Associates (Myanmar) Ltd		–	150
(g) Yoma Bank Limited		–	1,053
(h) Memories Group Limited		–	35
(i) SPA Assets Management Limited		–	1,780
Treasury Transactions			
(a) Yoma Bank Limited (excluding Meeyahta International Hotel Limited)	Associate of Mr. Serge Pun, Executive Chairman	–	23,381
(b) Yoma Bank Limited (comprising only Meeyahta International Hotel Limited)		–	2,949
(c) Yoma Bank Limited (comprising only Wave Money's MSFP Account)		–	36,379
Financial Guarantee Fee Transaction			
Yoma Bank Limited		258	–
Loan Interest Expenses Transaction			
FMI Industrial Investment Company Limited	Associate of Mr. Serge Pun, Executive Chairman	270	–

The IPT Mandate was renewed and approved at the AGM held on 28 January 2022. Accordingly, the aggregate value of all interested person transactions is presented for FP2023.

The Company obtained approval from its shareholders to dispose the Group's investment properties to its interested person, Yoma Bank Limited which is an associate of Mr. Serge Pun, Executive Chairman of the Company, through the Company's 70%-owned subsidiaries for a purchase consideration of US$40 million in an Extraordinary General Meeting held on 6 March 2023. This disposal transaction was subsequently completed on 31 March 2023.

CORPORATE GOVERNANCE REPORT

SECURITIES TRANSACTION

The Company has adopted an internal code on dealings in securities by its officers and employees who have access to price-sensitive or confidential information. Officers and employees of the Company are required to observe this code and adhere to the following rules at all times:-

(a) to observe insider trading laws and avoid potential conflict of interests at all times when dealing in securities;

(b) not to deal in the Company's shares while in possession of unpublished material price sensitive information;

(c) not to deal in the Company's shares based on short-term considerations; and

(d) not to deal in the Company's shares during the period commencing one (1) month before the announcement of the Company's half year and full year financial statements, and ending on the date of announcement of such results, or when they are in possession of unpublished price-sensitive information on the Company.

The Directors are required to report any dealings in the Company's shares within two (2) business days of such dealing.

FINANCIAL REPORTS

OTHER INFORMATION

DIRECTORS' STATEMENT

For the financial period from 1 October 2021 to 31 March 2023

The Directors present their statement to the members together with the audited consolidated financial statements of the Group for the financial period from 1 October 2021 to 31 March 2023 and the statement of financial position of the Company as at 31 March 2023.

In the opinion of the Directors,

(a) the accompanying consolidated financial statements of the Group and the statement of financial position of the Company are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 March 2023 and of the financial performance, changes in equity and cash flows of the Group for the financial period covered by the consolidated financial statements; and

(b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

DIRECTORS

The Directors of the Company in office as at the date of this statement are as follows:

Mr. Serge Pun
Mr. Pun Chi Tung Melvyn
Ms. Wong Su Yen
Dato Timothy Ong Teck Mong
Mr. Thia Peng Heok George
Prof. Koh Annie
Mr. Jaime Alfonso Antonio Eder Zobel de Ayala (appointed on 10 November 2022)
Mr. Pun Chi Yam Cyrus (appointed as alternate director to Mr. Serge Pun on 1 January 2022)
Mr. Alberto Macapinlac de Larrazabal (appointed as alternate director to Mr. Jaime Alfonso Antonio Eder Zobel de Ayala on 20 April 2023)

ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE SHARES AND DEBENTURES

Except as disclosed under "Option Scheme" and "Performance Share Plan" of this statement, neither at the end of nor at any time during the financial period was the Company a party to any arrangement whose object was to enable the Directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

DIRECTORS' INTERESTS IN SHARES AND DEBENTURES

(a) According to the Register of Directors' Shareholdings, none of the Directors holding office as at 31 March 2023 had any interest in the shares and debentures of the Company and its related corporations, except as disclosed herein:

	Holdings registered in name of director or nominee		Holdings in which director is deemed to have an interest	
	At 31.03.2023	At 30.09.2021	At 31.03.2023	At 30.09.2021
The Company				
Number of ordinary shares				
Mr. Serge Pun	628,636,358	628,636,358	896,790	896,790
Mr. Pun Chi Tung Melvyn	20,147,800	20,147,800	–	–
Mr. Pun Chi Yam Cyrus	888,000	888,000	–	–
Dato Timothy Ong Teck Mong	1,075,000	1,075,000	–	–
Ms. Wong Su Yen	150,000	150,000	–	–

DIRECTORS' STATEMENT

For the financial period from 1 October 2021 to 31 March 2023

DIRECTORS' INTERESTS IN SHARES AND DEBENTURES (CONTINUED)

(b) According to the Register of Directors' Shareholdings, certain Directors holding office as at 31 March 2023 had interests in options to subscribe for ordinary shares of the Company granted pursuant to the Yoma Strategic Holdings Employee Share Option Scheme 2012 as set out under "Option Scheme" of this statement.

(c) According to the Register of Directors' Shareholdings, certain Directors holding office as at 31 March 2023 had interests in shares of the Company granted pursuant to the Yoma Performance Share Plan as set out under "Performance Share Plan" of this statement.

(d) By virtue of Section 7 of the Singapore Companies Act 1967, Mr. Serge Pun is deemed to have interests in all the ordinary shares of the Company's subsidiary corporations.

(e) The Directors' interests in the ordinary shares of the Company as at 21 April 2023 were the same as those as at 31 March 2023.

OPTION SCHEME

(a) Yoma Strategic Holdings Employee Share Option Scheme 2012

The Yoma Strategic Holdings Employee Share Option Scheme 2012 (the "YSH ESOS 2012") was approved by the Company's shareholders at an Extraordinary General Meeting held on 25 May 2012.

The YSH ESOS 2012 provides eligible participants with an opportunity to participate in the equity of the Company to motivate and encourage them towards better performance through stronger ties and dedication to the Company and its subsidiary corporations (the "Group"). Under the scheme, options to subscribe for the ordinary shares of the Company (the "Shares") are granted to eligible participants including Group Executive Directors and Group Non-Executive Directors who, in the opinion of the Remuneration Committee ("RC"), have contributed or will contribute to the success and development of the Group. Controlling shareholders of the Company and their associates are also eligible to participate in the YSH ESOS 2012.

The aggregate number of Shares over which the RC may grant options under the YSH ESOS 2012 (the "Options") on any date, when added to the number of Shares issued and issuable in respect of all Options granted under the YSH ESOS 2012 and any other share-based incentive schemes of the Company, shall not exceed 10% of the issued share capital of the Company (excluding treasury shares and subsidiary holdings) from time to time.

Under the rules of the YSH ESOS 2012, the Options that are granted may have exercise prices that are, at the RC's discretion, set at the price equal to the average of the last dealt prices for the Shares as determined by reference to the last daily official list or any other publication published by the Singapore Exchange Securities Trading Limited ("SGX-ST") for the five (5) consecutive market days immediately preceding the relevant date of grant of an Option (the "Market Price"), or at a discount to the Market Price (provided that the maximum discount shall not exceed 20% (the "Discount Price Options")). An Option which is fixed at the Market Price shall not vest earlier than the first anniversary of the date of grant of the Option (the "Date of Grant") and shall be exercised before the fifth anniversary of the Date of Grant or such earlier date as may be determined by the RC. The Options may be exercised in full or in part in respect of 1,000 Shares or any multiple thereof, after the second anniversary of the Date of Grant of that Option and in accordance with the vesting schedule and the conditions (if any) to be determined by the RC on the Date of Grant of the relevant Options, provided that all Discount Price Options shall be exercised before the tenth anniversary of the relevant Date of Grant of the Option, or such earlier date as may be determined by the RC.

DIRECTORS' STATEMENT

For the financial period from 1 October 2021 to 31 March 2023

OPTION SCHEME (CONTINUED)

(a) Yoma Strategic Holdings Employee Share Option Scheme 2012 (continued)

The YSH ESOS 2012 is administered by the RC in its absolute discretion with such powers and duties as are conferred on it by the Directors of the Company, provided that no member of the RC shall participate in any deliberation or decision in respect of Options granted or to be granted to him or her.

The Company granted Options under the YSH ESOS 2012 to subscribe for an aggregate of 19,250,000 ordinary shares of the Company during the financial year ended 31 March 2013 ("2013 Options"), 3,750,000 ordinary shares of the Company during the financial year ended 31 March 2014 ("2014 Options"), 4,600,000 ordinary shares of the Company during the financial year ended 31 March 2015 ("2015 Options"), and 6,000,000 ordinary shares of the Company during the financial year ended 31 March 2016 ("2016 Options"). Particulars of these Options were set out in the Directors' Report for the financial years ended 31 March 2013, 31 March 2014, and 31 March 2015 and the Directors' Statement for the financial year ended 31 March 2016 respectively.

Details of the Options granted to certain Directors are as follows:

	Granted in financial period ended 31.03.2023	Aggregate granted since commencement of the scheme to 31.03.2023	Aggregate adjusted since commencement of the scheme to 31.03.2023 [i]	Aggregate exercised/ forfeited/ cancelled since commencement of the scheme to 31.03.2023	Aggregate outstanding as at 31.03.2023
Mr. Serge Pun	–	2,000,000	161,154	(2,161,154)	–
Mr. Pun Chi Tung Melvyn	–	4,000,000	–	–	4,000,000
Mr. Pun Chi Yam Cyrus	–	2,000,000	161,154	(2,161,154)	–

[i] On 9 February 2015, the Company issued and allotted 432,537,405 new ordinary shares ("rights share") at an issue price of S$0.38 for each share based on one rights share for every three existing shares held by shareholders of the Company as at 14 January 2015. As a result of the completion of the rights issue, the RC had determined that the adjustments were to be made to the outstanding share options under the YSH ESOS 2012.

A total of 8,322,308 Options have been granted to controlling shareholders of the Company or their associates (as defined in the Listing Manual of SGX-ST).

No participant under the scheme has received 5% or more of the total number of Options available under the scheme.

During the financial period ended 31 March 2023, a total 3,763,421 Options were forfeited upon expiry of the relevant exercise period granted to the employees who have resigned and 2,990,308 Options were cancelled upon expiry of the exercise period. There are no Options granted or exercised during the financial period ended 31 March 2023.

All Options were issued at a discount of 20% to the market price, except for 4,000,000 Options under 2016 Options – Second Tranche, which were granted at Market Price.

DIRECTORS' STATEMENT

For the financial period from 1 October 2021 to 31 March 2023

OPTION SCHEME (CONTINUED)

(b) Options outstanding

The number of unissued ordinary shares of the Company under Options in relation to the YSH ESOS 2012 outstanding at the end of the financial year was as follows:

	No. of unissued ordinary shares under Options as at 31.03.2023	Exercise price	Exercise year
2014 Options			
– Second Tranche	840,604	S$0.58*	2.5.2015 - 30.4.2023
2016 Options			
– First Tranche	2,000,000	S$0.37	29.7.2017 - 27.7.2025
– Second Tranche	4,000,000	S$0.36	25.8.2020 - 23.8.2025
	6,000,000		
	6,840,604		

* Adjusted pursuant to the completion of the rights issue on 9 February 2015 in accordance with Rule 11.1 of the YSH ESOS 2012.

PERFORMANCE SHARE PLAN

(a) Yoma Performance Share Plan

The Yoma Performance Share Plan (the "Yoma PSP") was approved by the Company's shareholders at an Extraordinary General Meeting held on 27 July 2015.

The Yoma PSP allows the Company to target specific performance objectives and to provide an incentive for eligible participants to achieve these targets, which ultimately, will create and enhance economic value for shareholders. Through the Yoma PSP, the Company will be able to recognise and reward past contributions and services and motivate eligible participants to continue to strive for the Group's long-term prosperity. In addition, the Yoma PSP aims to foster an ownership culture within the Group. Under the Yoma PSP, awards of fully-paid shares, free of charge, are granted to Group employees including Group Executive Directors and Group Non-Executive Directors who, in the opinion of the RC, have contributed or will contribute to the success and development of the Group (the "Awards"). Controlling shareholders of the Company and their associates are also eligible to participate in the Yoma PSP.

In considering the grant of an Award to a participant, the RC shall take into account (where applicable) criteria such as the rank, scope of responsibilities, performance, years of services and potential for future development of the participant. The length of the vesting year in respect of each Award will be determined by the RC on a case-by-case basis taking into consideration the length of service of the participant and the need to retain the participant so as to encourage him/her to continue serving the Group for a further year even after having satisfied the performance target. No minimum vesting periods are prescribed under the Yoma PSP. The criteria and terms of the Awards will be applied consistently to all participants including the controlling shareholders and their associates.

DIRECTORS' STATEMENT

For the financial period from 1 October 2021 to 31 March 2023

PERFORMANCE SHARE PLAN (CONTINUED)

(a) Yoma Performance Share Plan (continued)

The aggregate number of shares over which the RC may grant under the Yoma PSP on any date, when aggregated with the aggregate number of shares which may be granted under the Yoma PSP and any other share-based incentive scheme, shall not exceed 10% of the issued share capital of the Company (excluding treasury shares and subsidiary holdings) from time to time.

The Yoma PSP is administered by the RC in its absolute discretion with such powers and duties as are conferred on it by the Board of Directors of the Company, provided that no member of the RC shall participate in any deliberation or decision in respect of Awards granted or to be granted to him or her.

During the financial period ended 30 September 2020, the Company granted Awards for an aggregate of 9,625,000 shares to the employees of the Company pursuant to the Yoma PSP, with total fair value of US$582,000.

During the financial period ended 31 March 2023, the Company granted Awards for an aggregate of 7,400,000 shares and 6,250,000 shares respectively, to the employees and Directors of the Company pursuant to the Yoma PSP, with total fair value of US$1,674,641. 5,000,000 shares included in the Awards granted to a Director is subject for approval by independent shareholders at the next Annual General Meeting.

During the financial period ended 31 March 2023, the Company granted Awards for an aggregate of 5,000,000 shares to an associate of the controlling shareholder of the Company pursuant to the Yoma PSP, with total fair value of US$626,425 which is subject for approval by independent shareholders at the next Annual General Meeting.

No Award has been granted to the controlling shareholders of the Company during the financial period ended 31 March 2023.

(b) Information on Awards

Awards granted, vested and cancelled during the financial year, and Awards outstanding at the end of the financial period ended 31 March 2023, were as follows:

<u>**Performance shares for employees**</u>

Date of grant	Number of Awards outstanding as at beginning of the financial period	Number of Awards granted during the financial period	Number of Awards vested and released during the financial period	Number of Awards cancelled/ forfeited during the financial period	Number of Awards outstanding as at end of the financial period
30.07.2020	8,925,000	–	(1,083,333)	(100,000)	7,741,667
04.04.2022	–	7,400,000	(1,583,333)	–	5,816,667

DIRECTORS' STATEMENT

For the financial period from 1 October 2021 to 31 March 2023

PERFORMANCE SHARE PLAN (CONTINUED)

(b) Information on Awards (continued)

Performance shares for Directors

Date of grant	Number of Awards outstanding as at beginning of the financial period	Number of Awards granted during the financial period	Number of Awards vested and released during the financial period	Number of Awards cancelled/ forfeited during the financial period	Number of Awards outstanding as at end of the financial period
28.11.2021					
Mr. Chan Pengee Adrian*	–	250,000	–	–	250,000
Ms. Wong Su Yen	–	250,000	–	–	250,000
Dato Timothy Ong Teck Mong	–	250,000	–	–	250,000
Prof. Koh Annie	–	250,000	–	–	250,000
Mr. Thia Peng Heok George	–	250,000	–	–	250,000
04.04.2022					
Mr. Pun Chi Tung Melvyn	–	5,000,000#	–	–	5,000,000

* Mr. Chan Pengee Adrian ceased to be a director of the Company on 31 December 2021.

\# Subject to approval by independent shareholders.

AUDIT AND RISK MANAGEMENT COMMITTEE

The members of the Audit and Risk Management Committee (the "ARMC") at the end of the financial period ended 31 March 2023 were as follows:

Mr. Thia Peng Heok George (Chairman)
Dato Timothy Ong Teck Mong
Prof. Koh Annie

All members of the ARMC were independent and non-executive directors.

DIRECTORS' STATEMENT

For the financial period from 1 October 2021 to 31 March 2023

AUDIT AND RISK MANAGEMENT COMMITTEE (CONTINUED)

The ARMC carried out its functions in accordance with Section 201B(5) of the Singapore Companies Act 1967. In performing those functions, the ARMC reviewed:

- the scope and results of the internal audit procedures with the internal auditor;
- the audit plan and the audit findings of the Company's independent auditor and its report on the weaknesses of internal accounting controls arising from the statutory audit;
- the assistance given by the Company's management to the independent auditor and the internal auditor; and
- the statement of financial position of the Company as at 31 March 2023 and the consolidated financial statements of the Group for the financial period ended 31 March 2023 before their submission to the Directors, as well as the independent auditor's report on the statement of financial position of the Company and the consolidated financial statements of the Group.

The ARMC has recommended to the Directors that the independent auditor, CLA Global TS Public Accounting Corporation, be nominated for re-appointment at the forthcoming Annual General Meeting of the Company.

INDEPENDENT AUDITOR

The independent auditor, CLA Global TS Public Accounting Corporation, has expressed its willingness to accept re-appointment.

On behalf of the Directors

Serge Pun
Director

Pun Chi Tung Melvyn
Director

5 July 2023

INDEPENDENT AUDITOR'S REPORT

To the Members of Yoma Strategic Holdings Ltd.

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the accompanying financial statements of Yoma Strategic Holdings Ltd. (the "Company") and its subsidiary corporations (the "Group") which comprise the consolidated statement of financial position of the Group and the statement of financial position of the Company as at 31 March 2023, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group for the financial period then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of financial position of the Company are properly drawn up in accordance with the provisions of the Singapore Companies Act 1967 (the "Act") and Singapore Financial Reporting Standards (International) ("SFRS(I)s") so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 March 2023 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group for the financial period ended on that date.

Basis of Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were most significant in our audit of the financial statements for the financial period ended 31 March 2023. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

(1) Recognition of revenue from contracts with customers – Sale of development properties

See accounting policies on Note 2.2(c) and critical accounting estimates on Note 3(a)

Refer to Note 4 to the financial statements

Area of focus

One of the Group's significant revenue streams is derived from sale of development properties which amounts to US$53.86 million for the financial period ended 31 March 2023.

INDEPENDENT AUDITOR'S REPORT

To the Members of Yoma Strategic Holdings Ltd.

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Key Audit Matters (continued)

(1) Recognition of revenue from contracts with customers – Sale of development properties (continued)

Area of focus (continued)

Revenue from sale of development properties is recognised when control over the property has been transferred to the customer. In respect of development properties where the Group is restricted contractually from directing the properties for another use as they are being developed and the Group has an enforceable right to payment for performance completed to date, revenue is recognised over time based on the percentage of completion. The percentage of completion is measured using input method by reference to the construction costs incurred to-date over the estimated total construction costs. Revenue is recognised only in respect of finalised sales contracts to the extent that such revenue relates to the progress of construction of the development properties.

In respect of development properties where the Group has no enforceable right to payment until the property is delivered to the customer, revenue is recognised at a point in time when the legal title has been transferred to the customer. Revenue is measured at the transaction price agreed under the contract. Progress billings to the customer are based on a payment schedule in the contract and are typically triggered upon achievement of specified milestones in the contract.

Events and circumstances frequently do not occur as expected. Even if the events anticipated under the assumptions occur, actual results are still likely to be different from estimates since other anticipated events frequently do not occur as expected and the variation may be material and in particular arising from volatility in market conditions brought on by the uncertain economic and business environment in Myanmar.

This revenue stream also warrants additional audit focus as significant judgements are required to determine the estimated total construction costs to completion, which include estimation for variation works and any other claims from contractors. Any changes to the estimated total construction costs will impact the percentage of completion and consequentially the revenue recognised.

How our audit addressed the area of focus

Our audit procedures included obtaining samples of the contracts with customers, and reviewing the terms and conditions of such contracts, along with discussions with management, to assess if management's identification of the performance obligations and the timing of revenue recognition is appropriate.

In respect of the sale of development properties under construction in which revenue is recognised over time based on the input method by reference to the construction costs incurred to-date over the estimated total construction costs, we sighted the certified progress reports submitted by contractors and approved by the Group's project department to assess the appropriateness of management's estimates of the works completed by subcontractors and suppliers.

We also had discussion with management to obtain understanding on the status and impact of the uncertain economic and business environment in Myanmar on the development properties to corroborate the changes, if any, in the key assumptions used in forming any revised completion timeline and estimated total construction costs.

INDEPENDENT AUDITOR'S REPORT

To the Members of Yoma Strategic Holdings Ltd.

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Key Audit Matters (continued)

(1) Recognition of revenue from contracts with customers – Sale of development properties (continued)

How our audit addressed the area of focus (continued)

We evaluated the effectiveness of management's controls over the estimation of total construction costs and assessed the reasonableness of key inputs in the estimation of costs. We tested the appropriateness of estimated construction costs by comparing these against actual costs incurred, signed contracts with subcontractors and suppliers. We recomputed the cumulative and current financial year's revenue recognised from the sale of development properties under construction based on the respective percentage of completion, verified samples of costs incurred to supporting documents and traced these to the accounting records.

We assessed the adequacy of disclosures in describing the areas of judgement and estimation uncertainties involving revenue recognition in relation to development properties.

(2) Valuation and impairment of assets

The uncertain economic and business environment in Myanmar has created a high level of uncertainty to global economic prospects, including the business segments in which the Group operates. This gives rise to financial statements risk such as determination of valuation of investment properties, development properties and land development rights and impairment of these non-financial assets.

(a) Valuation of investment properties

See accounting policies on Note 2.9 and critical accounting estimates on Note 3(b)
Refer to Note 25 to the financial statements

Area of focus

The Group owns a portfolio of investment properties comprising an office building, commercial units, residential units and school buildings, which are primarily located in Myanmar. As at 31 March 2023, the carrying value of the Group's investment properties stated at fair value based on independent external valuations by independent real estate valuers (the "valuers") of US$319.08 million accounted for 26.4% of the Group's total assets.

The valuation process involves significant judgements in determining the appropriate valuation methodologies, in estimating adjustments to the prices of comparable properties when using the direct comparison method, in projecting income and estimating the related expenses under the income method, in projecting development costs and related costs capitalised and estimating the appropriate margin of developer profit under the depreciated replacement costs method and residual land approach. It also involves the use of certain key assumptions, such as adopted values per square foot, discount rates, capitalisation rates and growth rates. These assumptions are dependent on the prevailing market conditions.

Given the degree of complexity, subjective nature and the involvement of assumptions in the valuation process, additional audit focus was placed on this area. Any input inaccuracies or unreasonable bases used in the valuation model could result in a material misstatement of the Group's consolidated financial statements. In addition, there was heightened uncertainty in determining the fair value of investment properties arising from changes in market and economic conditions brought on by the uncertain economic and business environment in Myanmar.

INDEPENDENT AUDITOR'S REPORT

To the Members of Yoma Strategic Holdings Ltd.

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Key Audit Matters (continued)

(2) Valuation and impairment of assets (continued)

(a) Valuation of investment properties (continued)

How our audit addressed the matter

Our audit procedures included discussion with the valuers and management to understand the approach adopted, the valuation methodologies, the bases of fair value measurement and the appropriateness of inputs provided by management to the valuers, taking into consideration comparability and market factors. Together with our internal valuation specialists, we also evaluated the appropriateness of valuation methodologies and significant underlying assumptions used in the valuation of the investment properties, including the implications of the uncertain economic and business environment in Myanmar on the critical assumptions.

We focused on the valuation process, taking into consideration the Group's processes for the selection of the valuers, the determination of the scope of work of the valuers, and the review and acceptance of the valuations reported by the valuers.

We assessed the qualifications and competency of the valuers. We also read the terms of engagement of the valuers with the Group to determine whether there were any matters that might have affected their objectivity or limited the scope of their work.

We considered the adequacy of the disclosure in the financial statements, in describing the inherent degree of subjectivity and the key assumptions in the estimates. This includes the relationship between the key unobservable assumptions, or inputs, and the fair values.

(b) Valuation of development properties and land development rights

See accounting policies on Note 2.5 and Note 2.6 and critical accounting estimates on Note 3(c)
Refer to Note 19 and Note 30 to the financial statements

Area of focus

The Group has significant development properties and land development rights in its core market – Myanmar, which are carried at the lower of cost and net realisable value. As at 31 March 2023, the carrying values of the Group's development properties and land development rights of US$110.08 million and US$124.86 million, respectively, accounted for 9.1% and 10.3% of the Group's total assets. No write-down has been recognised for the Group's development properties and land development rights for the current financial year.

Specific audit focus in this area is required, as the determination of the estimated net realisable value of these assets involves significant judgements and is critically dependent upon the Group's expectation of future selling prices, which are assessed with reference to market prices at the reporting date for comparable completed properties and land development rights, less direct selling expenses and management's estimation of the budgeted total costs to complete the development properties.

INDEPENDENT AUDITOR'S REPORT

To the Members of Yoma Strategic Holdings Ltd.

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Key Audit Matters (continued)

(2) Valuation and impairment of assets (continued)

(b) Valuation of development properties and land development rights (continued)

Area of focus (continued)

The uncertain economic and business environment in Myanmar has resulted in significant economic uncertainty in the current and future economic environment in Myanmar which heightened uncertainty in the estimation of future selling prices of the development properties and land development rights. There is, therefore, a risk that the Group's estimates of net realisable values may exceed future selling prices, which may result in these assets having to be written down.

How our audit addressed the matter

We evaluated the design, implementation and operating effectiveness of key internal controls over the preparation, monitoring and management of the budgeted construction and other costs for major property development projects.

We assessed the Group's estimated total construction costs for development properties by comparing the budgeted costs to contracts and agreements and through inquiries with the project teams, taking into consideration the costs incurred to-date, the status of construction progress, the deviation in design plans or cost overruns, if any, and the appropriateness of management's basis of allocating common costs and infrastructure costs which are capitalised in development properties and land development rights.

We challenged the Group's forecasted selling prices by comparing the forecasted selling prices to, where available, recently transacted selling prices and/or prices of comparable development properties and land development rights in the same or similar locations to the respective development properties and land development rights.

In addition, we considered the potential impact of the uncertain economic and business environment in Myanmar on the net realisable value through discussion with management, observation of the subsequent sales and assessment of the budgeted total costs to complete the development properties. Where selling price is lower than cost or where there are no sales after the end of the financial period or when the expected demand is low, we enquired management and assessed whether upcoming marketing and sales programs will generate sufficient demand.

INDEPENDENT AUDITOR'S REPORT

To the Members of Yoma Strategic Holdings Ltd.

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Key Audit Matters (continued)

(2) Valuation and impairment of assets (continued)

(c) Impairment of non-financial assets

See accounting policies on Note 2.10 and critical accounting estimates on Note 3(d)

Refer to Note 23, Note 26 and Note 29 to the financial statements

Area of focus

As at 31 March 2023, management reviewed whether there are objective evidence or indications that the carrying amounts of the Group's non-financial assets may be impaired. For non-financial assets with impairment indicators and goodwill and intangible assets with indefinite useful life, management performed impairment testing annually. As at 31 March 2023, the Group has non-financial assets with carrying amounts, of US$293.30 million, mainly comprising the following:

(i) Property, plant and equipment of US$171.09 million;
(ii) Investments in associated companies of US$47.89 million;
(iii) Intangible assets of US$31.29 million; and
(iv) Goodwill of US$38.51 million.

For the purposes of performing impairment assessment, all non-financial assets including goodwill have been allocated to the respective cash generating units ("CGU"). The recoverable amount of the underlying CGUs is determined using value-in-use calculations which are based on future discounted cash flows or valuation determined by the independent real estate valuers. The Group recognised impairment loss on property, plant and equipment, prepayments for agriculture products during the financial period ended 31 March 2023.

We focus on this area as the assessments made by the Group involved significant estimates and judgements over the indication of impairment indicators and applying various key assumptions that are affected by future market and economic conditions such as value per square foot, contingency rate and inflation rate used in the valuation prepared by valuers, and forecasted revenue and operating expenses, sales growth rates, gross profit margin and discount rates applied to these future discounted cash flows. In addition, there was an increase in uncertainty in deriving the key assumptions used due to the impact of the uncertain economic and business environment in Myanmar.

How our audit addressed the matter

We obtained an understanding of management's impairment assessment process including their considerations of the impact of the uncertain economic and business environment in Myanmar have on the Group's operations, industry outlook and other external factors.

Our audit procedures included reviewing, evaluating and discussing with management regarding its basis of assessment of whether there are indications of impairment and the assumptions used in deriving the value-in-use calculations, including the potential impact of the uncertain economic and business environment in Myanmar, where applicable.

INDEPENDENT AUDITOR'S REPORT

To the Members of Yoma Strategic Holdings Ltd.

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Key Audit Matters (continued)

(2) Valuation and impairment of assets (continued)

(c) Impairment of non-financial assets (continued)

How our audit addressed the matter (continued)

We obtained and reviewed the future discounted cash flows provided by management and challenged the appropriateness of the key assumptions used. Together with our internal valuation specialists, we assessed the reasonableness of key assumptions used in the calculations, including, inter alia, forecasted revenue and operating expenses, sales growth rates, perpetual growth rate and discount rates by comparing against the past and recent financial performances, reviewing new and on-going contracts secured with its customers (if any), performing trend analysis, and discussing with management on the planned strategies, revenue growth strategies and cost initiatives of each CGU subject to impairment testing.

We discussed with the valuers and management to understand the approaches adopted, valuation methodologies, the basis of measurement and the appropriateness of inputs provided by management to valuers, taking into the consideration of comparability and market factors. Together with internal valuation specialists, we also evaluated the appropriateness of the valuation methodologies and significant underlying assumptions used in the valuation, including the implications of the uncertain economic and business environment in Myanmar on critical assumptions.

We assessed the qualification and competency of the valuers and considered whether there were any matters which might have affected their objectivity or limited the scope of their work.

We also reviewed the sensitivity analysis to assess the impact on the respective recoverable amounts of the cash-generating units subject to reasonably possible changes to the key assumptions for adequacy of disclosure in the financial statements.

(3) Business combination

See accounting policies on Note 2.8 and Note 2.10 and critical accounting estimates on Note 3(d)
Refer to Note 29 and Note 46 to the financial statements

Area of focus

On 7 December 2022, the Group completed step acquisition by acquiring additional 21% effective interest in Digital Money Myanmar Limited ("Wave Money") through its 72.2% subsidiary corporation, Yoma MFS Holdings Pte. Ltd ("Yoma MFS"), for a consideration of US$16.47 million. As a result of the acquisition, the Group obtained controlling interest in Wave Money.

The Group performed a Purchase Price Allocation ("PPA") exercise for the acquisition where the purchase consideration was allocated to the fair value of the identifiable assets acquired and liabilities assumed, resulting in the recognition of goodwill of US$30.47 million on Wave Money. Through the PPA exercise, management identified intangible assets relating to trademark, agent network and software, and engaged an independent valuer to determine the fair value of identifiable assets acquired and liabilities assumed.

We focus on this area as there is significant judgement involved in the identification of the intangible assets and significant assumptions and estimates are also used in determining the fair value of the previously held interest, intangible assets, identifiable assets acquired and liabilities assumed in the acquisition.

INDEPENDENT AUDITOR'S REPORT

To the Members of Yoma Strategic Holdings Ltd.

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Key Audit Matters (continued)

(3) Business combination (continued)

How our audit addressed the area of focus

We obtained and reviewed the sales and purchase agreements and identified significant terms relevant to the accounting treatment of the transactions, including purchase consideration and completion date.

We reviewed, evaluated, and discussed with management to ensure the appropriateness of the assumptions used and together with our internal specialist, we assessed the methodology applied in the PPA and the appropriateness of the key assumptions used in determining the fair value of the previously held interest, as well as intangible assets, namely trademark, agent network and software.

We assessed the qualifications and competency of the valuers assisting management in the PPA exercise. We also read the terms of engagement of the valuers with the Group to determine whether there were any matters that might have affected their objectivity or limited the scope of their work.

We also assessed the adequacy and appropriateness of the disclosure made in the financial statements in respect of the acquisition.

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report but does not include the financial statements and our audited report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibility of Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and SFRS(I)s, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

INDEPENDENT AUDITOR'S REPORT

To the Members of Yoma Strategic Holdings Ltd.

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

INDEPENDENT AUDITOR'S REPORT

To the Members of Yoma Strategic Holdings Ltd.

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiary corporations incorporated in Singapore of which we are the auditor, have been properly kept in accordance with the provisions of the Act.

The engagement director on the audit resulting in this independent auditor's report is Mr. Loh Ji Kin.

CLA Global TS Public Accounting Corporation
Public Accountants and Chartered Accountants

Singapore

5 July 2023

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the financial period from 1 October 2021 to 31 March 2023

	Note	**For the financial period from 1 October 2021 to 31 March 2023 (18 months) US$'000**	For the financial year from 1 October 2020 to 30 September 2021 (12 months) US$'000
Revenue	4	**160,207**	87,328
Other gains or losses			
- Interest income	5	**8,202**	4,095
- Others	6	**4,037**	808
		12,239	4,903
Expenses			
- Purchase of inventories		**(28,611)**	(13,026)
- Subcontractors and related costs		**(54,188)**	(29,271)
- Employee compensation	7	**(24,851)**	(18,221)
- Marketing and commission		**(16,834)**	(3,753)
- Changes in inventories		**(1,472)**	(6,759)
- Others		**(26,102)**	(10,619)
		(152,058)	(81,649)
Core earnings before interest, taxes, depreciation, and amortisation ("Core EBITDA")		**20,388**	10,582
Finance costs	8	**(36,626)**	(23,303)
Amortisation and depreciation of non-financial assets		**(17,928)**	(17,280)
Currency (losses)/gains, net		**(5,575)**	3,130
Share of losses of joint ventures	22	**(1,584)**	(2,521)
Share of (losses)/profits of associated companies	23	**(2,938)**	1,152
Net fair value (losses)/gains	10	**(22,058)**	38,229
Loss on disposal of investment properties		**(1,094)**	–
Loss allowance on financial assets at amortised cost, net		**(684)**	(4,670)
Impairment losses on non-financial assets	11	**(9,200)**	(6,445)
Write-off of property, plant and equipment		**(97)**	(5,156)
Other non-core income/(expense)		**718**	(6,566)
		(97,066)	(23,430)
Loss before income tax	9	**(76,678)**	(12,848)
Income tax expense	12(a)	**(4,612)**	(2,832)
Net loss for the financial period/year		**(81,290)**	(15,680)
Net loss attributable to:			
Equity holders of the Company		**(55,989)**	(19,704)
Non-controlling interests		**(25,301)**	4,024
		(81,290)	(15,680)
Loss per share attributable to equity holders of the Company (US cents per share)			
- Basic	14	**(2.54)**	(0.91)
- Diluted		**(2.54)**	(0.91)

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the financial period from 1 October 2021 to 31 March 2023

	Note	**For the financial period from 1 October 2021 to 31 March 2023 (18 months)**	For the financial year from 1 October 2020 to 30 September 2021 (12 months)
		US$'000	US$'000
Net loss for the financial period/year		**(81,290)**	(15,680)
Other comprehensive loss:			
Items that may be reclassified subsequently to profit or loss:			
– Currency translation losses arising from consolidation		**(34,983)**	(83,322)
– Reclassification of currency translation losses arising from deemed disposal of joint venture		**(40)**	–
– Reclassification of currency translation gains arising from deemed disposal of associated companies		**6,811**	–
– Share of other comprehensive loss of joint ventures	22	**(1,178)**	(443)
– Share of other comprehensive loss of associated companies	23	**(1,906)**	(5,987)
		(31,296)	(89,752)
Items that will not be reclassified subsequently to profit or loss:			
– Currency translation losses arising from consolidation		**(6,992)**	(22,016)
Other comprehensive loss, net of tax		**(38,288)**	(111,768)
Total comprehensive loss for the financial period/year		**(119,578)**	(127,448)
Total comprehensive loss attributable to:			
Equity holders of the Company		**(87,285)**	(109,456)
Non-controlling interests		**(32,293)**	(17,992)
		(119,578)	(127,448)

The accompanying notes form an integral part of these financial statements.

STATEMENTS OF FINANCIAL POSITION

As at 31 March 2023

		Group		Company	
	Note	**31 March 2023**	30 September 2021	**31 March 2023**	30 September 2021
		US$'000	US$'000	**US$'000**	US$'000
ASSETS					
Current assets					
Cash and bank balances	15	**138,811**	27,180	**2,206**	697
Trade and other receivables	16	**99,756**	109,220	**17,026**	15,277
Inventories	18	**11,936**	12,539	**–**	–
Development properties	19	**110,081**	320,133	**–**	–
Other assets	20	**58,199**	50,611	**1,786**	1,261
Land development rights	30	**1,099**	821	**–**	–
		419,882	520,504	**21,018**	17,235
Assets of disposal group classified as held-for-sale	13	**30,866**	32,795	**–**	–
		450,748	553,299	**21,018**	17,235
Non-current assets					
Trade and other receivables	16	**10,615**	13,571	**–**	–
Other assets	20	**734**	1,071	**–**	–
Financial assets at fair value through profit or loss	21	**10,275**	10,283	**–**	–
Investments in joint ventures	22	**4,521**	7,436	**–**	–
Investments in associated companies	23	**47,893**	91,038	**–**	–
Investments in subsidiary corporations	24	**–**	–	**672,281**	740,590
Investment properties	25	**319,077**	228,910	**–**	–
Property, plant and equipment	26	**171,090**	159,687	**1,124**	1,862
Intangible assets	29	**69,796**	20,658	**–**	–
Land development rights	30	**123,758**	143,448	**–**	–
		757,759	676,102	**673,405**	742,452
Total assets		**1,208,507**	1,229,401	**694,423**	759,687

The accompanying notes form an integral part of these financial statements.

STATEMENTS OF FINANCIAL POSITION

As at 31 March 2023

		Group		Company	
	Note	**31 March 2023**	30 September 2021	**31 March 2023**	30 September 2021
		US$'000	US$'000	**US$'000**	US$'000
LIABILITIES					
Current liabilities					
Trade and other payables	31	**193,320**	91,895	**4,518**	7,927
Current income tax liabilities	12(b)	**7,805**	5,911	**88**	29
Borrowings	32	**126,769**	92,960	**91,112**	46,123
		327,894	190,766	**95,718**	54,079
Liabilities directly associated with disposal group classified as held-for-sale	13	**632**	513	**–**	–
		328,526	191,279	**95,718**	54,079
Non-current liabilities					
Trade and other payables	31	**1,968**	1,918	**–**	–
Borrowings	32	**137,629**	316,017	**17,686**	152,508
Put options to non-controlling interests	34	**38,004**	35,107	**38,004**	35,107
Financial liabilities at fair value through profit or loss	35	**–**	1,015	**–**	1,015
Deferred income tax liabilities	33	**5,710**	2,662	**–**	–
		183,311	356,719	**55,690**	188,630
Total liabilities		**511,837**	547,998	**151,408**	242,709
NET ASSETS		**696,670**	681,403	**543,015**	516,978
EQUITY					
Capital and reserves attributable to equity holders of the Company					
Share capital	36	**625,181**	624,890	**625,181**	624,890
Perpetual securities	37	**79,132**	30,000	**79,132**	30,000
Other reserves	39	**(172,494)**	(137,639)	**(35,310)**	(31,751)
Accumulated losses	40	**(85,389)**	(29,999)	**(125,988)**	(106,161)
		446,430	487,252	**543,015**	516,978
Non-controlling interests		**250,240**	194,151	**–**	–
Total equity		**696,670**	681,403	**543,015**	516,978

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the financial period from 1 October 2021 to 31 March 2023

		Attributable to equity holders of the Company						
	Note	Share capital US$'000	Perpetual securities US$'000	Other reserves US$'000	Accumulated losses US$'000	Total US$'000	Non-controlling interests US$'000	Total equity US$'000
2023								
Balance as at 1 October 2021		**624,890**	**30,000**	**(137,639)**	**(29,999)**	**487,252**	**194,151**	**681,403**
Issuance of shares pursuant to performance share awards	39(b)(ii)	**291**	**–**	**(291)**	**–**	**–**	**–**	**–**
Employee share awards scheme – value of employee services	39(b)(ii)	**–**	**–**	**1,128**	**–**	**1,128**	**–**	**1,128**
Forfeiture of share options and share awards	39(b)(i)	**–**	**–**	**(1,499)**	**1,499**	**–**	**–**	**–**
Additional capital contributions from non-controlling interests	24	**–**	**–**	**–**	**–**	**–**	**71,305**	**71,305**
Acquisition of subsidiary corporation	46	**–**	**–**	**–**	**–**	**–**	**17,100**	**17,100**
Accretion of imputed interest – put options to non-controlling interests	39(b)(iv)	**–**	**–**	**(3,369)**	**–**	**(3,369)**	**–**	**(3,369)**
Fair value of put options to non-controlling interests	39(b)(iv)	**–**	**–**	**472**	**–**	**472**	**–**	**472**
Dividends declared to non-controlling interests		**–**	**–**	**–**	**–**	**–**	**(23)**	**(23)**
Transfer of borrowings and other payables to perpetual securities	37(b)	**–**	**49,132**	**–**	**–**	**49,132**	**–**	**49,132**
Perpetual securities distribution for current financial period	37(a)	**–**	**–**	**–**	**(900)**	**(900)**	**–**	**(900)**
Total comprehensive loss for the financial period		**–**	**–**	**(31,296)**	**(55,989)**	**(87,285)**	**(32,293)**	**(119,578)**
Balance as at 31 March 2023		**625,181**	**79,132**	**(172,494)**	**(85,389)**	**446,430**	**250,240**	**696,670**

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the financial period from 1 October 2021 to 31 March 2023

		Attributable to equity holders of the Company						
	Note	Share capital US$'000	Perpetual securities US$'000	Other reserves US$'000	Accumulated losses US$'000	Total US$'000	Non-controlling interests US$'000	Total equity US$'000
2021								
Balance as at 1 October 2020		624,890	30,000	(45,662)	(9,919)	599,309	194,625	793,934
Employee share awards scheme – value of employee services	39(b)(ii)	–	–	110	–	110	–	110
Forfeiture of share options	39(b)(i)	–	–	(254)	254	–	–	–
Equity loan from non-controlling interests	24	–	–	–	–	–	17,496	17,496
Derecognition of subsidiary corporation		–	–	–	(30)	(30)	30	–
Accretion of imputed interest – put options to non-controlling interests	39(b)(iv)	–	–	(2,081)	–	(2,081)	–	(2,081)
Dividends declared to non-controlling interests		–	–	–	–	–	(8)	(8)
Perpetual securities distribution for current financial year	37(a)	–	–	–	(600)	(600)	–	(600)
Total comprehensive loss for the financial year		–	–	(89,752)	(19,704)	(109,456)	(17,992)	(127,448)
Balance as at 30 September 2021		624,890	30,000	(137,639)	(29,999)	487,252	194,151	681,403

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the financial period from 1 October 2021 to 31 March 2023

	For the financial period from 1 October 2021 to 31 March 2023 (18 months)	For the financial year from 1 October 2020 to 30 September 2021 (12 months)
	US$'000	US$'000
Cash flows from operating activities		
Net loss	**(81,290)**	(15,680)
Adjustments for:		
– Income tax expense	**4,612**	2,832
– Depreciation of property, plant and equipment	**16,571**	16,268
– Amortisation of intangible assets	**1,357**	1,012
– Write-off of property, plant and equipment	**97**	5,156
– Net fair value losses/(gains) on investment properties	**22,374**	(41,405)
– Fair value gain on financial liabilities at fair value through profit or loss	**(1,015)**	(495)
– Fair value loss on assets of disposal group classified as held-for-sale	**–**	1,512
– Gain on disposal of property, plant and equipment	**(1,121)**	(192)
– Loss on disposal of investment properties	**1,094**	–
– Loss on deemed divestment of joint ventures	**110**	–
– Gain on deemed divestment of associated companies	**(8)**	–
– Gain on remeasurement of previously held interest in joint ventures and associated companies as a result of change in control	**(538)**	–
– Bargain purchase on business combination	**(2,244)**	–
– Impairment loss of property, plant and equipment	**9,070**	–
– Impairment loss of prepayment – Crop and Supply Agreement	**130**	1,958
– Impairment loss of agriculture operating rights	**–**	3,731
– Gain from modification of lease contracts	**(6)**	(73)
– (Gain)/loss from derecognition of lease contracts	**(20)**	27
– Interest income on loan to joint venture	**(5,808)**	(3,830)
– Interest income on bank deposits	**(2,194)**	(183)
– Interest income from trade receivables under instalments and contracts with significant financing component	**(200)**	(82)
– Interest expense on borrowings	**31,232**	19,272
– Interest expense on lease liabilities	**5,415**	3,980
– Amortised interest on deferred consideration	**51**	34
– Impairment loss of goodwill	**–**	756
– Employee share award expenses	**1,128**	110
– Share of losses of joint ventures	**1,584**	2,521
– Share of losses/(profits) of associated companies	**2,938**	(1,152)
– Unrealised currency translation gains	**(21,299)**	(8,692)
Operating cash flows before changes in working capital	**(17,980)**	(12,615)

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the financial period from 1 October 2021 to 31 March 2023

	For the financial period from 1 October 2021 to 31 March 2023 (18 months)	For the financial year from 1 October 2020 to 30 September 2021 (12 months)
	US$'000	US$'000
Cash flows from operating activities (continued)		
Operating cash flows before change in working capital (continued)	**(17,980)**	(12,615)
Change in working capital, net of effects from acquisition of subsidiary corporations:		
– Inventories	**1,472**	6,759
– Development properties	**10,084**	2,346
– Trade and other receivables	**17,483**	5,882
– Land development rights	**582**	(1,662)
– Trade and other payables	**22,494**	1,931
– Financial assets at fair value through profit or loss	**8**	1,948
– Bank deposits restricted for use	**(13,371)**	–
Cash generated from operations	**20,772**	4,589
Interest received	**2,394**	264
Income tax paid	**(2,235)**	(659)
Net cash provided by operating activities	**20,931**	4,194
Cash flows from investing activities		
Additions to investment properties	**(4,644)**	(2,593)
Additions to property, plant and equipment	**(12,797)**	(17,873)
Additions to development properties intended for investing activities	**(5,579)**	(23,022)
Acquisition of subsidiary corporations, net of cash acquired	**19,347**	–
Investments in joint ventures	**(320)**	–
Investments in associated companies	**(406)**	–
Proceeds from disposal of investment properties	**56,022**	–
Proceeds from disposal of joint ventures	**115**	–
Proceeds from disposal of associated companies	**150**	–
Proceeds from disposal of property, plant and equipment	**5,378**	3,015
Net cash provided by/(used in) investing activities	**57,266**	(40,473)

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the financial period from 1 October 2021 to 31 March 2023

	Note	**For the financial period from 1 October 2021 to 31 March 2023 (18 months)**	For the financial year from 1 October 2020 to 30 September 2021 (12 months)
		US$'000	US$'000
Cash flows from financing activities			
Interest paid		**(32,610)**	(13,438)
Distribution to perpetual securities holders		**(600)**	(300)
Payment of lease liabilities (including interest paid)		**(7,739)**	(4,265)
Equity loan from non-controlling interests		**71,305**	17,496
Proceeds from borrowings		**40,549**	50,272
Repayment of borrowings		**(121,986)**	(28,639)
Repayment of shareholder loan from non-controlling interest		**(1,252)**	–
(Increase)/decrease in bank deposits restricted for use		**(140)**	11,427
Net cash (used in)/provided by financing activities		**(52,473)**	32,553
Net increase/(decrease) in cash and cash equivalents		**25,724**	(3,726)
Cash and cash equivalents at beginning of financial period/year		**26,939**	34,712
Effects of currency translation on cash and cash equivalents		**(2,251)**	(4,047)
Cash and cash equivalents at end of financial period/year	15	**50,412**	26,939

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the financial period from 1 October 2021 to 31 March 2023

Reconciliation of liabilities arising from financing activities

	Borrowings US$'000	Loans from non-controlling interests US$'000	Interest payable (included in trade and other payables) US$'000	Lease liabilities US$'000
Balance as at 1 October 2021	**(352,864)**	**(10,824)**	**(5,294)**	**(45,102)**
Changes from financing cash flows				
Proceeds from borrowings	**(40,549)**	**–**	**–**	**–**
Repayment of borrowing	**121,986**	**–**	**–**	**–**
Repayment of shareholder loan from non-controlling interest	**–**	**1,252**	**–**	**–**
Payment of lease liabilities	**–**	**–**	**–**	**3,362**
Interest paid	**–**	**–**	**32,610**	**4,377**
Total changes from financing cash flows	**81,437**	**1,252**	**32,610**	**7,739**
Acquisition arising from business combinations	**–**	**–**	**–**	**(154)**
Foreign exchange movement	**59,948**	**1,022**	**1,673**	**873**
Other changes				
Additions during the financial year	**–**	**–**	**–**	**(2,621)**
Modification during the financial year	**–**	**–**	**–**	**339**
Disposals during the financial year	**–**	**–**	**–**	**126**
Interest expense	**–**	**–**	**(31,232)**	**(5,415)**
Total other changes	**–**	**–**	**(31,232)**	**(7,571)**
Balance as at 31 March 2023	**(211,479)**	**(8,550)**	**(2,243)**	**(44,215)**
Balance as at 1 October 2020	(351,453)	(14,303)	(2,887)	(52,244)
Changes from financing cash flows				
Proceeds from borrowings	(50,272)	–	–	–
Repayment of borrowing	28,639	–	–	–
Payment of lease liabilities	–	–	–	2,558
Interest paid	–	–	13,438	1,707
Total changes from financing cash flows	(21,633)	–	13,438	4,265
Foreign exchange movement	20,222	3,479	3,427	3,253
Other changes				
Additions during the financial year	–	–	–	(465)
Modification during the financial year	–	–	–	411
Disposals during the financial year	–	–	–	3,267
Transfer to other payables	–	–	–	391
Interest expense	–	–	(19,272)	(3,980)
Total other changes	–	–	(19,272)	(376)
Balance as at 30 September 2021	(352,864)	(10,824)	(5,294)	(45,102)

The accompanying notes form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

These financial statements were authorised for issue in accordance with a resolution of the Directors of Yoma Strategic Holdings Ltd. on 5 July 2023.

1. GENERAL INFORMATION

Yoma Strategic Holdings Ltd. (the "Company") is listed on the Singapore Exchange Securities Trading Limited and incorporated and domiciled in Singapore. The address of its registered office is 63 Mohamed Sultan Road, #02-14 Sultan-Link, Singapore 239002.

The principal activity of the Company is that of an investment holding company. The principal activities of its subsidiary corporations are disclosed in Note 24.

On 25 February 2022, the Company had changed its financial year end from 30 September to 31 March. Consequently, the reporting period for 2023 covered a period of 18 months from 1 October 2021 to 31 March 2023 whereas the comparative period covered a period of 12 months from 1 October 2020 to 30 September 2021.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

These financial statements have been prepared in accordance with Singapore Financial Reporting Standards (International) ("SFRS(I)") under the historical cost convention, except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with SFRS(I) requires management to exercise its judgement in the process of applying the Group's accounting policies. It also requires the use of certain critical accounting estimates and assumptions. Areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in Note 3.

Change in presentation

The acquisition of Wave Money has transformed the nature of the Group's financial reporting structure, particularly as a result of the diversification in the material costs and expenses across the Group. As such, a change in presentation of the Group's financial statements was required to provide a reliable and more relevant information to the users of the financial statements. As a result, the statement of comprehensive income has been presented by nature, which is a more compatible format for all businesses across the Group, rather than by function.

Interpretations and amendments to published standards effective in 2023

On 1 October 2021, the Group has adopted the new or amended SFRS(I) and Interpretations of SFRS(I) ("INT SFRS(I)") that are mandatory for application for the financial period. Changes to the Group's accounting policies have been made as required, in accordance with the transitional provisions in the respective SFRS(I) and INT SFRS(I).

The adoption of these new or amended SFRS(I) and INT SFRS(I) did not result in substantial changes to the Group's accounting policies and had no material effect on the amounts reported for the current or prior financial period/year.

NOTES TO THE FINANCIAL STATEMENTS

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.2 Revenue recognition

Revenue is measured based on the consideration to which the Group expects to be entitled in exchange for transferring the promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Revenue is recognised when the Group satisfies a performance obligation by transferring a promised goods or service to the customer, which is when the customer obtains control of the goods or service. A performance obligation may be satisfied over time or at a point in time. The amount of revenue recognised is the amount allocated to the satisfied performance obligation.

(a) Sale of goods – Automotive & heavy equipment, food & beverages and agricultural products

Revenue from these sales is recognised at a point in time when the goods have been transferred to the customers and coincides with the delivery of the goods and accepted by the customers.

(b) Rendering of services – Project management, design, estate management, golf estate operator (collectively "real estate services")

Revenue from the rendering of services is recognised at a point in time when the services have been rendered to the customers and accepted by the customers.

(c) Sale of development properties

Completed development properties

Revenue from the sale of completed development properties is recognised at a point in time when the control of the properties has been transferred to the purchasers, being when the properties have been completed and delivered to the customers and it is probable that the Group will collect the consideration to which it would be entitled in exchange for the assets sold.

Development properties under construction

The Group develops and sells residential and commercial properties before the completion of construction of the properties.

Revenue is recognised when control over the property has been transferred to the customer, either over time or at a point in time, depending on the contractual terms and the practices in the legal jurisdictions.

For development properties whereby the Group is restricted contractually from directing the properties for another use as they are being developed and has an enforceable right to payment for performance completed to date, revenue is recognised over time based on construction and other costs incurred to date as a proportion of the estimated total construction and other costs to be incurred.

For development properties whereby the Group does not have an enforceable right to payment for performance completed to date, revenue is recognised when the customer obtains control of the asset.

Progress billings to the customers are based on a payment schedule in the contract and are typically triggered upon the achievement of specified construction milestones. A contract asset is recognised when the Group has performed under the contract but has not yet billed the customer. Conversely, a contract liability is recognised when the Group has not yet performed under the contract but has received advanced payments from the customer. Contract assets are transferred to receivables when the rights to consideration become unconditional. Contract liabilities are recognised as revenue as the Group performs under the contract.

NOTES TO THE FINANCIAL STATEMENTS

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.2 Revenue recognition (continued)

(c) Sale of development properties (continued)

Incremental costs to obtain a contract are capitalised if these costs are recoverable. Costs to fulfil a contract are capitalised if the costs relate directly to the contract, generate or enhance resources used in satisfying the contract and are expected to be recovered. Other contract costs are expensed as incurred.

Capitalised contract costs are subsequently amortised on a systematic basis as the Group recognises the related revenue. An impairment loss is recognised in profit or loss to the extent that the carrying amount of the capitalised contract costs exceeds the remaining amount of consideration that the Group expects to receive in exchange for the goods or services to which the contract costs relate less the costs that relate directly to providing the goods or services and that have not been recognised as expenses.

(d) Sale of land development rights

Revenue from the sale of land development rights is recognised at a point in time when the Group transfers the control over the land development rights to the customers and the customers have accepted the terms as stated in the sale contract.

(e) Income from logistics services

The Group provides a range of logistics services such as trucking, distribution, packing, warehousing and material management services. Revenue is recognised when performance obligations are met which is dictated by the type of logistics services provided based on the agreement with customers, either at a point in time or over time. Revenue is recognised over time when customers simultaneously receive and consume the benefits of the Group’s services. In general, revenue is recognised using the output method which commensurate with the pattern of transfer of provision of services to the customers. A corresponding receivable is recognised for the consideration that is unconditional when only the passage of time is required before the payment is due.

(f) Dividend income

Dividend income is recognised when the right to receive payment is established.

(g) Interest income

Interest income is recognised using the effective interest method.

(h) Management services fees

Management services fees are recognised upon the rendering of management and consultation services to and acceptance by subsidiary corporations, joint ventures and associated companies.

(i) Interest income from finance leases

Interest income from finance leases is recognised based on a pattern reflecting a constant periodic rate of return on the net investment in the finance lease.

(j) Mobile financial services fees

The Group provides services through Wave Partner and Wave Pay (mobile transaction platforms). Revenue is recognised at a point in time when the performance obligations are fulfilled, which occurs when the Group completes the services provided.

NOTES TO THE FINANCIAL STATEMENTS

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.3 Group accounting

(a) Subsidiary corporations

(i) Consolidation

Subsidiary corporations are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiary corporations are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date on which that control ceases.

In preparing the consolidated financial statements, transactions, balances and unrealised gains on transactions between group entities are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment indicator of the assets transferred. Accounting policies of subsidiary corporations have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests comprise the portion of a subsidiary corporation's net results of operations and its net assets which are attributable to the interests that are not owned directly or indirectly by the equity holders of the Company. They are shown separately in the consolidated statement of comprehensive income, statement of changes in equity and statements of financial position. Total comprehensive income is attributed to the non-controlling interests based on their respective interests in a subsidiary corporation, even if this results in the non-controlling interests having a deficit balance.

(ii) Acquisitions

The acquisition method of accounting is used to account for business combinations entered into by the Group.

The consideration transferred for the acquisition of a subsidiary corporation or business comprises the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred also includes the fair value of any contingent consideration arrangement and any pre-existing equity interest in the subsidiary corporation measured at their fair values at the acquisition date.

Acquisition - related costs are expensed as incurred.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date.

On an acquisition-by-acquisition basis, the Group recognises any non-controlling interests in the acquiree at the date of the acquisition either at fair value or at the non-controlling interests' proportionate share of the acquiree's identifiable net assets.

NOTES TO THE FINANCIAL STATEMENTS

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.3 Group accounting (continued)

(a) *Subsidiary corporations* (continued)

(ii) *Acquisitions* (continued)

The excess of (a) the consideration transferred, the amount of any non-controlling interests in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the (b) fair value of the identifiable net assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the subsidiary corporation acquired and the measurement of all amounts has been reviewed, the difference is recognised directly in profit or loss as a bargain purchase. Please refer to paragraph “Intangible assets – Goodwill on acquisitions” for the subsequent accounting policy on goodwill.

(iii) *Disposals*

When a change in the Group’s ownership interest in a subsidiary corporation results in a loss of control over the subsidiary corporation, the assets and liabilities of the subsidiary corporation including any goodwill are derecognised. Amounts previously recognised in other comprehensive income in respect of that entity are also reclassified to profit or loss or transferred directly to retained profits if required by a specified Standard.

Any retained equity interest in the entity is remeasured at fair value. The difference between the carrying amount of the retained interest at the date when control is lost and its fair value is recognised in profit or loss.

Please refer to the paragraph “Investments in subsidiary corporations, joint ventures and associated companies” for the accounting policy on investments in subsidiary corporations in the separate financial statements of the Company.

(b) *Transactions with non-controlling interests*

Changes in the Group’s ownership interest in a subsidiary corporation that do not result in a loss of control over the subsidiary corporation are accounted for as transactions with equity owners of the Company. Any difference between the change in the carrying amounts of the non-controlling interest and the fair value of the consideration paid or received is recognised within retained profits attributable to the equity holders of the Company.

(c) *Associated companies and joint ventures*

Associated companies are entities over which the Group has significant influence, but not control, generally accompanied by a shareholding giving rise to voting rights of 20% and above.

Joint ventures are entities over which the Group has joint control as a result of contractual arrangements and rights to the net assets of the entities.

NOTES TO THE FINANCIAL STATEMENTS

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.3 Group accounting (continued)

(c) Associated companies and joint ventures (continued)

Investments in associated companies and joint ventures are accounted for in the consolidated financial statements using the equity method of accounting less impairment losses, if any.

(i) Acquisitions

Investments in associated companies and joint ventures are initially recognised at cost. The cost of an acquisition is measured at the fair value of the assets given, equity instruments issued or liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Goodwill on associated companies and joint ventures represents the excess of the cost of the acquisition of the associated company or joint venture over the Group's share of the fair value of the identifiable net assets of the associated company or joint venture and is included in the carrying amount of the investments.

(ii) Equity method of accounting

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise Group's share of its associated companies' and joint ventures' post-acquisition profits or losses of the investees' profit or loss and its share of movements in other comprehensive income of the investee's other comprehensive income. Dividends received or receivable from associated companies or joint ventures are recognised as a reduction of the carrying amount of the investments. When the Group's share of losses in an associated company and a joint venture equals to or exceeds its interest in the associated company or joint venture, the Group does not recognise further losses, unless it has legal or constructive obligations to make, or has made, payments on behalf of the associated company or joint venture. If the associated company or joint venture subsequently reports profits, the Group resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

Unrealised gains on transactions between the Group and its associated companies and joint ventures are eliminated to the extent of the Group's interest in the associated companies or joint ventures. Unrealised losses are also eliminated unless the transactions provide evidence of impairment of the assets transferred. The accounting policies of associated companies and joint ventures are changed where necessary to ensure consistency with the accounting policies adopted by the Group.

(iii) Disposals

Investments in associated companies and joint ventures are derecognised when the Group loses significant influence or joint control. If the retained equity interest in the former associated company or joint venture is a financial asset, the retained equity interest is remeasured at fair value. The difference between the carrying amount of the retained equity interest at the date when significant influence or joint control is lost and its fair value and any proceeds on partial disposal is recognised in profit or loss.

Gains and losses arising from partial disposals or dilutions in investments in associated companies and joint ventures, in which significant influence or joint control is retained, are recognised in profit or loss.

Please refer to the paragraph "Investments in subsidiary corporations, joint ventures and associated companies" for the accounting policy on investments in associated companies and joint ventures in the separate financial statements of the Company.

NOTES TO THE FINANCIAL STATEMENTS

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.4 Property, plant and equipment

(a) Measurement

Property, plant and equipment are initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses.

The cost of an item of property, plant and equipment initially recognised includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Costs of a self-constructed asset include material costs, labour costs and other direct costs used in the construction of the asset. Other costs such as start-up costs, administration and other general overhead costs, advertising and training costs are excluded and recognised as an expense when incurred. Cost also includes borrowing costs (refer to Note 2.18 on borrowing costs).

(b) Depreciation

Depreciation of property, plant and equipment is calculated using the straight-line method to allocate their depreciable amounts over their estimated useful lives as follows:

	Useful lives
Land and buildings	10 - 56 years
Machinery, facilities and equipment	3 - 10 years
Renovation, furniture and office equipment	3 - 5 years
Motor vehicles	3 - 5 years
Water treatment plant	10 years
Bearer plants	20 years
Right-of-use assets	2 - 48 years

Residual values, estimated useful lives and the depreciation method of property, plant and equipment are reviewed, and adjusted, as appropriate, at each reporting date. The effects of any revision are recognised in profit or loss when the changes arise.

Assets under construction which are included in property, plant and equipment are not depreciated as these assets are not yet available for use.

Fully depreciated property, plant and equipment are retained in the financial statements until they are no longer in use.

(c) Subsequent expenditure

Subsequent expenditure relating to property, plant and equipment that has already been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repair and maintenance expenses are recognised in profit or loss when incurred.

(d) Disposal

On the disposal of an item of property, plant and equipment, the difference between the disposal proceeds and its carrying amount is recognised in profit or loss within “Other gains or losses”.

NOTES TO THE FINANCIAL STATEMENTS

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.5 Development properties

Development properties refer to properties acquired or being constructed for sale in the ordinary course of business, rather than to be held for the Group's own use, rental or capital appreciation.

Development properties that are unsold are carried at the lower of cost and net realisable value. Cost includes acquisition costs, development expenditure, capitalised borrowing costs and other costs directly attributable to the development activities. Cost includes an appropriate share of development overheads allocated based on normal capacity.

Borrowing costs that are directly attributable to the acquisition and construction of the development properties are capitalised as part of the development properties during the year of construction.

Net realisable value is the estimated selling price in the ordinary course of business, based on market prices at the reporting date and discounted for the time value of money, if material, less the estimated costs of completion and the estimated costs necessary to make the sale.

2.6 Land development rights

Land development rights refer to rights to own, use, develop and sell plots of land acquired for sale in the ordinary course of business and for future development.

Land development rights are carried at the lower of cost and net realisable value. Cost includes acquisition costs, capitalised borrowing costs and other costs directly attributable to the acquisition. Net realisable value is the estimated selling price in the ordinary course of business, based on market prices at the reporting date and discounted for the time value of money, if material, less the estimated costs necessary to make the sale.

Land development rights on plots sold are transferred at their carrying values to profit or loss. Land development rights are presented as non-current assets, except for those to be sold or developed within 12 months after the reporting date which are presented as current assets.

2.7 Investments in subsidiary corporations, joint ventures and associated companies

Investments in subsidiary corporations, joint ventures and associated companies are carried at cost less accumulated impairment losses in the Company's statement of financial position. On disposal of such investments, the difference between the disposal proceeds and the carrying amounts of the investments are recognised in profit or loss.

2.8 Intangible assets

(a) Goodwill on acquisitions

Goodwill on acquisitions of subsidiary corporations and businesses, represents the excess of (i) the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest on the acquiree over (ii) the fair value of the identifiable net assets acquired. Goodwill on subsidiary corporations is recognised separately as intangible assets and carried at cost less accumulated impairment losses.

Goodwill on acquisitions of joint ventures and associated companies represents the excess of the cost of the acquisition over the Group's share of the fair value of the identifiable net assets required. Goodwill on joint ventures and associated companies is included in the carrying amount of the investments.

Gain and losses on the disposal of subsidiary corporations, joint ventures and associated companies include the carrying amount of goodwill relating to the entities sold.

NOTES TO THE FINANCIAL STATEMENTS

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.8 Intangible assets (continued)

(b) Agriculture operating rights

Agriculture operating rights pertain to the 70% exclusive rights granted by a related party to the Group to manage and oversee all existing and future plantation estates (the "Maw Tin estate") which are owned or to be owned by a joint venture company of the related party, and to market and sell the produce for the related party in accordance with the terms and conditions set out in the Joint Planting and Operation Deed. Agriculture operating rights for agriculture activities are stated at cost less accumulated amortisation and accumulated impairment losses. Amortisation is calculated using the straight-line method to allocate the cost of the operating rights over 30 years, which is the shorter of the estimated useful lives and the periods of contractual rights.

(c) Golf estate operating rights

Golf estate operating rights pertain to the 70% exclusive rights acquired from a related party to operate and manage the entire estate of Pun Hlaing Golf Estate including the golf estate and country club. Golf estate operating rights are stated at cost less accumulated amortisation and accumulated impairment losses. Amortisation is calculated using the straight-line method to allocate the cost of the operating rights over 37 years, which is the shorter of the estimated useful lives and the periods of contractual rights.

(d) Distributor licence

The distributor licence acquired in a business combination is initially recognised at cost, which represents the fair value at the date of acquisition, and is subsequently carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is calculated using the straight-line method to allocate the cost of distributor license over the management's estimated useful life of ten years. The distributor license relates to an Import and Distribution Agreement entered into with CNH International SA ("CNHI") whereby the Group is licensed by CNHI to market and sell agricultural tractors under the brand of New Holland Agriculture.

(e) Trademarks

Trademarks were acquired in business combinations. The useful lives of the trademarks are estimated to be indefinite because management believes there is no foreseeable limit to the year over which the trademarks are expected to generate net cash inflows for the Group.

Trademarks with indefinite useful lives are subject to an annual impairment review and no amortisation is required. The useful life of trademarks is reviewed annually to determine whether the useful life assessment continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

(f) Software

Software acquired separately is recognised at initial cost and subsequently, carried at cost less accumulated amortisation and any accumulated impairment losses. For internally developed software, research costs incurred are recognised in profit or loss. Costs directly attributable to the developments of software are capitalised only when technical feasibility of the project is demonstrated, the Group has intention and ability to complete and use the software and the cost can be measured reliably. Such costs include purchase of materials and services and payroll-related cost of employees directly involved in the project. Computer software is amortised on a straight-line basis over its estimated economic useful lives of 3 years.

NOTES TO THE FINANCIAL STATEMENTS

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.8 Intangible assets (continued)

(g) Agent network

Agent network acquired in a business combination is initially recognised at cost, which represents the fair value at the date of acquisition, and subsequently, carried at cost less accumulated amortisation and any accumulated impairment losses. Agent network is amortised on a straight-line basis over its estimated economic useful lives of 8 years. The agent network represents the distributor relationship which the Group uses for its money transfer service in Myanmar.

The amortisation year and amortisation method of intangible assets other than goodwill and trademarks are reviewed at least at each reporting date. The effects of any revision are recognised in profit or loss when the changes arise.

2.9 Investment properties

Investment properties include an office building, residential units, commercial units, school buildings and a shopping centre and retail stores that are held for long-term rental yields and/or for capital appreciation. Investment properties also include properties that are being constructed or developed for future use as investment properties.

Investment properties are initially recognised at cost and subsequently carried at fair value which is determined annually by independent professional valuers on the highest and best use basis. Changes in fair values are recognised in profit or loss.

Investment properties are subject to renovations or improvements at regular intervals. The costs of major renovations and improvements are capitalised and the carrying amounts of the replaced components are recognised in profit or loss. The costs of maintenance, repairs and minor improvements are recognised in profit or loss when incurred.

On the disposal of an investment property, the difference between the disposal proceeds and the carrying amount is recognised in profit or loss.

2.10 Impairment of non-financial assets

(a) Goodwill and intangible assets with indefinite useful life

Goodwill and intangible assets with indefinite useful life recognised separately as intangible assets are tested for impairment annually and whenever there is indication that the goodwill or intangible assets with indefinite useful life may be impaired.

For the purpose of impairment testing of goodwill, goodwill is allocated to each of the Group's cash-generating-units ("CGU") expected to benefit from the synergies arising from the business combination.

An impairment loss is recognised when the carrying amount of a CGU, including the goodwill or intangible assets with indefinite useful life, exceeds the recoverable amount of the CGU or the asset. The recoverable amount of a CGU or the asset is the higher of the CGU's or the asset's fair value less cost to sell and value-in-use.

The total impairment loss of a CGU is allocated first to reduce the carrying amount of goodwill allocated to the CGU and then to the other assets of the CGU pro-rata on the basis of the carrying amount of each asset in the CGU.

An impairment loss on goodwill is recognised as an expense and is not reversed in a subsequent year.

NOTES TO THE FINANCIAL STATEMENTS

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.10 Impairment of non-financial assets (continued)

(b) Other intangible assets
Property, plant and equipment
Right-of-use assets
Investments in subsidiary corporations, joint ventures and associated companies
Other non-financial assets

Other Intangible assets, property, plant and equipment, right-of-use assets, investments in subsidiary corporations, joint ventures and associated companies and other non-financial assets are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired.

For the purposes of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. If this is the case, the recoverable amount is determined for the CGU to which the asset belongs.

If the recoverable amount of the asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount.

The difference between the carrying amount and the recoverable amount is recognised as an impairment loss in profit or loss.

For an asset other than goodwill, management assesses at the end of the reporting period whether there is any indication that an impairment recognised in prior periods may no longer exist or may have decreased. If any such indication exists, the recoverable amount of that asset is estimated and may result in a reversal of impairment loss. The carrying amount of this asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortisation or depreciation) had no impairment loss been recognised for the asset in prior years.

A reversal of impairment loss for an asset other than goodwill is recognised in profit or loss, unless the asset is carried at the revalued amount, in which case, such reversal is treated as a revaluation increase. However, to the extent that an impairment loss on the same revalued asset was previously recognised as an expense, a reversal of that impairment is also credited to profit or loss.

2.11 Financial assets

(a) Classification and measurement

The Group classifies its financial assets in the following measurement categories:

- Amortised cost;
- Fair value through other comprehensive income ("FVOCI"); and
- Fair value through profit or loss ("FVPL").

The classification depends on the Group's business model for managing the financial assets as well as the contractual terms of the cash flows of the financial asset.

NOTES TO THE FINANCIAL STATEMENTS

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.11 Financial assets (continued)

(a) Classification and measurement (continued)

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

The Group reclassifies debt instruments when and only when its business model for managing those assets changes.

<u>At initial recognition</u>

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

<u>At subsequent measurement</u>

Debt instruments

Debt instruments mainly comprise of cash and cash equivalents, trade and other receivables, listed and unlisted debt securities.

There are three subsequent measurement categories, depending on the Group's business model for managing the asset and the cash flow characteristics of the asset:

- Amortised cost: Debt instruments that are held for the collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt instrument that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in interest income using the effective interest rate method.

- FVOCI: Debt instruments that are held for sale and for the collection of contractual cash flows and where the assets' cash flows represent solely payments of principal and interest, are classified as FVOCI. Movements in fair values are recognised in Other Comprehensive Income ("OCI") and accumulated in the fair value reserve, except for the recognition of impairment gains or losses, interest income and currency translation gains and losses, which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and presented in "Other income - net". Interest income from these financial assets is recognised using the effective interest rate method and presented in "Interest income".

- FVPL: Debt instruments that are held for trading as well as those that do not meet the criteria for classification as amortised cost or FVOCI are classified as FVPL. Movement in fair values and interest income is recognised in profit or loss in the year in which it arises and presented in "Other gains or losses".

NOTES TO THE FINANCIAL STATEMENTS

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.11 Financial assets (continued)

(b) Equity instruments

The Group subsequently measures all its equity investments at their fair values. Equity investments are classified as FVPL with movements in their fair values recognised in profit or loss in the year in which the changes arise and presented in "Other income - net", except for those equity securities which are not held for trading. The Group has elected to recognise changes in fair value of equity securities not held for trading in other comprehensive income as these are strategic investments and the Group considers this to be more relevant. Movements in fair values of investments classified as FVOCI are presented as "Fair value gains/losses" in Other Comprehensive Income. Dividends from equity investments are recognised in profit or loss as "Dividend income".

(c) Impairment

The Group assesses on a forward looking basis the expected credit losses associated with its debt financial assets carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 43(b) details how the Group determines whether there has been a significant increase in credit risk.

For trade receivables and contract assets, the Group applies the simplified approach permitted by the SFRS(I) 9 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

(d) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on the trade date which is the date on which the Group commits to purchase or sell the asset.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership.

On the disposal of a debt instrument, the difference between the carrying amount and the sale proceeds is recognised in profit or loss. Any amount previously recognised in other comprehensive income relating to that asset is reclassified to profit or loss.

On the disposal of an equity investment, the difference between the carrying amount and the sale proceeds is recognised in profit or loss if there was no election made to recognise fair value changes in other comprehensive income. If there was an election made, any difference between the carrying amount and the sale proceeds would be recognised in other comprehensive income and transferred to retained profits along with the amount previously recognised in other comprehensive income relating to that asset.

2.12 Offsetting of financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

NOTES TO THE FINANCIAL STATEMENTS

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.13 Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Group prior to the end of the financial year which are unpaid. They are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). Otherwise, they are presented as non-current liabilities.

Trade and other payables are initially recognised at fair value, and subsequently carried at amortised cost using the effective interest method.

2.14 Inventories

Inventories consist of construction materials and consumables which are purchased for the purposes of development properties and property leasing and trading goods, (such as tractors, implements, other spare parts, motor vehicles and the sale of food and beverages) for sale in the ordinary course of business.

Inventories are carried at the lower of cost and net realisable value. Cost is determined using the weighted average basis. Costs include all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Costs of purchase comprise the purchase price, import duties and other taxes (other than those subsequently recoverable by the entity from the taxing authorities) and transport, handling and other costs directly attributable to the acquisition of finished goods, materials and services. Trade discounts, rebates and other similar items are deducted in determining the costs of purchase.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and applicable variable selling expenses. The amount of any write-down of inventories to net realisable value shall be recognised as an expense in the year the write-down occurs. The amount of any reversal of write-down of inventories, arising from an increase in net realisable value, shall be recognised as a reduction in the amount of inventories recognised as an expense in the year in which the reversal occurs.

2.15 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events and it is more likely than not that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated. Provisions are not recognised for future operation losses.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the provision is reversed.

2.16 Financial guarantee contracts

Financial guarantees are financial instruments issued by the Group that require the issuer to make specified payments to reimburse the holder for the loss it incurs because a specified debtor fails to meet payment when due in accordance with the original or modified terms of a debt instrument.

Financial guarantee contracts are accounted for as insurance contracts and recognised as a provision based on the Group's estimate of the ultimate cost of settling all claims incurred but unpaid at the reporting date if the Group considers it probable that the claim will be made against the Group under the financial guarantee. The provision is assessed by reviewing individual claims and tested for adequacy by comparing the amount recognised and the amount that would be required to settle the guarantee contract.

The unrecognised financial guarantee contracts are disclosed as contingent liabilities in the Group's financial statements.

NOTES TO THE FINANCIAL STATEMENTS

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.17 Borrowings

Borrowings are presented as current liabilities unless the Group has an unconditional right to defer settlement for at least 12 months after the reporting date, in which case they are presented as non-current liabilities.

Borrowings are initially recognised at fair value (net of transactions costs) and subsequently carried at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the year of the borrowings using the effective interest method.

2.18 Borrowing costs

Borrowing costs are recognised in profit or loss using the effective interest method except for those costs that are directly attributable to the acquisition of land development rights and the construction or development of properties and assets under construction. This includes those costs on borrowings acquired specifically for the construction or development of properties and assets under construction.

2.19 Leases

(i) When the Group is the lessee:

At the inception of the contract, the Group assesses if the contract contains a lease. A contract contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Reassessment is only required when the terms and conditions of the contract are changed.

<u>Right-of-use assets</u>

The Group recognises a right-of-use asset and lease liability at the date which the underlying asset is available for use. Right-of-use assets are measured at cost which comprises the initial measurement of lease liabilities adjusted for any lease payments made at or before the commencement date and lease incentive received. Any initial direct costs that would not have been incurred if the lease had not been obtained are added to the carrying amount of the right-of-use assets.

These right-of-use assets are subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

Right-of-use assets for which the underlying assets meet the definition of properties under development are presented within “Development properties” and accounted for in accordance with Note 2.2(c) and Note 2.5.

Right-of-use assets are presented within “Property, plant and equipment” and “Development properties”, and are disclosed in Note 26 and Note 19 respectively.

NOTES TO THE FINANCIAL STATEMENTS

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.19 Leases (continued)

(i) *When the Group is the lessee*: (continued)

Lease liabilities

The initial measurement of lease liability is measured at the present value of the lease payments discounted using the implicit rate in the lease, if the rate can be readily determined. If that rate cannot be readily determined, the Group shall use its incremental borrowing rate.

Lease payments include the following:

- Fixed payment (including in-substance fixed payments), less any lease incentives receivables;
- Variable lease payment that are based on an index or rate, initially measured using the index or rate as at the commencement date;
- Amount expected to be payable under residual value guarantees;
- The exercise price of a purchase option if is reasonably certain to exercise the option; and
- Payment of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

For contracts that contain both lease and non-lease components, the Group allocates the consideration to each lease component on the basis of the relative stand-alone price of the lease and non-lease component.

Lease liability is measured at amortised cost using the effective interest method. Lease liability shall be remeasured when:

- There is a change in future lease payments arising from changes in an index or rate;
- There is a change in the Group's assessment of whether it will exercise an extension option; or
- There is a modification in the scope or the consideration of the lease that was not part of the original term.

Lease liability is remeasured with a corresponding adjustment to the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Short term and low value leases

The Group has elected to not recognise right-of-use assets and lease liabilities for short-term leases that have lease terms of 12 months or less and leases of low value leases, except for sublease arrangements. Lease payments relating to these leases are expensed to profit or loss on a straight-line basis over the lease term.

Variable lease payments

Variable lease payments that are not based on an index or a rate are not included as part of the measurement and initial recognition of the lease liability. The Group shall recognise those lease payments in profit or loss in the periods that triggered those lease payments. Details of the variable lease payments are disclosed in Note 27.

NOTES TO THE FINANCIAL STATEMENTS

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.19 Leases (continued)

(ii) When the Group is the lessor:

The Group leases equipment under finance leases and office spaces, retail stores and investment properties under operating leases to non-related parties.

- Lessor – Finance leases

  Leases where the Group has transferred substantially all risks and rewards incidental to ownership of the leased assets to the lessees, are classified as finance leases.

  The leased asset is derecognised and the present value of the lease receivable is recognised on the statements of financial position and included in “trade and other receivables”. The difference between the gross receivable and the present value of the lease receivable is recognised as unearned finance income.

  Each lease payment received is applied against the gross investment in the finance lease receivable to reduce both the principal and the unearned finance income. The finance income is recognised in profit or loss on a basis that reflects a constant periodic rate of return on the net investment in the finance lease receivable.

  Initial direct costs incurred by the Group in negotiating and arranging finance leases are added to finance lease receivables and reduce the amount of income recognised over the lease term.

- Lessor – Operating leases

  Leases where the Group retains substantially all risks and rewards incidental to ownership are classified as operating leases. Rental income from operating leases (net of any incentives given to the lessees) is recognised in profit or loss on a straight-line basis over the lease term.

  Initial direct costs incurred by the Group in negotiating and arranging operating leases are added to the carrying amount of the leased assets and recognised as an expense in profit or loss over the lease term on the same basis as the lease income.

  Contingent rents are recognised as income in profit or loss when earned.

2.20 Income taxes

Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the reporting date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

NOTES TO THE FINANCIAL STATEMENTS

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.20 Income taxes (continued)

A deferred income tax liability is recognised on temporary differences arising on investments in subsidiary corporations, joint ventures and associated companies, except where the Group is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

A deferred income tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised.

Deferred income tax is measured:

(i) at the tax rates that are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the reporting date; and

(ii) based on the tax consequence that will follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amounts of its assets and liabilities except for investment properties. Investment properties measured at fair value are presumed to be recovered entirely through sale.

Current and deferred income taxes are recognised as income or expense in profit or loss, except to the extent that the tax arises from a business combination or a transaction which is recognised directly in equity. Deferred tax arising from a business combination is adjusted against goodwill on acquisition.

2.21 Employee compensation

Employee benefits are recognised as an expense, unless the cost qualifies to be capitalised as an asset.

(a) Defined contribution plans

Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into separate entities such as the Central Provident Fund in Singapore and Social Security Board in Myanmar on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid.

(b) Share-based compensation

The Group operates an equity-settled, share-based compensation plan (i.e. share options plan and performance share plan). The values of the employee services received in exchange for the granting of options and shares are recognised as expenses with a corresponding increase in the share option reserve and share awards reserve over the vesting year. The total amount to be recognised over the vesting year is determined by reference to the fair value of the options and shares granted on the grant date. Non-market vesting conditions are included in the estimation of the number of shares under options that are expected to become exercisable and the number of shares that are expected to be issued on the vesting date. At each reporting date, the Group revises its estimates of the number of shares under options that are expected to become exercisable and the number of shares that are expected to be issued on the vesting date and recognises the impact of the revision of the estimates in profit or loss, with a corresponding adjustment to the share option reserve and share awards reserve over the remaining vesting year.

When the options are exercised and shares are issued through the issuance of new ordinary shares, the proceeds received (net of transaction costs) and the related balance previously recognised in the share option reserve and share awards reserve are credited to the share capital account, or to the treasury shares account, when treasury shares are re-issued to the employees.

NOTES TO THE FINANCIAL STATEMENTS

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.21 Employee compensation (continued)

(c) Bonus plan

The Group recognises a liability and an expense for bonuses, based on a formula that takes into consideration the profit attributable to the Company's shareholders after certain adjustments. The Group recognises a provision when contractually obliged to pay or when there is a past practice that has created a constructive obligation to pay.

2.22 Currency translation

(a) Functional and presentation currency

Items included in the financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("functional currency"). The financial statements are presented in United States Dollar, which is the functional currency of the Company and all values have been rounded to the nearest thousand ("US$ 000") unless otherwise stated.

(b) Transactions and balances

Transactions in a currency other than the functional currency ("foreign currency") are translated into the functional currency using the exchange rates at the dates of the transactions. Currency translation differences from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates at the reporting date are recognised in profit or loss. However, in the consolidated financial statements, currency translation differences arising from loans in foreign currencies qualifying as net investment in foreign operations are recognised in other comprehensive income and accumulated in the currency translation reserve.

When a foreign operation is disposed of or any loan forming part of the net investment of the foreign operation is repaid, a proportionate share of the accumulated currency translation differences is reclassified to profit or loss as part of the gain or loss on disposal.

Foreign exchange gains and losses that relate to borrowings are presented in the statement of comprehensive income within "finance costs". All other foreign exchange gains and losses impacting profit or loss are presented as "currency (losses)/gains, net".

Non-monetary items measured at fair values in foreign currencies are translated using the exchange rates at the date when the fair values are determined.

(c) Translation of Group entities' financial statements

The results and financial position of all of the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

(i) Assets and liabilities are translated at the closing exchange rates at the reporting date;

NOTES TO THE FINANCIAL STATEMENTS

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.22 Currency translation (continued)

(c) *Translation of Group entities' financial statements* (continued)

(ii) Income and expenses are translated at average exchange rates (unless the average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated using the exchange rates at the dates of the transactions); and

(iii) All resulting currency translation differences are recognised in other comprehensive income and accumulated in the currency translation reserve. These currency translation differences are reclassified to profit or loss on disposal or partial disposal of the entity giving rise to such reserve.

Goodwill and fair value adjustments arising on the acquisition of foreign operations are treated as assets and liabilities of the foreign operations and are translated at the closing rates at the reporting date.

2.23 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Key Management Team whose members are responsible for allocating resources and assessing performance of the operating segments.

2.24 Cash and cash equivalents

For the purpose of presentation in the consolidated statement of cash flows, cash and cash equivalents include cash on hand and deposits with financial institutions, which are subject to an insignificant risk of change in value, and bank overdrafts. Bank overdrafts (if any) are presented as current borrowings on the statements of financial position. For cash subjected to restriction, assessment is made on the economic substance of the restriction and whether they meet the definition of cash and cash equivalents.

2.25 Government grants

Grants from the government are recognised as a receivable at their fair value when there is reasonable assurance that the grant will be received and the Group will comply with all the attached conditions.

Government grants receivable are recognised as income over the periods necessary to match them with the related costs for which they are intended to compensate on a systematic basis. Government grants relating to expenses are shown separately as other income.

Government grants relating to assets are deducted against the carrying amount of the assets.

2.26 Biological assets

Biological assets, excluding bearer plants, are measured at fair value less costs to sell. Gains or losses arising on the initial recognition of the plantations at fair value less estimated costs to sell and from the changes in fair value less estimated costs to sell the plantations at each reporting date are included in profit or loss for the year in which they arise. Costs to sell include all costs that would be necessary to sell the assets, including transportation costs.

NOTES TO THE FINANCIAL STATEMENTS

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.26 Biological assets (continued)

The fair value of biological assets is estimated by reference to independent professional valuations using the discounted cash flows of the underlying biological assets. The expected cash flows from the whole life cycle of a biological asset are estimated using the estimated yield of the biological asset and the estimated market price of the crops. In determining the present value of the expected net cash flows, an entity includes the net cash flows that market participants would expect the asset to generate in its most relevant market. The estimated yield of the biological asset is dependent on the genotype-species and varieties to plant, the environment and its management.

Cultivation of seedlings is stated at cost. The accumulated costs will be reclassified to immature plantations at the time of planting. Biological assets also include land preparation costs which are the costs incurred to clear the land and to ensure that the plantations are in a state ready for the planting of seedlings.

2.27 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are deducted against the share capital account.

2.28 Dividends to the Company's shareholders

Dividends to the Company's shareholders are recognised when the dividends are approved for payments.

2.29 Perpetual securities

Perpetual securities, including perpetual bonds, do not have a maturity date and the Company is able to elect to defer or not make a distribution subject to terms and conditions of the securities or bonds. Perpetual securities are classified as equity when there is no contractual obligation to deliver cash or other financial assets (i.e. to make principal repayments or distributions in respect of its perpetual securities) to another person or entity or to exchange financial assets or liabilities with another person or entity that is potentially unfavourable to the issuer. Incremental costs directly attributable to the issue of perpetual securities are shown in equity as a deduction, net of tax, from the proceeds. The proceeds received, net of any directly attributable transaction costs, are credited to perpetual securities. Distributions are treated as dividends which will be directly debited from equity.

On the election of the Company to repay the perpetual securities, the perpetual securities will be reclassified as a financial liability under SFRS(I) 9. The financial liability is recognised at fair value and any difference between the carrying amount of the liability and the previously recognised equity instrument is recognised in equity. No gain or loss is recognised on the reclassification.

2.30 Non-current assets (or disposal groups) held-for-sale and discontinued operations

Non-current assets (or disposal groups) are classified as assets held-for-sale and carried at the lower of carrying amount and fair value less costs to sell if their carrying amount is recovered principally through a sale transaction rather than through continuing use. The assets are not depreciated or amortised while they are classified as held-for-sale. Any impairment loss on initial classification and subsequent measurement is recognised as an expense. Any subsequent increase in fair value less costs to sell (not exceeding the accumulated impairment loss that has been previously recognised) is recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.31 Put options over non-controlling interests

Put options held by non-controlling interests in the Group's subsidiary corporation entitle the non-controlling interests to sell their interest in the subsidiary corporation to the Group at pre-determined values and on contracted dates. In such cases, the Group recognises liabilities for the present value of the estimated exercise price of these options with a corresponding entry to equity in the statements of financial position. The equity entry is recognised separately as "put options reserve".

Such options are subsequently measured at amortised cost, using the effective interest rate method, in order to accrete the liability up to the amount payable under the options at the date at which they first become exercisable. The changes in the carrying amount of the put options are recognised in equity. In the event that the options expire unexercised, the liability is derecognised with a corresponding adjustment to equity.

2.32 Financial liabilities, at fair value through profit or loss

Financial liabilities are classified as at fair value through profit or loss ("FVTPL") if they are classified as held-for-trading or they are designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value, and net gains and losses, including any interest expense, are recognised in profit or loss. Directly attributable transaction costs are recognised in profit or loss as incurred.

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

3. CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS

Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(a) Revenue for sale of development properties

The Group recognises revenue for the sale of development properties by reference to the stage of completion of the properties. The stage of completion is measured by reference to the contract costs incurred to date compared to the estimated total costs (including costs to complete) of the projects.

Significant assumptions are required to estimate the total contract costs and the recoverable variation works that will affect the stage of completion and the contract revenue respectively. In making these estimates, management has relied on past experience and the work of specialists.

The amount of revenue from the sale of development properties recognised during the financial period ended 31 March 2023 is US$53,856,000 (30 September 2021: US$27,688,000).

If the contract costs of uncompleted sold properties to be incurred increase/decrease by 10% (30 September 2021: 10%) from management's estimates, the Group's revenue and profit would have been decreased/increased by US$5,189,000/US$5,189,000 and US$9,244,000/US$5,268,000 (30 September 2021: US$2,876,000/US$2,876,000 and US$9,417,000/US$7,210,000) respectively.

NOTES TO THE FINANCIAL STATEMENTS

3. CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS (CONTINUED)

(b) Revaluation of investment properties

The Group carries its investment properties at fair value, with changes in fair values being recognised in profit or loss. The fair values of investment properties are determined by independent real estate valuation experts using the properties' highest-and-best use approach which is generally the sales comparison approach (i.e. the basis of market value). In arriving at the valuation figures, the valuers have taken into consideration the prevailing market conditions and have made due adjustments for differences between the investment properties and the comparables in terms of location, tenure, size, shape, design and layout, age and condition of the buildings, dates of transactions and other factors affecting their values. The most significant input into this valuation approach is selling prices. The estimates are based on local market conditions existing at the reporting date.

Fair values of uncompleted investment properties with no available market information are determined by the independent real estate valuation experts using the depreciated replacement cost method, which involve estimating the current replacement cost of the buildings and from which deductions are made to allow for depreciation due to age, condition and functional obsolescence. The replacement cost is then added to the land value to derive the fair value. The land value is determined based on the direct comparison method with transactions of comparable plots of land within the vicinity and elsewhere. In arriving at the valuation figures, the valuation experts have taken into consideration the prevailing market conditions and made due adjustments for differences between the investment properties and the comparables in terms of location, tenure, size, shape, design and layout, age and condition, dates of transactions and other factors affecting their values. The most significant inputs into this valuation approach are price per unit measurement, expected development costs and estimated developer profit margin.

The carrying amount of the investment properties at the reporting date is disclosed in Note 25. If the selling prices and price per unit measurement of the investment properties determined by the valuation experts had been 5% (30 September 2021: 5%) higher/lower, the carrying amount of the investment properties would have been US$15,954,000 (30 September 2021: US$11,446,000) higher/lower.

(c) Estimation of net realisable value for development properties land development rights

Development properties and land development rights are stated at the lower of cost and net realisable value. Net realisable value of completed properties and land development rights is assessed by reference to market prices of comparable completed properties and land development rights at similar or nearby locations at the reporting date less estimated direct selling expenses. Net realisable value of development properties under construction is assessed with reference to market prices at the reporting date for similar completed properties less estimated costs to complete construction and direct selling expenses. The carrying amounts of development properties and land development rights at the reporting date are disclosed in Note 19 and Note 30 respectively.

NOTES TO THE FINANCIAL STATEMENTS

3. CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS (CONTINUED)

(c) Estimation of net realisable value for development properties land development rights (continued)

For development properties which have no comparable market price available, the net realisable value is determined by reference to be recoverable amount of the development properties based on value-in-use ("VIU"). There were no development properties which have no comparable market price available for the financial period ended 31 March 2023. For the financial year ended 30 September 2021, cash flow projections used in these calculations were based on financial budgets approved by management covering 12 years period. Key assumptions used for value-in-use calculations were as follows:

	30 September 2021
	%
Growth rate[1]	2.0
Discount rate[2]	12.9

[1] Growth rate used for extrapolation of future cash flows beyond the ten-years period.
[2] Pre-tax discount rate applied on the pre-tax cash flow projection.

Management has assessed that any substantial increase in the estimated costs to complete construction of development properties and any decrease in the selling prices of development properties and land development rights is unlikely to result in any write-down in their carrying amounts.

(d) Estimated impairment of non-financial assets

Goodwill and intangible assets with indefinite useful lives

Goodwill and intangible assets with indefinite useful lives are tested for impairment annually and whenever there is an indication that the goodwill and intangible assets with indefinite useful lives may be impaired. In performing the impairment assessment of the carrying amount of goodwill and intangible assets with indefinite useful lives, the recoverable amounts of cash-generating units ("CGUs") in which the goodwill and intangible assets with indefinite useful lives have been attributable to, are determined using higher of value-in-use ("VIU") calculation and fair value less cost to disposal. The assessment process involves significant management estimate and is based on assumptions that are affected by future market and economic conditions. It also involves the use of significant judgements such as the forecasted revenue and operating expenses, sales growth rates, gross profit margin and discount rates applied to the VIU calculation. Specific estimates used in the impairment assessment are disclosed in Note 29.

Management has assessed that the recoverable amounts of the CGUs are more than the carrying values of the CGUs, and accordingly, no impairment loss was recognised. The carrying amounts of goodwill and intangible assets with indefinite useful lives are disclosed in Note 29(d) and Note 29(e) respectively.

NOTES TO THE FINANCIAL STATEMENTS

3. CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS (CONTINUED)

(d) Estimated impairment of non-financial assets (continued)

Other non-financial assets

Intangible assets with definite useful lives, property, plant and equipment, investments in subsidiary corporations, joint ventures and associated companies and other non-financial assets are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired. In determining the recoverable value, an estimate of expected future cash flows from each asset or CGU and an appropriate discount rate is required to be made. An impairment exists when the carrying amount of an asset or CGU exceeds its recoverable amount, which is the higher of its fair value less costs to sell and its value in use.

Management has assessed that other than property, plant and equipment (hotel and serviced apartments), investments in associated companies (namely, Memories Group Limited and Seagram MM Holdings Pte. Ltd.), prepayments and agriculture operating rights, there is no objective evidence or indication that the carrying amounts of the Group's other non-financial assets may not be recoverable as at the reporting date and accordingly an impairment assessment is not required. The carrying amounts of other non-financial assets at the reporting date are disclosed in Notes 20, 22, 23, 24, 26 and 29 respectively.

The impairment assessments for investments in associated companies, prepayments and agriculture operating rights are performed based on value-in-use calculations. As at 31 March 2023, the Group recognised impairment losses of US$130,000 (30 September 2021: US$1,958,000) and US$NIL (30 September 2021: US$3,731,000) on prepayments and agriculture operating rights as the estimated recoverable amounts were lower than the respective carrying amounts which resulted in the carrying value of prepayments and agriculture operating rights being fully impaired as disclosed in Note 20 and Note 29(a). For the hotel and serviced apartments, assessment is performed based on valuation determined by independent real estate valuation experts using direct comparison method and replacement cost method and recognised an impairment loss of US$9,070,000 as the valuation amount is lower than its carrying value as disclosed in Note 26. No impairment loss was recognised for the Group's investments in Memories Group Limited and Seagram MM Holdings Pte. Ltd., as the estimated recoverable amount was higher than the carrying amount as disclosed in Note 23(a). Specific estimates used in the impairment assessment are disclosed in Note 20 and Note 23(a) respectively.

(e) Provision of the expected credit loss ("ECL") of trade receivables, finance lease receivables and contract assets

The Group uses a provision matrix to calculate the ECL for trade receivables, finance lease receivables and contract assets. The provision rates are based on the days past due for groupings of various customer segments that have similar loss patterns.

The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust historical credit loss experience with forward-looking information. At every reporting date, historical default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and the ECL is a significant estimate. The amount of the ECL is sensitive to changes in circumstances and of forecast economic conditions and may also not be representative of customer's actual default in the future. The information about the ECL on the Group's trade receivables, finance lease receivables and contract assets is disclosed in Note 43(b).

Total carrying amounts of trade receivables, finance lease receivables and contract assets as at 31 March 2023 are US$33,578,000 (30 September 2021: US$48,794,000).

NOTES TO THE FINANCIAL STATEMENTS

3. CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS (CONTINUED)

(f) Fair value estimation of financial assets and liabilities at fair value through profit or loss

Investments in unquoted shares and private investment funds classified as financial assets at fair value through profit or loss are determined using valuation techniques, primarily earnings multiples, discounted cash flows, recent transaction prices and recent comparable transactions. The models used to determine fair values are validated and periodically reviewed by management. The inputs in the earnings multiples models include observable data, such as earnings multiples of comparable companies, and unobservable data, such as forecast earnings. In discounted cash flow models, unobservable inputs are the projected cash flows and the risk premium for liquidity and credit risk that are incorporated into the discount rate. However, the discount rates used for valuing equity securities are determined based on historical equity returns for other entities operating in the same industry for which market returns are observable. Management uses models to adjust the observed equity returns to reflect the actual debt/equity financing structure of the valued equity investments. Models are calibrated by back-testing to actual results to ensure that outputs are reliable.

Share warrant deeds entered into with non-related parties (the "deeds") which grant the non-related parties the option to purchase shares of an entity to be established in the future are classified as financial liabilities at fair value through profit or loss. The fair values of the options are determined by an independent valuer using Monte Carlo simulations which rely on the backward induction methodology by discounting the expected value of the later nodes and comparing it with the exercise value of the current node. Key assumptions used in the valuation methodology include the expected time to exercise the option, price to book multiple, purchase consideration, dividend yield and risk-free rate.

The carrying amounts of financial assets and liabilities at fair value through profit or loss are disclosed in Note 21 and Note 35 respectively. If the fair value had been 5% (30 September 2021: 5%) higher from management's estimate, the carrying amount of financial assets and liabilities at fair value through profit and loss and the fair value remeasurement gain and loss would have been increased by US$514,000 and US$NIL (30 September 2021: US$514,000 and US$51,000) respectively.

(g) Uncertain tax positions

The Group is subject to income taxes in the jurisdictions of Singapore and Myanmar. In determining the income tax liabilities, management is required to estimate the amount of capital allowances and the deductibility of certain expenses ("uncertain tax positions") at each tax jurisdiction.

There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for anticipated tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred income tax provisions in the year in which such determination is made. The Group has open tax assessments with a tax authority at the reporting date. As management believes that the tax positions are sustainable, the Group has not recognised any additional tax liability on these uncertain tax provisions. The amount of income tax expense and the carrying amount of current income tax liabilities at the reporting date are disclosed in Note 12(a) and Note 12(b) respectively.

NOTES TO THE FINANCIAL STATEMENTS

4. REVENUE

Revenue of the Group is analysed as follows:

	Group	
	For the financial period from 1 October 2021 to 31 March 2023 (18 months) US$'000	For the financial year from 1 October 2020 to 30 September 2021 (12 months) US$'000
Revenue from contracts with customers	**145,313**	76,130
Leasing income from investment properties (Note 25)	**7,637**	4,476
Leasing income from motor vehicles	**5,239**	4,361
Interest income from finance leases	**2,018**	2,361
	160,207	87,328

(a) Disaggregation of revenue from contracts with customers

	Group	
	For the financial period from 1 October 2021 to 31 March 2023 (18 months) US$'000	For the financial year from 1 October 2020 to 30 September 2021 (12 months) US$'000
Major products or service lines		
Sale of development properties	**53,856**	27,688
Sale of land development rights	**4,887**	4,826
Sale of goods		
- Yoma motors		
- Passenger vehicles	**3,838**	3,548
- Heavy equipment	**13,129**	11,195
- Food & beverages	**32,857**	13,632
Mobile financial services fees	**19,747**	–
Logistics and distribution	**7,548**	6,172
Yoma land services		
- Estate operations	**7,788**	9,059
- Project management and constructions	**1,507**	–
Information technology services	**103**	–
Agricultural activities	**53**	10
	145,313	76,130
Geographical markets		
Myanmar	**145,313**	76,130
Timing of revenue recognition		
Product and services transferred over time	**53,856**	27,688
Product and services transferred at a point in time	**91,457**	48,442
	145,313	76,130

NOTES TO THE FINANCIAL STATEMENTS

4. REVENUE (CONTINUED)

(b) The following table provides information about contract assets and contract liabilities for contracts with customers.

	Note	Group **31 March 2023** **US$'000**	 30 September 2021 US$'000
- Contract assets (Note 16)	(i)	**6,240**	13,379
- Contract liabilities (Note 31)	(ii)	**(20,592)**	(9,235)

(i) Contract assets

Contract assets relate primarily to the Group's right to consideration for works completed but not billed as at the reporting date in respect of its property development business. The contract assets are transferred to trade receivables when the rights become unconditional. This usually occurs when the Group invoices the customers. During the financial period ended 31 March 2023, significant change in contract assets relates to amounts billed and reclassified to trade receivables of US$10,379,000 (30 September 2021: US$8,893,000).

(ii) Contract liabilities

Contract liabilities relate primarily to:

- advance consideration received from customers for sale of development properties; and
- progress billings issued to customers in accordance with the specified milestones in the contract for the sale of development properties in excess of the Group's right to the consideration.

Contract liabilities are recognised as revenue when the Group fulfils its performance obligation under the contract with the customer. The significant changes in contract liabilities are as follows:

	Group **For the financial period from 1 October 2021 to 31 March 2023 (18 months)** **US$'000**	 For the financial year from 1 October 2020 to 30 September 2021 (12 months) US$'000
Revenue recognised that was included in contract liabilities at the beginning of the financial period/year	**4,662**	10,026
Increases due to cash received and contractual progress billing, excluding amounts recognised as revenue during the financial period/year	**10,332**	7,467

(iii) As at 31 March 2023, the Group has aggregate amount of transaction price allocated to contracts that are partially or fully unsatisfied in relation to sale of development properties of US$48,841,000 (30 September 2021: US$28,361,000).

NOTES TO THE FINANCIAL STATEMENTS

4. REVENUE (CONTINUED)

(b) The following table provides information about contract assets and contract liabilities for contracts with customers. (continued)

(iv) Management expects that the transaction price allocated to unsatisfied performance obligation as at 31 March 2023 and 30 September 2021 may be recognised as revenue in future reporting years as follows:

	2023	2024	2025	2026	Total
	US$'000	US$'000	US$'000	US$'000	US$'000
Partially and fully unsatisfied performance obligations as at:					
- 31 March 2023	**–**	**32,792**	**9,854**	**6,195**	**48,841**
- 30 September 2021	24,306	4,055	–	–	**28,361**

The amount disclosed above does not include variable consideration which is subject to significant risk of reversal.

As permitted under SFRS(I) 15, the aggregated transaction price allocated to unsatisfied contracts of periods of one year or less, or are billed based on time incurred, is not disclosed.

5. INTEREST INCOME

	Group	
	For the financial period from 1 October 2021 to 31 March 2023 (18 months)	For the financial year from 1 October 2020 to 30 September 2021 (12 months)
	US$'000	US$'000
Interest income on loan to joint venture	**5,808**	3,830
Interest income on bank deposits	**2,194**	183
Interest income from trade receivables under instalments	**200**	82
	8,202	4,095

NOTES TO THE FINANCIAL STATEMENTS

6. OTHERS GAINS OR LOSSES, OTHERS

	Group	
	For the financial period from 1 October 2021 to 31 March 2023 (18 months)	For the financial year from 1 October 2020 to 30 September 2021 (12 months)
	US$'000	US$'000
Management services fee	**780**	552
Gains on disposal of property, plant and equipment	**1,121**	192
Gains from modification of lease contracts [Note 27(e)]	**6**	73
Gains/(losses) from derecognition of lease contracts [Note 27(f)]	**20**	(27)
Foreign currencies transactions fee income, net	**1,699**	–
Others	**411**	18
	4,037	808

7. EMPLOYEE COMPENSATION

	Group	
	For the financial period from 1 October 2021 to 31 March 2023 (18 months)	For the financial year from 1 October 2020 to 30 September 2021 (12 months)
	US$'000	US$'000
Wages and salaries	**20,515**	15,980
Employer's contribution to defined contribution plans	**116**	93
Share awards expenses [Note 38(b) and Note 39(b)(ii)]	**1,128**	110
Other short-term benefits	**3,092**	2,038
	24,851	18,221

8. FINANCE COSTS

	Group	
	For the financial period from 1 October 2021 to 31 March 2023 (18 months)	For the financial year from 1 October 2020 to 30 September 2021 (12 months)
	US$'000	US$'000
Interest expense on borrowings	**31,232**	19,272
Interest expense on lease liabilities [Note 27(b)]	**5,415**	3,980
Amortised interest on deferred consideration	**51**	34
Currency (gains)/losses on borrowings, net	**(72)**	17
	36,626	23,303

NOTES TO THE FINANCIAL STATEMENTS

9. LOSS BEFORE INCOME TAX

Loss before income tax includes the following:

	Group	
	For the financial period from 1 October 2021 to 31 March 2023 (18 months)	For the financial year from 1 October 2020 to 30 September 2021 (12 months)
	US$'000	US$'000
Amortisation of intangible assets	**1,357**	1,012
Depreciation of property, plant and equipment (Note 26)	**16,571**	16,268
Professional fees	**2,377**	1,233
Utility expenses	**3,169**	1,323
Telecommunications	**2,538**	481
License fees	**1,822**	1,721
Travelling and related costs	**960**	859
Costs of land development rights sold (Note 30)	**1,080**	345
Fees on audit services paid/payable to:		
- Auditor of the Company	**428**	348
- Other auditors	**245**	129
Total fees on audit services	**673**	477
Bargain purchase on business combination [Note 46(f)]	**2,244**	–

10. NET FAIR VALUE (LOSSES)/GAINS

	Group	
	For the financial period from 1 October 2021 to 31 March 2023 (18 months)	For the financial year from 1 October 2020 to 30 September 2021 (12 months)
	US$'000	US$'000
Net fair value (losses)/gains on investment properties (Note 25)	**(22,374)**	41,405
Fair value losses on financial assets at fair value through profit or loss (Note 21)	**(699)**	(2,159)
Fair value gains on financial liabilities, at fair value through profit or loss (Note 35)	**1,015**	495
Fair value loss on assets of disposal group classified as held-for-sale (Note 13)	**–**	(1,512)
	(22,058)	38,229

NOTES TO THE FINANCIAL STATEMENTS

11. IMPAIRMENT LOSSES ON NON-FINANCIAL ASSETS

	Group	
	For the financial period from 1 October 2021 to 31 March 2023 (18 months)	For the financial year from 1 October 2020 to 30 September 2021 (12 months)
	US$'000	US$'000
Impairment loss of property, plant and equipment (Note 26)	**(9,070)**	–
Impairment loss of agriculture operating rights [Note 29(a)]	**–**	(3,731)
Impairment loss of prepayments – Crop and Supply Agreement (Note 20)	**(130)**	(1,958)
Impairment loss of goodwill [Note 29(e)]	**–**	(756)
	(9,200)	(6,445)

12. INCOME TAXES

(a) Income tax expense

	Group	
	For the financial period from 1 October 2021 to 31 March 2023 (18 months)	For the financial year from 1 October 2020 to 30 September 2021 (12 months)
	US$'000	US$'000
Tax expense attributable to loss is made up of:		
– Loss for the financial period/year		
– Current income tax		
– Singapore	**748**	530
– Foreign	**6,270**	1,504
	7,018	2,034
– Deferred income tax (Note 33)	**(221)**	1,404
	6,797	3,438
– Over-provision of current income tax in prior financial period/year		
– Singapore	**(188)**	(228)
– Foreign	**(1,997)**	(378)
	(2,185)	(606)
	4,612	2,832

NOTES TO THE FINANCIAL STATEMENTS

12. INCOME TAXES (CONTINUED)

(a) Income tax expense (continued)

The tax expense on the Group's loss before income tax differs from the theoretical amount that would have arisen using the Singapore standard rate of income tax as follows:

	For the financial period from 1 October 2021 to 31 March 2023 (18 months)	For the financial year from 1 October 2020 to 30 September 2021 (12 months)
	US$'000	US$'000
Loss before income tax:	**(76,678)**	(12,848)
Share of losses of joint ventures, net of tax (Note 22)	**1,584**	2,521
Share of losses/(profits) of associated companies, net of tax (Note 23)	**2,938**	(1,152)
Loss before income tax and share of results of joint ventures and associated companies	**(72,156)**	(11,479)
Tax calculated at a tax rate of 17% (2021: 17%)	**(12,267)**	(1,952)
Effects of:		
- different tax rates in other countries	**(4,227)**	526
- expenses not deductible for tax purposes	**19,345**	13,780
- income not subject to tax purposes	**(2,458)**	(7,808)
- tax incentives	**(76)**	(39)
- deferred tax assets not recognised	**8,808**	1,913
- utilisation of previously unrecognised tax losses	**(2,328)**	(2,982)
- over-provision of tax in prior financial period/year	**(2,185)**	(606)
Income tax expense	**4,612**	2,832

NOTES TO THE FINANCIAL STATEMENTS

12. INCOME TAXES (CONTINUED)

(b) *Movement in current income tax liabilities*

	Group		Company	
	31 March 2023	30 September 2021	**31 March 2023**	30 September 2021
	US$'000	US$'000	**US$'000**	US$'000
Beginning of financial period/year	**5,911**	6,493	**29**	288
Income tax expense for the financial period/year	**7,018**	2,034	**88**	29
Income tax paid	**(2,235)**	(659)	**(29)**	(168)
Over-provision of tax in prior financial period/year	**(2,185)**	(606)	**–**	(120)
Other tax payables	**(109)**	(72)	**–**	–
Acquisition of subsidiary corporations [Note 46(c)]	**187**	–	**–**	–
Currency translation differences	**(782)**	(1,279)	**–**	–
End of financial period/year	**7,805**	5,911	**88**	29

13. DISPOSAL GROUP CLASSIFIED AS HELD FOR SALE

In September 2019, the Directors of the Company approved the plan to sell its wholly owned subsidiary corporation, Wyndale International Limited and its subsidiary corporation ("Wyndale Group") and presented the entire assets and liabilities related to Wyndale Group (including the investment property, the Grand Central Shopping Mall in Dalian, the People's Republic of China) as disposal group held-for-sale.

The disposal group was presented under the "Investments" reportable segment of the Group (Note 45). As at the reporting date, the Group remained actively committed to sell Wyndale Group as evidenced by the management's efforts in continuing to negotiate with potential buyers and at the same time seeking other interested buyers. The Directors are of the view that the delay in completing the sale of Wyndale Group was a result of the outbreak of the COVID-19 pandemic which was not within the control of the Group. Accordingly, Wyndale Group continued to be presented as disposal group held-for-sale as at 31 March 2023.

The Group has assessed the fair value of Wyndale Group as at 31 March 2023 and concluded that no fair value change to be recognised (30 September 2021: fair value loss of US$1,512,000 (Note 10).

(a) Details of the assets of disposal group classified as held-for-sale are as follows:

	31 March 2023	30 September 2021
	US$'000	US$'000
Cash and bank balances (Note 15)	**210**	165
Trade and other receivables	**70**	75
Other assets	**19**	24
Property, plant and equipment	**9**	11
Investment properties	**30,558**	32,520
	30,866	32,795

NOTES TO THE FINANCIAL STATEMENTS

13. DISPOSAL GROUP CLASSIFIED AS HELD FOR SALE (CONTINUED)

(b) Details of the liabilities directly associated with disposal group classified as held-for-sale are as follows:

	31 March 2023 US$'000	30 September 2021 US$'000
Trade and other payables	**632**	513

14. LOSS PER SHARE

Basic loss per share is calculated by dividing the net loss attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding during the financial period/year.

For the purpose of calculating diluted loss per share, the weighted average number of ordinary shares outstanding are adjusted for the effects of all dilutive potential ordinary shares. The Company has two categories of dilutive potential ordinary shares: share options and share awards.

For share options, the weighted average number of shares on issue has been adjusted as if all dilutive share options were exercised. The number of shares that could have been issued upon the exercise of all dilutive share options less the number of shares that could have been issued at fair value (determined as the Company's average share price for the financial year) for the same total proceeds is added to the denominator as the number of shares were issued for no consideration. For share awards, the weighted average number of shares on issue have been adjusted as if all shares under awards have been issued at the reporting date.

	Group	
	31 March 2023	30 September 2021
Net loss attributable to equity holders of the Company (US$'000)	**(55,989)**	(19,704)
Less: Perpetual securities distribution	**(900)**	(600)
Net loss used to determine basic loss per share	**(56,889)**	(20,304)
Weighted average number of ordinary shares outstanding for basic earnings per share ('000)	**2,238,062**	2,237,469
Adjustments for share awards	**14,808**	8,925
Weighted average number of ordinary shares outstanding for diluted earnings per share ('000)	**2,252,870**	2,246,394
Basic loss per share (US cents)	**(2.54)**	(0.91)
Diluted loss per share (US cents)	**(2.54)***	(0.91)*

* As net loss was recorded by the Group, the potential share options and share awards are anti-dilutive and no change has been made to the dilutive loss per share.

NOTES TO THE FINANCIAL STATEMENTS

15. CASH AND BANK BALANCES

	Group		Company	
	31 March 2023	30 September 2021	**31 March 2023**	30 September 2021
	US$'000	US$'000	**US$'000**	US$'000
Cash at bank balances	**138,811**	27,180	**2,206**	697

Please refer to Note 46(b) for the effects of an acquisition of subsidiary corporations on the cash flows of the Group.

For the purpose of presenting the consolidated statement of cash flows, cash and cash equivalents comprise the following:

	Group	
	31 March 2023	30 September 2021
	US$'000	US$'000
Cash and bank balances (as above)	**138,811**	27,180
Add: Cash and bank balances included in assets of disposal group classified as held-for-sale (Note 13)	**210**	165
Less: Bank deposits restricted for use	**(88,455)**	(219)
Less: Bank overdrafts (Note 32)	**(154)**	(187)
Cash and cash equivalents per consolidated statement of cash flows	**50,412**	26,939

Included in the bank deposits restricted for use were US$88,096,000 (30 September 2021: NIL) bank deposits held in trust by a subsidiary corporation for the customers in the mobile financial services platform and US$359,000 (30 September 2021: US$219,000) bank deposits held in debt service reserve account required for certain borrowings.

Cash and bank balances of the Group with carrying amount of US$2,930,000 (30 September 2021: US$5,170,000) are subject to a floating charge to secure borrowings of the Group [Note 32(a)].

NOTES TO THE FINANCIAL STATEMENTS

16. TRADE AND OTHER RECEIVABLES

	Group		Company	
	31 March 2023	30 September 2021	**31 March 2023**	30 September 2021
	US$'000	US$'000	**US$'000**	US$'000
Current				
Trade receivables				
- Non-related parties	**12,879**	15,661	**–**	–
- Associated companies	**2,334**	2,201	**–**	–
- Joint venture	**8**	23	**–**	–
	15,221	17,885	**–**	–
Contract assets [Note 4(b)]	**6,240**	13,379	**–**	–
Finance lease receivables (Note 17)	**2,542**	5,219	**–**	–
Non-trade receivables				
- Non-related parties	**2,634**	4,045	**42**	57
- Associated companies	**6,299**	4,827	**5,708**	4,599
- Joint ventures	**11,950**	6,121	**100**	84
	20,883	14,993	**5,850**	4,740
Amounts due from entities related by a common controlling shareholder	**30,510**	33,517	**11,143**	10,492
Loan to a joint venture (Note 31)	**24,017**	24,017	**–**	–
Staff loans	**343**	210	**33**	45
	99,756	109,220	**17,026**	15,277

NOTES TO THE FINANCIAL STATEMENTS

16. TRADE AND OTHER RECEIVABLES (CONTINUED)

	Group		Company	
	31 March 2023	30 September 2021	**31 March 2023**	30 September 2021
	US$'000	US$'000	**US$'000**	US$'000
Non-current				
Trade receivables				
- Non-related parties	**5,144**	4,073	**–**	–
Staff loans	**1,040**	1,260	**–**	–
Finance lease receivables (Note 17)	**4,431**	8,238	**–**	–
	10,615	13,571	**–**	–
Total trade and other receivables	**110,371**	122,791	**17,026**	15,277

Amounts due from entities related by a common controlling shareholder and non-trade receivables from joint ventures and associated companies are unsecured, interest-free and are receivable on demand.

Loan to a joint venture amounting to US$24,017,000 (30 September 2021: US$24,017,000) is provided to Yoma Micro Power (S) Pte. Ltd. for the purpose of developing additional renewable energy projects within Myanmar including participation in large scale utilities renewable projects. The loan is unsecured, interest-bearing at 15% (30 September 2021: 15%) per annum and receivable on demand. The funds to furnish this loan were obtained by the Group from a non-related party who will be investing into the Group's investment in the renewable energy projects (Note 31).

Staff loans are unsecured, interest-free and are receivable on demand except for an amount of US$1,362,000 (30 September 2021: US$1,455,000) which is repayable under installment plan. Included in the staff loans are loans made to three (2021: two) members of key management personnel of the Group amounting to US$1,362,000 (30 September 2021: US$1,413,000).

Trade and other receivables of the Group with carrying amount of US$3,322,000 (30 September 2021: US$3,427,000) are subject to a floating charge to secure borrowings of the Group [Note 32(a)].

The fair value of non-current trade receivables of US$4,584,000 (30 September 2021: US$3,680,000) is computed based on the adjusted future cash flows discounted at market interest rate of an equivalent instrument at the reporting date of 8% (30 September 2021: 7%). The fair value is within Level 2 of the fair value hierarchy.

Trade receivables amounting to US$263,000 (30 September 2021: US$877,000) are under instalment credit agreements with interest rate ranging from 10% to 13% (30 September 2021: 10% to 13%) and are analysed as follows:

	Group	
	31 March 2023	30 September 2021
	US$'000	US$'000
Gross instalment receivables:		
- Within one year	**235**	482
- Between one to five years	**37**	429
	272	911
Less: Unearned interest income	**(9)**	(34)
Net instalment receivables	**263**	877

NOTES TO THE FINANCIAL STATEMENTS

16. TRADE AND OTHER RECEIVABLES (CONTINUED)

The present value of trade receivables with instalment credit agreements is analysed as follows:

	Group	
	31 March 2023	30 September 2021
	US$'000	US$'000
Within one year	**226**	458
Between one and five years	**37**	419
	263	877

Receivables subject to offsetting arrangements

The Group has receivables and payables from entities related by a common controlling shareholder arising from the sale/purchase of goods and services and the payment/collection on behalf of the Group. The Group and the entities related by a common controlling shareholder have arrangements to settle the amounts periodically on a net basis based on group-wide balances and under normal credit terms. The Group's receivables from and payables to entities related by a common controlling shareholder are as follows:

	Gross carrying amounts	Gross amounts offset in the statements of financial position	Net amounts presented in the statements of financial position
	US$'000	**US$'000**	**US$'000**
Group			
31 March 2023			
Trade and other receivables	**44,430**	**(13,920)**	**30,510**
Trade and other payables	**(13,920)**	**13,920**	**–**
30 September 2021			
Trade and other receivables	39,571	(6,054)	33,517
Trade and other payables	(6,054)	6,054	–
Company			
31 March 2023			
Trade and other receivables	**11,967**	**(824)**	**11,143**
Trade and other payables	**(824)**	**824**	**–**
30 September 2021			
Trade and other receivables	11,061	(569)	10,492
Trade and other payables	(569)	569	–

NOTES TO THE FINANCIAL STATEMENTS

17. FINANCE LEASE RECEIVABLES

	Group	
	31 March 2023	30 September 2021
	US$'000	US$'000
Gross receivables due		
Not later than one year	**3,553**	7,272
Later than one year but within five years	**5,227**	10,392
	8,780	17,664
Less: Unearned finance income	**(1,807)**	(4,207)
Net investment in finance leases	**6,973**	13,457

The net investment in finance leases is analysed below:

	Group	
	31 March 2023	30 September 2021
	US$'000	US$'000
Not later than one year (Note 16)	**2,542**	5,219
Later than one year but within five years (Note 16)	**4,431**	8,238
Net investment in finance leases	**6,973**	13,457

The Group has finance leasing arrangements for motor vehicles with lease terms varying from three to five years, depending on the contracted agreement between the Group and its customers, and earns interest ranging from 11% to 15% per annum. The receivables are secured by collateral.

The fair value of non-current finance lease receivables of US$3,623,000 (30 September 2021: US$7,202,000) is computed based on the adjusted future cash flows discounted at the market interest rate of an equivalent instrument at the reporting date of 13% (30 September 2021: 13%). The fair value is within Level 2 of the fair value hierarchy.

18. INVENTORIES

	Group	
	31 March 2023	30 September 2021
	US$'000	US$'000
Construction materials	**1**	2
Consumables	**267**	906
Trading goods	**11,668**	11,631
	11,936	12,539

The cost of inventories recognised as an expense and included in "cost of sales" amounted to US$30,083,000 (30 September 2021: US$19,784,000).

Inventories of the Group with carrying amount of US$8,076,000 (30 September 2021: US$10,370,000) are subject to a floating charge to secure borrowings of the Group [Note 32(a)].

NOTES TO THE FINANCIAL STATEMENTS

19. DEVELOPMENT PROPERTIES

	Group	
	31 March 2023	30 September 2021
	US$'000	US$'000
Properties under development, sold units for which revenue is recognised over time – costs incurred	**41,925**	39,944
Other unsold properties under development		
- Costs incurred	**49,176**	187,794
- Right-of-use assets	**18,980**	91,705
Completed properties	**–**	690
	110,081	320,133

During the financial year ended 30 September 2021, the Group transferred certain development properties with total carrying amount of US$1,381,000, which was inclusive of development properties for hotel and serviced apartments in Yoma Central to property, plant and equipment (Note 26) for own use in accordance with SFRS(I) 1-16 *Property, plant and equipment*.

During the financial period ended 31 March 2023, the Group transferred certain development properties with total carrying amount of US$220,756,000, which was inclusive of development properties for retail podium and office towers in Yoma Central to investment properties (Note 25) for leasing purposes in accordance with SFRS(I) 1-40 *Investment Properties.*

As at 31 March 2023, a development property of the Group with a carrying amount of US$15,907,000 (30 September 2021: US$69,834,000) was mortgaged to secure certain of Group's borrowings [Note 32(a)].

20. OTHER ASSETS

	Group		Company	
	31 March 2023	30 September 2021	**31 March 2023**	30 September 2021
	US$'000	US$'000	**US$'000**	US$'000
Other deposits	**1,304**	828	**51**	120
Advances to suppliers and subcontractors	**47,930**	45,744	**–**	–
Prepayments – Crop and Supply Agreement	**–**	–	**–**	–
Other prepayments	**9,699**	5,110	**1,735**	1,141
	58,933	51,682	**1,786**	1,261
Less: Non-current portion	**(734)**	(1,071)	**–**	–
Current portion	**58,199**	50,611	**1,786**	1,261

Other deposits and prepayments of the Group with carrying amount of US$563,000 and US$1,845,000 (30 September 2021: US$360,000 and US$2,250,000) are subject to a floating charge to secure borrowings to the Group [Note 32(a)].

Included in the other prepayments is US$3,738,000 (30 September 2021: US$Nil) which relates to prepaid telco credit purchased by the Group for resale to customers.

NOTES TO THE FINANCIAL STATEMENTS

20. OTHER ASSETS (CONTINUED)

Prepayments – Crop and Supply Agreement

	Group	
	31 March 2023	30 September 2021
	US$'000	US$'000
Cost		
Beginning of financial period/year	**15,362**	15,174
Additions	**130**	187
Currency translation differences	**552**	1
End of financial period/year	**16,044**	15,362
Accumulated impairment loss		
Beginning of financial period/year	**(15,362)**	(13,419)
Impairment loss (Note 11)	**(130)**	(1,958)
Currency translation differences	**(552)**	15
End of financial period/year	**(16,044)**	(15,362)
Carrying value	**–**	–

Pursuant to a Crop and Produce Supply Agreement which a subsidiary corporation, Plantation Resources Pte. Ltd. ("PRPL"), entered into with a company which is controlled by a director who is also the controlling shareholder of the Company, PRPL agreed to make a prepayment to the related party for a minimum quantity of crops produced by the plantation owned by the related party. Such prepayments shall be offset against the price of the crops purchased by PRPL.

The Group reviews the necessity and adequacy of the allowance for impairment loss at each reporting date and makes adjustment when necessary. Prepayments are tested for impairment whenever there is any objective evidence or indication that the prepayments may be impaired.

The Group has carried out impairment review for the prepayments based on value-in-use. Cash flow projections used in these calculations were based on financial budgets approved by management covering the remaining contractual year of the agriculture operating rights of 14 years (30 September 2021: 16 years). Key assumptions used for value-in-use calculations were as follows:

	Group	
	31 March 2023	30 September 2021
Crop yield rate per acre	**163**	163
Market price of crop per MT	**US$2,250**	US$1,840
Discount rate[1]	**20.0%**	17.0%

[1] Pre-tax discount rate applied to the pre-tax cash flow projections

NOTES TO THE FINANCIAL STATEMENTS

20. OTHER ASSETS (CONTINUED)

Prepayments – Crop and Supply Agreement (continued)

These assumptions were used for the analysis of the agriculture investment. Management determined projected crop yield rate, market price of the planted crops, related capital expenditure and operating costs based on past performance, future plan and its expectations of market developments. The discount rate used was pre-tax and reflected specific risks relating to the agriculture investment.

Sensitivity analysis

An impairment loss of US$130,000 (30 September 2021: US$1,958,000) was recognised for prepayments during the financial period ended 31 March 2023, which resulted in the prepayments being fully impaired.

21. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	Group	
	31 March 2023	30 September 2021
	US$'000	US$'000
Beginning of financial period/year	**10,283**	12,231
Additions	**773**	835
Fair value losses recognised in profit or loss (Note 10)	**(699)**	(2,159)
Capital repayment	**–**	(340)
Currency translation differences	**(82)**	(284)
End of financial period/year	**10,275**	10,283

Analysed as:

	Group	
	31 March 2023	30 September 2021
	US$'000	US$'000
Unlisted securities:		
Private investment fund – Myanmar (Note a)	**7,810**	7,298
Equity securities – Myanmar (Note b)	**2,465**	2,985
Total	**10,275**	10,283

(a) Private investment funds relate to the Group's investment in exempted limited partnerships (the "Partnerships") which focus on investments in equity and equity-related securities of companies incorporated in Myanmar, with principal businesses based in Myanmar or have substantial operations (or expect to establish substantial operations) in Myanmar. The Partnerships will continue in existence until eight years from their respective final closing dates, subject to two extensions of one year each, provided that the second extension shall be subject to a prior approval requirement as defined in the Limited Partnership Agreements. As at 31 March 2023, the fair value of US$7,810,000 (30 September 2021: US$7,298,000) is determined based on valuation techniques as described in Note 3(f).

NOTES TO THE FINANCIAL STATEMENTS

21. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

(b) Included in the Group's equity securities are as follows:

(i) 9% equity interest in a special purpose company, MC-Jalux Airport Services Co., Ltd. ("MJAS") which focuses on airport operations in Mandalay, Myanmar. MJAS signed a concession agreement with Myanmar's Department of Civil Aviation for the concession to operate Mandalay International Airport for 30 years. As at 31 March 2023, the fair value of US$2,037,000 (30 September 2021: US$2,499,000) is determined based on valuation techniques as described in Note 3(f).

(ii) Other unquoted equity securities with a fair value of US$428,000 (30 September 2021: US$486,000) which is determined based on valuation techniques as described in Note 3(f) are subject to a floating charge to secure borrowings of the Group [Note 32(a)].

22. INVESTMENTS IN JOINT VENTURES

	Group	
	31 March 2023	30 September 2021
	US$'000	US$'000
Beginning of financial period/year	**7,436**	10,600
Additions	**320**	–
Share of losses [Note 12(a)]	**(1,584)**	(2,521)
Disposal	**(175)**	–
Fair value of previously held interest [Note 46(a)]	*****	–
Loss on remeasurement on previously held interest	**(320)**	–
Share of other comprehensive loss	**(1,178)**	(443)
Currency translation differences	**22**	(200)
End of financial period/year	**4,521**	7,436

* Less than US$1,000

The Group has certain interests in the ownership and voting rights in joint arrangements that are held through various subsidiary corporations. These joint arrangements are strategic ventures in the respective businesses. The Group jointly controls the arrangements with other partners as the contractual agreements require unanimous consent for all major decisions over the relevant activities. All of the Group's joint arrangements are structured as separate entities and the Group has residual interests in their net assets. Accordingly, the Group has classified its interests in these joint arrangements as joint ventures, which are accounted for using the equity method in the consolidated financial statements.

NOTES TO THE FINANCIAL STATEMENTS

22. INVESTMENTS IN JOINT VENTURES (CONTINUED)

The Group's material joint ventures are summarised below:

	Group	
	31 March 2023	30 September 2021
	US$'000	US$'000
MM Cars Myanmar Limited ("MM Cars")	**3,464**	2,728
Yoma Micro Power (S) Pte. Ltd. ("YMP")	**–**	2,617
Other immaterial joint ventures	**1,057**	2,091
	4,521	7,436

(a) In November 2012, the Group entered into an agreement with Parkson Myanmar Investment Company Pte Ltd ("Parkson Myanmar") and First Myanmar Investment Public Company Limited ("FMI") to establish and operate department stores in Myanmar through the incorporation of Parkson Myanmar Investment Company Pte. Ltd. and its subsidiary corporations (collectively, the "Parkson Myanmar Group"). The Group has a 20% equity interest in Parkson Myanmar Group at a historical cost of US$600,000. Parkson Myanmar Group has ceased its operations since December 2016 and is in the process of being wound-up.

(b) In March 2013, the Group entered into an agreement with Dragages Singapore Pte Ltd to form a jointly-controlled entity, BYMA Pte. Ltd. ("BYMA"), to perform building, design and construction works in Myanmar. The Group has a 40% equity interest in BYMA at a historical cost of US$295.

(c) In December 2013, the Group entered into an agreement with Sumitomo Corporation ("Sumitomo") and FMI for the purpose of establishing a jointly-controlled company, Summit SPA Motors Limited ("Summit SPA"), which was incorporated in September 2014, to operate authorised service stations for, and to distribute, Hino trucks and buses in Myanmar. Subsequently, in November 2014, the Group acquired an additional 20% equity interest in Summit SPA from FMI, which resulted in the increase in its equity interest in Summit SPA from 20% to 40% at a historical cost of US$2,200,000. Following the subscription of 4 million new shares for an aggregate consideration of US$4,000,000 by Sumitomo Corporation in March 2019 to strengthen and expand the business of Summit SPA, the Group's equity interest in Summit SPA changed from 40% to 23.16%.

In March 2022, the Group entered into an agreement with Sumitomo to acquire all its shareholding interests in Summit SPA for a purchase consideration of US$1. In conjunction with this agreement, Summit SPA allotted 1,555,000 and 320,000 new ordinary shares at a par value of US$1.00 per share to Sumitomo and the Group, respectively, in November 2022. The Group completed the acquisition of Sumitomo's shareholder interests in February 2023 and Summit SPA became a wholly-owned subsidiary corporation of the Group.

(d) In April 2014, the Group entered into an agreement with Mitsubishi Corporation and FMI to set up a new company, MC Elevator (Myanmar) Limited ("MC Elevator"), for conducting the business of (i) technical services and solutions for the installation, testing and commissioning of elevators, escalators and related products; (ii) installation, testing and commissioning services, and maintenance and repair services for elevators, escalators and related products; (iii) the import and supply of elevators, escalators, parts of elevators and escalators and related products and the installation and repair of equipment in connection with the provision of services; and (iv) various support services to companies engaged in the elevator/escalator business, including administration, documentation and corporate services, operational assistance, management services, business consultancy, technical services and technical assistance, customer related services and brand and product development services. Subsequently, in October 2014, the Group acquired an additional 20% equity interest in MC Elevator from FMI, which resulted in the increase in its equity interest in MC Elevator from 20% to 40% at a historical cost of US$600,000.

NOTES TO THE FINANCIAL STATEMENTS

22. INVESTMENTS IN JOINT VENTURES (CONTINUED)

(e) In April 2014, the Group through its subsidiary corporation, Myanmar Motors Pte. Ltd. ("Myanmar Motors"), entered into a new joint venture with Mitsubishi Corporation and FMI, to carry out the business of providing various services for companies engaged in the automotive and tyre industry in Myanmar through the incorporation of a joint-controlled company, First Japan Tire Services Company Limited ("FJTS"). In November 2014, the Group acquired an additional 30% interest in Myanmar Motors from FMI and, as a result, the Group's effective equity interest in FJTS increased from 21% to 30% at a historical cost of US$212,000. FJTS has ceased its operations in the previous financial year.

In February 2022, the Group entered into a share buyback agreement with FJTS where the Group disposed of its entire shareholding interests in FJTS for a consideration of MMK205,522,831 (approximately US$115,000).

(f) In October 2015, the Group entered into a new joint venture with Mitsubishi Corporation, to carry out the business of distribution (wholesale), retail sales, after-sales services, maintenance services and importation of motor vehicles and spare parts manufactured by Mitsubishi Motor Corporation in Myanmar through the incorporation of a jointly-controlled company, MM Cars Myanmar Limited ("MM Cars"). The Group had a 50% equity interest at a historical cost of US$4,000,000.

In April 2022, the Company's wholly-owned subsidiary, Myanmar Motors, executed a sale and purchase agreement to acquire the 50% interest in MM Cars from Mitsubishi Corporation comprising 4,000,000 fully paid up and issued ordinary shares for an initial consideration of US$1. The purchase price is subject to adjustments to be mutually agreed by the parties within one year after the closing date. If the Company and Mitsubishi Corporation could not agree on the adjustments to the purchase price within the prescribed timeframe, Mitsubishi Corporation has the right to buy back all or part of the sale shares for US$1 within one year from the closing date.

In April 2023, the Group entered into an amendment agreement to extend the deadline for the adjustments to the purchase price, and for Mitsubishi Corporation to have the right to buy back all or part of the sales shares if the adjustments to the purchase price cannot be agreed by an additional year.

(g) In June 2017, the Group through its subsidiary corporation, Yoma Strategic Investments Ltd., entered into a new joint venture agreement with Norfund, a Norwegian state-owned investment fund, and Mr Alakesh Chetia (collectively, the "existing shareholders"), to establish micropower plants and mini grids for the purposes of generating and distributing electricity to off-grid rural communities and telecommunication towers in Myanmar through the incorporation of a jointly-controlled company, Yoma Micro Power (S) Pte. Ltd. ("YMP").

In April 2018, YMP issued additional new shares to the International Finance Corporation and existing shareholders to expand its business pursuant to a new shareholders' agreement signed in March 2018 and an amended and restated subscription agreement signed in October 2018 which resulted in the decrease of the Group's equity interest in YMP from 47.5% to 35%.

Subsequently in September 2020, the Group contributed an additional US$2,926,000 to YMP based on its pro-rata shareholding, and thus increased its cost of investment in YMP to US$8,166,000. As at 31 March 2023, the carrying amount of YMP was NIL as a result of the Group's cumulative share of losses exceeding its interest in YMP and the Group having no obligation in respect to those excess losses.

As at 31 March 2023, the Group's 35% investment in YMP with a carrying amount of US$NIL (30 September 2021: US$2,617,000) is pledged to secure borrowings of the Group [Note 32(a)].

NOTES TO THE FINANCIAL STATEMENTS

22. INVESTMENTS IN JOINT VENTURES (CONTINUED)

(h) In July 2016, the Group through its subsidiary corporation, Yoma Agriculture Company Limited ("YAC") entered into a joint venture agreement with Huepeden & Co. (GmbH & Co.) KG to operate the cultivation, manufacturing and canning of fruits and vegetables products through the incorporation of a jointly-controlled company, Myfood Industries Myanmar Company Limited ("Myfood"). In March 2019, the Group invested an additional US$52,500 for its pro-rata 60% equity interest in Myfood, resulting in the increase in its historical cost of investment to US$121,500. In August 2019, the Group had invested an additional US$12,000 based on its pro-rata shareholding in Myfood and its historical cost of investment increased to US$133,500.

(i) In March 2017, the Group through its subsidiary corporation, YAC entered into a new joint venture agreement with Paradeep Phosphates Limited ("PPL"), to operate the trading, export/import and retail or wholesale distribution of fertilisers, seeds and/or pesticides through the incorporation of a jointly-controlled company, Zuari Yoma Agri Solutions Limited ("Zuari"). The Group's 50% equity interest in Zuari had a historical cost of US$12,500. Subsequently in September 2020, the Group invested an additional US$500,000 in Zuari, resulting in the increase in its historical cost of investment to US$512,500 based on its pro-rata shareholding.

As at 31 March 2023, the Group has a total of US$466,500 (30 September 2021: US$466,500) of commitments to provide funding, if called, related to the above joint ventures. These commitments have not been recognised in the Group's consolidated financial statements.

There were no contingent liabilities related to the Group's interests in the joint ventures.

NOTES TO THE FINANCIAL STATEMENTS

22. INVESTMENTS IN JOINT VENTURES (CONTINUED)

Set out below are the joint ventures of the Group as at 31 March 2023 and 30 September 2021:

	Name of joint ventures	Principal activities	Country of incorporation/ principal place of business	Interest	
				31 March 2023	30 September 2021
				%	%
	Joint ventures held by Yoma Strategic Investments Ltd.				
(a)	Parkson Myanmar Investment Company Pte. Ltd.	Investments - Investment holding	Singapore/ Not applicable	**20**	20
(b)	MC Elevator (Myanmar) Limited	Investments - Distributor and service activities	Myanmar	**40**	40
(c)	Yoma Micro Power (S) Pte. Ltd.	Investments - Investment holding	Singapore/ Not applicable	**35**	35
(a)	BYMA Pte. Ltd.	Land Services - Construction services activities	Singapore/ Myanmar	**40**	40
	Joint ventures held by Myanmar Motors Pte. Ltd.				
(b)	MM Cars Myanmar Limited	Passenger Vehicles - Distributor activities	Myanmar	**50**	50
(b)	First Japan Tire Services Company Limited	Passenger Vehicles - Distributor activities	Myanmar	**–**	30
	Joint ventures held by Yoma Agriculture Company Limited				
(d)	Myfood Industries Myanmar Company Limited	Investments - Agricultural activities	Myanmar	**60**	60
(d)	Zuari Yoma Agri Solutions Limited	Investments - Agricultural activities	Myanmar	**50**	50
	Joint venture held by Yankin Kyay Oh Group of Companies Limited				
(e)	YKKO Toridoll Myanmar Company Limited	F&B - Restaurant activities	Myanmar	**60**	60
	Joint venture held by Elite Matrix International Limited				
(f)	Summit SPA Motors Limited	Heavy Equipment - Distributor activities	Myanmar	**–**	23.16

NOTES TO THE FINANCIAL STATEMENTS

22. INVESTMENTS IN JOINT VENTURES (CONTINUED)

[(a)] Audited by Ernst & Young LLP, Singapore.
[(b)] Audited by Myanmar Vigour & Associates, Myanmar.
[(c)] Audited by CLA Global TS Public Accounting Corporation, Singapore.
[(d)] Audited by Excellent Choice Professional Financial Consulting and Auditing Group, Myanmar
[(e)] Audited by W & Associate Limited, Myanmar.
[(f)] Audited by Yangon Professional Group, Myanmar.

Summarised financial information for joint ventures

Management has determined the significance of the joint ventures based on the future plans of the respective entities, their prospects and their impact on the financial statements of the Group.

Set out below is the summarised financial information of the joint ventures of the Group which, in the opinion of the Directors, are material to the Group. The financial information has been modified for differences from the Group's accounting policies, which are in accordance with SFRS(I).

Summarised statement of financial position

	MM Cars		YMP	
	31 March 2023	30 September 2021	**31 March 2023**	30 September 2021
	US$'000	US$'000	**US$'000**	US$'000
Current assets	**6,680**	12,146	**5,860**	23,689
Includes:				
- Cash and bank balances	**3,209**	7,074	**3,130**	6,264
Current liabilities	**(849)**	(8,465)	**(18,002)**	(9,026)
Includes:				
- Financial liabilities				
(excluding payables and accruals)	**(679)**	(7,539)	**(476)**	(7,435)
Non-current assets	**109**	949	**52,359**	37,631
Non-current liabilities	**–**	–	**(44,978)**	(46,421)
Net assets/(liabilities)	**5,940**	4,630	**(4,761)**	5,873

NOTES TO THE FINANCIAL STATEMENTS

22. INVESTMENTS IN JOINT VENTURES (CONTINUED)

Summarised statement of comprehensive income

	MM Cars		YMP	
	For the financial period from 1 October 2021 to 31 March 2023 (18 months)	For the financial year from 1 October 2020 to 30 September 2021 (12 months)	**For the financial period from 1 October 2021 to 31 March 2023 (18 months)**	For the financial year from 1 October 2020 to 30 September 2021 (12 months)
	US$'000	US$'000	**US$'000**	US$'000
Revenue	**10,252**	21,014	**10,281**	5,715
Expenses	**(8,057)**	(20,284)	**(20,915)**	(12,935)
Includes:				
- Depreciation and amortisation	**(556)**	(322)	**(782)**	(65)
- Interest expense	**(62)**	(24)	**(4,224)**	(5,450)
Profit/(loss) before income tax	**2,195**	730	**(10,634)**	(7,220)
Income tax expense	**(176)**	(407)	**–**	–
Net profit/(loss)	**2,019**	323	**(10,634)**	(7,220)
Other comprehensive loss				
-Currency translation loss	**(709)**	(1,869)	**–**	–
Net profit/(loss), representing total comprehensive income/ (loss)	**1,310**	(1,546)	**(10,634)**	(7,220)

Reconciliation of summarised financial information

Reconciliation of the summarised financial information presented to the carrying amount of the Group's interests in the joint ventures is as follows:

	MM Cars		YMP	
	31 March 2023	30 September 2021	**31 March 2023**	30 September 2021
	US$'000	US$'000	**US$'000**	US$'000
Net assets				
At beginning of financial period/year	**4,630**	6,176	**5,873**	13,093
Profit/(loss) for the financial period/year	**2,019**	323	**(10,634)**	(7,220)
Currency translation differences	**(709)**	(1,869)	**–**	–
	5,940	4,630	**(4,761)**	5,873
At end of financial period/year				
Interests in joint ventures	**2,970**	2,315	**–**	2,056
Others	**494**	413	**–**	561
Carrying value	**3,464**	2,728	**–**	2,617

NOTES TO THE FINANCIAL STATEMENTS

22. INVESTMENTS IN JOINT VENTURES (CONTINUED)

Immaterial joint ventures

The following table summarises, in aggregate, the carrying amount and the Group's share of loss and other comprehensive loss of the immaterial joint ventures that are accounted for using the equity method:

	Group	
	31 March 2023	30 September 2021
	US$'000	US$'000
Carrying amount of interests in immaterial joint ventures	**1,057**	2,091
Group's share of:		
- Profit/(loss) for the financial period/year, representing total comprehensive income/(loss) in immaterial joint ventures	**24**	(126)

The Group has not recognised its share of losses of certain joint ventures amounting to US$7,031,000 (30 September 2021: US$4,355,000) because the Group's cumulative share of losses exceeds its interests in those entities and the Group has no obligation in respect of those losses.

23. INVESTMENTS IN ASSOCIATED COMPANIES

	Group	
	31 March 2023	30 September 2021
	US$'000	US$'000
Investments in associated companies, at cost	**16,027**	59,375
Loan to associated companies	**31,866**	31,663
Total	**47,893**	91,038
Beginning of financial period/year	**59,375**	54,894
Additions	**–**	9,692
Fair value of previously held interest [Note 46(a)]	**(45,760)**	–
Gains on remeasurement of previously held interest	**7,436**	–
Share of (losses)/profits [Note 12(a)]	**(2,938)**	1,152
Share of other comprehensive loss	**(1,906)**	(5,987)
Currency translation differences	**(180)**	(376)
End of financial period/year	**16,027**	59,375
Add: Loan to associated companies	**31,866**	31,663
Total	**47,893**	91,038

The loan to associated companies, are unsecured and interest-free. There is no certainty on the date of repayment as the Group intends to provide this loan as financing for the associated companies' operations over the long term. Accordingly, the loan is considered as a quasi-equity loan and forms part of the Group's cost of investment in associated companies.

NOTES TO THE FINANCIAL STATEMENTS

23. INVESTMENTS IN ASSOCIATED COMPANIES (CONTINUED)

The Group's material associated companies are summarised below:

	Group	
	31 March 2023	30 September 2021
	US$'000	US$'000
Memories (2022) Pte. Limited (Note a)	**15,185**	17,741
Peninsula Yangon Holdings Pte. Limited (Note b)	**27,791**	28,153
Digital Money Myanmar Limited ("Wave Money") (Note c)	**–**	36,811
Other immaterial associated companies (Note d)	**4,917**	8,333
	47,893	91,038

(a) Memories (2022) Pte. Limited

In December 2017, the Group received consideration shares issued by Memories Group Limited ("Memories Group"), representing a 54.12% equity interest in Memories Group as proceeds for the disposal of the tourism segment with a fair value of US$35,604,000 as the Group's initial cost of investment. Subsequently, in January 2018, Memories Group completed its compliance placement and the Group's equity interest in Memories Group decreased from 54.12% to 47.56%.

During the financial year ended 31 March 2019, Memories Group issued additional new shares as part of the consideration to acquire new businesses which resulted in the dilution of the Group's interest in Memories Group from 47.56% to 33.3%.

In September 2022, Memories Group and Memories (2022) Pte. Limited (the "Offeror"), jointly announced their intention to seek voluntary delisting of Memories Group from the Catalist Board of Singapore Exchange Securities Trading Limited ("SGX-ST") (referred to as the "Delisting Proposal").

Under the Delisting Proposal, the Offeror provided an exit offer in the form of cash or new shares in the capital of the Offeror to acquire all the issued share capital of Memories Group Limited ("Memories Group"). Following the completion of the Delisting Proposal, Memories Group became a wholly-owned subsidiary corporation of the Offeror. The Group elected to receive the share consideration and received the Offeror's shares as consideration, which represent a 33.3% equity interest in the Offeror and the Offeror is now the associated company of the Group. As a result, there has been no effective change in the Group's investment in this business.

As at 30 September 2021, the Group's 33.3% investment in the Offeror with a carrying amount of US$17,741,000 was pledged to secure borrowings of the Group [Note 32(a)]. During the financial period ended 31 March 2023, the Group has discharged the pledge on its investment in Memories Group.

The carrying amount of the Group's interest as at 31 March 2023 was US$15,185,000 (30 September 2021: US$17,741,000). The reduction in the carrying amount is due to the share of losses recognised by the Group during the financial period ended 31 March 2023 as a result of an impairment loss of US$669,000 (30 September 2021: US$1,791,000) recognised by the Offeror on its operating assets in view of the adverse impact of the uncertain economic and business environment on Myanmar's tourism industry.

NOTES TO THE FINANCIAL STATEMENTS

23. INVESTMENTS IN ASSOCIATED COMPANIES (CONTINUED)

(a) Memories (2022) Pte. Limited (continued)

Although there is adverse impact of the uncertain economic and business environment on Myanmar's tourism industry, management is of the view that no impairment to the carrying value of the Offeror is required as the estimated recoverable amount determined based on the value-in-use calculation was higher than the carrying amount as at 31 March 2023. Cash flow projections used in this calculation were based on financial budgets approved by management covering a five-year period. Cash flows beyond the five-year period were extrapolated using the estimated growth rate stated below.

Key assumptions used for the value-in-use calculations were as follows:

	31 March 2023	30 September 2021
	%	%
Growth rate[1]	**6**	4
Discount rate[2]	**20.1 – 23.2**	15.6 – 17.7

[1] Growth rate used for the extrapolation of future cash flows beyond the five-year period.
[2] Pre-tax discount rate applied to the pre-tax cash flow projections.

Sensitivity analysis

The impairment review carried out as at 31 March 2023 for the Group's investment in Memories Group has revealed that the recoverable amount is higher than the carrying amount by US$5,619,000 (30 September 2021: US$8,977,000). A decrease of 1% in growth rate or an increase of 1% in discount rate with all other assumptions remaining constant would result in this recoverable amount being lower by US$597,000 (30 September 2021: US$819,000) or US$795,000 (30 September 2021: US$1,156,000), respectively.

(b) Peninsula Yangon Holdings Pte. Limited

The Group's 24% equity interest in Peninsula Yangon Holdings Pte. Limited ("Peninsula Yangon") with an initial cost of investment of US$240 which was made in January 2016. The Group has provided an aggregate shareholder loan amounting to US$28,060,000 to finance the development of the hotel project and capitalised as a quasi-equity loan under investments in associated companies.

During the financial period ended 31 March 2023, the Group has provided an addition shareholder loan amounting to US$406,000 which has been capitalised as a quasi-equity loan under investments in associated companies.

As at 31 March 2023, the Group's 24% investment in Peninsula Yangon with a carrying amount of US$27,791,000 (30 September 2021: US$28,153,000) is pledged to secure borrowings of the Group [Note 32(a)].

NOTES TO THE FINANCIAL STATEMENTS

23. INVESTMENTS IN ASSOCIATED COMPANIES (CONTINUED)

(c) Digital Money Myanmar Limited ("Wave Money")

In March 2018, the Group acquired 34% equity interest in Wave Money, which is in the mobile financial services sector offering mobile payment solutions and services in Myanmar, for a cost of investment of US$19,400,000 from First Myanmar Investment Public Company Limited ("FMI").

In 2019, the Group contributed additional capital of US$1,608,000 based on its pro-rata shareholding in Wave Money. In October 2020, the Group completed its acquisition of an additional 10% equity interest in Wave Money from FMI for US$7,800,000 (Note 15), and the Group's equity interest in Wave Money increased to 44% with an increase in the historical cost of investment to US$28,808,000.

In December 2022, a partially-owned subsidiary corporation of the Group, Yoma MFS Holdings Pte. Ltd. ("Yoma MFS") completed the acquisition of an additional 51% equity interest in Wave Money from Telenor Group for a total consideration of US$40,000,000. As part of this transaction, the Group contributed US$16,470,588, allowing the Group to obtain an additional 21% effective interest in Wave Money. As a result, the Group holds a total of 65% effective interest in Wave Money through Yoma MFS and Wave Money became a subsidiary corporation of the Group on this date (Note 46).

(d) Details of other immaterial associated companies are as follows:

(i) In December 2020, the Group invested in CLW Development Limited ("CLW") with an initial cost of investment of US$2,100,000 representing a 25% equity interest in CLW. The principal activity of CLW is real estate development and services in Myanmar. The Group subsequently provided a shareholder loan to finance CLW's real estate development project amounting to US$3,400,000 as a quasi-equity loan which forms a part of the Group's cost of investment in CLW.

(ii) During the financial year ended 30 September 2021, Metro Wholesale Myanmar Limited ("Metro Myanmar") issued additional new shares to one of the shareholders for working capital purposes which resulted in the dilution of the Group's interest in Metro Myanmar from 15% to 11.9%. There was no deemed loss/gain from dilution recognised in the Group's financial statements as Metro Myanmar's carrying amount was NIL for the financial year ended 31 September 2021, as a result of the Group's cumulative share of losses exceeding its interest in Metro Myanmar and the Group having no obligation in respect of those excess losses. Metro Myanmar has ceased its operations and is in the process of being wound-up.

In February 2023, the Group entered into a share purchase agreement with METRO Cash & Carry Myanmar Holding GmbH to sell its 11.9% interest in Metro Myanmar for a cash consideration of US$150,000.

NOTES TO THE FINANCIAL STATEMENTS

23. INVESTMENTS IN ASSOCIATED COMPANIES (CONTINUED)

(d) Details of other immaterial associated companies are as follows: (continued)

(iii) The Group holds 19.8% equity interest in Seagram MM Holdings Pte Ltd. ("Seagram MM") with a cost of investment of US$8,386,000. Seagram MM's business relates to the production, branding, marketing and distribution of alcoholic beverages in Myanmar. The carrying amount of the Group's interest as at 31 March 2023 was US$2,765,000 (30 September 2023: US$4,729,000). The reduction in the carrying amount was due to the share of loss recognised in the financial period ended 31 March 2023.

Although the Group has continued to recognise the share of losses, management is of the view that no impairment is required as the estimated recoverable amount determined based on the value-in-use calculation was higher than the carrying amount as at 31 March 2023. Cash flow projections used in this calculation were based on financial budgets approved by management covering a five-year period. Cash flows beyond the five-year period were extrapolated using the estimated growth rate stated below:

Key assumptions used for the value-in-use calculations were as follows:

	31 March 2023
	%
Growth rate[1]	**2.5**
Discount rate[2]	**30.7**

[1] Growth rate used for the extrapolation of future cash flows beyond the five-year period.

[2] Pre-tax discount rate applied to the pre-tax cash flow projections.

The Group believes that any reasonable changes on the above key assumptions are not likely to cause the recoverable amount to be materiality lower than the related carrying amount.

NOTES TO THE FINANCIAL STATEMENTS

23. INVESTMENTS IN ASSOCIATED COMPANIES (CONTINUED)

As at 31 March 2023, the Group has an aggregate US$3,034,000 (2021: US$3,440,000) of commitments to provide funding, if called, related to the above associated companies. These commitments have not been recognised in the Group's consolidated financial statements.

There were no contingent liabilities related to the Group's interest in the associated companies.

Set out below are the associated companies of the Group as at 31 March 2023 and 30 September 2021:

	Name of associated companies	Principal activities	Country of incorporation/ principal place of business	Interest	
				31 March 2023	30 September 2021
				%	%
	Associated companies held by Yoma Strategic Investments Ltd.				
[a]	Peninsula Yangon Holdings Pte. Limited	Yoma Central - Real estate development and services	Singapore/Not applicable	**24**	24
[b]	Digital Money Myanmar Limited	Mobile financial Services - Mobile financial services	Myanmar	**–**	44
[a]	Memories Group Pte. Ltd. (formerly known as Memories Group Limited)	Investments - Investment holding	Singapore/Not applicable	**–**	33.3
[a]	Memories (2022) Pte. Limited	Investments - Investment holding	Singapore/Not applicable	**33.3**	–
[c]	Metro Wholesale Myanmar Limited	Investments - Distributor and logistics activities	Myanmar	**–**	11.9
[a]	Seagram MM Holdings Pte. Ltd.	Investments - Investment holding	Singapore/Not applicable	**19.8**	19.8
	Associated company held by Yoma Development Group Limited				
[d]	CLW Development Limited	Land Development - Real estate development and services	Myanmar/Not applicable	**25**	25

Set out below are the associated companies of the Group as at 31 March 2023 and 30 September 2021 (continued):

[a] Audited by CLA Global TS Public Accounting Corporation, Singapore.
[b] Audited by U Win Tin and Associates, Myanmar.
[c] Audited by Khin Su Htay & Associates, Myanmar.
[d] Audited by Excellent Choice Professional Financial Consulting and Auditing Group, Myanmar.

NOTES TO THE FINANCIAL STATEMENTS

23. INVESTMENTS IN ASSOCIATED COMPANIES (CONTINUED)

Summarised financial information for associated companies

Management has determined the significance of the associated companies based on the future plans of the respective entities, their prospects and their impact on the financial statements of the Group.

Set out below is the summarised financial information of the associated companies of the Group, which, in the opinion of the Directors, are material to the Group. The financial information has been modified for differences from the Group's accounting policies, which are in accordance with SFRS(I).

Summarised statement of financial position

	Memories Group		Peninsula Yangon		Wave Money	
	31 March 2023	30 September 2021	**31 March 2023**	30 September 2021	**31 March 2023**	30 September 2021
	US$'000	US$'000	**US$'000**	US$'000	**US$'000**	US$'000
Current assets	**9,118**	2,323	**6,148**	10,791	**–**	102,767
Includes:						
- Cash and bank balances	**437**	130	**1,358**	6,017	**–**	97,396
Current liabilities	**(35,405)**	(22,990)	**(5,436)**	(9,096)	**–**	(72,033)
Includes:						
- Financial liabilities (excluding payables and accruals)	**(31,983)**	(15,426)	**(364)**	(198)	–	(62,592)
Non-current assets	**57,055**	67,992	**88,459**	100,003	**–**	3,029
Non-current liabilities	**(16,263)**	(25,162)	**(104,591)**	(104,144)	**–**	–
Net assets/(liabilities)	**14,505**	22,163	**(15,420)**	(2,446)	**–**	33,763

NOTES TO THE FINANCIAL STATEMENTS

23. INVESTMENTS IN ASSOCIATED COMPANIES (CONTINUED)

Summarised financial information for associated companies (continued)

Summarised statement of comprehensive income

	Memories Group		Peninsula Yangon		Wave Money	
	For the financial period from 1 October 2021 to 31 March 2023 (18 months)	For the financial year from 1 October 2020 to 30 September 2021 (12 months)	**For the financial period from 1 October 2021 to 31 March 2023 (18 months)**	For the financial year from 1 October 2020 to 30 September 2021 (12 months)	**For the financial period from 1 October 2021 to 31 March 2023 (18 months)**	For the financial year from 1 October 2020 to 30 September 2021 (12 months)
	US$'000	US$'000	**US$'000**	US$'000	**US$'000**	US$'000
Revenue	**4,873**	2,095	**–**	–	**–**	82,010
Other gain/(losses)	**138**	(2,899)	**(12,115)**	9	**–**	–
Includes:						
- Impairment loss on goodwill	**–**	(1,400)	**–**	–	**–**	–
- Impairment loss on intangible assets	**(669)**	(391)	**–**	–	**–**	–
- Impairment loss on property, plant and equipment	**–**	–	**(12,126)**	–	**–**	–
Expenses	**(12,707)**	(1,984)	**(859)**	(314)	**–**	(69,860)
Includes:						
- Depreciation and amortisation	**(3,340)**	(2,593)	**(11)**	(17)	**–**	(2,301)
- Interest expense	**(4,991)**	(3,850)	**(431)**	(437)	**–**	–
(Loss)/profit before income tax	**(7,696)**	(2,788)	**(12,974)**	(305)	**–**	12,150
Income tax credit/ (expense)	**38**	40	**–**	–	**–**	(2,292)
Net (loss)/profit	**(7,658)**	(2,748)	**(12,974)**	(305)	**–**	9,858
Other comprehensive loss						
- Currency translation loss	**–**	–	**–**	–	**–**	(12,641)
Total comprehensive loss	**(7,658)**	(2,748)	**(12,974)**	(305)	**–**	(2,783)

NOTES TO THE FINANCIAL STATEMENTS

23. INVESTMENTS IN ASSOCIATED COMPANIES (CONTINUED)

Reconciliation of summarised financial information

Reconciliation of the summarised financial information presented to the carrying amount of the Group's interests in the associated companies is as follows:

	Memories Group		Peninsula Yangon		Wave Money	
	31 March 2023	30 September 2021	**31 March 2023**	30 September 2021	**31 March 2023**	30 September 2021
	US$'000	US$'000	**US$'000**	US$'000	**US$'000**	US$'000
Net assets/(liabilities)						
At beginning of financial period/year	**22,163**	24,911	**(2,446)**	(2,141)	**–**	36,546
(Loss)/profit for the financial period/year	**(7,658)**	(2,748)	**(12,974)**	(305)	**–**	9,858
Currency translation differences	**–**	–	**–**	–	**–**	(12,641)
	14,505	22,163	**(15,420)**	(2,446)	**–**	33,763
At end of financial period/year						
Interests in associated companies	**4,830**	7,380	**(3,701)**	(587)	**–**	14,856
Goodwill	**10,362**	10,362	**–**	–	**–**	21,955
Loan to associated companies	**–**	–	**28,466**	28,060	**–**	–
Others	**(7)**	(1)	**3,026**	680	**–**	–
Carrying value	**15,185**	17,741	**27,791**	28,153	**–**	36,811

Immaterial associated companies

The following table summarises, in aggregate, the carrying amount and the Group's share of loss and other comprehensive loss of immaterial associated companies that are accounted for using the equity method:

	Group	
	31 March 2023	30 September 2021
	US$'000	US$'000
Carrying amount of interests in immaterial associated companies	**4,917**	8,333
Group's share of:		
- Loss for the financial period/year, representing total comprehensive loss	**(3,247)**	(2,183)

The Group has not recognised its share of losses of associated companies amounting to US$NIL (30 September 2021: US$4,272,000) because the Group's cumulative share of losses exceeds its interests in those entities and the Group has no obligation in respect of those losses.

NOTES TO THE FINANCIAL STATEMENTS

24. INVESTMENTS IN SUBSIDIARY CORPORATIONS

	Company	
	31 March 2023	30 September 2021
	US$'000	US$'000
Equity investment at cost		
Beginning and end of financial period/year	**78,792**	78,792
Loans to subsidiary corporations (net)	**593,489**	661,798
Total	**672,281**	740,590

Loans to subsidiary corporations are unsecured and interest-free. There is no certainty on the definite date of repayment as the Company intends to provide the loans as financing for the operations of the subsidiary corporations over the long term. The settlement of these loans is neither planned nor likely to occur in the foreseeable future, and accordingly, these loans are considered to be quasi-equity loans and form part of the Company's cost of investments in the subsidiary corporations.

Significant restrictions

Cash and bank balances of US$132,832,000 (30 September 2021: US$25,815,000) are held in Myanmar and the People's Republic of China, and are subject to local exchange control regulations. These local exchange control regulations provide for restrictions on exporting capital from the country other than through normal dividends.

The Group's 100% interest in StarCity International School Company Limited, Yangon Sand Industries Limited, Yoma Heavy Equipment Company Limited (formerly known as Convenience Prosperity Company Limited), Summit Brands Restaurant Group Limited, SGG Motor Services Limited and Yoma German Motors Limited, respectively, 80% interest in Yoma Fleet Limited, 65% interest in Yankin Kyay Oh Group of Companies Limited, 50% interest in Kospa Limited, 48% interest in Meeyahta Development Limited and 16% interest in Yoma MFS Holdings Pte. Ltd. are pledged to secure borrowings of the Group and the Company [Note 32(a)].

NOTES TO THE FINANCIAL STATEMENTS

24. INVESTMENTS IN SUBSIDIARY CORPORATIONS (CONTINUED)

Details of the subsidiary corporations are as follows:

	Name of subsidiary corporation	Principal activities	Country of incorporation/ principal place of business	Interest held by the Parent		Interest held by the Group	
				31 March 2023	30 September 2021	**31 March 2023**	30 September 2021
				%	%	%	%
	Held by the Company						
(1)	Yoma Strategic Investments Ltd.	Investments – Investment holding	Singapore/Not applicable	**100**	100	**100**	100
	Subsidiary corporations of Yoma Strategic Investments Ltd.						
(1)	Lion Century Properties Limited	Land Development – Development activities	British Virgin Islands/ Myanmar	**100**	100	**100**	100
(1)	Yoma Education Pte. Ltd.	Others – Investment holding	Singapore/Not applicable	**100**	100	**100**	100
(1)	Yoma Development Group Pte. Ltd.	Land Development – Investment holding	Singapore/Not applicable	**100**	100	**100**	100
(1)	Plantation Resources Pte. Ltd.	Investments – Agricultural activities	Singapore	**100**	100	**100**	100
(1)	Wayville Investments Limited	Investments – Investment holding	British Virgin Islands/Not applicable	**100**	100	**100**	100
(1)	Elite Matrix International Limited	Passenger and Commercial Vehicles – Investment holding	British Virgin Islands/Not applicable	**100**	100	**100**	100
(1)	YSH Finance Ltd.	Investments – Investment holding	British Virgin Islands/Not applicable	**100**	100	**100**	100
(1)	Chindwin Holdings Pte. Ltd.	Investments – Investment holding	Singapore/Not applicable	**70**	70	**70**	70

NOTES TO THE FINANCIAL STATEMENTS

24. INVESTMENTS IN SUBSIDIARY CORPORATIONS (CONTINUED)

Details of the subsidiary corporations are as follows: (continued)

	Name of subsidiary corporation	Principal activities	Country of incorporation/ principal place of business	Interest held by the Parent		Interest held by the Group	
				31 March 2023	30 September 2021	**31 March 2023**	30 September 2021
				%	%	**%**	%
	Subsidiary corporations of Yoma Strategic Investments Ltd. (continued)						
(1)	Welbeck Global Limited	Investments – Investment holding	British Virgin Islands/Not applicable	**100**	100	**100**	100
(1)	Yoma Agricultural & Logistics Holding Pte. Ltd.	Investments – Agricultural activities	Singapore/ Myanmar	**100**	100	**100**	100
(2)	Pun Hlaing Lodge Limited	Investments – Investment holding	Myanmar/Not applicable	**100**	100	**100**	100
(2)	Yangon Sand Industries Limited	Land Services – Investment properties leasing activities	Myanmar	**100**	100	**100**	100
(2)	Summit Brands Restaurant Group Company Limited	F&B – Restaurant activities	Myanmar	**100**	100	**100**	**100**
(2), (8)	Kospa Limited	Investments – Logistics activities	Myanmar	**50**	50	**50**	50
(2)	Meeyahta International Hotel Limited	Yoma Central – Development activities	Myanmar	**80**	80	**80**	**80**
(2)	Yoma Nominee Limited	Others – Investment holding	Myanmar/Not applicable	**100**	100	**100**	100
(2)	Yoma Venture Company Limited	Land Development – Development activities	Myanmar	**100**	100	**100**	100

NOTES TO THE FINANCIAL STATEMENTS

24. INVESTMENTS IN SUBSIDIARY CORPORATIONS (CONTINUED)

Details of the subsidiary corporations are as follows: (continued)

	Name of subsidiary corporation	Principal activities	Country of incorporation/ principal place of business	Interest held by the Parent		Interest held by the Group	
				31 March 2023	30 September 2021	**31 March 2023**	30 September 2021
				%	%	**%**	%
	Subsidiary corporations of Yoma Strategic Investments Ltd. (continued)						
(2)	Yoma Agriculture Company Limited	Investments – Agricultural activities	Myanmar	**100**	100	**100**	100
(3), (8)	Meeyahta Development Limited	Yoma Central – Development activities	Myanmar	**48**	48	**48**	48
(1)	Yoma F&B Pte. Ltd.	F&B – Investment holding	Singapore/Not applicable	**100**	100	**100**	100
(1)	Yoma Financial Services Pte. Ltd.	Leasing – Investment holding	Singapore/Not applicable	**100**	100	**100**	100
(1)	Yoma MFS Holdings Pte. Ltd.	Mobile Financial Services – Investment holding	Singapore/Not applicable	**72.2**	100	**72.2**	100
(1)	Yoma-AC Energy Holdings Pte. Ltd.	Investments – Investment holding	Singapore/Not applicable	**100**	100	**100**	100
	Subsidiary corporations of Elite Matrix International Limited						
(1)	Myanmar Motors Pte. Ltd.	Passenger and Commercial Vehicles – Investment holding	Singapore/Not applicable	**91**(i)	91(i)	**100**(i)	100(i)
(2)	Yoma Heavy Equipment Company Limited (formerly known as Convenience Prosperity Company Limited)	Heavy Equipment – Distributor activities	Myanmar	**100**	100	**100**	100

NOTES TO THE FINANCIAL STATEMENTS

24. INVESTMENTS IN SUBSIDIARY CORPORATIONS (CONTINUED)

Details of the subsidiary corporations are as follows: (continued)

	Name of subsidiary corporation	Principal activities	Country of incorporation/ principal place of business	Interest held by the Parent		Interest held by the Group	
				31 March 2023	30 September 2021	**31 March 2023**	30 September 2021
				%	%	**%**	%
	Subsidiary corporation of Wayville Investments Limited						
(1)	Wyndale International Limited	Investments – Investment holding	British Virgin Islands/ Not applicable	**100**	100	**100**	100
	Subsidiary corporations of Yoma Development Group Pte. Ltd.						
(2)	YL Holdings (Myanmar) Company Limited	Land Development – Investment holding	Myanmar/Not applicable	**100**	100	**100**	100
(1)	SPA Project Management Pte. Ltd.	Land Services – Investment holding	Singapore/Not applicable	**100**	100	**100**	100
(1)	SPA Design Pte. Ltd.	Land Services – Investment holding	Singapore/Not applicable	**100**	100	**100**	100
(2)	SPA Design & Project Services Limited	Land Services – Project management and design activities	Myanmar	**100**	100	**100**	100
(2)	Yoma Development Group Limited	Land Services – Leasing and other activities	Myanmar	**100**	100	**100**	100
	Subsidiary corporation of Yoma Development Group Limited						
(2)	Thanlyin Estate Development Limited	Land Services – Leasing and other activities	Myanmar	**70**	70	**70**	70

NOTES TO THE FINANCIAL STATEMENTS

24. INVESTMENTS IN SUBSIDIARY CORPORATIONS (CONTINUED)

Details of the subsidiary corporations are as follows: (continued)

	Name of subsidiary corporation	Principal activities	Country of incorporation/ principal place of business	Interest held by the Parent		Interest held by the Group	
				31 March 2023	30 September 2021	**31 March 2023**	30 September 2021
				%	%	**%**	%
	Subsidiary corporations of Thanlyin Estate Development Limited						
(1)	Thanlyin Estate Development (Singapore) Pte. Ltd.	Land Development – Marketing activities	Singapore	**100**	100	**100**	100
(2)	Star City International School Company Limited	Land Services – Investment holding	Myanmar	**100**	100	**100**	100
	Subsidiary corporations of Myanmar Motors Pte. Ltd.						
(2)	German Car Industries Company Limited	Passenger and Commercial Vehicles – Distributor activities	Myanmar	**100**	100	**100**	100
(2)	Yoma Fleet Limited	Leasing – Automotive and equipment leasing activities	Myanmar	**80**	80	**80**	80
(2)	Successful Goal Trading Company Limited	Passenger and Commercial Vehicles – Distributor activities	Myanmar	**100**	100	**100**	100
(2)	Seven Golden Gates Company Limited	Passenger and Commercial Vehicles – Distributor activities	Myanmar	**100**	100	**100**	100
(2)	SGG Motor Services Limited	Passenger and Commercial Vehicles – Distributor activities	Myanmar	**100**	100	**100**	100

NOTES TO THE FINANCIAL STATEMENTS

24. INVESTMENTS IN SUBSIDIARY CORPORATIONS (CONTINUED)

Details of the subsidiary corporations are as follows: (continued)

	Name of subsidiary corporation	Principal activities	Country of incorporation/ principal place of business	Interest held by the Parent		Interest held by the Group	
				31 March 2023	30 September 2021	**31 March 2023**	30 September 2021
				%	%	**%**	%
	Subsidiary corporations of Myanmar Motors Pte. Ltd. (continued)						
(2)	Yoma German Motors Limited	Passenger and Commercial Vehicles – Distributor activities	Myanmar	**100**	100	**100**	100
(4)	Summit SPA Motors Limited	Heavy Equipment – Distributor activities	Myanmar	**100**	23.2(ii)	**100**	23.2(ii)
	Subsidiary corporations of Yoma MFS Holdings Pte. Ltd.						
(5)	Digital Money Myanmar Limited	Mobile Financial Services – Mobile financial service activities	Myanmar	**90**	44(iii)	**65**	44(iii)
	Subsidiary corporations of Yoma Fleet Limited						
(2)	Yoma Leasing Company Limited	Leasing – Automotive and equipment leasing activities	Myanmar	**100**	100	**100**	100
	Subsidiary corporations of Yoma F&B Pte. Ltd.						
(2)	Altai Myanmar Company Limited	F&B – Restaurant activities	Myanmar	**100**	100	**100**	100
(2)	Blue Ridge Company Limited	F&B – Restaurant activities	Myanmar	**100**	100	**100**	100
(2)	Popa Myanmar Company Limited	F&B – Investment holding	Myanmar/Not applicable	**100**	100	**100**	100

NOTES TO THE FINANCIAL STATEMENTS

24. INVESTMENTS IN SUBSIDIARY CORPORATIONS (CONTINUED)

Details of the subsidiary corporations are as follows: (continued)

	Name of subsidiary corporation	Principal activities	Country of incorporation/ principal place of business	Interest held by the Parent		Interest held by the Group	
				31 March 2023	30 September 2021	**31 March 2023**	30 September 2021
				%	%	**%**	%
	Subsidiary corporations of Yoma F&B Pte. Ltd. (continued)						
(2)	Yankin Kyay Oh Group of Companies Limited	F&B – Restaurant activities	Myanmar	**35**	35	**65**	65
(2)	YKKO Trademarks Company Limited	F&B – Activities of head offices; management consultancy activities	Myanmar	**60**	60	**60**	60
	Subsidiary corporation of Wyndale International Limited						
(6)	Xun Xiang (Dalian) Enterprise Co., Ltd.	Investments – Investment properties leasing activities	People's Republic of China	**100**	100	**100**	100
	Subsidiary corporations of Chindwin Holdings Pte. Ltd.						
(2)	Chindwin Bagan Company Limited	Investments – Investment activities	Myanmar	**100**	100	**70**	70
(2)	Chindwin Pindaya Company Limited	Investments – Investment activities	Myanmar	**100**	100	**70**	70
	Subsidiary corporations of Yoma Nominee Limited						
(2)	Digital Loyalty Service Myanmar Limited	Investments – Digital activities	Myanmar	**100**	–	**100**	–
(2)	Atlas Digi Myanmar Limited	Investments – Digital activities	Myanmar	**100**	–	**100**	–

NOTES TO THE FINANCIAL STATEMENTS

24. INVESTMENTS IN SUBSIDIARY CORPORATIONS (CONTINUED)

(1) Audited by CLA Global TS Public Accounting Corporation, Singapore.

(2) For the purpose of preparing the consolidated financial statements, these financial statements have been audited by CLA Global TS under full scope audit or audit of significant line items of the financial statements. Audited by Excellent Choice Professional Financial Consulting and Auditing Group, Myanmar for local statutory purposes.

(3) Audited by UTW (Myanmar) Limited, member of Ernst & Young Global Limited, for local statutory purposes.

(4) Audited by Yangon Professional Group, Myanmar for local statutory purposes.

(5) Audited by Win Thin & Associates Certified Public Accountants for local statutory purposes.

(6) For the purpose of preparing the consolidated financial statements, these financial statements have been audited by CLA Global TS under audit of significant line items of the financial statements. Audited by Dalian Boyuan United Certified Public Accountants, People's Republic of China for local statutory purposes.

(7) Given that full scope of audit on significant subsidiary corporations incorporated outside Singapore has been performed by CLA Global TS Public Accounting Corporation for the purpose of expressing its audit opinion on the Group's consolidated financial statements and that no separate opinion is required to be issued on the financial statements of these subsidiary corporations for which CLA Global TS Public Accounting Corporation is not the statutory auditor, the Company believes that Rule 715 has been complied with.

(8) The Group is the largest shareholder of the subsidiary corporation and has the majority representation on subsidiary corporation's board of directors. The Group also has defacto control over the voting rights and therefore, the Group has control over the subsidiary corporation in accordance with SFRS(I)10 *Consolidated Financial Statements*.

(i) Following the conversion of shareholders loan, new shares representing 9% interest in Myanmar Motors Pte. Ltd. were allotted and issued to Yoma Strategic Investments Ltd, a wholly-owned subsidiary corporation of the Company.

(ii) The Group held its interest in Summit SPA Motors Limited as a joint venture as at 30 September 2021 [Note 22(c)].

(iii) The Group held its interest in Digital Money Myanmar Limited as an associated company as at 30 September 2021 [Note 23(c)].

Transactions with non-controlling interests – Acquisition of additional interests in subsidiary corporations

During the financial year ended 30 September 2021, the non-controlling shareholders of MDL provided additional equity loan amounting to US$17,496,000 based on the non-controlling interests' pro-rata shareholdings in MDL. Accordingly, total loan from non-controlling interests of US$46,086,000 is presented within equity of the Group.

During the financial period ended 31 March 2023, the non-controlling shareholders of MDL provided additional equity loan amounting to US$71,305,000 based on the non-controlling interests' pro-rata shareholdings in MDL. Accordingly, total loan from non-controlling interests of US$117,391,000 is presented within equity of the Group.

NOTES TO THE FINANCIAL STATEMENTS

24. INVESTMENTS IN SUBSIDIARY CORPORATIONS (CONTINUED)

Interests in subsidiary corporations with non-controlling interests ("NCI") that are material to the Group

Name of subsidiary corporations	Country of incorporation/ Principal place of business	Proportion of ownership interests held by NCI	(Loss)/profit allocated to NCI during the financial period/year	Carrying amount of NCI at the end of financial period/year	Dividends declared to NCI
		%	US$'000	US$'000	US$'000
31 March 2023					
Thanlyin Estate Development Limited	**Myanmar**	**30**	**(3,515)**	**30,836#**	**–**
Meeyahta Development Limited	**Myanmar**	**52***	**(27,474)**	**181,011**	**–**
30 September 2021					
Thanlyin Estate Development Limited	Myanmar	30	4,860	38,727#	–
Meeyahta Development Limited	Myanmar	52*	(3,417)	137,180	–

* For the purpose of computing accumulated NCI at the end of each respective financial period/year, NCI's share of the net assets of Meeyahta Development Limited has been computed based on the ultimate effective interest of NCI of 52% (30 September 2021: 52%).

\# Carrying amounts of NCI at the end of the financial year include the effect of fair value adjustments made at the date of acquisition as required under SFRS(I) 3 Business Combinations.

Summarised financial information of subsidiary corporations with material non-controlling interests

Set out below is the summarised financial information for each subsidiary corporation that has non-controlling interests that are material to the Group. They are presented before inter-company eliminations.

<u>Summarised statement of financial position</u>

	Thanlyin Estate Development Limited		Meeyahta Development Limited	
	31 March 2023	30 September 2021	**31 March 2023**	30 September 2021
	US$'000	US$'000	**US$'000**	US$'000
Current assets				
Assets	**97,561**	123,657	**110,867**	326,153
Liabilities	**(88,362)**	(100,383)	**(20,585)**	(36,404)
Total current net assets	**9,199**	23,274	**90,282**	289,749
Non-current				
Assets	**83,088**	129,483	**288,478**	97,944
Liabilities	**(12,687)**	(21,985)	**(80,529)**	(116,213)
Total non-current net assets/(liabilities)	**70,401**	107,498	**207,949**	(18,269)
Net assets	**79,600**	130,772	**298,231**	271,480

NOTES TO THE FINANCIAL STATEMENTS

24. INVESTMENTS IN SUBSIDIARY CORPORATIONS (CONTINUED)

Summarised statement of comprehensive income

	Thanlyin Estate Development Limited		Meeyahta Development Limited	
	31 March 2023 US$'000	30 September 2021 US$'000	**31 March 2023 US$'000**	30 September 2021 US$'000
Revenue	**54,672**	26,702	**–**	6,317
(Loss)/profit before income tax	**(8,784)**	17,353	**(52,835)**	(6,572)
Income tax expense	**(2,933)**	(1,152)	**–**	–
Net (loss)/profit	**(11,717)**	16,201	**(52,835)**	(6,572)

Summarised statement of cash flows

	Thanlyin Estate Development Limited		Meeyahta Development Limited	
	31 March 2023 US$'000	30 September 2021 US$'000	**31 March 2023 US$'000**	30 September 2021 US$'000
Cash (used in)/generated from operations	**(7,064)**	4,815	**80,477**	34,754
Income tax paid	**(1,623)**	(310)	**–**	–
Net cash (used in)/provided by operating activities	**(8,687)**	4,505	**80,477**	34,754
Net cash provided by/(used in) investing activities	**12,794**	(2,206)	**(7,514)**	(37,853)
Net cash (used in)/provided by financing activities	**(6,957)**	886	**(70,081)**	(617)
Net (decrease)/increase in cash and cash equivalents	**(2,850)**	3,185	**2,882**	(3,716)
Cash and cash equivalents at beginning of financial period/year	**5,518**	2,914	**5,013**	12,776
Effects of currency translation on cash and cash equivalents	**(620)**	(581)	**(67)**	(4,047)
Cash and cash equivalents at end of financial period/year	**2,048**	5,518	**7,828**	5,013

NOTES TO THE FINANCIAL STATEMENTS

25. INVESTMENT PROPERTIES

	Completed investment properties US$'000	Investment properties under construction US$'000	Total US$'000
Group			
31 March 2023			
Beginning of financial period	**135,285**	**93,625**	**228,910**
Movements:			
Subsequent expenditure on investment properties	**319**	**4,325**	**4,644**
Transfer from development properties (Note 19)	**–**	**220,756**	**220,756**
Transfer to property, plant and equipment (Note 26)	**(8,295)**	**(22,809)**	**(31,104)**
Disposal	**(28,722)**	**(28,394)**	**(57,116)**
	(36,698)	**173,878**	**137,180**
Net fair value losses recognised in profit or loss (Note 10)	**(5,004)**	**(17,370)**	**(22,374)**
Currency translation differences	**(13,954)**	**(10,685)**	**(24,639)**
End of financial period	**79,629**	**239,448**	**319,077**

	Completed investment properties US$'000	Investment properties under construction US$'000	Total US$'000
Group			
30 September 2021			
Beginning of financial year	103,248	170,131	273,379
Movements:			
Subsequent expenditure on investment properties	965	1,628	2,593
Transfer from land development rights (Note 30)	150	–	150
Reclassification	55,546	(55,546)	–
	56,661	(53,918)	2,743
Net fair value gains recognised in profit or loss (Note 10)	27,678	13,727	41,405
Currency translation differences	(52,302)	(36,315)	(88,617)
End of financial year	135,285	93,625	228,910

Investment properties are leased to non-related parties and related parties under operating leases (Note 28).

Investment properties with an aggregate carrying amounts of US$52,523,000 (30 September 2021: US$76,410,000) are mortgaged to secure borrowings of the Group [Note 32(a)].

NOTES TO THE FINANCIAL STATEMENTS

25. INVESTMENT PROPERTIES (CONTINUED)

The following amounts are recognised in profit or loss:

	Group	
	31 March 2023	30 September 2021
	US$'000	US$'000
Leasing income (Note 4)	**7,637**	4,476
Direct operating expenses arising from:		
- Investment properties that generate leasing income	**(2,203)**	(759)

At the reporting date, the details of the Group's investment properties are as follows:

Location	Description/existing use	Tenure
Within Pun Hlaing Golf Estate, Yaw Atwin Wun U Pho Hlaing Street, Hlaing Thar Ya Township, Yangon, Myanmar	Residential units (The Residence at Pun Hlaing)	Leasehold with 60 years lease expiring on 5 April 2076
Within StarCity Thanlyin, Kyaik Khauk Pagoda Road, Thanlyin Township, Yangon, Myanmar	Commercial units (StarCity Zone A)	Leasehold with 60 years lease expiring on 20 February 2064
Within StarCity Thanlyin, Kyaik Khauk Pagoda Road, Thanlyin Township, Yangon, Myanmar	Residential units (StarCity Zone C)	Leasehold with 60 years lease commencing after completion of construction
Within StarCity Thanlyin, Kyaik Khauk Pagoda Road, Thanlyin Township, Yangon, Myanmar	Residential units (Star Residence)	Leasehold with 60 years lease expiring on 20 February 2064
Within StarCity Thanlyin, Kyaik Khauk Pagoda Road, Thanlyin Township, Yangon, Myanmar	Residential units (Excess Parcel of Land)	Leasehold with 60 years lease commencing after completion of construction
Within StarCity Thanlyin, Kyaik Khauk Pagoda Road, Thanlyin Township, Yangon, Myanmar	Wet market and food court (The Hangar)	Leasehold with 60 years lease commencing after completion of construction
Along Pun Hlaing Golf Estate Road next to the main entrance of Pun Hlaing Golf Estate, Hlaing Thar Ya Township, Yangon, Myanmar	Educational use (Dulwich School Campus)	Leasehold with 60 years lease expiring on 2 July 2075
The Campus, 1 Office Park Rain Tree Drive, Pun Hlaing Estate, Hlaing Thar Yar Township, Yangon, Myanmar.	Office building (The Campus)	Leasehold with 60 years lease expiring on 30 June 2075
Within Pun Hlaing Golf Estate Yaw Afwin Wan U Pho Hlaing Street, Hlaing Thar Yar Township, Yangon, Myanmar	Residential units (Golf Apartment B)	Leasehold with 60 years lease expiring on 30 June 2075
Within Pun Hlaing Golf Estate Yaw Afwin Wan U Pho Hlaing Street, Hlaing Thar Yar Township, Yangon, Myanmar	Residential units (Golf Apartment C, D, E, F, G)	Leasehold with 60 years lease commencing after completion of construction
372 Bogyoke Aung San Road, Pabedan Township, Yangon, Myanmar	Retail podium and office towers	Leasehold with 70 years lease expiring 31 December 2067

NOTES TO THE FINANCIAL STATEMENTS

25. INVESTMENT PROPERTIES (CONTINUED)

Fair value hierarchy

	Fair value measurements using		
	Quoted prices in active market for identical assets (Level 1) US$'000	Significant other observable inputs (Level 2) US$'000	Significant unobservable inputs (Level 3) US$'000
Description			
31 March 2023			
Recurring fair value measurements			
Investment properties:			
– Office building – Myanmar	**–**	**–**	**133,925**
– Commercial units – Myanmar	**–**	**7,562**	**–**
– Retail podium – Myanmar	**–**	**–**	**66,500**
– Residential units – Myanmar	**–**	**52,730**	**32,500**
– Educational use – Myanmar	**–**	**–**	**25,000**
– Wet market use – Myanmar	**–**	**–**	**860**
30 September 2021			
Recurring fair value measurements			
Investment properties:			
– Office building – Myanmar	–	–	15,000
– Commercial units – Myanmar	–	9,440	–
– Residential units – Myanmar	–	90,410	38,000
– Educational use – Myanmar	–	–	75,200
– Wet market use – Myanmar	–	–	860

Valuation techniques used to derive Level 2 fair values

Level 2 fair values of the Group's investment properties have been generally derived using direct comparison approach. Sale prices of comparable properties in close proximity are adjusted for differences in key attributes such as location, property size and age. The most significant input into this valuation approach is selling prices per square metre.

Valuation processes of the Group

The Group engages external independent and qualified valuation experts to determine the fair values of the Group's investment properties at the end of every financial year based on the properties' highest and best use. As at 31 March 2023, the fair values of the properties located in People's Republic of China and Myanmar have been determined by Cushman & Wakefield ShenZhen Valuation Co., Ltd and Colliers International Consultancy & Valuation (Singapore) Pte Ltd respectively.

At each financial year end, the finance department:

– verifies all major inputs to the independent valuation report;
– assesses property valuation movements when compared to the prior year valuation report; and
– holds discussions with the independent valuation experts.

Changes in Level 2 and Level 3 fair values are analysed at each reporting date at least annually during a valuation discussion amongst the Executive Chairman, the Chief Executive Officer, the Chief Financial Officer, the Group Financial Controller, the Audit and Risk Management Committee and the Valuation Team (the "Team"). As part of this discussion, the Team presents a report that explains the reasons for the fair value movements, if any.

NOTES TO THE FINANCIAL STATEMENTS

25. INVESTMENT PROPERTIES (CONTINUED)

Reconciliation of movements in Level 3 fair value measurement

	Group	
	31 March 2023	30 September 2021
	US$'000	US$'000
Retail podium – Myanmar		
Beginning of financial period/year	**–**	–
Additions:		
- Transfer from development properties (Note 19)	**71,928**	–
- Fair value losses recognised in profit or loss, under "other gains or losses"	**(5,428)**	–
End of financial period/year	**66,500**	–
Changes in unrealised losses for assets held at the reporting date included in profit or loss under "other gains or losses"	**(5,428)**	–
Educational use – Myanmar		
Beginning of financial period/year	**75,200**	80,360
Additions:		
- Subsequent expenditure on investment properties	**4,304**	1,600
- Currency translation differences	**(9,207)**	(28,034)
- Transfer to property, plant and equipment (Note 26)	**(22,809)**	–
- Disposal	**(28,393)**	–
- Fair value gains recognised in profit or loss, under "other gains or losses"	**10,605**	21,274
Transfer to level 2	**(4,700)**	–
End of financial period/year	**25,000**	75,200
Changes in unrealised gains for assets held at the reporting date included in profit or loss under "other gains or losses"	**10,605**	21,274
Residential units – Myanmar		
Beginning of financial period/year	**38,000**	54,491
Additions:		
- Subsequent expenditure on investment properties	**28**	29
- Currency translation differences	**(4,418)**	(15,505)
- Fair value losses recognised in profit or loss, under "other gains or losses"	**(1,110)**	(1,015)
End of financial period/year	**32,500**	38,000
Changes in unrealised losses for assets held at the reporting date included in profit or loss under "other gains or losses"	**(1,110)**	(1,015)

NOTES TO THE FINANCIAL STATEMENTS

25. INVESTMENT PROPERTIES (CONTINUED)

Reconciliation of movements in Level 3 fair value measurement (continued)

	Group	
	31 March 2023	30 September 2021
	US$'000	US$'000
Office building – Myanmar		
Beginning of financial period/year	**15,000**	18,145
Additions:		
- Transfer from development properties (Note 19)	**148,828**	–
- Transfer to property, plant and equipment (Note 26)	**(8,295)**	–
- Subsequent expenditure on investment properties	**48**	129
- Currency translation differences	**(1,863)**	(5,840)
- Fair value (losses)/gains recognised in profit or loss, under "other gains or losses"	**(19,793)**	2,566
End of financial period/year	**133,925**	15,000
Changes in unrealised (losses)/gains for assets held at the reporting date included in profit or loss under "other gains or losses"	**(19,793)**	2,566
Wet market units – Myanmar		
Beginning of financial period/year	**860**	–
Additions:		
- Subsequent expenditure on investment properties	**28**	705
- Transfer from land development rights (Note 30)	**–**	150
- Currency translation differences	**(111)**	(213)
- Fair value gains recognised in profit or loss, under "other gains or losses"	**83**	218
End of financial period/year	**860**	860
Changes in unrealised gains for assets held at the reporting date included in profit or loss under "other gains or losses"	**83**	218

The Group's accounting policy is to recognise transfers into and out of fair value hierarchy levels as of the date of the event or change in circumstances that caused the transfer. During the financial period ended 31 March 2023, the excess parcel of land (plot 3) adjoining north of StarCity Sport Club complex, which was completed during the current financial period, was transferred to property, plant and equipment. The excess parcel of land (plot 3) is zoned for residential use. The fair values of these investment properties have been derived using the direct comparison method and transferred from Level 3 of fair value hierarchy to Level 2.

NOTES TO THE FINANCIAL STATEMENTS

25. INVESTMENT PROPERTIES (CONTINUED)

Valuation techniques and inputs used in Level 3 fair value measurements

The following table presents the valuation techniques and key inputs that were used to determine the fair values of investment properties categorised under Level 3 of the fair value hierarchy:

	Fair value as at						
Description	**31 March 2023 US$'000**	30 September 2021 US$'000	**Valuation technique**	**Unobservable inputs**	**31 March 2023**	30 September 2021	**Relationship of unobservable inputs to fair value**
Educational use – Pun Hlaing, Myanmar	**25,000**	25,000	Depreciated replacement cost method for building and direct comparison method for land	Estimated construction costs per square meter	**US$136**	US$183	The higher the construction cost, the higher the fair value
				Unit rate on land per square meter	**US$195-US$288**	US$185-US$260	The higher the unit rate, the higher the fair value
				Developer profit margin	**15%**	20%	The higher the profit margin, the higher the fair value
Educational use – Thanlyin, Myanmar	–	50,200	Depreciated replacement cost method for building and direct comparison method for land	Estimated construction costs per square meter	–	US$331	The higher the construction cost, the higher the fair value
				Unit rate on land per square meter	–	US$100-US$124	The higher the unit rate, the higher the fair value
				Developer profit margin	–	20%	The higher the profit margin, the higher the fair value

NOTES TO THE FINANCIAL STATEMENTS

25. INVESTMENT PROPERTIES (CONTINUED)

Valuation techniques and inputs used in Level 3 fair value measurements (continued)

The following table presents the valuation techniques and key inputs that were used to determine the fair values of investment properties categorised under Level 3 of the fair value hierarchy: (continued)

	Fair value as at						
Description	**31 March 2023**	30 September 2021	**Valuation technique**	**Unobservable inputs**	**31 March 2023**	30 September 2021	**Relationship of unobservable inputs to fair value**
	US$'000	US$'000					
Office building (The Campus) - Myanmar	**5,925**	15,000	Depreciated replacement cost method for building and direct comparison method for land reconciled with income approach	Estimated construction costs per square meter	**US$1,884**	US$1,867	The higher the construction cost, the higher the fair value
				Estimated market rent	**US$21-US$25**	US$25-US$29	The higher the market rent, the higher the fair value
				Unit rate on land per square meter	**US$415-US$529**	US$318-US$361	The higher the unit rate, the higher the fair value
				Developer profit margin	**15%**	20%	The higher the profit margin, the higher the fair value
Office building (Tower 2 to 4, Yoma Central) - Myanmar	**128,000**	–	Depreciated replacement cost method for building and direct comparison method for land reconciled with income approach	Estimated construction costs per square meter	**US$3,174**	–	The higher the construction cost, the higher the fair value
				Estimated market rent	**US46-US$72**	–	The higher the market rent, the higher the fair value
				Unit rate on land per square meter	**US$588-US$991**	–	The higher the unit rate, the higher the fair value
				Cost inflation margin	**5%**	–	The higher the inflation margin, the higher the fair value

NOTES TO THE FINANCIAL STATEMENTS

25. INVESTMENT PROPERTIES (CONTINUED)

Valuation techniques and inputs used in Level 3 fair value measurements (continued)

The following table presents the valuation techniques and key inputs that were used to determine the fair values of investment properties categorised under Level 3 of the fair value hierarchy: (continued)

Description	Fair value as at 31 March 2023 US$'000	Fair value as at 30 September 2021 US$'000	Valuation technique	Unobservable inputs	31 March 2023	30 September 2021	Relationship of unobservable inputs to fair value
Residential units (Starcity Zone C) – Myanmar	**19,500**	25,000	Depreciated replacement cost method for building and residual land method for land	Estimated construction costs per square meter	**US$679**	US$705	The higher the construction cost, the higher the fair value
				Unit rate on land per square meter	**US$72**	US$334	The higher the unit rate, the higher the fair value
				Developer profit margin	**15%**	15%	The higher the profit margin, the higher the fair value
Wet market (The Hangar) – Myanmar	**860**	860	Depreciated replacement cost method for building and direct comparison method for land	Estimated construction costs per square meter	**US$631**	US$631	The higher the construction cost, the higher the fair value
				Unit rate on land per square meter	**US$219-US$299**	US$153-US$174	The higher the unit rate, the higher the fair value
				Developer profit margin	**15%**	20%	The higher the profit margin, the higher the fair value

NOTES TO THE FINANCIAL STATEMENTS

25. INVESTMENT PROPERTIES (CONTINUED)

Valuation techniques and inputs used in Level 3 fair value measurements (continued)

The following table presents the valuation techniques and key inputs that were used to determine the fair values of investment properties categorised under Level 3 of the fair value hierarchy: (continued)

	Fair value as at						
Description	**31 March 2023**	30 September 2021	**Valuation technique**	**Unobservable inputs**	**31 March 2023**	30 September 2021	**Relationship of unobservable inputs to fair value**
	US$'000	US$'000					
Residential units (Golf Apartments – Block C, D, E, F, G) - Myanmar	**13,000**	13,000	Depreciated replacement cost method for building and residual land approach for land	Estimated construction costs per square meter	**US$807**	US$753	The higher the construction cost, the higher the fair value
				Unit rate on land per square meter	**US$553-US$793**	US$446-US$505	The higher the unit rate, the higher the fair value
				Developer profit margin	**15%**	20%	The higher the profit margin, the higher the fair value
Retail podium (Yoma Central) - Myanmar	**66,500**	–	Depreciated replacement cost method for building and direct comparison method for land reconciled with income approach	Estimated construction costs per square meter	**US$3,174**	–	The higher the construction cost, the higher the fair value
				Estimated market rent	**US36-US$61**	–	The higher the market rent, the higher the fair value
				Unit rate on land per square meter	**US$588-US$991**	–	The higher the unit rate, the higher the fair value
				Cost inflation margin	**5%**	–	The higher the inflation margin, the higher the fair value

NOTES TO THE FINANCIAL STATEMENTS

26. PROPERTY, PLANT AND EQUIPMENT

	Land and buildings	Machinery, facilities and equipment	Renovation, furniture and office equipment	Motor vehicles	Water treatment plant	Bearer plants	Jetty	Right-of-use assets (Note 27)	Construction -in-progress	Total
	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000
Group										
31 March 2023										
Cost										
Beginning of financial period	13,559	17,589	15,914	31,415	1,719	392	–	22,013	95,622	198,223
Acquisition of subsidiary corporation (Note 46(c))	610	230	326	–	–	–	–	132	–	1,298
Transfer (to)/from inventories	–	(263)	–	281	–	–	–	–	–	18
Transfer from investment properties (Note 25)	31,104	–	–	–	–	–	–	–	–	31,104
Additions	326	504	1,660	6,306	–	–	1,573	2,860	2,189	15,418
Modification	–	–	–	–	–	–	–	(364)	–	(364)
Disposals/write-offs	(595)	(341)	(1,288)	(4,950)	–	–	–	(319)	–	(7,493)
Currency translation differences	(3,714)	(1,510)	(2,148)	(570)	34	(72)	(125)	(1,787)	(206)	(10,098)
End of financial period	41,290	16,209	14,464	32,482	1,753	320	1,448	22,535	97,605	228,106

NOTES TO THE FINANCIAL STATEMENTS

26. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	Land and buildings US$'000	Machinery, facilities and equipment US$'000	Renovation, furniture and office equipment US$'000	Motor vehicles US$'000	Water treatment plant US$'000	Bearer plants US$'000	Jetty US$'000	Right-of-use assets (Note 27) US$'000	Construction -in-progress US$'000	Total US$'000
Group										
31 March 2023										
Accumulated depreciation										
Beginning of financial period	3,676	4,904	12,406	10,512	1,099	90	–	5,849	–	38,536
Transfer to inventories	–	(82)	–	(48)	–	–	–	–	–	(130)
Depreciation charge (Note 9)	2,860	2,212	2,834	4,452	255	44	74	3,840	–	16,571
Modification	–	–	–	–	–	–	–	(31)	–	(31)
Disposals/write-offs	(80)	(175)	(1,218)	(1,347)	–	–	–	(213)	–	(3,033)
Currency translation differences	(841)	(647)	(1,419)	(205)	29	(40)	(6)	(838)	–	(3,967)
End of financial period	5,615	6,212	12,603	13,364	1,383	94	68	8,607	–	47,946
Accumulated impairment										
Beginning of financial period	–	–	–	–	–	–	–	–	–	–
Impairment loss (Note 11)	–	–	–	–	–	–	–	604	8,466	9,070
End of financial period	–	–	–	–	–	–	–	604	8,466	9,070
Net book value										
End of financial period	35,675	9,997	1,861	19,118	370	226	1,380	13,324	89,139	171,090

NOTES TO THE FINANCIAL STATEMENTS

26. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	Land and buildings US$'000	Machinery, facilities and equipment US$'000	Renovation, furniture and office equipment US$'000	Motor vehicles US$'000	Water treatment plant US$'000	Bearer plants US$'000	Right-of-use assets (Note 27) US$'000	Construction-in-progress US$'000	Total US$'000
Group									
30 September 2021									
Cost									
Beginning of financial year	22,761	18,052	31,471	33,025	1,692	642	35,789	81,657	225,089
Transfer from/(to) inventories	–	173	–	(66)	–	–	–	–	107
Transfer (to)/from development properties (Note 19)	(222)	1,971	53	–	–	–	–	(421)	1,381
Additions	75	1,037	792	3,371	–	–	508	15,646	21,429
Modification	–	–	–	–	–	–	(1,892)	–	(1,892)
Disposals/write-offs	(160)	(2,397)	(6,028)	(3,750)	–	–	(5,815)	(765)	(18,915)
Currency translation differences	(8,895)	(1,247)	(10,374)	(1,165)	27	(250)	(6,577)	(495)	(28,976)
End of financial year	13,559	17,589	15,914	31,415	1,719	392	22,013	95,622	198,223

NOTES TO THE FINANCIAL STATEMENTS

26. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	Land and buildings US$'000	Machinery, facilities and equipment US$'000	Renovation, furniture and office equipment US$'000	Motor vehicles US$'000	Water treatment plant US$'000	Bearer plants US$'000	Right-of-use assets (Note 27) US$'000	Construction-in-progress US$'000	Total US$'000
Group									
30 September 2021									
Accumulated depreciation									
Beginning of financial year	5,096	5,164	14,924	8,919	912	173	7,467	–	42,655
Transfer to inventories	–	(20)	–	(39)	–	–	–	–	(59)
Depreciation charge (Note 9)	1,595	2,062	4,555	3,366	171	38	4,481	–	16,268
Modification	–	–	–	–	–	–	(1,573)	–	(1,573)
Disposals/write-offs	(112)	(897)	(3,085)	(1,027)	–	–	(2,463)	–	(7,584)
Currency translation differences	(2,903)	(1,405)	(3,988)	(707)	16	(121)	(2,063)	–	(11,171)
End of financial year	3,676	4,904	12,406	10,512	1,099	90	5,849	–	38,536
Net book value									
End of financial year	9,883	12,685	3,508	20,903	620	302	16,164	95,622	159,687

NOTES TO THE FINANCIAL STATEMENTS

26. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	Motor vehicles US$'000	Renovation, furniture and office equipment US$'000	Right-of-use assets (Note 27) US$'000	Total US$'000
Company				
31 March 2023				
Cost				
Beginning of financial period	**106**	**773**	**2,061**	**2,940**
Additions	**–**	**17**	**–**	**17**
Modification	**–**	**–**	**(61)**	**(61)**
Disposals/write-offs	**–**	**(422)**	**–**	**(422)**
End of financial period	**106**	**368**	**2,000**	**2,474**
Accumulated depreciation				
Beginning of financial period	**106**	**575**	**397**	**1,078**
Depreciation charge	**–**	**173**	**562**	**735**
Modification	**–**	**–**	**(42)**	**(42)**
Disposals/write-offs	**–**	**(421)**	**–**	**(421)**
End of financial period	**106**	**327**	**917**	**1,350**
Net book value				
End of financial period	**–**	**41**	**1,083**	**1,124**
30 September 2021				
Cost				
Beginning of financial year	168	757	4,237	5,162
Additions	–	19	–	19
Modification	–	–	(2,176)	(2,176)
Disposals/write-offs	(62)	(3)	–	(65)
End of financial year	106	773	2,061	2,940
Accumulated depreciation				
Beginning of financial year	168	393	828	1,389
Depreciation charge	–	184	433	617
Modification	–	–	(864)	(864)
Disposals/write-offs	(62)	(2)	–	(64)
End of financial year	106	575	397	1,078
Net book value				
End of financial year	–	198	1,664	1,862

NOTES TO THE FINANCIAL STATEMENTS

26. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

The land and building of the Group with a net book value of US$54,508,000 (30 September 2021: US$27,541,000) are mortgaged and other classes of property, plant and equipment of the Group with aggregate net book value of US$12,557,000 (30 September 2021: US$19,117,000) are subject to a floating charge, to secure borrowings of the Group [Note 32(a)].

Included in the Group's additions of property, plant and equipment are:

- No utilisation of prior financial period's prepayments and advances to suppliers during the financial period ended 31 March 2023 (30 September 2021: US$3,091,000); and
- right-of-use assets with lease liabilities of US$2,621,000 (30 September 2021: US$465,000).

The disposals/write-offs of property, plant and equipment under ROU assets consists of leases derecognised during the financial year [Note 27(f)].

Included in the construction-in-progress of the Group is ROU assets, amounting to US$20,500,000 (30 September 2021: US$22,560,000). This brings the total value of the ROU assets to US$33,824,000 (30 September 2021: US$38,724,000) [Note 27(a)].

Right-of-use ("ROU") assets acquired under leasing agreements are presented together with the owned assets of the same class. Details of such leased assets are disclosed in Note 27(a).

27. LEASES – THE GROUP AS A LESSEE

Nature of the Group's leasing activities

Land and buildings

The Group leases land, office space and retail stores for the purpose of back office operations and sale of consumer goods to retail customers respectively.

Motor vehicles

The Group leases vehicles to render logistics services.

Machinery and equipment

The Group leases office equipment for the purpose of back office operations.

There is no externally imposed covenant on these lease arrangements.

NOTES TO THE FINANCIAL STATEMENTS

27. LEASES – THE GROUP AS A LESSEE (CONTINUED)

(a) Carrying amounts of ROU assets presented within property, plant and equipment

	Land and buildings US$'000	Machinery and equipment US$'000	Motor vehicles US$'000	Construction-in-progress US$'000	Total US$'000
Group					
31 March 2023					
Cost					
Beginning of financial period	21,877	18	118	22,560	44,573
Acquisition of subsidiary corporation	132	–	–	–	132
Additions	2,860	–	–	–	2,860
Modification	(364)	–	–	–	(364)
Disposals/write-offs					
- Derecognitions	(319)	–	–	–	(319)
Currency translation differences	(1,773)	–	(14)	–	(1,787)
End of financial period	22,413	18	104	22,560	45,095
Accumulated depreciation					
Beginning of financial period	5,724	7	118	–	5,849
Depreciation charge	3,835	5	–	–	3,840
Disposals/write-offs					
- Derecognitions	(213)	–	–	–	(213)
Modification	(31)	–	–	–	(31)
Currency translation differences	(824)	–	(14)	–	(838)
End of financial period	8,491	12	104	–	8,607
Accumulated impairment					
Beginning of financial period	–	–	–	–	–
Impairment loss	604	–	–	2,060	2,664
End of financial period	604	–	–	2,060	2,664
Net book value					
End of financial period	13,318	6	–	20,500	33,824

NOTES TO THE FINANCIAL STATEMENTS

27. LEASES – THE GROUP AS A LESSEE (CONTINUED)

(a) Carrying amounts of ROU assets presented within property, plant and equipment (continued)

	Land and buildings US$'000	Machinery and equipment US$'000	Motor vehicles US$'000	Construction-in-progress US$'000	Total US$'000
Group					
30 September 2021					
Cost					
Beginning of financial year	35,605	18	166	22,560	58,349
Additions	508	–	–	–	508
Disposals/write-offs					
- Derecognitions	(5,815)	–	–	–	(5,815)
Modification	(1,892)	–	–	–	(1,892)
Currency translation differences	(6,529)	–	(48)	–	(6,577)
End of financial year	21,877	18	118	22,560	44,573
Accumulated depreciation					
Beginning of financial year	7,368	3	96	–	7,467
Depreciation charge	4,415	4	62	–	4,481
Disposals/write-offs					
- Derecognitions	(2,463)	–	–	–	(2,463)
Modifications	(1,573)	–	–	–	(1,573)
Currency translation differences	(2,023)	–	(40)	–	(2,063)
End of financial year	5,724	7	118	–	5,849
Net book value					
End of financial year	16,153	11	–	22,560	38,724

NOTES TO THE FINANCIAL STATEMENTS

27. LEASES – THE GROUP AS A LESSEE (CONTINUED)

(a) Carrying amounts of ROU assets presented within property, plant and equipment (continued)

	Land and buildings US$'000	Machinery and equipment US$'000	Total US$'000
Company			
31 March 2023			
Cost			
Beginning of financial period	2,043	18	2,061
Modification	(61)	-	(61)
End of financial period	1,982	18	2,000
Accumulated depreciation			
Beginning of financial period	391	6	397
Depreciation charge	557	5	562
Modification	(42)	-	(42)
End of financial period	906	11	917
Net book value			
End of financial period	1,076	7	1,083

NOTES TO THE FINANCIAL STATEMENTS

27. LEASES – THE GROUP AS A LESSEE (CONTINUED)

(a) Carrying amounts of ROU assets presented within property, plant and equipment (continued)

	Buildings US$'000	Machinery and equipment US$'000	Total US$'000
Company			
30 September 2021			
Cost			
Beginning of financial year	4,219	18	4,237
Modification	(2,176)	-	(2,176)
End of financial year	2,043	18	2,061
Accumulated depreciation			
Beginning of financial year	825	3	828
Depreciation charge	430	3	433
Modification	(864)	-	(864)
End of financial year	391	6	397
Net book value			
End of financial year	1,652	12	1,664

ROU assets classified within development properties

The ROU assets relating to the properties under development presented under development properties (Note 19) are stated at present value at initial adoption and has a carrying amount at the reporting date of US$20,996,000 (30 September 2021: US$92,193,000) as at 31 March 2023.

ROU assets classified within investment properties

The ROU asset relating to the leasehold land presented under investment properties (Note 25) is stated at fair value and has a carrying amount at the reporting date of US$85,409,000 as at 31 March 2023.

(b) Interest expense

	Group	
	31 March 2023 US$'000	30 September 2021 US$'000
Interest expense on lease liabilities (Note 8)	**5,415**	3,980

NOTES TO THE FINANCIAL STATEMENTS

27. LEASES – THE GROUP AS A LESSEE (CONTINUED)

(c) Lease expenses/(rebate) not capitalised in lease liabilities

	Group	
	31 March 2023	30 September 2021
	US$'000	US$'000
Lease expenses - short term leases	**922**	330
Lease expenses - low value leases	**16**	42
Variable lease payments which do not depends on an index or rate	**62**	11
Rental discount rebate	**(600)**	(961)
Total	**400**	(578)

(d) Total cash outflow for all the leases was US$8,739,000 (30 September 2021: US$4,648,000) for the current financial period.

(e) Modification of lease contracts

	Group	
	31 March 2023	30 September 2021
	US$'000	US$'000
Gain from modification of lease contracts (Note 6)	**6**	73

During the financial period ended 31 March 2023, the Group and the Company renegotiated and modified existing lease contracts for an office building and rental stores by shortening the contractual lease term and reduce the rental area. As these are not part of the terms and conditions of the original lease contract, the lease liabilities have been remeasured by discounting the revised lease payments and recording the corresponding remeasurement to right-of-use assets.

(f) Derecognition of lease contracts

	Group	
	31 March 2023	30 September 2021
	US$'000	US$'000
Gain/(loss) from derecognition of lease contracts (Note 6)	**20**	(27)

The derecognition of lease contracts relates to lease contracts which have been expired or terminated.

NOTES TO THE FINANCIAL STATEMENTS

28. LEASES – THE GROUP AS A LESSOR

The Group leases out investment properties and motor vehicles to related parties and non-related parties for monthly lease payments. Where considered necessary to reduce credit risk, the Group may obtain rental deposits and/or advance rental payments from the tenants. These leases are classified as operating leases because the risk and rewards incidental to ownership of the assets are not substantially transferred.

Rental income from investment properties is disclosed in Note 25.

The table below discloses the undiscounted lease payment to be received by the Group for its leases after the reporting date as follows.

Maturity analysis of lease payments – The Group as a lessor

	Group	
	31 March 2023	30 September 2021
	US$'000	US$'000
Not later than one year	**5,764**	6,833
Between one and five years	**6,408**	12,325
Later than five years	**1,031**	178
Total undiscounted lease payment	**13,203**	19,336

29. INTANGIBLE ASSETS

	Group	
	31 March 2023	30 September 2021
	US$'000	US$'000
Composition:		
Agriculture operating rights (Note a)	**–**	–
Golf estate operating rights (Note b)	**9,529**	9,826
Distributor licence (Note c)	**567**	1,034
Trademark (Note d)	**15,113**	1,766
Goodwill (Note e)	**38,506**	8,032
Software (Note f)	**4,877**	–
Agent Network (Note g)	**1,204**	–
	69,796	20,658

NOTES TO THE FINANCIAL STATEMENTS

29. INTANGIBLE ASSETS (CONTINUED)

(a) Agriculture operating rights

	Group	
	31 March 2023	30 September 2021
	US$'000	US$'000
Cost		
Beginning of financial period/year	**10,829**	10,656
Currency translation differences	**214**	173
End of financial period/year	**11,043**	10,829
Accumulated amortisation		
Beginning of financial period/year	**5,733**	5,245
Amortisation charge	**–**	381
Currency translation differences	**113**	107
End of financial period/year	**5,846**	5,733
Accumulated impairment		
Beginning of financial period/year	**5,096**	1,316
Impairment loss (Note 11)	**–**	3,731
Currency translation differences	**101**	49
End of financial period/year	**5,197**	5,096
Carrying value	**–**	–

Agriculture operating rights pertain to the 70% exclusive rights granted by a related party to the Group to manage and oversee all existing and future plantation estates (the "Maw Tin estate") which are owned or to be owned by a joint venture company of the related party, and to market and sell the product for the related party in accordance with the terms and conditions set out in the Joint Planting and Operation Deed. The Maw Tin estate, which comprises 100,000 acres of contiguous agricultural land, is located in the Ayerwaddy Division of Myanmar.

The Group reviews the necessity and adequacy of the allowance for impairment at each reporting date and makes adjustment when necessary. Agriculture operating rights are tested for impairment whenever there is any objective evidence or indication that the agriculture operating rights may be impaired. The basis of impairment and key assumptions used for value-in-use calculations are disclosed in Note 20.

NOTES TO THE FINANCIAL STATEMENTS

29. INTANGIBLE ASSETS (CONTINUED)

(a) *Agriculture operating rights* (continued)

Sensitivity analysis

An impairment loss of US$3,731,000 was recognised for agriculture operating rights during the year ended 30 September 2021, resulting in the agriculture operating rights being fully impaired.

(b) *Golf estate operating rights*

	Group	
	31 March 2023	30 September 2021
	US$'000	US$'000
Cost		
Beginning of financial period/year	**11,968**	11,782
Currency translation differences	**237**	186
End of financial period/year	**12,205**	11,968
Accumulated amortisation		
Beginning of financial period/year	**2,142**	1,792
Amortisation charge	**477**	319
Currency translation differences	**57**	31
End of financial period/year	**2,676**	2,142
Carrying value	**9,529**	9,826

Golf estate operating rights pertain to the 70% exclusive rights acquired from a related party to operate and manage the entire Pun Hlaing Golf Estate, including the golf course and country club for a period of 37 years.

(c) *Distributor licence*

	Group	
	31 March 2023	30 September 2021
	US$'000	US$'000
Cost		
Beginning and end of financial period/year	**3,096**	3,096
Accumulated amortisation		
Beginning of financial period/year	**2,062**	1,750
Amortisation charge	**467**	312
End of financial period/year	**2,529**	2,062
Carrying value	**567**	1,034

NOTES TO THE FINANCIAL STATEMENTS

29. INTANGIBLE ASSETS (CONTINUED)

(d) Trademarks

	Group	
	31 March 2023	30 September 2021
	US$'000	US$'000
Beginning of financial period/year	**1,766**	1,766
Acquisition of subsidiary corporation	**13,347**	–
End of financial period/year	**15,113**	1,766

Trademarks consist of Yankin Kyay Oh Group of Companies Limited ("YKKO") and Digital Money Myanmar Limited ("Wave Money") brands which the Group acquired through business combinations amounting to US$1,776,000 and US$13,347,000, respectively. YKKO is the brand of a well-known restaurant chain with a history of over 30 years and a network of over 37 (30 September 2021: 32) outlets in Myanmar. Wave Money is the first mobile financial services business that offers mobile payment solutions in Myanmar. The useful lives of these trademarks are estimated to be indefinite.

As at 31 March 2023 and 30 September 2021, the Group had carried out an assessment of the recoverable amount of trademarks based on value-in-use calculation alongside with the assessment of recoverable amount on goodwill from food and beverages and mobile financial services businesses respectively in Note 29(e). Based on the assessment, the recoverable amount of trademarks exceeded the carrying amount and no impairment was recognised. The key assumptions used in the impairment assessment are as disclosed in Note 29(e).

(e) Goodwill

	Group	
	31 March 2023	30 September 2021
	US$'000	US$'000
Beginning of financial period/year	**8,032**	8,788
Acquisition of subsidiary corporation [Note 46(c)]	**30,474**	–
Impairment of goodwill (Note 11)	**–**	(756)
End of financial period/year	**38,506**	8,032

Goodwill has been allocated to the CGU identified as follows:

	Group	
	31 March 2023	30 September 2021
	US$'000	US$'000
Food and beverages	**8,032**	8,032
Mobile financial services	**30,474**	–
	38,506	8,032

NOTES TO THE FINANCIAL STATEMENTS

29. INTANGIBLE ASSETS (CONTINUED)

(e) Goodwill (continued)

Goodwill has been allocated to the CGU identified as follows: (continued)

The Group performed its impairment review by comparing the carrying amount of the CGU against its recoverable amount. The recoverable amount of a CGU was determined based on value-in-use. Cash flow projections used in the value-in-use calculation were based on financial budgets approved by management covering a five-year period. Cash flows beyond the five-year period were extrapolated using the estimated growth rate stated below.

Key assumption used for value-in-use calculations were as follows:

	Myanmar			
	Food and beverages		Investment	
	31 March 2023	30 September 2021	**31 March 2023**	30 September 2021
	%	%	**%**	%
Growth rate(1)	**3.0**	2.5	**–**	2.5
Discount rate(2)	**32.0**	29.8	**–**	18.0

(1) Growth rate used for extrapolation of future cash flows beyond the five-year period.

(2) Pre-tax discount rate applied to the pre-tax cash flow projections.

The management determined the growth rate based on past performance and its expectations of market development. The discount rate used was pre-tax and reflected specific risk relating to the relevant business.

As for the acquisition of Wave Money was only completed four months prior to the financial period and certain changes to Wave Money which will ultimately increase its profitably have not been implemented, management has used the fair value which was determined based on the consideration paid after considering the effect of changes in economic circumstances since its acquisition to assess the impairment of the goodwill located for the mobile financial services and concluded no impairment is required.

For the restaurant business, the Group believes that any reasonable changes on the above key assumptions are not likely to cause the recoverable amount to be materiality lower than the related carrying amount.

During the financial year ended 30 September 2021, the Group recognised impairment loss amounting of US$756,000 on goodwill allocated to the logistics and distribution business under investment segment as the carrying amount of the CGU, including goodwill, exceed its recoverable amount. This impairment loss resulted in the goodwill for logistics and distribution business being fully impaired.

NOTES TO THE FINANCIAL STATEMENTS

29. INTANGIBLE ASSETS (CONTINUED)

(f) Software

	Group		
	Completed US$'000	Construction-in-progress US$'000	Total US$'000
31 March 2023			
Cost			
Beginning of financial period	–	–	–
Acquisition of subsidiary corporation	1,476	2,073	3,549
Additions	–	1,807	1,807
Currency translation differences	(40)	(104)	(144)
End of financial period	1,436	3,776	5,212
Accumulated amortisation			
Beginning of financial period	–	–	–
Amortisation charge	356	–	356
Currency translation differences	(21)	–	(21)
End of financial period	335	–	335
Carrying value	1,101	3,776	4,877

(g) Agent network

	Group 31 March 2023 US$'000
Cost	
Beginning of financial period	–
Acquisition of subsidiary corporation	1,256
End of financial period	1,256
Accumulated amortisation	
Beginning of financial period	–
Amortisation charge	57
Currency translation differences	(5)
End of financial period	52
Carrying value	1,204

NOTES TO THE FINANCIAL STATEMENTS

30. LAND DEVELOPMENT RIGHTS

	Group	
	31 March 2023	30 September 2021
	US$'000	US$'000
Beginning of financial period/year	**144,269**	150,950
Capitalisation of direct costs	**481**	263
Transfer to investment properties (Note 25)	**–**	(150)
Transfer to development properties	**(19,980)**	(8,789)
Charged to profit or loss (Note 9)	**(1,080)**	(345)
Currency translation differences	**1,167**	2,340
End of financial period/year	**124,857**	144,269
Represented by:		
- Pun Hlaing Estate (PHE)	**89,563**	88,599
- Thanlyin Estate, Star City	**34,195**	54,481
- Others	**1,099**	1,189
	124,857	144,269
Analysed as:		
- Current portion	**1,099**	821
- Non-current portion	**123,758**	143,448
	124,857	144,269

Land development rights of the Group with an aggregate carrying amounts of US$11,998,000 (30 September 2021: US$11,952,000) are mortgaged to secure borrowings of the Group [Note 32(a)] and borrowings of an associated company and a related party in exchange of partial amounts which have been included in the Group's borrowings.

NOTES TO THE FINANCIAL STATEMENTS

31. TRADE AND OTHER PAYABLES

	Group		Company	
	31 March 2023	30 September 2021	**31 March 2023**	30 September 2021
	US$'000	US$'000	**US$'000**	US$'000
Current				
Trade payables				
- Non-related parties	**7,115**	5,766	**–**	–
- Associated companies	**788**	753	**–**	–
	7,903	6,519	**–**	–
Contract liabilities [Note 4(b)]	**20,592**	9,235	**–**	–
Deposits from customers	**86,290**	–	**–**	–
Accrued operating expenses	**29,600**	26,189	**3,529**	5,332
Non-trade payables				
- Non-related parties	**43,531**	46,972	**974**	2,595
- Joint ventures	**2,889**	418	**15**	–
- Associated companies	**2,515**	2,562	**–**	–
	48,935	49,952	**989**	2,595
	193,320	91,895	**4,518**	7,927
Non-current				
Non-trade payables				
- Non-related parties	**1,968**	1,918	**–**	–
Total trade and other payables	**195,288**	93,813	**4,518**	7,927

Deposits from customers relate to deposits placed by customers at the mobile financial service platform which was placed in the trust account held by the subsidiary corporation.

Included in current non-trade payables as at 31 March 2023 is a loan of US$24,017,000 (30 September 2021: US$24,017,000) received from a non-related party which has the intention to use this loan towards its investment in the Group's joint venture in the renewable energy projects (Note 16). The loan is secured by corporate guarantee of the Company, interest-bearing at 4% per annum and is payable in full on or by 31 July 2021. Subsequently, this loan was extended to July 2022 and further extended to August 2023.

Current non-trade payables to joint ventures and associated companies are unsecured, interest-free and payable on demand.

As at 31 March 2023, non-current non-trade payable to a non-related party of US$1,968,000 (30 September 2021: US$1,918,000) related to deferred cash consideration for the acquisition of KOSPA which will be repaid within 5 years from the date of acquisition, i.e. by February 2024.

The fair value of non-current payables of US$1,715,000 (30 September 2021: US$1,747,000) is determined from the adjusted future cash flows discounted at the market interest rate of an equivalent instrument at the reporting date of 8.0% (30 September 2021: 7.0%) which the directors expect to be available to the Group.

NOTES TO THE FINANCIAL STATEMENTS

32. BORROWINGS

	Group		Company	
	31 March 2023	30 September 2021	**31 March 2023**	30 September 2021
	US$'000	US$'000	**US$'000**	US$'000
Current				
Loans from banks and other institutions	**56,605**	89,907	**25,733**	45,593
Bank overdraft (Note 15)	**154**	187	**141**	187
Bonds	**64,860**	–	**64,860**	–
Lease liabilities	**5,150**	2,866	**378**	343
	126,769	92,960	**91,112**	46,123
Non-current				
Loans from banks and other institutions	**90,014**	196,841	**16,883**	84,990
Bonds	**–**	66,116	**–**	66,116
Loans from non-controlling interests	**8,550**	10,824	**–**	–
Lease liabilities	**39,065**	42,236	**803**	1,402
	137,629	316,017	**17,686**	152,508
Total borrowings	**264,398**	408,977	**108,798**	198,631
Borrowings are analysed as:				
- secured	**189,966**	262,133	**96,976**	122,122
- unsecured	**74,432**	146,844	**11,822**	76,509
	264,398	408,977	**108,798**	198,631

The exposure of the Group's and the Company's borrowings to changes in interest rates on their contractual repricing dates are as follows:

	Group		Company	
	31 March 2023	30 September 2021	**31 March 2023**	30 September 2021
	US$'000	US$'000	**US$'000**	US$'000
Within six months	**150,796**	291,792	**102,617**	186,886

NOTES TO THE FINANCIAL STATEMENTS

32. BORROWINGS (CONTINUED)

(a) Total borrowings as at 31 March 2023 were mainly made up of a Thai baht bond issued by the Company, which is fully guaranteed by the Credit Guarantee and Investment Facility, loans from development financial institutions including Nederlandse Financierings-maatschappij Voor Ontwikkelingslanden N.V., the Asian Development Bank and the International Finance Corporation, and loans from Myanmar and other international banks. The collateral provided for the above secured borrowings include:

- Certain development properties, investment properties, property, plant and equipment, land development rights and certain current assets of the Group (Notes 15, 16, 18, 19, 20, 21, 25, 26 and 30);
- The Group's interest in certain subsidiary corporations (Note 24), investments in associated companies (Note 23), and certain investments in joint ventures (Note 22); and
- Certain bank deposits (Note 15).

The Company has also provided a corporate guarantee for certain loans of subsidiary corporations.

(b) Loans from non-controlling interests are made to certain subsidiary corporations based on the non-controlling interests' pro-rata shareholdings in the respective subsidiary corporations. The loans are unsecured, non-interest bearing and settlement is not expected to occur within twelve months from the reporting dates. Accordingly, these loans are classified under non-current liabilities.

(c) The fair value of non-current borrowings of US$109,389,000 (30 September 2021: US$290,032,000) is determined from their adjusted future cash flows and discounted at the market interest rate of an equivalent instrument as at the reporting date of 8.0% (30 September 2021: 7.0%) which the Directors expect to be available to the Group.

33. DEFERRED INCOME TAXES

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current income tax assets against current income tax liabilities and when the deferred income taxes relate to the same fiscal authority.

The movement in deferred income tax assets and liabilities (prior to offsetting of balances within the same tax jurisdiction) is as follows:

Deferred income tax assets

	Decelerated tax depreciation US$'000
30 September 2021	
Beginning of financial year	**208**
Charged to profit or loss [Note 12(a)]	**(208)**
End of financial year	**–**

NOTES TO THE FINANCIAL STATEMENTS

33. DEFERRED INCOME TAXES (CONTINUED)

Deferred income tax liabilities

	Fair value adjustment					
	Distributor license US$'000	Trademarks US$'000	Property, plant and equipment US$'000	Agent network US$'000	Software US$'000	Total US$'000
31 March 2023						
Beginning of financial period	**138**	**736**	**1,788**	**–**	**–**	**2,662**
Acquisition of subsidiary corporations [Note 46(c)]	**–**	**2,937**	**–**	**276**	**74**	**3,287**
Credited to profit or loss [Note 12(a)]	**(123)**	**–**	**(80)**	**(11)**	**(7)**	**(221)**
Currency translation differences	**(15)**	**(1)**	**–**	**(1)**	**(1)**	**(18)**
End of financial period	**–**	**3,672**	**1,708**	**264**	**66**	**5,710**

	Fair value adjustment			
	Distributor license US$'000	Trademarks US$'000	Property, plant and equipment US$'000	Total US$'000
30 September 2021				
Beginning of financial year	249	736	479	1,464
(Credited)/charged to profit or loss [Note 12(a)]	(113)	–	1,309	1,196
Currency translation differences	2	–	–	2
End of financial year	138	736	1,788	2,662

Deferred income tax assets are recognised for tax losses and capital allowances carried forward to the extent that realisation of the related tax benefits through future taxable profits is probable. The Group has unrecognised tax losses of approximately US$77,378,000 (30 September 2021: US$39,258,000) which can be carried forward and used to offset against future taxable income subject to meeting certain statutory requirements. The tax losses amounting to US$68,040,000 (30 September 2021: US$31,117,000) have expiry dates of three years from the year of assessment when the losses were incurred, while the remaining tax losses of US$9,338,000 (30 September 2021: US$8,141,000) have no expiry date. These tax losses are not recognised as it is not probable that future taxable profit will be available against which the subsidiary corporations can utilise the benefits.

NOTES TO THE FINANCIAL STATEMENTS

34. PUT OPTIONS TO NON-CONTROLLING INTERESTS

During the financial year ended 1 April 2018, the Group entered into put option agreements with the Asian Development Bank ("ADB") and the International Finance Corporation ("IFC"), non-controlling shareholders which each own a 5% shareholding interest in Meeyahta Development Limited ("MDL"), that entitle them to sell all or part of their shareholdings in MDL and the related shareholder loans to MDL. The terms of both put option agreements with ADB and IFC are similar.

The put options may be exercised by ADB and IFC by delivery of a put notice to the Group at any time during the put period (i.e. the period beginning on the 8th anniversary of the date on which ADB and IFC subscribed for equity shares in MDL (the "subscription date") and ending on the earlier of the 11th anniversary of the subscription date and the date of a qualifying listing of MDL).

The put option exercise price has been agreed at a fixed rate of return with respect to the aggregate of the subscription price of the relevant shares and the principal amount of the relevant shareholder loans. On 31 March 2023, the management has assessed that changes to the key assumptions would impact the valuation of the put options, resulting in a fair value gain of US$472,000 which was recognised in put options reserve.

The movement of the put options granted is as follows:

	Group and Company	
	31 March 2023	30 September 2021
	US$'000	US$'000
Beginning of financial period/year	**35,107**	33,026
Accretion of imputed interest [Note 39(b)(iv)]	**3,369**	2,081
Fair value of put options to non-controlling interests [Note 39(b)(iv)]	**(472)**	–
End of financial period/year	**38,004**	35,107

Key assumptions used in the valuation of put options are as follows:

	Group and Company	
	31 March 2023	30 September 2021
	%	%
Dividend distribution rate	**15.0**	12.5
Discount rate	**12.0**	6.3

NOTES TO THE FINANCIAL STATEMENTS

35. FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS

	Group and Company	
	31 March 2023	30 September 2021
	US$'000	US$'000
Beginning of financial period/year	**1,015**	1,510
Fair value gains recognised in profit or loss (Note 10)	**(1,015)**	(495)
End of financial period/year	**–**	1,015

The share warrant deeds with two investors which provided the investors with the options to purchase the shares in a subsidiary corporation of the Company are considered to be derivative liabilities and are accounted for as financial liabilities at fair value through profit or loss with changes in fair value at each reporting date recognised in profit or loss.

The fair value of the share warrants is determined by an independent valuer using Monte Carlo simulations which rely on the backward induction methodology by discounting the expected value of the later nodes and comparing it with the exercise value of the current node. Key assumptions used in the valuation methodology include the expected time to exercise the option, price to book multiple, purchase consideration, dividend yield and risk-free rate.

36. SHARE CAPITAL

	Group and Company			
	Number of ordinary shares		Amount	
	31 March 2023	30 September 2021	**31 March 2023**	30 September 2021
	'000	'000	**US$'000**	US$'000
Beginning of financial period/year	**2,237,469**	2,237,469	**624,890**	624,890
Shares issued pursuant to:				
- Performance share plan	**2,667**	–	**291**	–
End of financial period/year	**2,240,136**	2,237,469	**625,181**	624,890

In December 2022, an aggregate of 2,666,666 new ordinary shares were issued to eligible employees pursuant to the vesting of shares under Yoma Performance Shares Plan. As a result, an amount of US$291,000 was transferred from share awards reserve to share capital of the Company [Note 39(b)(ii)].

The newly issued shares rank pari passu in all respects with the previously issued shares.

All issued ordinary shares are fully paid. There is no par value for these ordinary shares. Fully paid ordinary shares carry one vote per share and carry a right to dividends as and when declared by the Company.

NOTES TO THE FINANCIAL STATEMENTS

37. PERPETUAL SECURITIES

	Group and Company	
	31 March 2023	30 September 2021
	US$'000	US$'000
Beginning of financial period/year	**30,000**	30,000
Transfer from borrowings	**46,427**	–
Transfer from other payables	**2,705**	–
End of financial period/year	**79,132**	30,000

(a) In June 2018, the Company entered into perpetual securities agreements with two investors for the issuance of perpetual securities in an aggregate principal amount of US$30,000,000.

The perpetual securities bear distributions at a rate of 2% per annum payable on each anniversary date. The distribution rate will increase to 17% per annum if the Company elects not to redeem the securities on the sixth anniversary of the first utilisation date. The Company has full discretion to defer distributions on the perpetual securities and is not subject to any limits as to the number of times distributions can be deferred.

During the financial period ended 31 March 2023, the Directors of the Company have approved a distribution amount of US$900,000 (30 September 2021: US$600,000) [Note 40(b)] to the holders of the perpetual securities which has been accounted for as a deduction to the Company's retained profits.

(b) In December 2021, the Company entered into a Restructured Loan Agreement ("RLA") with VIP Infrastructure Holdings Pte Ltd ("VIP Infrastructure"). Pursuant to the RLA, the Company has assessed that it has no contractual obligations to repay the principal or to pay any distributions to VIP Infrastructure and accordingly, an amount of US$49,132,000 was reclassified from borrowings and other payables to perpetual securities.

The perpetual securities are classified as equity, and distributions are treated as dividends, as the Company has no contractual obligations to repay the principal or to pay any distributions which means the instruments do not meet the definition of a financial liability under SFRS(I) 1-32 *Financial Instruments: Disclosure and Presentation*.

38. SHARE OPTIONS AND SHARE AWARDS

(a) Share options

Share options were granted to employees (including controlling shareholders and their associates), Executive Directors and Non-Executive Directors of the Group, who have contributed or will contribute to the success and development of the Group under the Yoma Strategic Holdings Employee Share Option Scheme 2012 ("YSH ESOS 2012").

The exercise price of the options is determined at the average of the last dealt prices of the Company's ordinary shares as quoted on the SGX-ST for five consecutive market days immediately preceding the date of grant (the "Market Price"), or at a discount to the Market Price (provided that the maximum discount shall not exceed 20%). The vesting of the options is conditional on the key management personnel or employee completing another two years of service to the Group.

NOTES TO THE FINANCIAL STATEMENTS

38. SHARE OPTIONS AND SHARE AWARDS (CONTINUED)

(a) Share options (continued)

Once they have vested, the options are exercisable over a year of up to ten years. The options may be exercised in full or in part in respect of 1,000 shares or a multiple thereof, on the payment of the exercise price. The persons to whom the options have been issued have no right to participate by virtue of the options in any share issue of any other company. The Group has no legal or constructive obligation to repurchase or settle the options in cash.

There were no share options granted during the financial period from 1 October 2021 to 31 March 2023 and the financial year ended 30 September 2021. Particulars of the share options granted before 1 April 2018 and the significant inputs used in deriving the fair value of the share options and the incremental value arising from the rights issue completed on 9 February 2015 were disclosed in prior financial years' financial statements.

Out of the unexercised options for 6,841,000 shares (30 September 2021: 13,595,000), options for 6,841,000 shares (30 September 2021: 13,595,000) are exercisable at the reporting date. During the financial period ended 31 March 2023, a total 3,763,421 shares (30 September 2021: 897,000 shares) were forfeited upon expiry of the relevant exercise period granted to the employees who have resigned and 2,990,308 shares were cancelled upon expiry of the exercise period. There are no options exercised during the financial period ended 31 March 2023 and financial year ended 30 September 2021.

NOTES TO THE FINANCIAL STATEMENTS

38. SHARE OPTIONS AND SHARE AWARDS (CONTINUED)

(a) *Share options* (continued)

Movements in the number of unissued ordinary shares under options and their exercise prices as follows:

	Beginning of financial period '000	Forfeited/ cancelled during financial period '000	End of financial period '000	Exercise price	Exercise period
<u>Group and Company</u>					
31 March 2023					
2013 Options					
- First Tranche	5,353	(5,353)	–	S$0.28	3.7.2014 – 1.7.2022
2014 Options					
- First Tranche	841	(841)	–	S$0.57	2.4.2015 – 31.3.2023
- Second Tranche	841	–	841	S$0.58	2.5.2015 – 30.4.2023
	1,682	(841)	841		
2015 Options					
- First Tranche	560	(560)	–	S$0.51	29.11.2016 – 27.11.2024
2016 Options					
- First Tranche	2,000	–	2,000	S$0.37	29.07.2017 – 27.07.2025
- Second Tranche	4,000	–	4,000	S$0.36	25.08.2020 – 23.08.2025
	6,000	–	6,000		
	13,595	(6,754)	6,841		

NOTES TO THE FINANCIAL STATEMENTS

38. SHARE OPTIONS AND SHARE AWARDS (CONTINUED)

(a) Share options (continued)

Movements in the number of unissued ordinary shares under options and their exercise prices as follows: (continued)

	Beginning of financial year '000	Forfeited during financial year '000	End of financial year '000	Exercise price	Exercise period
Group and Company					
30 September 2021					
2013 Options					
- First Tranche	5,353	–	5,353	S$0.28	3.7.2014 -1.7.2022
2014 Options					
- First Tranche	841	–	841	S$0.57	2.4.2015 - 31.3.2023
- Second Tranche	841	–	841	S$0.58	2.5.2015 - 30.4.2023
	1,682	–	1,682		
2015 Options					
- First Tranche	1,457	(897)	560	S$0.51	29.11.2016 - 27.11.2024
2016 Options					
- First Tranche	2,000	–	2,000	S$0.37	29.07.2017 - 27.07.2025
- Second Tranche	4,000	–	4,000	S$0.36	25.08.2020 - 23.08.2025
	6,000	–	6,000		
	14,492	(897)	13,595		

NOTES TO THE FINANCIAL STATEMENTS

38. SHARE OPTIONS AND SHARE AWARDS (CONTINUED)

(b) Share awards

2023 Awards

On 28 November 2021 and 4 April 2022, the Company granted awards comprising 1,250,000 ordinary shares to non-executive directors and 12,400,000 ordinary shares to a director and employees which included 5,000,000 ordinary shares to a director that is subject to shareholder's approval respectively, being long-term incentive awards under the Yoma Performance Share Plan ("Yoma PSP"). The release of these ordinary shares is subject to the achievement of certain pre-determined performance conditions as determined by the remuneration committee or otherwise in accordance with the rules of the Yoma PSP. The 1,250,000 and 12,400,000 ordinary shares will vest in three tranches from January 2024 to January 2026 and March 2023 to March 2025 respectively, except for the 5,000,000 ordinary shares issued to an employee, which will vest from December 2022 to December 2024. The fair value at grant date for these share awards were S$0.133 per share and S$0.170 per share respectively, which were the observable market prices on that dates.

2020 Awards

On 30 July 2020, the Group granted awards comprising 9,625,000 ordinary shares to employees, being long-term incentive awards, under the Yoma Performance Share Plan ("Yoma PSP"). The release of these ordinary shares is subject to the achievement of certain pre-determined performance conditions as determined by the remuneration committee or otherwise in accordance with the rules of the Yoma PSP. A total of 9,625,000 ordinary shares will vest in July 2025. The fair value of these performance shares at grant date was S$0.108 per share, which was an observable market price on that date.

During the financial period ended 31 March 2023, the Company issued and allotted 2,666,666 (30 September 2021: Nil) new ordinary shares under the Yoma PSP (Note 36) and 100,000 (30 September 2021: 700,000) share awards were forfeited following the resignation of employees.

During the financial period ended 31 March 2023, the Group charged US$1,128,000 (30 September 2021: US$110,000) (Note 7) to profit or loss based on the fair value of the share awards at the grant date being expensed over the vesting periods.

39. OTHER RESERVES

(a) Composition

	Group		Company	
	31 March 2023	30 September 2021	**31 March 2023**	30 September 2021
	US$'000	US$'000	**US$'000**	US$'000
Share options reserve	**1,727**	3,226	**1,727**	3,226
Share awards reserve	**967**	130	**967**	130
Currency translation reserve	**(137,184)**	(105,888)	**–**	–
Put options reserve	**(38,004)**	(35,107)	**(38,004)**	(35,107)
	(172,494)	(137,639)	**(35,310)**	(31,751)

Other reserves are non-distributable.

NOTES TO THE FINANCIAL STATEMENTS

39. OTHER RESERVES (CONTINUED)

(b) Movement

	Group		Company	
	31 March 2023 US$'000	30 September 2021 US$'000	**31 March 2023 US$'000**	30 September 2021 US$'000
(i) Share options reserve				
Beginning of financial period/year	**3,226**	3,480	**3,226**	3,480
Less: Forfeited share options [Note 40(b)]	**(1,499)**	(254)	**(1,499)**	(254)
End of financial period/year	**1,727**	3,226	**1,727**	3,226
(ii) Share awards reserve				
Beginning of financial period/year	**130**	20	**130**	20
Employee share awards - value of employee services (Note 7)	**1,128**	110	**1,128**	110
Issuance of shares pursuant to performance share awards (Note 36)	**(291)**	–	**(291)**	–
End of financial period/year	**967**	130	**967**	130
(iii) Currency translation reserve				
Beginning of financial period/year	**(105,888)**	(16,136)	**–**	–
Net currency translation differences of financial statements of foreign subsidiary corporations, joint ventures and associated companies	**(38,288)**	(111,768)	**–**	–
Less: Non-controlling interests' share	**6,992**	22,016	**–**	–
End of financial period/year	**(137,184)**	(105,888)	**–**	–
(iv) Put options reserve				
Beginning of financial period/year	**(35,107)**	(33,026)	**(35,107)**	(33,026)
Accretion of imputed interest (Note 34)	**(3,369)**	(2,081)	**(3,369)**	(2,081)
Fair value of put options to non-controlling interests (Note 34)	**472**	–	**472**	–
End of financial period/year	**(38,004)**	(35,107)	**(38,004)**	(35,107)

NOTES TO THE FINANCIAL STATEMENTS

40. ACCUMULATED LOSSES

(a) Retained profits of the Group are distributable except for retained profits of joint ventures and associated companies amounting to US$1,835,000 (30 September 2021: US$1,423,000) and US$16,278,000 (30 September 2021: US$12,646,000) respectively.

(b) Movements in accumulated losses of the Company are as follows:

	Company	
	31 March 2023	30 September 2021
	US$'000	US$'000
Beginning of financial period/year	**(106,161)**	(95,604)
Net loss	**(20,426)**	(10,211)
Forfeiture of share options [Note 39(b)(i)]	**1,499**	254
Perpetual securities distribution [Note 37(a)]	**(900)**	(600)
End of financial period/year	**(125,988)**	(106,161)

41. COMMITMENTS

Capital commitments

Capital expenditures contracted for at the reporting date but not recognised in the financial statements, excluding those relating to investments in joint ventures (Note 22) and investments in associated companies (Note 23), are as follows:

	Group	
	31 March 2023	30 September 2021
	US$'000	US$'000
Private equity investment fund	**346**	1,119
Property, plant and equipment	**4,467**	86
Investment properties	**913**	5,833
	5,726	7,038

NOTES TO THE FINANCIAL STATEMENTS

42. CONTINGENT LIABILITIES

Group

(a) The Group has agreed to provide guarantees under the dealer undertaking to a maximum sum of US$8,079,000 (30 September 2021: US$26,088,000) to a bank for finance leases provided to the Group's customers who have purchased tractors and construction equipment through the bank's financing. The amount of the customers' finance leases under guarantee that remained outstanding as at 31 March 2023 is US$2,661,000 (30 September 2021: US$14,232,000).

The reimbursable unpaid sum to the bank to repossess the tractors or construction equipment is unlikely to cause any material loss should the debtor default. The manner in which the dealer undertaking arrangement is agreed is that the Group will receive an up-front non-refundable cash deposit which constitutes up to 30% of the selling price of the respective tractors and construction equipment. The Group has taken the certificates of operating rights of farming and land and/or building titles from certain debtors as security. At the reporting date, the Group does not consider it probable that a claim will be made against the Group under the financial guarantee.

(b) The Group has provided bankers' guarantee to its suppliers in respect of payment for the purchases of inventories amounting to US$3,200,000 for the financial year ended 30 September 2021. The bankers' guarantee has been fully discharged during the financial period ended 31 March 2023.

Company

(a) The Company has provided corporate guarantee for payables of certain subsidiary corporations amounting to US$35,769,000 as at 31 March 2023 (30 September 2021: US$24,017,000). At the reporting date, the Company does not consider it probable that a claim will be made against the Company under these guarantees.

(b) The Company has provided corporate guarantees to banks for borrowings of certain subsidiary corporations. These bank borrowings amounted to US$21,439,000 as at 31 March 2023 (30 September 2021: US$27,415,000). The Directors estimated that the fair values of these corporate guarantees to be negligible in the view that consequential benefits to be derived are not material and therefore not recognised. It is considered unlikely that the Company will be held liable as a result of these corporate guarantees since there are no default in the payments of borrowings by the subsidiary corporations to which the corporate guarantees are provided.

(c) The Company has provided letters of financial support for some of its subsidiary corporations to enable these subsidiary corporations to operate as going concerns and to meet their liabilities as and when they fall due. No liabilities were recognised in the statement of financial position of the Company as it is considered unlikely that there will be significant outflows of resources made by the Company as a result of the financial support provided by the Company.

NOTES TO THE FINANCIAL STATEMENTS

43. FINANCIAL RISK MANAGEMENT

Financial risk factors

The Group's activities expose it to market risk (including interest rate risk, currency risk and market price risk), credit risk and liquidity risk. The Group's overall risk management strategy seeks to minimise the adverse effects from unpredictability in the financial markets on the Group's financial performance. The Directors of the Company reviewed and adopted the policies for managing each of these risks and they are summarised below.

(a) Market risk

(i) Cash flow and fair value interest rate risks

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market interest rates. As the Group and the Company have interest-bearing assets and/or liabilities, the Group's and the Company's income and/or expenses are dependent on changes in market interest rates. The Group's and the Company's exposure to cash flow interest rate risk arises mainly from variable-rate borrowings.

The Group's and the Company's borrowings at variable rates on which fixed rate hedges have not been entered into are denominated in United States Dollar ("USD") and Singapore Dollar ("SGD"). If the USD and SGD interest rates had increased/decreased by 0.5% (30 September 2021: 0.5%) with all other variables including tax rates being held constant, the Group's net loss and the Company's net loss would have been higher/lower by US$754,000 and US$513,000 (30 September 2021: US$1,459,000 and US$934,000) respectively.

(ii) Currency risk

The Group operates mainly in Myanmar and the People's Republic of China. Entities in the Group regularly transact in currencies other than their respective functional currencies ("foreign currencies"). Currency risk arises within entities in the Group when transactions are denominated in foreign currencies such as Singapore Dollar ("SGD"), Myanmar Kyat ("MMK"), and Thailand Baht ("THB"). In addition, the Group is exposed to currency translation risk on the net assets of the Group's foreign operations in Myanmar, the British Virgin Islands and the People's Republic of China.

The Group manages currency risks, when it is considered economically significant, and cost effective by entering into the appropriate currency hedging contracts. At the reporting date, the Group had not entered into any currency hedging contracts.

NOTES TO THE FINANCIAL STATEMENTS

43. FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) Market risk (continued)

(ii) Currency risk (continued)

The Group's currency exposure based on the information provided to Key Management is as follows:

	SGD US$'000	MMK US$'000	USD US$'000	THB US$'000	Others US$'000	Total US$'000
Group						
31 March 2023						
Financial assets						
Cash and bank balances	232	125,413	13,120	46	–	138,811
Trade and other receivables	20,867	10,124	79,380	–	–	110,371
Financial assets at fair value through profit or loss	–	2,465	7,810	–	–	10,275
Other financial assets	51	973	280	–	–	1,304
	21,150	138,975	100,590	46	–	260,761
Financial liabilities						
Trade and other payables	1,713	125,001	47,982	–	–	174,696
Borrowings (excluding lease liabilities)	141	46,543	108,639	64,860	–	220,183
Lease liabilities	417	7,476	36,322	–	–	44,215
Put options to non-controlling interests	–	–	38,004	–	–	38,004
	2,271	179,020	230,947	64,860	–	477,098
Net financial assets/ (liabilities)	18,879	(40,045)	(130,357)	(64,814)	–	(216,337)
Add: Net non-financial assets	150,634	302,650	427,887	–	31,836	913,007
Currency profile including non-financial assets and liabilities	169,513	262,605	297,530	(64,814)	31,836	696,670
Currency exposure of financial assets/(liabilities) net of those denominated in the respective entities' functional currencies	1,615	(9,306)	–	(64,814)	–	(72,505)

NOTES TO THE FINANCIAL STATEMENTS

43. FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) *Market risk* (continued)

(ii) *Currency risk* (continued)

The Group's currency exposure based on the information provided to Key Management is as follows: (continued)

	SGD US$'000	MMK US$'000	USD US$'000	THB US$'000	Others US$'000	Total US$'000
Group						
30 September 2021						
Financial assets						
Cash and bank balances	444	18,983	7,729	24	–	27,180
Trade and other receivables	24,908	21,379	75,958	–	546	122,791
Financial assets at fair value through profit or loss	–	2,985	7,298	–	–	10,283
Other financial assets	68	468	292	–	–	828
	25,420	43,815	91,277	24	546	161,082
Financial liabilities						
Trade and other payables	2,571	32,899	49,105	–	3	84,578
Borrowings (excluding lease liabilities)	187	50,910	246,662	66,116	–	363,875
Lease liabilities	650	9,115	35,337	–	–	45,102
Put options to non-controlling interests	–	–	35,107	–	–	35,107
Financial liabilities at fair value through profit or loss	–	–	1,015	–	–	1,015
	3,408	92,924	367,226	66,116	3	529,677
Net financial assets/ (liabilities)	22,012	(49,109)	(275,949)	(66,092)	543	(368,595)
Add: Net non-financial assets	194,907	394,560	428,166	–	32,365	1,049,998
Currency profile including non-financial assets and liabilities	216,919	345,451	152,217	(66,092)	32,908	681,403
Currency exposure of financial liabilities net of those denominated in the respective entities' functional currencies	(650)	(36,289)	–	(66,092)	–	(103,031)

NOTES TO THE FINANCIAL STATEMENTS

43. FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) Market risk (continued)

(ii) Currency risk (continued)

If MMK, SGD and THB had strengthened or weakened against USD by 12%, 2% and 2% (30 September 2021: 29%, 2% and 6%), respectively, with all other variables, including tax rates, being held constant, the effects arising from the net financial position on the Group's net loss will be as follows:

	Group	
	Impact on net loss	
	Increase/(decrease)	
	31 March 2023	30 September 2021
	US$'000	US$'000
MMK against USD		
- strengthened	**(927)**	(8,735)
- weakened	**927**	8,735
SGD against USD		
- strengthened	**27**	(11)
- weakened	**(27)**	11
THB against USD		
- strengthened	**(1,076)**	(3,291)
- weakened	**1,076**	3,291

NOTES TO THE FINANCIAL STATEMENTS

43. FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) *Market risk* (continued)

(ii) *Currency risk* (continued)

The Company's currency exposure based on the information provided to Key Management is as follows:

	SGD US$'000	MMK US$'000	USD US$'000	THB US$'000	Total US$'000
Company					
31 March 2023					
Financial assets					
Cash and bank balances	175	1	2,008	22	2,206
Trade and other receivables	1,964	–	15,062	–	17,026
Other financial assets	50	1	–	–	51
	2,189	2	17,070	22	19,283
Financial liabilities					
Trade and other payables	1,401	84	3,033	–	4,518
Borrowings (excluding lease liabilities)	141	–	42,616	64,860	107,617
Lease liabilities	417	–	764	–	1,181
Put options to non-controlling interests	–	–	38,004	–	38,004
	1,959	84	84,417	64,860	151,320
Net financial assets/ (liabilities)	230	(82)	(67,347)	(64,838)	(132,037)
Add: Net non-financial assets/(liabilities)	677,926	(6,019)	3,145	–	675,052
Currency profile including non-financial assets and liabilities	678,156	(6,101)	(64,202)	(64,838)	543,015
Currency exposure of financial assets/ (liabilities) net of those denominated in the Company's functional currency	230	(82)	–	(64,838)	(64,690)

NOTES TO THE FINANCIAL STATEMENTS

43. FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) *Market risk* (continued)

(ii) *Currency risk* (continued)

The Company's currency exposure based on the information provided to Key Management is as follows: (continued)

	SGD US$'000	MMK US$'000	USD US$'000	THB US$'000	Others US$'000	Total US$'000
Company						
30 September 2021						
Financial assets						
Cash and bank balances	52	1	620	24	–	697
Trade and other receivables	1,833	–	13,444	–	–	15,277
Other financial assets	68	2	50	–	–	120
	1,953	3	14,114	24	–	16,094
Financial liabilities						
Trade and other payables	1,822	52	6,050	–	3	7,927
Borrowings (excluding lease liabilities)	187	–	130,583	66,116	–	196,886
Lease liabilities	650	–	1,095	–	–	1,745
Financial liabilities through profit or loss	–	–	1,015	–	–	1,015
Put options to non-controlling interests	–	–	35,107	–	–	35,107
	2,659	52	173,850	66,116	3	242,680
Net financial liabilities	(706)	(49)	(159,736)	(66,092)	(3)	(226,586)
Add: Net non-financial assets/ (liabilities)	741,126	(1,141)	3,578	–	1	743,564
Currency profile including non-financial assets and liabilities	740,420	(1,190)	(156,158)	(66,092)	(2)	516,978
Currency exposure of financial liabilities net of those denominated in the Company's functional currency	(706)	(49)	–	(66,092)	(3)	(66,850)

NOTES TO THE FINANCIAL STATEMENTS

43. FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) *Market risk* (continued)

(ii) *Currency risk* (continued)

If MMK, SGD and THB had strengthened or weakened against USD by 12%, 2% and 2% (30 September 2021: 29%, 2% and 6%), respectively, with all other variables, including tax rates, being held constant, the effects arising from the net financial position on the Company's net loss will be as follows:

	Company	
	Impact on net loss	
	Increase/(decrease)	
	31 March 2023	30 September 2021
	US$'000	US$'000
MMK against USD		
- strengthened	**(8)**	(12)
- weakened	**8**	12
SGD against USD		
- strengthened	**4**	(12)
- weakened	**(4)**	12
THB against USD		
- strengthened	**(1,076)**	(3,291)
- weakened	**1,076**	3,291

(iii) *Market price risk*

Market price risk is the risk that the fair value of a financial instrument will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the individual instrument or factors affecting all instruments in the market.

The Group is exposed to equity securities price risk arising from investments in unquoted shares and private investment funds in Myanmar which are classified on the consolidated statement of financial position of the Group as financial assets at fair value through profit or loss. To manage its price risk arising from investments in equity securities, the Group diversifies its portfolio of investments. If prices for financial instruments classified as financial assets at fair value through profit or loss changed by 5% (30 September 2021: 5%) with all other variables including tax rates, being held constant, the effects on the Group's net loss would have been US$514,000 (30 September 2021: US$514,000) higher/lower.

(b) *Credit risk*

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Group and/or the Company. The Group's and the Company's exposure to credit risk arises primarily from trade and other receivables (including contract assets and finance lease receivables). For other financial assets (including investment securities and cash and cash equivalents), the Group and the Company minimise credit risk by dealing only with reputable and/or high credit quality counterparties.

NOTES TO THE FINANCIAL STATEMENTS

43. FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) *Credit risk* (continued)

Financial assets that are potentially subject to a concentration of credit risk consist principally of bank deposits and trade receivables. The Group places its deposits with banks and financial institutions and limits the amount of credit exposure to any one party. As at 31 March 2023, the Group has concentrated credit risk on one debtor (30 September 2021: one debtor) that individually represents more than 21% (30 September 2021: 22%) of total trade receivables, contract assets and finance lease receivables.

The maximum exposure of credit risk for each class of financial instruments is the carrying amount of that class of financial instruments presented on the statements of financial position, except as follows:

	Group		Company	
	31 March 2023	30 September 2021	**31 March 2023**	30 September 2021
	US$'000	US$'000	**US$'000**	US$'000
Corporate guarantees provided to:				
- banks on customers' finance leases (Note 42)	**2,661**	14,232	**–**	–
- banks on borrowings of certain subsidiary corporations (Note 42)	**–**	–	**21,439**	27,415
- a supplier and outstanding payables of certain subsidiary corporations (Note 42)	**–**	3,200	**35,769**	24,017

Trade receivables, contract assets and finance lease receivables

The Group's objective is to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure. The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. Credit exposure to an individual counterparty is restricted by credit limits that are approved by Management and subject to an ongoing credit evaluation process. The counterparty's payment profile and credit exposure are continuously monitored at the entity level by their respective management and at the Group level by the Group's Management.

For customers who obtained finance leases from banks and for which the Group has provided guarantees under the dealer undertaking, certain collateral is required from customers. For investment properties, the Group manages credit risk arising from tenants defaulting on their rental payments by requiring that tenants furnish cash deposits and/or to pay rental in advance. For mobile financial services, customers are required to make a cash deposit or advance payment before utilising certain services. For the food and beverages business, customers generally settle all transactions in cash, using credit cards issued by reputable financial institutions or digital payment gateways from reputable institutions, and accordingly, this business does not have significant credit risk.

NOTES TO THE FINANCIAL STATEMENTS

43. FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) *Credit risk* (continued)

Trade receivables, contract assets and finance lease receivables (continued)

The Group also has a policy to regularly review debt collection and rental contracts with customers to verify their credit history. In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant. In monitoring a customer's credit risk and assessing the customer's ability to repay, the Group considers the customers' trade history with the Group, the aging and maturity profile, and the existence of any previous financial difficulties.

Exposure to credit risk

The maximum exposure to credit risk for trade receivables, contract assets and finance lease receivables at the reporting date by business segment, geographical area and type of customer is set out below:

	Group	
	31 March 2023	30 September 2021
	US$'000	US$'000
By business segment		
Yoma land development	**15,231**	20,807
Yoma Central	**2,519**	2,519
Yoma land services	**2,748**	4,690
Yoma motors	**1,914**	1,909
Leasing	**8,805**	17,734
Mobile financial services	**947**	–
Food and beverages	**96**	826
Others	**1,318**	309
	33,578	48,794
By geographical area		
Myanmar	**33,578**	48,794
By type of customer		
Joint ventures	**8**	23
Associated companies	**2,334**	2,201
Non-related parties		
- Individuals	**17,227**	29,960
- Other companies	**14,009**	16,610
	33,578	48,794

NOTES TO THE FINANCIAL STATEMENTS

43. FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) *Credit risk* (continued)

Trade receivables, contract assets and finance lease receivables (continued)

Expected credit loss assessment as at 31 March 2023 and 30 September 2021

The Group uses a provision matrix to measure the lifetime expected credit loss allowance for trade receivables, contract assets and finance lease receivables. In measuring the expected credit losses (ECLs) for trade receivables, contract assets and finance lease receivables, the customers are categorised by business segment, type of customer and their credit characteristics.

The Group uses an allowance matrix to measure the ECLs of trade receivables and contract assets without a significant financing component, which comprise a very large number of small balances. In calculating the ECL rates, the Group considers the historical loss rates for each category of customers and/or counterparties and makes adjustments to reflect current and forward-looking macroeconomic factors affecting the customer's ability to settle the receivables. However, given the short period of credit risk exposure, the impact of these macroeconomic factors is not considered to be significant within the financial year.

Trade receivables and contract assets are written-off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Group. The Group considers a financial asset in default if the counterparty fails to make contractual payments within 90 days when they fall due and/or has shown indicators of financial difficulty and writes off the financial asset through profit or loss when the Group has exhausted all means to retrieve the sum from the counterparty. Where receivables are written-off, the Group continues to engage in enforcement activities to attempt to recover the outstanding receivables. Where recoveries are made, these are recognised in profit or loss.

For trade receivables and contract assets, which contain a significant financing component in accordance with SFRS(I) 15, and finance lease receivables, the Group has an accounting choice of either applying the simplified approach (measuring the loss allowance at an amount equal to the lifetime ECL at initial recognition and throughout its life), or the general model for impairment based on changes in credit quality since initial recognition.

Simplified approach

The Group applies the simplified approach to provide for ECLs for all trade receivables and contract assets. The simplified approach requires the loss allowance to be measured at an amount equal to the lifetime ECL.

General approach

Under the general approach, the loss allowance is measured at an amount equal to the 12-month ECL at initial recognition. At each reporting date, the Group assesses whether the credit risk of a financial instrument has increased significantly since initial recognition. When the credit risk has increased significantly since initial recognition a loss allowance is measured at an amount equal to the lifetime ECL.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Group's historical experience that informed the credit assessment and also includes forward-looking information.

If the credit risk has not increased significantly since initial recognition or if the credit quality of the financial instruments improves such that there is no longer a significant increase in credit risk since initial recognition, the loss allowance is measured at an amount equal to the 12-month ECL.

NOTES TO THE FINANCIAL STATEMENTS

43. FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) *Credit risk* (continued)

Trade receivables, contract assets and finance lease receivables (continued)

Expected credit loss assessment as at 31 March 2023 and 30 September 2021 (continued)

General approach (continued)

The Group considers a financial asset to be in default when the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held). The Group considers a contract asset to be in default when the customer is unlikely to pay its contractual obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held). The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

The Group uses the following categories of internal credit risk ratings for financial assets which are subject to ECLs under the 3-stage general approach. These four categories reflect the respective credit risk and how the loss provision is determined for each of those categories.

Category of internal credit rating	Definition of category	Basis for recognition of expected credit losses
Performing	Financial assets have a low risk of default and a strong capacity to meet contractual cash flows	12-month expected credit losses
Under-performing	Financial assets for which there is a significant increase in credit risk; which is presumed if interest and/or principal repayments are 90 days past due	Lifetime expected credit losses
Non-performing	Interest and/or principal repayments are 180 days past due	Lifetime expected credit losses
Write-off	Interest and/or principal repayments are more than one year past due and there is no reasonable expectation of recovery	Asset is written-off

The Group has applied the general approach for trade receivables with a significant financing component amounting to US$14,364,000 as at 31 March 2023 (30 September 2021: US$16,463,000) and assessed that these financial assets have a low risk of default and a strong capacity to meet contractual cash flows, and accordingly a loss allowance as at 31 March 2023 has been recognised based on 12-month expected credit losses which amounted to US$4,013,000 (30 September 2021: US$4,563,000) with an additional loss allowance of US$804,000 (30 September 2021: US$2,900,000) and a reversal of loss allowance of US$594,000 (30 September 2021: US$NIL) recognised in profit or loss during the financial period ended 31 March 2023. In addition, a loss allowance of US$760,000 (30 September 2021: US$28,000) has been written-off during the financial period ended 31 March 2023.

NOTES TO THE FINANCIAL STATEMENTS

43. FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) *Credit risk* (continued)

Trade receivables, contract assets and finance lease receivables (continued)

Expected credit loss assessment as at 31 March 2023 and 30 September 2021 (continued)

The following table provides information about the Group's exposure to credit risk and the ECLs for trade receivables (excluding those with a significant financing component), contract assets and finance lease receivables as at 31 March 2023 and 30 September 2021:

	Group					
	Current	Within 90 days	91 days to 180 days	181 days to 365 days	More than one year	Total
	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000
31 March 2023						
Yoma Land Development						
Gross carrying amounts	3,705	150	–	–	13,783	17,638
Loss allowance	–	(8)	–	–	(4)	(12)
Yoma Central						
Gross carrying amounts	2,519	–	–	–	–	2,519
Loss allowance	–	–	–	–	–	–
Yoma Land Services						
Gross carrying amounts	16	588	54	21	246	925
Loss allowance	–	(9)	(4)	(3)	(9)	(25)
Yoma Motors						
Gross carrying amounts	316	534	463	784	883	2,980
Loss allowance	–	–	(278)	(533)	(254)	(1,065)
Leasing						
Gross carrying amounts	7,542	100	–	1,756	–	9,398
Loss allowance	–	(1)	–	(592)	–	(593)

NOTES TO THE FINANCIAL STATEMENTS

43. FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) *Credit risk* (continued)

Trade receivables, contract assets and finance lease receivables (continued)

Expected credit loss assessment as at 31 March 2023 and 30 September 2021 (continued)

	Group					
	Current US$'000	Within 90 days US$'000	91 days to 180 days US$'000	181 days to 365 days US$'000	More than one year US$'000	Total US$'000
30 September 2021						
Yoma Land Development						
Gross carrying amounts	10,890	1,080	593	750	14,812	28,125
Loss allowance	–	(49)	(52)	(135)	–	(236)
Yoma Central						
Gross carrying amounts	2,519	–	–	–	–	2,519
Loss allowance	–	–	–	–	–	–
Yoma Land Services						
Gross carrying amounts	1,955	799	402	803	908	4,867
Loss allowance	–	(110)	(56)	(11)	–	(177)
Yoma Motors						
Gross carrying amounts	899	694	27	121	360	2,101
Loss allowance	–	–	(19)	(14)	(159)	(192)
Leasing						
Gross carrying amounts	14,973	1,622	509	1,699	–	18,803
Loss allowance	–	(30)	(123)	(916)	–	(1,069)

The movements in ECL allowance are as follows:

	Trade receivables		Other receivables	
	31 March 2023 US$'000	30 September 2021 US$'000	**31 March 2023 US$'000**	30 September 2021 US$'000
Beginning of financial period/year	**6,237**	2,506	**250**	250
Loss allowance recognised in profit or loss	**2,186**	4,670	**–**	–
Reversal of loss allowance recognised in profit or loss	**(1,272)**	–	**(230)**	–
	914	4,670	**(230)**	–
Write-off	**(1,443)**	(939)	**–**	–
End of financial period/year	**5,708**	6,237	**20**	250

NOTES TO THE FINANCIAL STATEMENTS

43. FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Credit risk (continued)

Cash and cash equivalents

As at 31 March 2023, the Group and the Company held cash and bank balances of US$138,811,000 and US$2,206,000 (30 September 2021: US$27,180,000 and US$697,000), respectively. Cash and bank balances including those held in Wave Money's trust accounts, are held with banks and financial institutions with sound credit ratings. The impairment on cash and bank balances has been measured on the 12-month ECL basis and reflects the short maturities of the exposures. The Group considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties. The amount of the allowance on cash and bank balances was negligible.

Non-trade receivables (including loans) – Non-related parties, associated companies, joint ventures, staff and amounts due from entities related by a common controlling shareholder

The Group and the Company held non-trade receivables in relation to payments made on behalf of non-related parties and related parties arising from the sales/purchases of goods and services and prepaid commercial and value added taxes totalling to US$76,793,000 and US$17,026,000 (30 September 2021: US$73,997,000 and US$15,277,000), respectively, as at 31 March 2023. The Group has applied the general approach for other receivables with a significant financing component and assessed that the financial assets have a low risk of default and a strong capacity to meet contractual cash flows, and accordingly, no loss allowance has been recognised in profit or loss during the financial period ended 31 March 2023 and the financial year ended 30 September 2021 based on 12-month ECLs. There was a reversal of loss allowance of US$230,000 (30 September 2021: US$Nil) recognised in profit or loss during the financial period ended 31 March 2023.

(c) Liquidity risk

Liquidity risk is the risk that the Group and the Company will encounter difficulties in meeting their obligations associated with financial liabilities. The Group manages liquidity risks by monitoring its liquidity position through the periodic preparation of cash flows and forecasted cash balances, diversifying its source of fundings, managing the maturity profile of its borrowings, payables and other liabilities, and the periodic evaluation of the ability of the Group to meet its financial obligations.

The table below analyses the non-derivative financial liabilities of the Group and the Company in their relevant maturity groupings based on the length of the remaining period from the reporting date to the contracted maturity date. The amounts disclosed in the table are the contracted undiscounted cash flows. Balances due within 12 months equal their carrying amounts as the impact of discounting is not significant.

	Less than 1 year US$'000	Between 1 to 2 years US$'000	Between 2 to 5 years US$'000	More than 5 years US$'000
Group				
31 March 2023				
Trade and other payables	172,728	1,968	–	–
Borrowings (excluding lease liabilities)	121,619	49,393	67,799	2,812
Lease liabilities	5,150	5,617	12,546	119,251
Put options to non-controlling interest	–	–	–	38,004
Financial guarantee contracts	2,661	–	–	–
	302,158	56,978	80,345	160,067

NOTES TO THE FINANCIAL STATEMENTS

43. FINANCIAL RISK MANAGEMENT (CONTINUED)

(c) *Liquidity risk* (continued)

	Less than 1 year US$'000	Between 1 to 2 years US$'000	Between 2 to 5 years US$'000	More than 5 years US$'000
Group				
30 September 2021				
Trade and other payables	82,660	1,918	–	–
Borrowings (excluding lease liabilities)	90,094	142,603	137,463	43,629
Lease liabilities	2,866	4,866	13,938	125,159
Put options to non-controlling interest	–	–	–	35,107
Financial guarantee contracts	17,432	–	–	–
	193,052	149,387	151,401	203,895
Company				
31 March 2023				
Trade and other payables	**4,518**	**–**	**–**	**–**
Borrowings (excluding lease liabilities)	**90,734**	**12,277**	**7,533**	**–**
Lease liabilities	**378**	**453**	**417**	**–**
Put options to non-controlling interest	**–**	**–**	**–**	**38,004**
Financial guarantee contracts	**57,208**	**–**	**–**	**–**
	152,838	**12,730**	**7,950**	**38,004**
30 September 2021				
Trade and other payables	7,927	–	–	–
Borrowings (excluding lease liabilities)	45,780	100,015	65,257	–
Lease liabilities	343	472	1,143	–
Put options to non-controlling interest	–	–	–	35,107
Financial guarantee contracts	51,432	–	–	–
	105,482	100,487	66,400	35,107

(d) *Capital risk*

The Group's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain the future development of its businesses. Management monitors the return on capital as well as the level of dividends to ordinary shareholders and seeks to maintain a balance between the higher returns that might be possible with a higher level of borrowings and the advantages and security afforded by a sound capital position.

Management monitors capital levels based on a financial net gearing ratio. The Group and the Company adopted a strategy to reduce gearing levels, and the Group's financial net gearing ratio stood at 18.6% as at 31 March 2023. The Group is also required by certain banks and financial institutions to maintain a certain level of consolidated net worth and certain leverage ratios.

The financial net gearing ratio is calculated as net debt divided by total capital. Net debt is calculated as borrowings (excluding loans from non-controlling interests and lease liabilities) plus deposits from customers less cash and bank balances. Total capital is calculated as total equity plus net debt.

NOTES TO THE FINANCIAL STATEMENTS

43. FINANCIAL RISK MANAGEMENT (CONTINUED)

(d) Capital risk (continued)

	Group		Company	
	31 March 2023	30 September 2021	**31 March 2023**	30 September 2021
	US$'000	US$'000	**US$'000**	US$'000
Net debt	**159,112**	325,871	**105,411**	196,189
Total equity	**696,670**	681,403	**543,015**	516,978
Total capital	**855,782**	1,007,274	**648,426**	713,167
Financial gearing ratio	**18.59%**	32.35%	**16.26%**	27.51%

The Group and the Company are in compliance with all externally imposed requirements for consolidated net worth and leverage ratios for the financial period ended 31 March 2023 and the financial year ended 30 September 2021 respectively.

(e) Fair value measurements

The following table presents assets and liabilities measured at fair value and classified by the level of the following fair value measurement hierarchy:

(i) quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);

(ii) inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) (Level 2); and

(iii) inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs and that adjustment results in a significantly higher or lower fair value measurement, the resulting measurement would be categorised within Level 3 of the fair value hierarchy.

The determination of what constitutes "observable" requires significant judgement by management. Management considers observable data to be market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

NOTES TO THE FINANCIAL STATEMENTS

43. FINANCIAL RISK MANAGEMENT (CONTINUED)

(e) Fair value measurements (continued)

The following table analyses within the fair value hierarchy the Group's financial assets and liabilities measured at value:

	Level 1 US$'000	Level 2 US$'000	Level 3 US$'000	Total US$'000
Group				
31 March 2023				
Assets				
Financial assets at fair value through profit or loss	**–**	**–**	**10,275**	**10,275**
30 September 2021				
Assets				
Financial assets at fair value through profit or loss	–	–	10,283	10,283
Liabilities				
Financial liabilities at fair value through profit or loss	–	–	1,015	1,015

Investments whose values are based on quoted market prices in active markets, and therefore classified within Level 1, include active listed equities. Management does not adjust the quoted price for these instruments.

Financial instruments that trade in markets that are not considered to be active but are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs are classified within Level 2. These include listed equities and over-the-counter derivatives. As Level 2 investments include positions that are not traded in active markets and/or are subject to transfer restrictions, valuations may be adjusted to reflect illiquidity and/or non-transferability, which are generally based on the available market information.

Investments classified within Level 3 have significant unobservable inputs as they trade infrequently. Level 3 instruments include private investment funds and private equities. As observable prices are not available for these securities, management has used valuation techniques to derive the fair value.

There were no changes in valuation techniques and no transfers into or out of fair value hierarchy levels during the financial period ended 31 March 2023 and the financial year ended 30 September 2021.

See Note 25 for disclosures of the investment properties that are measured at fair value.

NOTES TO THE FINANCIAL STATEMENTS

43. FINANCIAL RISK MANAGEMENT (CONTINUED)

(e) *Fair value measurements* (continued)

The following table shows the valuation techniques used in measuring Level 3 fair values, as well as the significant unobservable inputs used:

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
Group			
Financial assets			
- Private investment fund	Discounted cash flows/ market comparable approach/recent transactions	Discount rate; Price/ EBITDA multiples	The higher the discount rate, the lower the fair value; the higher the price/EBITDA multiple, the higher the fair value
- 9% equity interest in MJAS	Discounted cash flows	Discount rate	The higher the discount rate, the lower the fair value
Financial liabilities			
- Share warrants	Monte Carlo simulation	Price to book (P/B) multiples/risk-free rate	The higher the P/B multiple, the higher the fair value; the higher the risk-free rate, the lower the fair value

(f) *Fair value measurements by category*

The carrying amounts of the different categories of financial instruments are as disclosed in the statement of financial position and in Note 21 and Note 35, except for the following:

	Group		Company	
	31 March 2023	30 September 2021	**31 March 2023**	30 September 2021
	US$'000	US$'000	**US$'000**	US$'000
Financial assets at amortised cost	**250,486**	150,799	**19,283**	16,094
Financial liabilities at amortised cost	**477,098**	528,662	**151,320**	241,665

NOTES TO THE FINANCIAL STATEMENTS

44. RELATED PARTY TRANSACTIONS

(a) In addition to the information disclosed elsewhere in the financial statements, the following transactions took place between the Group and related parties on terms agreed between the parties during the financial period/year ended:

	Group	
	31 March 2023	30 September 2021
	US$'000	US$'000
With entities related by a common controlling shareholder		
Sales	**1,215**	4,262
Purchases	**6,019**	2,303
Treasury transactions*	**62,709**	17,201
Financial guarantee to Yoma Bank^	**498**	2,072
Prepayments for supply of crops	**130**	187
Advance rental received	**3,292**	9,405
Sales of investment properties	**40,000**	–
With joint ventures		
Sales	**198**	608
Purchases	**169**	584
Construction costs	**1,000**	32,557
Other service income	**424**	470
With associated companies		
Sales	**158**	196
Purchases	**40**	76
Other service income	**–**	12
With other related party		
Professional fee paid/payable	**–**	39

* Treasury transactions refers to cash deposits placed with a related party which is an entity controlled by a director who is also the controlling shareholder.

^ Financial guarantee relates to Yoma Heavy Equipment Company Limited ("YHE") where YHE has taken up the financial obligation of a customer. YHE will be responsible for any credit losses incurred by Yoma Bank when the customer defaults on a payment.

Other related party refers to a firm of which a director is a member.

Outstanding balances as at 31 March 2023 and 30 September 2021 arising from the sale/purchase of goods and services are unsecured and receivable/payable within 12 months from the reporting date and are disclosed in Note 16 and Note 31 respectively.

NOTES TO THE FINANCIAL STATEMENTS

44. RELATED PARTY TRANSACTIONS (CONTINUED)

(b) Key management personnel compensation

	Group	
	31 March 2023	30 September 2021
	US$'000	US$'000
Wages and salaries	**3,455**	1,489
Directors' fees	**203**	204
Share awards expenses	**1,023**	101
Other short-term benefits	**307**	288
Employer's contribution to defined contribution plans, including CPF	**22**	19
	5,010	2,101

Included in the above is total compensation to directors of the Company amounting to US$1,677,000 (30 September 2021: US$632,000).

45. SEGMENT INFORMATION

Management has reviewed the operating segments from both a geographic and business segment perspective that are used to make strategic decisions.

Geographically, Management manages and monitors the business in three primary geographic areas: Myanmar, Singapore and the People's Republic of China ("PRC"). All of the Group's operating segments operate in Myanmar except for its investments segment which operates in both Myanmar and PRC. The others segment relates to corporate services, treasury and finance functions and investment holdings in Myanmar and Singapore.

For management purposes, the Group is organised into business units based on their products and services and has seven reportable segments as follows:

(i) Yoma land development segment is in the business of property development and the sale of land development rights and development properties ("Yoma Land Development").

(ii) Yoma Central segment refers to a mixed-used development under construction in downtown Yangon which is in the business of the sale of development properties, leasing of retail and commercial properties and operating a business hotel and serviced apartments. It also includes the Group's investment in The Peninsula Yangon.

(iii) Yoma land services segment is in the business of property leasing in Myanmar as well as providing project management, design, estate management and estate operations ("Yoma Land Services"). This reportable segment has been formed by aggregating the relevant operating entities which are regarded by Management to exhibit these and similar economic characteristics.

NOTES TO THE FINANCIAL STATEMENTS

45. SEGMENT INFORMATION (CONTINUED)

(iv) The Yoma motors segment is in the business of supplying and selling agriculture and construction equipment, passenger and commercial vehicles, and their related parts, including the provision of maintenance services. This reportable segment has been formed by aggregating the relevant operating entities which are regarded by Management to exhibit these and similar economic characteristics.

(v) The leasing segment is in the business of providing non-bank financing (i.e. leasing of vehicles, equipment and other consumer products under both operating and finance leases, and rental).

(vi) The mobile financial services segment is in the business of providing mobile financial services such as mobile payments, remittances through a nationwide agent network, e-wallet functionality and other digital financial products.

(vii) The food and beverages segment is in the business of operating restaurants ("Yoma F&B"). This reportable segment has been formed by aggregating the relevant operating entities which are regarded by Management to exhibit these and similar economic characteristics.

(viii) The investments segment relates to the Group's investments in the infrastructure, tourism, solar power, agriculture and other sectors in Myanmar and an investment property in the PRC.

(ix) The other segment refers to the Group level corporate services and treasury functions.

Except as indicated above, no other operating segments have been aggregated to form the above reportable operating segments.

NOTES TO THE FINANCIAL STATEMENTS

45. SEGMENT INFORMATION (CONTINUED)

The segment information provided to Management for the reportable segments and the reconciliation to the consolidated statements of comprehensive income and statement of financial position are as follows:

	Myanmar							Myanmar/ PRC	Myanmar/ Singapore	
	Yoma Land Development	Yoma Central	Yoma Land Services	Yoma Motors	Leasing	Mobile Financial Services	Yoma F&B	Investments	Others	Total
	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000
31 March 2023										
Revenue										
Total segment sales	58,743	–	15,291	16,967	8,175	19,747	32,984	11,485	–	163,392
Less: Inter-segment sales	–	–	(175)	–	(918)	–	(127)	(1,965)	–	(3,185)
Sales to external parties	58,743	–	15,116	16,967	7,257	19,747	32,857	9,520	–	160,207
Other gains, net	46	–	261	856	2,538	1,485	522	6,047	484	12,239
Operating expenses	(47,210)	(4,634)	(10,647)	(16,127)	(4,187)	(18,498)	(29,247)	(10,544)	(10,964)	(152,058)
Core EBITDA	11,579	(4,634)	4,730	1,696	5,608	2,734	4,132	5,023	(10,480)	20,388
Finance costs	(8)	(12,304)	–	(172)	(28)	(653)	(777)	(3,745)	(18,939)	(36,626)
Amortisation and depreciation of non-financial assets	(932)	(344)	(2,481)	(1,906)	(4,265)	(532)	(5,274)	(1,744)	(450)	(17,928)
Currency (losses)/gains, net	(296)	(254)	(2,032)	(690)	(2,000)	(1,002)	(687)	598	788	(5,575)
Share of profits/(losses) of joint ventures	–	–	–	975	–	–	–	(2,559)	–	(1,584)
Share of (losses)/profits of associated companies	(1,092)	(1)	–	–	–	3,632	1	(5,478)	–	(2,938)
Net fair value (losses)/ gains	–	(26,256)	2,847	–	–	–	–	336	1,015	(22,058)
Losses on disposal of investment properties	–	–	(1,094)	–	–	–	–	–	–	(1,094)
Reversal of loss allowance /(loss allowance) on financial assets at amortised cost	228	–	144	(1,038)	(18)	–	–	–	–	(684)
Impairment losses on non-financial assets	–	(9,071)	–	–	–	–	–	(129)	–	(9,200)
Write-off of property, plant and equipment	(3)	–	–	(30)	–	(3)	(47)	(14)	–	(97)
Others	(5,138)	–	(221)	1,907	2	767	(4)	907	2,498	718
Income tax expense	(2,463)	1,640	(2,703)	3	(41)	(323)	(28)	–	(697)	(4,612)
Net profit/(loss)	1,875	(51,224)	(810)	745	(742)	4,620	(2,684)	(6,805)	(26,265)	(81,290)

NOTES TO THE FINANCIAL STATEMENTS

45. SEGMENT INFORMATION (CONTINUED)

The segment information provided to Management for the reportable segments and the reconciliation to the consolidated statements of comprehensive income and statement of financial position are as follows: (continued)

	Myanmar							Myanmar/ PRC	Myanmar/ Singapore	
	Yoma Land Development	Yoma Central	Yoma Land Services	Yoma Motors	Leasing	Mobile Financial Services	Yoma F&B	Investments	Others	Total
	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000
31 March 2023										
Segment assets	198,535	426,756	182,770	24,283	37,397	164,752	30,951	120,405	22,658	1,208,507
Segment assets includes:										
- Investments in associated companies	2,152	28,558	–	–	–	–	–	17,183	–	47,893
- Investments in joint ventures	–	–	–	3,464	–	–	–	1,057	–	4,521
- Additions to non-current assets	3,154	1,937	4,746	837	6,181	1,807	3,021	169	17	21,869
Segment liabilities	38,639	139,059	9,652	9,728	2,758	116,857	12,333	33,604	149,207	511,837

NOTES TO THE FINANCIAL STATEMENTS

45. SEGMENT INFORMATION (CONTINUED)

The segment information provided to Management for the reportable segments and the reconciliation to the consolidated statements of comprehensive income and statement of financial position are as follows: (continued)

	Myanmar							Myanmar/ PRC	Myanmar/ Singapore	
	Yoma Land Development US$'000	Yoma Central US$'000	Yoma Land Services US$'000	Yoma Motors US$'000	Leasing US$'000	Mobile Financial Services US$'000	Yoma F&B US$'000	Investments US$'000	Others US$'000	Total US$'000
30 September 2021										
Revenue										
Total segment sales	26,197	6,317	12,866	14,882	7,275	–	13,686	8,577	–	89,800
Less: Inter-segment sales	–	–	(494)	(139)	(553)	–	(54)	(1,232)	–	(2,472)
Sales to external parties	26,197	6,317	12,372	14,743	6,722	–	13,632	7,345	–	87,328
Other gains, net	388	(15)	585	(49)	183	–	161	3,386	264	4,903
Operating expenses	(22,387)	(7,888)	(5,534)	(15,138)	(2,166)	(3)	(13,485)	(7,230)	(7,818)	(81,649)
Core EBITDA	4,198	(1,586)	7,423	(444)	4,739	(3)	308	3,501	(7,554)	10,582
Finance costs	(5)	(4,022)	–	(163)	(315)	–	(954)	(5,640)	(12,204)	(23,303)
Amortisation and depreciation of non-financial assets	(567)	(1,066)	(846)	(1,949)	(3,165)	–	(7,080)	(2,237)	(370)	(17,280)
Currency (losses)/gains, net	5,182	108	(102)	(1,841)	(740)	–	(1,289)	1,806	6	3,130
Share of profits/(losses) of joint ventures	–	–	–	94	–	–	(22)	(2,593)	–	(2,521)
Share of (losses)/profits of associated companies	(1,206)	(4)	–	–	–	4,338	–	(1,976)	–	1,152
Net fair value (losses)/ gains	(544)	–	38,840	–	–	–	–	(561)	494	38,229
(Loss allowance) / reversal of loss allowance on financial assets at amortised cost	(3,487)	–	29	(104)	(1,108)	–	–	–	–	(4,670)
Impairment losses on non-financial assets	–	–	–	–	–	–	–	(6,445)	–	(6,445)
Write-off of property, plant and equipment	(766)	–	–	(1)	–	–	(4,389)	–	–	(5,156)
Others	(2,578)	–	(351)	(2)	(4)	–	(653)	(2,978)	–	(6,566)
Income tax expense	(832)	4	(467)	(100)	(1,122)	–	(13)	–	(302)	(2,832)
Net (loss)/profit	(605)	(6,566)	44,526	(4,510)	(1,715)	4,335	(14,092)	(17,123)	(19,930)	(15,680)
Segment assets	226,473	451,528	265,017	28,913	41,303	36,811	34,320	128,811	16,225	1,229,401
Segment assets includes:										
- Investments in associated companies	–	31,756	–	–	–	36,811	–	22,471	–	91,038
- Investments in joint ventures	–	–	–	3,722	–	–	–	3,714	–	7,436
- Additions to non-current assets	2,428	13,744	2,600	307	3,544	–	1,292	2	105	24,022
Segment liabilities	24,621	188,107	17,140	7,798	4,806	3	11,829	41,380	252,314	547,998

NOTES TO THE FINANCIAL STATEMENTS

45. SEGMENT INFORMATION (CONTINUED)

The revenue from external parties reported to Management is measured in a manner consistent with that in the consolidated statement of comprehensive income.

Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with non-related parties.

Management assesses the performance of the operating segments based the revenue and/or profit earned by each segment. All income and expenses are allocated to the respective operating segments based on the entities within each operating segment, except for interest expense which is allocated based on the purpose and usage of the borrowings obtained, and the share of results of joint ventures and associated companies which are allocated based on their respective principal business activity.

(a) Geographical information

The Group's nine business segments operate in three main geographical areas: Myanmar, Singapore and the People's Republic of China.

- Myanmar – the operations in this area are principally the development of properties and the sale of land development rights and development properties; the leasing of investment properties and the provision of project management, design services, estate management and estate operations; the sale of automotive and heavy equipment products; the operation of restaurants; the leasing of vehicles, equipment and other consumer products, and the provision of mobile financial services.

- Singapore/Myanmar – the Company is headquartered in Singapore and has activities in Singapore and Myanmar. The activities in this area are principally corporate services, treasury functions and investment activities.

- People's Republic of China – the operations in this area are principally the leasing of an investment property.

Information on revenue and non-current assets based on the geographical location of customers and non-current assets, respectively, are as follows:

	Group	
	31 March 2023	30 September 2021
	US$'000	US$'000
Revenue		
Myanmar	**159,071**	86,609
People's Republic of China	**1,136**	719
	160,207	87,328
Non-current assets		
Singapore	**54,744**	98,935
Myanmar	**703,015**	577,167
	757,759	676,102

NOTES TO THE FINANCIAL STATEMENTS

45. SEGMENT INFORMATION (CONTINUED)

(b) Revenue from major products and services

Revenue from external customers is derived mainly from the sale of development properties and land development rights; project management, design services, estate management and estate operations (collectively "real estate services"); the leasing of investment properties; the sale of motors; the sale of food and beverages; logistics and distribution; the provision of leasing products; agriculture activities; and mobile financial services.

The breakdown of revenue is as follows:

	Group	
	31 March 2023	30 September 2021
	US$'000	US$'000
Development properties	**53,856**	27,688
Land development rights	**4,887**	4,826
Yoma land services		
- Estate operations	**7,788**	9,059
- Project management and constructions	**1,507**	–
Leasing of investment properties	**7,637**	4,476
Yoma motors		
- Passenger vehicles	**3,838**	3,548
- Heavy equipment	**13,129**	11,195
Food and beverages	**32,857**	13,632
Mobile financial services fees	**19,747**	–
Logistics and distribution	**7,548**	6,172
Leasing products	**7,257**	6,722
Information technology services	**103**	–
Agricultural activities	**53**	10
	160,207	87,328

46. BUSINESS COMBINATION

(i) On 7 December 2022, a partially-owned subsidiary corporation, Yoma MFS completed the acquisition of an additional 51% equity interest in Wave Money for a total consideration of US$40,000,000. As part of this transaction, the Group contributed US$16,470,588 and obtained an additional 21% effective interest in Wave Money. Following the completion of the acquisition, Group's effective interest in Wave Money has increased from 44% to 65% and Wave Money became a subsidiary corporation of the Group. Wave Money provides mobile financial services to its customers throughout Myanmar.

(ii) On 28 February 2023, the Group completed the acquisition of the remaining 76.8% of shares in Summit SPA Motors Limited ("Summit SPA") for a total consideration of US$1. Summit SPA is the importer and distributor for commercial vehicles and spare parts of Hino Motors. Thereafter, Summit SPA became a wholly-owned subsidiary corporation of the Group.

NOTES TO THE FINANCIAL STATEMENTS

46. BUSINESS COMBINATION (CONTINUED)

The acquisition of Wave Money and Summit SPA are accounted for using the acquisition method in accordance with SFRS(I) 3 *Business Combinations* which requires the recognition of the identifiable assets and liabilities at fair value as at the date of the acquisition with the excess/deficit of the purchase consideration over the fair value of the identifiable assets and liabilities as goodwill or bargain purchase.

Details of the consideration paid, the assets acquired and the liabilities assumed and the effects on the cash flows of the Group at the acquisition date are as follows:

(a) Purchase consideration

	Wave Money 31 March 2023 US$'000	Summit Spa 31 March 2023 US$'000	Total US$'000
Fair value of previously held interest (Note 22 and Note 23)	45,760	*	45,760
Cash payable/paid (as below)	16,471	*	16,471
Total purchase consideration	62,231	*	62,231

(b) Effect on cash flows of the Group

	Wave Money 31 March 2023 US$'000	Summit Spa 31 March 2023 US$'000	Total US$'000
Cash paid (as above)	16,471	*	16,471
Less: Cash and cash equivalents in subsidiary corporations acquired	(109,451)	(1,091)	(110,542)
Add: Restricted fund	74,724	–	74,724
Cash inflow on acquisition	(18,256)	(1,091)	(19,347)

* Less than US$1,000

NOTES TO THE FINANCIAL STATEMENTS

46. BUSINESS COMBINATION (CONTINUED)

(c) Identifiable assets acquired and liabilities assumed

	Wave Money 31 March 2023 US$'000	Summit Spa 31 March 2023 US$'000	Total US$'000
Cash and cash equivalents	109,451	1,091	110,542
Property, plant and equipment (Note 26)	505	793	1,298
Inventories	–	869	869
Trade and other receivables	5,352	1,416	6,768
Intangible assets	18,152	–	18,152
Total assets	133,460	4,169	137,629
Trade and other payables	(81,129)	(1,771)	(82,900)
Lease liabilities	–	(154)	(154)
Current income tax liabilities [Note 12(b)]	(187)	–	(187)
Non-current deferred income tax liabilities (Note 33)	(3,287)	–	(3,287)
Total liabilities	(84,603)	(1,925)	(86,528)
Total identifiable net assets	48,857	2,244	51,101
Less: Non-controlling interest measured at the non-controlling interest's proportionate share of net identifiable assets	(17,100)	–	(17,100)
Add: Goodwill [Note 29(e)]	30,474	–	30,474
Less: Bargain purchase	–	(2,244)	(2,244)
Consideration transferred for the business	62,231	*	62,231

* Less than US$1,000

(d) Acquisition-related costs

No significant acquisition-related costs arose from the acquisition as the transaction was handled by the Group's legal, risk management and business development teams. The related staff costs were included in administrative expenses in the consolidated statement of comprehensive income and in operating cash flows in the consolidated statement of cash flows.

(e) Goodwill

Goodwill of US$30,474,000 arising from the acquisition is attributable to the synergies expected to arise from the future economic benefit from operating the Wave Money business in Myanmar (i.e. the mobile financial services).

NOTES TO THE FINANCIAL STATEMENTS

46. BUSINESS COMBINATION (CONTINUED)

(f) Bargain purchase

Bargain purchase of US$2,244,000 (Note 9) arising from the acquisition was primarily driven by the current market and political condition in Myanmar that resulted in the acquisition being completed at the price below the fair value of the identifiable net assets at Summit SPA. The bargain purchase is included in the statement of comprehensive income under other non-core income/(expense).

(g) Revenue and profit contribution

Wave Money

The acquired business contributed revenue of US$19,749,000 and net profit of US$1,942,000 to the Group from the period from 1 December 2022 to 31 March 2023. Had the Wave Money been consolidated from 1 October 2022, the Group's consolidated revenue and total loss for the financial period from 1 October 2021 to 31 March 2023 would have been US$106,265,000 and US$47,789,000 respectively.

Summit Spa

The acquired business contributed revenue of US$620,000 and net profit of US$207,000 to the Group from the period 1 March 2023 to 31 March 2023. The revenue and net profit contributed from Summit SPA is insignificant to the Group's consolidated revenue and total loss for the financial period from 1 October 2021 to 31 March 2023.

47. NEW ACCOUNTING STANDARDS AND INTERPRETATION

Below are the mandatory standards, amendments and interpretations to existing standards that have been published, and are relevant for the Group's accounting periods beginning on or after 1 April 2023 and which the Group has not early adopted.

Amendments to SFRS(I) 1-1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current (effective for annual periods beginning on or after 1 January 2023)

The narrow-scope amendments to SFRS(I) 1-1 Presentation of Financial Statements clarify that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Classification is unaffected by the expectations of the entity or events after the reporting date (e.g. the receipt of a waiver or a breach of covenant). The amendments also clarify what SFRS(I) 1-1 means when it refers to the 'settlement' of a liability.

The amendments could affect the classification of liabilities, particularly for entities that previously considered management's intentions to determine classification and for some liabilities that can be converted into equity.

The Group does not expect any significant impact arising from applying these amendments.

Amendments to SFRS(I) 1-12 Income Taxes: Deferred Tax related to Assets and Liabilties arising from a Single Transaction (effective for annual periods beginning on or after 1 January 2023)

The amendments to SFRS(I) 1-12 Income Taxes require companies to recognise deferred tax on transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences. They will typically apply to transactions such as leases of lessees and decommissioning obligations, and will require the recognition of additional deferred tax assets and liabilities.

NOTES TO THE FINANCIAL STATEMENTS

47. NEW ACCOUNTING STANDARDS AND INTERPRETATION (CONTINUED)

The amendment should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, entities should recognise deferred tax assets (to the extent that it is probable that they can be utilised) and deferred tax liabilities at the beginning of the earliest comparative period for all deductible and taxable temporary differences associated with:

- right-of-use assets and lease liabilities, and
- decommissioning, restoration and similar liabilities, and the corresponding amounts recognised as part of the cost of the related assets.

The cumulative effect of recognising these adjustments is recognised in retained earnings, or another component of equity, as appropriate.

SFRS(1) 1-12 did not previously address how to account for the tax effects of on-balance sheet leases and similar transactions and various approaches were considered acceptable. Some entities may have already accounted for such transactions consistent with the new requirements. These entities will not be affected by the amendments.

The Group does not expect any significant impact arising from applying these amendments.

STATISTICS OF SHAREHOLDINGS

As at 20 June 2023

No. of issued and fully-paid shares	:	2,240,927,926
Class of Shares	:	Ordinary Shares
Voting Rights	:	1 Vote Per Share
Treasury Shares	:	Nil
Subsidiary Holdings	:	Nil

SIZE OF SHAREHOLDINGS	NO. OF SHAREHOLDERS	%	NO. OF SHARES	%
1 - 99	141	1.87	4,007	0.00
100 - 1,000	451	5.98	253,855	0.01
1,001 - 10,000	2,229	29.57	14,233,616	0.64
10,001 - 1,000,000	4,650	61.69	354,298,783	15.81
1,000,001 & ABOVE	67	0.89	1,872,137,665	83.54
TOTAL	**7,538**	**100.00**	**2,240,927,926**	**100.00**

TWENTY LARGEST SHAREHOLDERS

(as shown in the Register of Members and Depository Register)

		NO. OF SHARES	%[(1)]
1	DBS NOMINEES PTE LTD	389,351,095	17.37
2	RAFFLES NOMINEES (PTE) LIMITED	362,067,360	16.16
3	VIP INFRASTRUCTURE HOLDINGS PTE. LTD.	332,500,000	14.84
4	CGS-CIMB SECURITIES (SINGAPORE) PTE LTD	103,250,775	4.61
5	DBSN SERVICES PTE LTD	100,626,212	4.49
6	SERGE PUN	100,063,025	4.46
7	CITIBANK NOMINEES SINGAPORE PTE LTD	85,462,103	3.81
8	BPSS NOMINEES SINGAPORE (PTE.) LTD.	78,832,869	3.52
9	PHILLIP SECURITIES PTE LTD	43,009,879	1.92
10	OCBC SECURITIES PRIVATE LTD	28,735,949	1.28
11	HSBC (SINGAPORE) NOMINEES PTE LTD	25,690,647	1.15
12	UOB KAY HIAN PTE LTD	22,772,257	1.02
13	MAYBANK SECURITIES PTE. LTD.	22,512,074	1.00
14	MORGAN STANLEY ASIA (S) SECURITIES PTE LTD	16,777,173	0.75
15	ABN AMRO CLEARING BANK N.V.	15,280,939	0.68
16	KHOO THOMAS CLIVE	11,338,100	0.51
17	OCBC NOMINEES SINGAPORE PTE LTD	11,307,236	0.50
18	UNITED OVERSEAS BANK NOMINEES PTE LTD	11,008,847	0.49
19	CHONG YEAN FONG	10,131,000	0.45
20	IFAST FINANCIAL PTE LTD	7,108,450	0.32
		1,777,825,990	**79.33**

Note:-

[(1)] Percentage calculated based on the total number of issued shares as at 20 June 2023, comprising 2,240,927,926 shares.

STATISTICS OF SHAREHOLDINGS

As at 20 June 2023

SUBSTANTIAL SHAREHOLDERS

(as shown in the Register of Substantial Shareholders)

SUBSTANTIAL SHAREHOLDERS	DIRECT INTEREST		DEEMED INTEREST	
	NO. OF SHARES	% OF TOTAL ISSUED SHARES[1]	NO. OF SHARES	% OF TOTAL ISSUED SHARES[1]
Mr. Serge Pun	628,636,358[2]	28.05	896,790[3]	0.04
Mr. Fernando Miranda Zobel de Ayala[4]	–	–	332,500,000	14.84
Mr. Jaime Augusto Zobel de Ayala[4]	–	–	332,500,000	14.84
Mermac Inc.[4]	–	–	332,500,000	14.84
Ayala Corporation[4]	–	–	332,500,000	14.84
Bestfull Holdings Limited[4]	–	–	332,500,000	14.84
AG Holdings Limited[4]	–	–	332,500,000	14.84
VIP Infrastructure Holdings Pte. Ltd[4]	332,500,000	14.84	–	–
Kopernik Global Investors, LLC[5]	–	–	157,274,500	7.02

Notes:-

(1) Percentage calculated based on the total number of issued shares as at 20 June 2023, comprising 2,240,927,926 shares.

(2) 528,573,333 shares are held through nominee companies.

(3) Mr. Serge Pun is deemed interested in 896,790 shares held by Pun Holdings Pte. Ltd. which is 100% owned by Mr. Serge Pun.

(4) VIP Infrastructure Holdings Pte. Ltd. ("**VIP**") is a wholly-owned subsidiary of AG Holdings Limited ("**AGH**"). AGH is, in turn, a wholly-owned subsidiary of Bestfull Holdings Limited ("**BHL**"), and BHL is a wholly-owned subsidiary of Ayala Corporation ("**AC**"). Mermac Inc. ("**MI**") holds a 47.91% interest in AC. Mr. Jaime Augusto Zobel de Ayala ("**Mr. Jaime Augusto**") holds a 30.25% interest in MI and Mr. Fernando Miranda Zobel de Ayala ("Mr. Fernando Miranda") holds a 30.25% interest in MI and thus, each of AGH, BHL, AC, MI, Mr. Jaime Augusto and Mr. Fernando Miranda have deemed interest in the shares held by VIP.

(5) Kopernik Global Investors, LLC is deemed interested in the shares as it has discretionary power in the disposal rights over shares as an investment advisor.

Based on the information available to the Company as at 20 June 2023, approximately 49.06% of the issued shares of the Company is held by the public and therefore, Rule 723 of the Listing Manual of the Singapore Exchange Securities Trading Limited has been complied with.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Annual General Meeting of **YOMA STRATEGIC HOLDINGS LTD**. (the "**Company**") will be convened and held at Sophia Cooke Ballroom, Level 2, YWCA Fort Canning, 6 Fort Canning Road, Singapore 179494 on Thursday, 27 July 2023 at 10.00 a.m. (Singapore time) ("**AGM**") to transact the following businesses:

A. ORDINARY BUSINESS

To consider and if thought fit, to pass the following resolutions as Ordinary Resolutions, with or without any modifications:

1. To receive and adopt the Directors' Statement and Audited Financial Statements of the Company for the financial period ended 31 March 2023 together with the Independent Auditor's Report thereon. **(Resolution 1)**

2. To approve the payment of Directors' fees of up to S$88,500 payable by the Company for the 6-month period from 1 October 2022 to 31 March 2023. **(Resolution 2)**

3. To approve the payment of Directors' fees of up to S$354,000 payable by the Company for the financial year ending 31 March 2024. **(Resolution 3)**

4. To re-elect Mr. Pun Chi Tung Melvyn as a Director of the Company, who is retiring pursuant to Regulation 105 of the Constitution of the Company and who, being eligible, will offer himself for re-election.
(See Explanatory Note 1)
(Resolution 4)

5. To re-elect Ms. Wong Su Yen as a Director of the Company, who is retiring pursuant to Regulation 105 of the Constitution of the Company and who, being eligible, will offer herself for re-election.
(See Explanatory Note 2)
(Resolution 5)

6. To re-elect Mr. Jaime Alfonso Antonio Eder Zobel de Ayala as a Director of the Company, who is retiring pursuant to Regulation 115 of the Constitution of the Company and who, being eligible, will offer himself for re-election.
(See Explanatory Note 3)
(Resolution 6)

7. To re-appoint CLA Global TS Public Accounting Corporation as Independent Auditor of the Company for the financial year ending 31 March 2024 and to authorise the Directors of the Company to fix their remuneration. **(Resolution 7)**

B. SPECIAL BUSINESS

To consider and if thought fit, to pass the following Ordinary Resolutions, with or without any modifications:

8. Authority to issue and allot shares in the capital of the Company

That pursuant to Section 161 of the Companies Act 1967 of Singapore (the "**Act**") and the rules, guidelines and measures issued by the Singapore Exchange Securities Trading Limited (the "**SGX-ST**"), the Directors of the Company be and are hereby authorised and empowered to:

(a) (i) issue shares in the capital of the Company ("**shares**") whether by way of rights, bonus or otherwise; and/or

(ii) make or grant offers, agreements or options (collectively, "**Instruments**") that might or would require shares to be issued, including but not limited to the creation and issue of warrants, debentures or other instruments convertible into shares,

NOTICE OF ANNUAL GENERAL MEETING

at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may in their absolute discretion deem fit; and

(b) (i) issue additional Instruments pursuant to adjustments; and/or

(ii) issue shares in pursuance of any Instrument made or granted by the Directors while this Resolution was in force,

notwithstanding the authority conferred by this Resolution may have ceased to be in force,

provided that:

(1) the aggregate number of shares to be issued pursuant to this Resolution (including shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) does not exceed fifty per cent. (50%) of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below) ("**Issued Shares**"), provided that the aggregate number of shares to be issued other than on a pro-rata basis to shareholders of the Company (including shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) does not exceed twenty per cent. (20%) of the total number of Issued Shares;

(2) (subject to such manner of calculation as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of shares that may be issued under sub-paragraph (1) above, the percentage of Issued Shares shall be based on the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company at the time this Resolution is passed, after adjusting for:

(i) new shares arising from the conversion or exercise of any convertible securities;

(ii) new shares arising from exercising share options or vesting of share awards, provided the options or awards were granted in compliance with the Listing Manual; and

(iii) any subsequent bonus issue, consolidation or subdivision of shares,

provided that in respect of (i) and (ii) above, adjustments are only to be made in respect of new shares arising from convertible securities, share options or share awards which were issued and outstanding or subsisting at the time of the passing of this Resolution;

(3) in exercising the authority conferred by this Resolution, the Company shall comply with the rules, guidelines and measures issued by the SGX-ST for the time being in force (unless such compliance has been waived by the SGX-ST) and the Constitution for the time being of the Company; and

(4) (unless revoked or varied by the Company in a general meeting), the authority conferred by this Resolution shall continue in force until the conclusion of the next annual general meeting of the Company or the date by which the next annual general meeting of the Company is required by law to be held, whichever is the earlier.

(See Explanatory Note 4)

(Resolution 8)

NOTICE OF ANNUAL GENERAL MEETING

9. Authority to offer and grant options and issue and allot shares under the Yoma Strategic Holdings Employee Share Option Scheme 2012

That pursuant to Section 161 of the Act, the Directors of the Company be and are hereby authorised to offer and grant options in accordance with the provisions of the Yoma Strategic Holdings Employee Share Option Scheme 2012 (the "**YSH ESOS 2012**") and to issue and allot from time to time such number of shares in the capital of the Company as may be required to be issued pursuant to the exercise of the options under the YSH ESOS 2012, notwithstanding that the authority conferred by this Resolution has ceased to be in force if the shares are issued pursuant to the exercise of an option granted while the approval to offer and grant the option was in force, provided that the aggregate number of shares which may be issued pursuant to YSH ESOS 2012 when aggregated with the aggregate number of shares which may be issued under the Yoma PSP shall not exceed ten per cent. (10%) of the issued ordinary share capital of the Company (excluding treasury shares and subsidiary holdings) from time to time.

(See Explanatory Note 5)
(Resolution 9)

10. Authority to issue and allot shares under the Yoma Performance Share Plan

That pursuant to Section 161 of the Act, the Directors of the Company be and are hereby authorised to grant awards in accordance with the provisions of the Yoma Performance Share Plan (the "**Yoma PSP**") and to issue and allot from time to time such number of shares as may be required to issued pursuant to the vesting of awards under the Yoma PSP, notwithstanding that the authority conferred by this Resolution has ceased to be in force if the shares are issued pursuant to the vesting of an award granted while the approval to offer and grant the award was in force, provided that the aggregate number of shares which may be issued and allotted pursuant to the Yoma PSP and other share based schemes (including the YSH ESOS 2012) of the Company shall not exceed ten per cent. (10%) of issued ordinary share capital of the Company (excluding treasury shares and subsidiary holdings) from time to time.

(See Explanatory Note 5)
(Resolution 10)

11. Grant of awards of 4,300,000 shares in aggregate to Non-Executive Independent Directors under the Yoma Performance Share Plan

That,

(a) the grant of awards to the following Non-Executive Independent Directors under the Yoma PSP on the following terms, be and is hereby approved:

(i) date of grant of awards: 28 May 2023;

(ii) date of vesting of awards: 33% of shares on 26 May 2024, 33% of shares on 26 May 2025, and 34% of shares on 26 May 2026; and

(iii) number of shares comprised in the awards:

(1) Ms. Wong Su Yen in respect of 1,200,000 shares;

(2) Dato Timothy Ong Teck Mong in respect of 1,200,000 shares;

(3) Mr. Thia Peng Heok George in respect of 1,200,000 shares; and

(4) Professor Koh Annie in respect of 700,000 shares; and

NOTICE OF ANNUAL GENERAL MEETING

(b) the Directors be and are hereby authorised to:

(i) issue and allot the relevant shares, or transfer existing shares to the relevant Non-Executive Independent Directors upon the vesting of the awards, in whole or in parts; and

(ii) do all such acts and things (including executing such documents as may be required) as they may consider necessary, expedient, incidental or in the interests of the Company to give effect to the transactions contemplated and/or this Resolution.

(See Explanatory Note 5)
(Resolution 11)

12. Grant of an award of 5,000,000 shares to Mr. Pun Chi Tung Melvyn under the Yoma Performance Share Plan

That,

(a) the grant of an award to Mr. Pun Chi Tung Melvyn, an associate of a controlling shareholder of the Company, under the Yoma PSP on the following terms, the particulars of which are set out in the Company's addendum to shareholders dated 11 July 2023 (the "**Addendum**"), be and is hereby approved:

(i) date of grant of award: 4 April 2022;

(ii) date of vesting of award: 33% of shares on 31 March 2023[1], 33% of shares on 31 March 2024, and 34% of shares on 31 March 2025; and

(iii) number of shares comprised in the award: 5,000,000 shares; and

(b) the Directors be and are hereby authorised to:

(i) issue and allot the relevant shares, or transfer existing shares to Mr. Pun Chi Tung Melvyn upon the vesting of the award, in whole or in parts; and

(ii) do all such acts and things (including executing such documents as may be required) as they may consider necessary, expedient, incidental or in the interests of the Company to give effect to the transactions contemplated and/or this Resolution.

(See Explanatory Note 5)
(Resolution 12)

13. Grant of an award of 2,000,000 shares to Mr. Pun Chi Tung Melvyn under the Yoma Performance Share Plan

That,

(a) the grant of an award to Mr. Pun Chi Tung Melvyn, an associate of a controlling shareholder of the Company, under the Yoma PSP on the following terms, the particulars of which are set out in the Addendum, be and is hereby approved:

(i) date of grant of award: 28 May 2023;

[1] Vesting to occur only upon the approval by the Shareholders at the AGM.

NOTICE OF ANNUAL GENERAL MEETING

(ii) date of vesting of award: 33% of shares on 26 May 2024, 33% of shares on 26 May 2025, and 34% of shares on 26 May 2026; and

(iii) number of shares comprised in the award: 2,000,000 shares; and

(b) the Directors be and are hereby authorised to:

(i) issue and allot the relevant shares, or transfer existing shares to Mr. Pun Chi Tung Melvyn upon the vesting of the award, in whole or in parts; and

(ii) do all such acts and things (including executing such documents as may be required) as they may consider necessary, expedient, incidental or in the interests of the Company to give effect to the transactions contemplated and/or this Resolution.

(See Explanatory Note 5)
(Resolution 13)

14. Modification to, and renewal of, the Interested Person Transactions Mandate

That for the purposes of Chapter 9 of the Listing Manual:

(a) approval be and is hereby given for the Company and its subsidiary companies that are entities at risk (the "**Group**") or any of them to enter into any of the transactions falling within the categories of Interested Person Transactions, particulars of which are set out in the Addendum detailing the proposed modifications to, and renewal of, the shareholders' mandate, with any party who is of the class or classes of Interested Persons described in the Addendum, provided that such transactions are made on normal commercial terms in accordance with the review procedures for Interested Person Transactions as described in the Addendum (the "**IPT Mandate**");

(b) the IPT Mandate shall, unless revoked or varied by the Company in a general meeting, continue in force until the conclusion of the next annual general meeting of the Company, or the date by which the next annual general meeting of the Company is required by law to be held, whichever is earlier;

(c) the Audit and Risk Management Committee of the Company be and is hereby authorised to take such action as it deems proper in respect of the review procedures for the interested person transactions and/or to modify or implement such procedures as may be necessary to take into consideration any amendment to Chapter 9 of the Listing Manual which may be prescribed by the SGX-ST from time to time; and

(d) the Directors of the Company be and are hereby authorised to do all such acts and things (including, without limitation, executing all such documents as may be required) as they may consider necessary, desirable, expedient or in the interest of the Company to give effect to the IPT Mandate and/or this Resolution.

(See Explanatory Note 6)
(Resolution 14)

BY ORDER OF THE BOARD

Lun Chee Leong
Company Secretary
Singapore
11 July 2023

NOTICE OF ANNUAL GENERAL MEETING

Explanatory Notes:-

1. Mr. Pun Chi Tung Melvyn, the Chief Executive Officer, when re-elected, will be considered an Executive Director. He will remain as a member of the Nominating and Governance Committee.

2. Ms. Wong Su Yen, when re-elected, will be considered a Non-Executive Independent Director. She will continue to serve as Non-Executive Lead Independent Director, a member of the Nominating and Governance Committee and the Chairman of the Remuneration Committee.

3. Mr. Jaime Alfonso Antonio Eder Zobel de Ayala, when re-elected, will be considered a Non-Executive Non-Independent Director. The appointment of Mr. Alberto Macapinlac de Larrazabal as his alternate director shall continue upon his re-election.

4. Ordinary Resolution 8 proposed above, if passed, will empower the Directors of the Company, from the date of the AGM until the next annual general meeting, to issue shares in the capital of the Company and to make or grant Instruments, and to issue shares in pursuance of such Instruments, without seeking any further approval from shareholders in a general meeting, up to a number not exceeding fifty per cent. (50%) of the total number of Issued Shares of which up to twenty per cent. (20%) of the total number of Issued Shares may be issued other than on a pro-rata basis to shareholders.

5. Ordinary Resolutions 9, 10, 11, 12 and 13 proposed above, if passed, will authorise the Directors of the Company to (a) offer and grant options and issue and allot shares pursuant to the exercise of options under the YSH ESOS 2012; (b) grant awards under the Yoma PSP and issue and allot shares pursuant to the vesting of such awards; (c) issue and allot shares pursuant to the vesting of awards of 4,300,000 shares in aggregate to the Non-Executive Independent Directors under the Yoma PSP; (d) issue and allot shares pursuant to the vesting of an award of 5,000,000 shares to Mr. Pun Chi Tung Melvyn under the Yoma PSP; and (e) issue and allot shares pursuant to the vesting of an award of 2,000,000 shares to Mr. Pun Chi Tung Melvyn under the Yoma PSP, provided that the aggregate number of the shares to be issued when aggregated with the existing shares delivered and/or to be delivered pursuant to YSH ESOS 2012 and Yoma PSP shall not exceed ten per cent. (10%) of the issued shares of the Company (excluding treasury shares and subsidiary holdings) from time to time.

   "**subsidiary holdings**" has the meaning ascribed to it in the Listing Manual.

6. Ordinary Resolution 14 proposed above, if passed, will modify and renew the existing IPT Mandate that was approved by shareholders on 28 January 2022. If passed, the IPT Mandate will allow the Group to enter into Interested Person Transactions with those classes of Interested Persons as described in the Addendum and will empower the Directors of the Company to do all acts necessary to give effect to the IPT Mandate.

Notes:-

1. The AGM will be held, in a wholly physical format at Sophia Cooke Ballroom, Level 2, YWCA Fort Canning, 6 Fort Canning Road, Singapore 179494 on Thursday, 27 July 2023 at 10.00 a.m. (Singapore time). **There will be no option for shareholders to participate virtually.**

2. The Annual Report 2023, Notice of AGM, proxy form and Addendum will be disseminated by electronic means via publication on the Company's website https://yomastrategic.com and on the SGX website at the URL https://www.sgx.com/securities/company-announcements. Printed copies of the Notice of AGM and proxy form will be sent to members via post.

3. A shareholder of the Company may submit questions relating to the resolutions to be tabled for approval at the AGM, in advance of the AGM. To do so, all questions must be submitted no later than 10.00 a.m. on 19 July 2023 either (i) by post lodged with the Company's registered office, at 63 Mohamed Sultan Road #02-14 Singapore 239002; or (ii) by email to info@yoma.com.mm. The Company shall address relevant and substantial questions (as may be determined by the Company in its sole discretion) during the AGM.

   A shareholder of the Company and (where applicable) duly appointed proxies who attend the AGM in person may also pose questions at the AGM.

NOTICE OF ANNUAL GENERAL MEETING

4. A member who is not a relevant intermediary* is entitled to appoint not more than two (2) proxies to attend, speak and vote on his/her/its behalf at the AGM. Where a member's form of proxy appoints more than one (1) proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the form of proxy. A proxy need not be a member of the Company.

   A member who is a relevant intermediary* is entitled to appoint more than two (2) proxies to attend, speak and vote at the AGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member's form of proxy appoints two (2) or more proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the form of proxy.

   *"**relevant intermediary**" has the meaning ascribed to it in Section 181 of the Act.

   Central Provident Fund Investment Scheme investors ("**CPF Investors**") and/or Supplementary Retirement Scheme investors ("**SRS Investors**"):

   (a) may attend and cast his/her vote(s) at the AGM if they are appointed as proxies by their respective CPF Agent Banks or SRS Operators, and should contact their respective CPF Agent Banks or SRS Operators if they have any queries regarding their appointment as proxies; or

   (b) may appoint the Chairman of the AGM as proxy to vote on their behalf at the AGM, in which case they should approach their respective CPF Agent Banks or SRS Operators to submit their votes by 10.00 a.m. on 18 July 2023, being seven (7) working days before the date of the AGM.

5. A member can appoint the Chairman of the AGM as his/her/its proxy but this is not mandatory.

   If a member wishes to appoint the Chairman of the AGM as proxy, such member (whether individual or corporate) must give specific instructions as to voting for, voting against, or abstentions from voting on, each resolution in the instrument appointing the Chairman of the AGM as proxy. In the absence of specific directions, the Chairman of the AGM will vote or abstain on each resolution as he/she may think fit, as he/she will on any other matter arising at the meeting.

6. A proxy need not be a member of the Company.

7. The instrument appointing the Chairman of the AGM or such other person as proxy must be submitted to the Company in the following manner:

   (a) if submitted by post, be lodged at the office of the Share Registrar, B.A.C.S. Private Limited, at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896; or

   (b) if submitted electronically, be submitted via email to main@zicoholdings.com,

   in either case by no later than 10.00 a.m. on 24 July 2023, being seventy-two (72) hours before the time appointed for the AGM.

   A member who wishes to submit an instrument of proxy must first complete and sign the proxy form, before submitting it by post to the address provided above, or before scanning and sending it by email to the email address provided above. The proxy form is available for download at the SGXNet and the Company's website at https://yomastrategic.com.

   Members are strongly encouraged to submit completed proxy forms electronically via email to main@zicoholdings.com.

Personal data privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, take-over rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

Name of persons	Wong Su Yen ("Ms Wong")	Pun Chi Tung Melvyn ("Mr. Melvyn Pun")	Jaime Alfonso Antonio Eder Zobel de Ayala ("Mr. Jaime Alfonso Zobel de Ayala")
Date of appointment	15 December 2015	27 July 2015	10 November 2022
Date of last re-appointment (if applicable)	29 January 2021	24 July 2019	N/A
Age	52	45	32
The Board's comments on this appointment (including rationale, selection criteria, board diversity considerations, and the search and nomination process)	The re-election of Ms. Wong as Non-Executive Lead Independent Director was recommended by the Nominating and Governance Committee and the Board has accepted the recommendation, after taking into consideration Ms. Wong's qualifications, expertise, past experiences and overall contribution since she was appointed as a Director of the Company.	The re-election of Mr. Melvyn Pun as the Chief Executive Officer and Executive Director was recommended by the Nominating and Governance Committee and the Board has accepted the recommendation, after taking into consideration Mr. Melvyn Pun's qualifications, expertise, past experience and overall contribution since he was appointed as a Director of the Company.	The re-election of Mr. Jaime Alfonso Zobel de Ayala as the Non-Executive Non-Independent Director was recommended by the Nominating and Governance Committee and the Board has accepted the recommendation, after taking into consideration Mr. Jaime Alfonso Zobel de Ayala qualifications, expertise and past experience.
Country of principal residence	Singapore	Myanmar	Philippines
Whether appointment is executive, and if so, the area of responsibility	Non-Executive	Executive	Non-Executive
Job title (e.g. Lead ID, AC Chairman, AC Member etc.)	Non-Executive Lead Independent Director, Chairman of Remuneration Committee, Member of Nominating and Governance Committee	Chief Executive Officer, Member of Nominating and Governance Committee	Non-Executive Non-Independent Director
Professional qualifications	Information can be found in the "Board of Directors" section of the Annual Report 2023.		

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

Name of persons	Wong Su Yen ("Ms Wong")	Pun Chi Tung Melvyn ("Mr. Melvyn Pun")	Jaime Alfonso Antonio Eder Zobel de Ayala ("Mr. Jaime Alfonso Zobel de Ayala")
Working experience and occupation(s) during the past 10 years	2018 – Present Chief Executive Officer, Bronze Phoenix Pte Ltd 2015 – May 2017 Chief Executive Officer, Human Capital Leadership Institute 2010 – 2015 Chairman Singapore, Marsh & McLennan Companies	July 2015 – present Chief Executive Officer of Yoma Strategic Holdings Ltd June 2012 – May 2015 Chief Executive Officer of Serge Pun & Associates (Myanmar) Limited June 2000 – May 2012 Managing Director, Head of Asia (Ex Japan) Corporate Solutions Group, Securities Division of Goldman Sachs (Asia) L.L.C.	2019 – present Head, Business Development and Digital Ventures of Ayala Corporation 2017 – 2018 Head, Fixed-Mobile Convergence (Product Management) of Globe Telecom 2016 – 2017 Head, Business Development (Prepaid Division) of Globe Telecom
Shareholding interest in the listed issuer and its subsidiaries	Information can be found in the "Directors' Statement" section of the Annual Report 2023.		
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	No	Son of Mr. Serge Pun. Mr. Serge Pun is the Executive Chairman and a substantial shareholder of the Company.	No
Conflict of interest (including any competing business)	Nil	Nil	Nil
Undertaking (in the format set out in Appendix 7.7) under Rule 720(1) of the Listing Manual has been submitted to the listed issuer	Yes	Yes	Yes
Other Principal Commitments* Including Directorships			

* "Principal Commitments" has the same meaning as defined in the Code of Corporate Governance, as from time to time amended, modified or supplemented.

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

Name of persons	Wong Su Yen ("Ms Wong")	Pun Chi Tung Melvyn ("Mr. Melvyn Pun")	Jaime Alfonso Antonio Eder Zobel de Ayala ("Mr. Jaime Alfonso Zobel de Ayala")
Past (for the last 5 years)	<u>Past Principal Commitment</u> Nil <u>Past Directorship</u> Nera Telecommunications Ltd.	<u>Past Principal Commitment</u> Serge Pun & Associates (Myanmar) Limited <u>Past Directorships</u> Access Myanmar Holding Company Pte. Ltd. (struck off on 7 June 2021) Classic Champion Investments Limited (dissolved on 5 July 2019) D Myanmar Investment (Singapore) Pte. Ltd. (struck off on 7 April 2022) D Service (Myanmar) Limited Edotco Investments Singapore Pte. Ltd. Edotco Myanmar Limited Metro Wholesale Myanmar Limited Parkson Myanmar Asia Pte. Ltd. (struck off on 6 April 2023) Pinnacle Trade Holdings Limited (struck off on 1 November 2019) Yoma Bank Limited	<u>Past Principal Commitment</u> Nil <u>Past Directorship</u> AC Enexor, Inc.
Present	<u>Present Principal Commitment</u> Chief Executive Officer, Bronze Phoenix Pte Ltd <u>Present Directorships</u> CSE Global Limited First Resources Ltd PeopleStrong HR Services Pvt. Ltd. PeopleStrong Pte Ltd NTUC First Campus The Teng Ensemble Ltd National Kidney Foundation Singapore Institute of Directors Pegasus Asia Info-communications Media Development Authority of Singapore	<u>Present Principal Commitment</u> Chief Executive Officer of Yoma Strategic Holdings Ltd <u>Present Directorships</u> Altai Myanmar Company Limited Andaman Energy (HK) Limited Andaman Energy Holdings Limited Blue Ridge Company Limited China Band Investments Limited Chindwin Holdings Pte. Ltd. Classic Delight Holdings Limited	<u>Present Principal Commitment</u> Head of Business Development and Digital Ventures Group, Ayala Corporation <u>Present Directorships</u> AC Energy International Inc. AC Ventures Holdings Corp. ACEN Corporation AyalaLand Logistics Holdings Corp. BPI Capital Corporation BPI Direct BanKo, Inc. A Saving Bank (BanKo) First Myanmar Investment Public Company Limited Globe Fintech Innovations, Inc.

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

Name of persons	Wong Su Yen ("Ms Wong")	Pun Chi Tung Melvyn ("Mr. Melvyn Pun")	Jaime Alfonso Antonio Eder Zobel de Ayala ("Mr. Jaime Alfonso Zobel de Ayala")
		CM (2013) Holdings Limited Delta Capital Myanmar GP I Delta Capital Myanmar GP II Limited Delta Capital Myanmar Limited Enhanced Oil Recovery (Myanmar) Limited FMI Air Leasing Company Pte. Ltd. German Car Industries Company Limited GoTyme Bank Corporation KOSPA Limited MC Elevator (Myanmar) Limited Meeyahta Development Limited MM Cars Myanmar Limited MMCM Mandalay Limited Myanmar Institute of Directors Association Incorporated Parkson Myanmar Investment Company Pte. Ltd. Peninsula Yangon Holdings Pte. Limited Peninsula Yangon Limited Popa Myanmar Company Limited Pun Hlaing International Hospital Limited Pun Holdings (HK) Limited Pun Holdings Investments Limited Seagram MM Holdings Pte. Ltd. Serge Pun & Associates (Myanmar) Limited Thanlyin Estate Development (Singapore) Pte. Ltd. Vanson Development Limited Yangon Land Company Limited	Globe STT GDC, Inc. Globe Telecom, Inc. Mynt (Gcash) Rush Technologies, Inc. Yoma Development Group Limited

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

Name of persons	Wong Su Yen (“Ms Wong”)	Pun Chi Tung Melvyn (“Mr. Melvyn Pun”)	Jaime Alfonso Antonio Eder Zobel de Ayala (“Mr. Jaime Alfonso Zobel de Ayala”)
		Yankin Kyay Oh Group of Companies Limited YKKO Trademarks Company Limited YL Holdings (Myanmar) Company Limited Yoma Agriculture & Logistics Holding Pte. Ltd. Yoma Development Group Limited Yoma Development Group Pte. Ltd. Yoma Education Pte. Ltd. Yoma F&B Pte. Ltd. Yoma Financial Services Pte. Ltd. Yoma Heavy Equipment Company Limited Yoma MFS Holdings Pte. Ltd. Yoma Micro Power (S) Pte. Ltd. Yoma Micro Power Myanmar Limited Yoma OUE Pun Hlaing Hospital Limited Yoma Strategic Investments Ltd. YSH Finance Ltd.	
Responses to Sections (a) to (k) under Appendix 7.4.1 of the Listing Manual	Negative Confirmation	Negative Confirmation	Negative Confirmation

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YOMA STRATEGIC HOLDINGS LTD.

(Incorporated in the Republic of Singapore)
(Company Registration No. 196200185E)

IMPORTANT

1. The Annual General Meeting ("**AGM**") will be held, in a wholly physical format at Sophia Cooke Ballroom, Level 2, YWCA Fort Canning, 6 Fort Canning Road, Singapore 179494 on Thursday, 27 July 2023 at 10.00 a.m. (Singapore time). **There will be no option for shareholders to participate virtually.** Printed copies of the Notice of AGM dated 11 July 2023 ("**Notice of AGM**") and this proxy form will be sent by post to members. These documents will also be published on the Company's website https://yomastrategic.com and on the SGX website at the URL https://www.sgx.com/securities/company-announcements.
2. Please read the notes overleaf and the Notice of AGM which contain instructions on, inter alia, the appointment by a member of a proxy to attend, speak and vote on his/her/its behalf at the AGM.
3. This proxy form is not valid for use and shall be ineffective for all intents and purposes if used or purported to be used by Central Provident Fund ("**CPF**")/Supplementary Retirement Scheme ("**SRS**") investors. CPF and SRS investors:
   (a) may attend and cast his/her vote(s) at the AGM if they are appointed as proxies by their respective CPF Agent Banks or SRS Operators, and should contact their respective CPF Agent Banks or SRS Operators if they have any queries regarding their appointment as proxies; or
   (b) may appoint the Chairman of the AGM as proxy to vote on their behalf at the AGM, in which case they should approach their respective CPF Agent Banks or SRS Operators to submit their votes by 10.00 a.m. on 18 July 2023, being 7 working days before the date of the AGM.
4. By submitting this proxy form, the member accepts and agrees to the personal data privacy terms set out in the Notice of AGM.

PROXY FORM
ANNUAL GENERAL MEETING

I/We, ______________________ (Name) ______________________ (NRIC/Passport/Co. Reg. Number) of
of ____ (Address)
being a member/members of YOMA STRATEGIC HOLDINGS LTD. (the "**Company**"), hereby appoints:

Name	Address	NRIC/ Passport No.	Proportion of Shareholdings	
			No. of Shares	(%)

and/or (delete as appropriate)

Name	Address	NRIC/ Passport No.	Proportion of Shareholdings	
			No. of Shares	(%)

or him/her/them, the Chairman of the AGM as my/our proxy(ies) to attend, speak and vote on my/our behalf at the AGM of the Company to be held at the Sophia Cooke Ballroom, Level 2, YWCA Fort Canning, 6 Fort Canning Road, Singapore 179494 on Thursday, 27 July 2023 at 10.00 a.m. (Singapore time), and at any adjournment thereof in the manner as specified below. If no specific direction as to voting is given, the proxy(ies) may vote or abstain from voting at their discretion.

NOTE: Voting on all resolutions will be conducted by poll. If you wish to exercise 100% of your votes **For** or **Against** a resolution, please tick with "✓" in the corresponding box against that resolution. If you wish to **Abstain** from voting on a resolution in respect of 100% of your votes, please tick with "✓" in the corresponding box against that resolution. If you wish to split your votes, please indicate the number of votes **For** and/or **Against** and/or **Abstain** in the corresponding box against that resolution.

Ordinary Resolutions		For	Against	Abstain
1	Adoption of Directors' Statement and Audited Financial Statements for the financial period ended 31 March 2023 and the Independent Auditor's Report thereon			
2	Approval of Directors' fees for the 6-month period from 1 October 2022 to 31 March 2023			
3	Approval of Directors' fees for the financial year ending 31 March 2024			
4	Re-election of Mr. Pun Chi Tung Melvyn as a Director			
5	Re-election of Ms. Wong Su Yen as a Director			
6	Re-election of Mr. Jaime Alfonso Antonio Eder Zobel de Ayala as a Director			
7	Re-appointment of CLA Global TS Public Accounting Corporation as Independent Auditor and to authorise the Directors to fix their remuneration			
8	Authority to issue shares pursuant to the share issue mandate			
9	Authority to offer and grant options and to issue and allot shares pursuant to the Yoma Strategic Holdings Employee Share Option Scheme 2012			
10	Authority to issue and allot shares under the Yoma Performance Share Plan			
11	Grant of awards of 4,300,000 shares in aggregate to Non-Executive Independent Directors under the Yoma Performance Share Plan			
12	Grant of an award of 5,000,000 shares to Mr. Pun Chi Tung Melvyn under the Yoma Performance Share Plan			
13	Grant of an award of 2,000,000 shares to Mr. Pun Chi Tung Melvyn under the Yoma Performance Share Plan			
14	Modification to, and renewal of, the Interested Person Transactions Mandate			

Dated this __________ day of ______________ 2023

Total Number of Shares held in:	Number of Shares
CDP Register	
Register of Members	
Total	

____
Signature(s) of Member(s)/Common Seal

IMPORTANT: PLEASE READ NOTES OVERLEAF

NOTES:

1 Please insert the total number of shares held by you. If you have shares entered against your name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act 2001), you should insert that number of shares. If you have shares registered in the Register of Members (maintained by or on behalf of the Company), you should insert that number of shares. If you have shares entered against your name in the Depository Register and shares registered in your name in the Register of Members, you should insert the aggregate number of shares. If no number is inserted, this form of proxy will be deemed to relate to all shares held by you.

2 A member who is not a relevant intermediary* is entitled to appoint not more than two (2) proxies to attend, speak and vote on his/her/its behalf at the AGM. Where a member's form of proxy appoints more than one proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the form of proxy. A proxy need not be a member of the Company.

A member who is a relevant intermediary* is entitled to appoint more than two (2) proxies to attend, speak and vote at the AGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member's form of proxy appoints two (2) or more proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the form of proxy.

*"**relevant intermediary**" has the meaning ascribed to it in Section 181 of the Companies Act 1967.

Central Provident Fund Investment Scheme investors ("**CPF Investors**") and/or Supplementary Retirement Scheme investors ("**SRS Investors**"):

(a) may attend and cast his/her vote(s) at the AGM if they are appointed as proxies by their respective CPF Agent Banks or SRS Operators, and should contact their respective CPF Agent Banks or SRS Operators if they have any queries regarding their appointment as proxies; or

(b) may appoint the Chairman of the AGM as proxy to vote on their behalf at the AGM, in which case they should approach their respective CPF Agent Banks or SRS Operators to submit their votes by 10.00 a.m. on 18 July 2023, being seven (7) working days before the date of the AGM.

3 A member can appoint the Chairman of the AGM as his/her/its proxy but this is not mandatory.

If a member wishes to appoint the Chairman of the AGM as proxy, such member (whether individual or corporate) must give specific instructions as to voting for, voting against, or abstentions from voting on, each resolution in the instrument appointing the Chairman

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c/o B.A.C.S. Private Limited
77 Robinson Road
#06-03 Robinson 77
Singapore 068896

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of the AGM as proxy. In the absence of specific directions, the Chairman of the AGM will vote or abstain on each resolution as he/she may think fit, as he/she will on any other matter arising at the meeting.

4 A proxy need not be a member of the Company.

5 This proxy form must be signed by the appointor or his attorney duly authorised in writing. Where the form of proxy is executed by a corporation, it must be executed either under its common seal or under the hand of its attorney or a duly authorised officer. The power of attorney or other authority, if any, under which it is signed or a notarially certified copy of such power or authorised shall be lodged with the form of proxy, failing which, the person so named shall not be entitled to vote in respect thereof.

6 A corporation which is a member may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the AGM in accordance with its Constitution and Section 179 of the Companies Act 1967.

7 The instrument appointing the Chairman of the AGM or such other person as proxy must be submitted to the Company in the following manner:

(a) if submitted by post, be lodged at the office of the Share Registrar, B.A.C.S. Private Limited, at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896; or

(b) if submitted electronically, be submitted via email to main@zicoholdings.com,

in either case by no later than 10.00 a.m. on 24 July 2023, being seventy-two (72) hours before the time appointed for the AGM.

A member who wishes to submit an instrument of proxy must first complete and sign the proxy form, before submitting it by post to the address provided above, or before scanning and sending it by email to the email address provided above. The proxy form is available for download at the SGXNet and the Company's website at https://yomastrategic.com.

Members are strongly encouraged to submit completed proxy forms electronically via email to main@zicoholdings.com.

8 The Company shall be entitled to reject the form of proxy if it is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the form of proxy (including any related attachment). In addition, in the case of a member whose shares are entered in the Depository Register, the Company may reject any form of proxy lodged if the member, being the appointor, is not shown to have shares entered against his name in the Depository Register as at 72 hours before the time set for holding the AGM, as certified by the Central Depository (Pte) Limited to the Company.

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