
UNAUDITED FINANCIAL STATEMENT FOR THE NINE MONTHS ENDED 31 DECEMBER 2014

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS

1(a)(i) An income statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS FOR THE THIRD QUARTER AND NINE MONTHS ENDED 31 DECEMBER 2014

	The Group					
	S\$'000		%	S\$'000		%
	Quarter ended			Period ended		
	31.12.2014	31.12.2013	Increase/ (Decrease)	31.12.2014	31.12.2013	Increase/ (Decrease)
Revenue	25,013	30,191	(17.2)	83,474	72,419	15.3
Cost of sales	(12,824)	(16,807)	(23.7)	(50,886)	(40,972)	24.2
Gross profit	12,189	13,384	(8.9)	32,588	31,447	3.6
Other gains, net	3,767	886	325.2	19,993	958	1987.0
Expenses						
- Finance	(253)	(236)	7.2	(832)	(944)	(11.9)
- Administrative	(6,900)	(6,312)	9.3	(22,558)	(15,731)	43.4
Profit from operations	8,803	7,722	14.0	29,191	15,730	85.6
Share of profits/(losses) of associated companies	88	-	N.M.	(347)	-	N.M.
Share of profits/(losses) of joint ventures	89	(40)	N.M.	10	(92)	N.M.
Profit before income tax	8,980	7,682	16.9	28,854	15,638	84.5
Income tax expense	(937)	(172)	444.8	(1,493)	(365)	309.0
Net profit	8,043	7,510	7.1	27,361	15,273	79.1
Other comprehensive income:						
Items that may be reclassified subsequently to profit or loss:						
- Currency translation differences arising from consolidation - gains	2,571	393	554.2	2,397	684	250.4
- Share of other comprehensive income of associated companies	(827)	-	N.M.	(1,987)	-	N.M.
Other comprehensive income, net of tax	1,744	393	343.8	410	684	40.0
Total comprehensive income for the financial period	9,787	7,903	23.8	27,771	15,957	74.0
Net profit attributable to:						
Equity holders of the Company	7,795	5,203	49.8	19,876	9,453	110.3
Non-controlling interests	248	2,307	(89.3)	7,485	5,820	28.6
	8,043	7,510	7.1	27,361	15,273	79.1

The Group						
S\$'000		%	S\$'000		%	
Quarter ended		Increase/ (Decrease)	Period ended		Increase/ (Decrease)	
31.12.2014	31.12.2013		31.12.2014	31.12.2013		
Total comprehensive income attributable to:						
Equity holders of the Company	9,380	5,642	66.3	20,479	10,356	97.8
Non-controlling interests	407	2,261	(82.0)	7,292	5,601	30.2
	9,787	7,903	23.8	27,771	15,957	74.0

Notes to the income statement:-

(1) Included in other gains, net are the following items:-

The Group				
S\$'000				
Quarter ended		Period ended		
31.12.2014	31.12.2013	31.12.2014	31.12.2013	
Fair value gain on investment properties ^(a)	-	-	14,542	-
Currency translation gains, net ^(b)	3,212	749	3,790	440
Others	555	137	1,661	518
	3,767	886	19,993	958

- (a) During the current period ended 31 December 2014, the Group transferred development properties relating to Star City's Zone A Building A5, which is held for long-term leasing purpose, to investment properties. As all the units in Building A5 had been completed, the Group recognised a fair value gain of S\$14.54 million on the building based on the valuation report from an independent valuer.
- (b) The currency translation gain of S\$3.21 million in the current quarter ended 31 December 2014 comprised mainly unrealised translation gains of monetary assets denominated in United States dollars as a result of the appreciation of the United States dollars against the Singapore dollars during the current quarter.

1(a)(ii) The following items (with appropriate breakdowns and explanations), if significant, must either be included in the income statement or in the notes to the income statement for the current financial period reported on and the corresponding period of the immediately preceding financial year:

	The Group					
	S\$'000		%	S\$'000		%
	Quarter ended		Increase/ (Decrease)	Period ended		Increase/ (Decrease)
	31.12.2014	31.12.2013		31.12.2014	31.12.2013	
<u>Expenses / (Income)</u>						
Amortisation of intangible assets	215	130	65.4	647	389	66.3
Employee share option expense	572	996	(42.6)	2,114	2,764	(23.5)
Depreciation of property, plant and equipment	403	268	50.4	1,345	675	99.3
Fair value gain on investment properties	-	-	N.M.	14,542	-	N.M.
Interest expense	253	236	7.2	832	944	(11.9)
Interest income	(18)	(17)	5.9	(37)	(152)	(75.7)
Currency translation gains, net	(3,212)	(749)	328.8	(3,790)	(440)	761.4

NM – not meaningful

1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

	The Group (S\$'000)		The Company (S\$'000)	
	31.12.2014	31.03.2014	31.12.2014	31.03.2014
ASSETS				
Current assets				
Cash and cash equivalents	43,934	16,741	28,367	4,774
Trade and other receivables	139,840	86,074	219,373	146,384
Inventories	950	671	-	-
Development properties	31,397	39,442	-	-
Land development rights	8,058	9,318	-	-
Other current assets	17,737	23,942	7,952	7,699
	241,916	176,188	255,692	158,857
Non-current assets				
Investment in joint ventures	4,136	683	-	-
Investment in associated company	25,020	-	-	-
Investment in subsidiaries	-	-	103,430	103,430
Trade and other receivables	-	-	91,000	91,000
Investment properties	159,745	104,657	-	-
Call option to acquire land	13,161	13,161	-	-
Intangible assets	12,019	12,666	-	-
Land development rights	136,249	148,877	-	-
Available-for-sale financial assets	3,104	8,442	-	-
Prepayments	14,528	13,390	-	-
Property, plant and equipment	10,523	4,632	603	647
Other non-current assets	639	580	-	-
	379,124	307,088	195,033	195,077
Total assets	621,040	483,276	450,725	353,934
LIABILITIES				
Current liabilities				
Trade and other payables	43,436	39,358	32,676	34,812
Current income tax liabilities	2,690	2,586	100	113
Deferred income tax liabilities	380	444	-	-
Bank borrowing	10,000	-	10,000	-
	56,506	42,388	42,776	34,925
Non-current liabilities				
Shareholder's loans from non-controlling interests	7,300	8,523	-	-
Bank borrowing	15,167	14,327	-	-
	22,467	22,850	-	-
Total liabilities	78,973	65,238	42,776	34,925
NET ASSETS	542,067	418,038	407,949	319,009
EQUITY				
Capital and reserves attributable to equity holders of the Company				
Share capital	422,347	327,204	422,347	327,204
Share option reserve	6,414	5,204	6,414	5,204
Currency translation reserve	2,477	1,874	-	-
Retained profits/(accumulated losses)	57,031	37,250	(20,812)	(13,399)
	488,269	371,532	407,949	319,009
Non-controlling interests	53,798	46,506	-	-
Total equity	542,067	418,038	407,949	319,009

1(b)(ii) Aggregate amount of group's borrowings and debt securities

Amount repayable in one year or less, or on demand

As at 31.12.2014		As at 31.03.2014	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
10,000	-	-	-

Amount repayable after one year

As at 31.12.2014		As at 31.03.2014	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
15,167	-	14,327	-

The current bank borrowing of S\$10.00 million as at 31 December 2014 was due by the Company and is secured by a personal guarantee given by the Company's Executive Chairman, Mr Serge Pun.

The non-current bank borrowing of S\$15.17 million as at 31 December 2014 was due by the Group's wholly-owned subsidiary, Xun Xiang (Dalian) Enterprise Co Ltd ("Xun Xiang"). The loan is secured by an investment property (i.e. retail mall in Dalian, China) held by Xun Xiang. The increase in non-current bank borrowings from S\$14.33 million as at 31 March 2014 to S\$15.17 million as at 31 December 2014 was due to unrealised translation difference. The loan amount remains unchanged at US\$11.50 million.

1(c) A cash flow statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

	The Group (S\$'000)			
	Quarter ended		Period ended	
	31.12.2014	31.12.2013	31.12.2014	31.12.2013
Cash flows from operating activities:				
Net profit	8,043	7,510	27,361	15,273
Adjustments for:				
Income tax expense	937	172	1,493	365
Depreciation of property, plant and equipment	403	268	1,345	675
Amortisation of intangible assets	215	130	647	389
Employee share option expense	572	996	2,114	2,764
Fair value gain on investment properties	-	-	(14,542)	-
Write-off of property, plant and equipment	1	-	1	-
Share of (profit) / losses of associated companies	(89)	-	347	-
Share of (profit) / losses of joint ventures	(88)	40	(10)	92
Loss / (Gain) on disposal of property, plant and equipment	2	4	(16)	12
Interest expenses	253	236	832	944
Interest income	(18)	(17)	(37)	(152)
Unrealised currency translation gains	(2,083)	(918)	(3,069)	(2,694)
Operating cash flows before movements in working capital	8,147	8,421	16,466	17,668
Changes in working capital, net of effects from acquisition of subsidiaries:				
Trade and other receivables	(15,393)	(18,955)	(42,063)	(53,964)
Inventories and properties under development	(2,904)	(6,138)	(10,175)	(11,103)
Land development rights	980	7,754	11,698	19,151
Trade and other payables	1,336	10,757	3,367	17,931
Cash (used in) / generated from operations	(7,834)	1,839	(20,707)	(10,317)
Income tax paid	(49)	(93)	(807)	(257)
Interest received	4	15	17	243
Interest paid	-	-	-	-
Net cash (used in) / provided by operating activities	(7,879)	1,761	(21,497)	(10,331)
Cash flows from investing activities:				
Additions to property, plant and equipment	(448)	(1,270)	(7,956)	(2,418)
Proceeds from disposal of property, plant and equipment	35	10	706	25
Additions to investment in future projects	(3,301)	-	(13,750)	-
Additions to investment properties	(2,418)	(4,403)	(6,765)	(4,403)
Advance payment for future business acquisition	(23)	-	(436)	-
Investments in joint ventures	(3,178)	-	(3,444)	-
Investments in associated companies	-	-	(22,293)	-
Repayment of shareholders' loan to non-controlling interests	(1,486)	-	(6,341)	-
Proceeds from dilution of interests in available-for-sales financial assets	-	-	683	-
Payment for purchase of land	-	(5,756)	-	(5,756)
Additions to available-for-sales financial assets	-	-	-	(8,499)
Acquisition of subsidiary, net of cash acquired	-	(2,197)	-	(13,884)
Net cash used in investing activities	(10,819)	(13,616)	(59,596)	(34,935)

Cash flows from financing activities:

Proceeds from issuance of shares under private placement	-	-	94,500	-
Proceeds from issuance of shares under ESOS	1,157	-	1,157	-
Share issue expenses	-	-	(1,418)	-
Shareholder's loans from non-controlling interests	10	-	5,006	-
Shareholder's loans to associated companies	-	-	(259)	-
Proceeds from borrowings	-	-	10,000	-
Interest paid	(326)	(234)	(874)	(952)
Dividends paid	-	-	-	(5,785)
Repayment of borrowings	-	-	-	(14,354)

Net cash provided by / (used in) financing activities

Net (decrease) / increase in cash and cash equivalents

Cash and cash equivalents

Beginning of financial period	61,466	51,832	16,741	106,179
Effect of currency translation on cash and cash equivalents	325	(6)	174	(85)
End of financial period	43,934	39,737	43,934	39,737

The Group (S\$'000)			
Quarter ended		Period ended	
31.12.2014	31.12.2013	31.12.2014	31.12.2013
-	-	94,500	-
1,157	-	1,157	-
-	-	(1,418)	-
10	-	5,006	-
-	-	(259)	-
-	-	10,000	-
(326)	(234)	(874)	(952)
-	-	-	(5,785)
-	-	-	(14,354)
841	(234)	108,112	(21,091)
(17,857)	(12,089)	27,019	(66,357)
61,466	51,832	16,741	106,179
325	(6)	174	(85)
43,934	39,737	43,934	39,737

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalization issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

S\$'000							
The Group	Attributable to equity holders of the Company					Non-controlling Interest	
	Share Capital	Share Option Reserve	Currency Translation Reserve	Retained Profits	Total	Non-controlling Interest	Total
At 1 April 2014	327,204	5,204	1,874	37,250	371,532	46,506	418,038
Issuance of shares under private placement	94,500	-	-	-	94,500	-	94,500
Shares issue expenses	(1,418)	-	-	-	(1,418)	-	(1,418)
Issuance of shares under ESOS	2,061	(904)	-	-	1,157	-	1,157
Employee share option expense	-	2,114	-	-	2,114	-	2,114
Effect of changes in shareholdings in subsidiaries	-	-	-	(95)	(95)	-	(95)
Total comprehensive income	-	-	603	19,876	20,479	7,292	27,771
At 31 December 2014	422,347	6,414	2,477	57,031	488,269	53,798	542,067
At 1 April 2013	327,204	1,467	2,151	26,643	357,465	38,655	396,120
Employee share option expense	-	2,764	-	-	2,764	-	2,764
Dividends paid	-	-	-	(5,785)	(5,785)	-	(5,785)
Acquisition of subsidiary	-	-	-	-	-	(3,795)	(3,795)
Total comprehensive income	-	-	903	9,453	10,356	5,601	15,957
At 31 December 2013	327,204	4,231	3,054	30,311	364,800	40,461	405,261

S\$'000				
The Company	Share Capital	Share Option Reserves	Retained Profits / (Accumulated Losses)	Total
At 1 April 2014	327,204	5,204	(13,399)	319,009
Issuance of shares under private placement	94,500	-	-	94,500
Shares issue expenses	(1,418)	-	-	(1,418)
Issuance of shares under ESOS	2,061	(904)	-	1,157
Employee share option expense	-	2,114	-	2,114
Total comprehensive loss	-	-	(7,413)	(7,413)
At 31 December 2014	422,347	6,414	(20,812)	407,949
At 1 April 2013	327,204	1,467	5,936	334,607
Employee share option expense	-	2,764	-	2,764
Dividends paid	-	-	(5,785)	(5,785)
Total comprehensive loss	-	-	(7,219)	(7,219)
At 31 December 2013	327,204	4,231	(7,068)	324,367

1(d) (ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

Private Placement

In July 2014, the Company allotted and issued 135,000,000 ordinary shares of S\$0.70 each pursuant to a placement. As a result of which, the total number of issued shares increased from 1,157,118,215 to 1,292,118,215 and the issued and paid up capital increased from S\$327.20 million to S\$420.29 million.

The gross proceeds from the placement was S\$94.5 million. The Company announced on 7 July 2014, 27 August 2014, 30 September 2014, 20 December 2014 and 11 January 2015 that it had disbursed an aggregate amount of S\$84.7 million in accordance with the purposes set out in the announcement dated 26 June 2014 and the unutilised amount was approximately S\$9.8 million.

Employees Shares Option Scheme

As at 31 December 2014, the Company granted share options for a total of 26.55 million (30 September 2014: 22.25 million) ordinary shares to senior employees and Directors of the Group under the YSH ESOS 2012 which was approved by shareholders at the extraordinary general meeting on 25 May 2012.

As at 31 December 2014, a total of 3,496,000 ordinary shares were issued and allotted pursuant to the exercise of vested share options by the senior employees and Directors of the Group. As a result of which, as at 31 December 2014, the total number of issued shares increased from 1,292,118,215 to 1,295,614,215 and the issued and paid up capital increased from S\$420.29 million to S\$422.35 million. As at 31 December 2014, the outstanding share options were for a total of 23.05 million ordinary shares.

In January 2015, the Company further granted share options for a total of 0.30 million ordinary shares to a senior employee. In addition, a total of 1,998,000 ordinary shares were issued and allotted pursuant to the exercise of vested share options by the senior employees and Directors of the Group. As a result of which, as at 6 January 2015, the total number of issued shares increased from 1,295,614,215 to 1,297,612,215 and the issued and paid up capital increased from S\$422.35 million to S\$423.55 million. As at to-date, the outstanding share options are for a total of 21.36 million ordinary shares.

Rights Issue

As detailed in the Company's Offer Information Statement dated 16 January 2015, the Company had undertaken a rights issue exercise for the issuance and allotment of up to 432,539,405 new ordinary shares in the capital of the Company at an issue price of S\$0.38 for each rights share, on the basis of one rights share for every three existing shares held by the shareholders of the Company. The rights issue subscription closed on 2 February 2015 and the Company is currently in the process of finalizing the issuance and allotment of the rights shares. The Company has released an announcement on the results of the rights issue which provided that the rights shares have been fully subscribed. Based on the existing share capital of the Company as at the books closure date, the total number of issued shares would increase from 1,297,612,215 to 1,730,149,620 and the issued and paid up capital (without taking into consideration rights issue expenses) would increase from S\$422.35 million S\$586.71 million.

1(d) (iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

Total number of issued shares as at 31 December 2014 – 1,295,614,215

Total number of issued shares as at 31 March 2014 – 1,157,118,215

The Company had no treasury shares as at 31 December 2014 and 31 March 2014.

1(d) (iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

Nil

2. Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.

The figures have not been audited nor reviewed by the Company's auditors.

3. Where the figures have been audited or reviewed, the auditor's report (including any qualifications or emphasis of a matter).

NA.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

Save as disclosed in paragraph 5 below, the Group has consistently applied the same accounting policies and methods of computation in the financial statements for the current reporting period as compared to its audited financial statements for the financial year ended 31 March 2014.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

In the current financial period, the Group and the Company adopted the new/revised Financial Reporting Standards ("FRS") and Interpretations of FRS ("INT FRS") that are effective for annual periods beginning on or after 1 January 2014:

- FRS 27 (revised 2011) - Separate Financial Statements
- FRS 28 (revised 2011) - Investments in Associates and Joint Ventures
- Amendments to FRS 32 - Offsetting Financial Assets and Financial Liabilities
- Amendments to FRS 36 - Recoverable Amount Disclosures for Non-Financial Assets
- Amendments to FRS 39 - Novation of Derivatives and Continuation of Hedge Accounting
- FRS 110 - Consolidated Financial Statements
- FRS 111 - Joint Arrangements
- FRS 112 - Disclosure of Interests in Other Entities
- Amendments to FRS 110, FRS 111, FRS 112, FRS 27 (2011) and FRS 28 (2011) - Mandatory Effective Date
- Amendments to FRS 110, FRS 111, FRS 112 and FRS 27 - Transition Guidance
- Amendments to FRS 110, FRS 111, FRS 112 and FRS 27 - Investment Entities

The adoption of the above FRSs did not result in any substantial change to the Group and the Company's accounting policies nor any material impact on the financial statements of the Group.

6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

	The Group			
	Quarter ended	Quarter ended	Period ended	Period ended
	31.12.2014	31.12.2013	31.12.2014	31.12.2013
(a) Basic earnings per share				
Net profit attributable to equity holders of the Company (S\$'000)	7,795	5,203	19,876	9,453
Weighted average number of ordinary shares outstanding ('000)	1,293,284	1,157,118	1,247,507	1,157,118
Basic earnings per share (cents)	0.60	0.45	1.59	0.82

	The Group			
	Quarter ended	Quarter ended	Period ended	Period ended
	31.12.2014	31.12.2013	31.12.2014	31.12.2013
(b) Diluted earnings per share				
Net profit attributable to equity holders of the Company (S\$'000)	7,795	5,203	19,876	9,453
Weighted average number of ordinary shares outstanding ('000)	1,299,740	1,167,992	1,254,616	1,167,687
Diluted earnings per share (cents)	0.60	0.45	1.58	0.81

As at 31 December 2014, there were share options for a total of 23.05 million (31 December 2013: 22.25 million) ordinary shares under the YSH ESOS 2012 that are outstanding. The weighted average number of shares on issue for the purpose of calculating diluted earnings per share had been adjusted as if all dilutive share options were exercised as at 31 December 2014 and 31 December 2013.

7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued share excluding treasury shares of the issuer at the end of the:

- (a) current financial period reported on; and**
- (b) immediately preceding financial year.**

	The Group		The Company	
	31.12.2014	31.03.2014	31.12.2014	31.03.2014
Net asset value per ordinary share (cents)	37.69	32.11	31.49	27.57

The net asset value per ordinary share attributable to equity holders of the Company was calculated based on the number of ordinary shares in issue being 1,295,614,215 as at 31 December 2014 and 1,157,118,215 as at 31 March 2014.

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:

- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and
- (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

INCOME STATEMENT

The Group's revenue for the current quarter ended 31 December 2014 ("3Q2015") was S\$25.01 million as compared to the revenue of S\$30.19 million in the previous corresponding quarter ended 31 December 2013 ("3Q2014"). Below is the breakdown of revenue by segment:-

	3Q2015		3Q2014	
	S\$'million	As a percentage of total revenue	S\$'million	As a percentage of total revenue
Sales of residences and LDRs	19.27	77.0%	27.17	90.0%
Rental of properties	1.52	6.1%	0.32	1.0%
Construction-related services	0.38	1.5%	0.45	1.5%
Automotive services	0.40	1.6%	0.20	0.7%
Tourism services	3.44	13.8%	2.05	6.8%
Total	25.01	100.0%	30.19	100.0%

The decrease in revenue in 3Q2015 as compared to 3Q2014 was mainly due to the sale of land development rights ("LDRs") relating to 2 buildings in Zone B of Star City amounting to S\$14.56 million to a third party investor in 3Q2014 but there was no such similar sale transaction in 3Q2015. As the Group expands into other areas of business such as rental of properties, automotive and tourism, the percentage of revenue generated from sales of residences and LDRs has decreased. However, the sales of residences and LDRs in Myanmar remained the main source of the Group's revenue for both the current quarter and the previous corresponding quarter. Revenue generated from sales of residences and LDRs in 3Q2015 was S\$19.27 million (approximately 77.0% of total revenue) as compared to S\$27.17 million (approximately 90.0% of total revenue) in 3Q2014. In 3Q2015, revenue arising from sales of residences and LDRs was S\$15.73 million (3Q2014: S\$10.95 million) and S\$3.54 million (2Q2014: S\$16.22 million) respectively.

As at 31 December 2014, the Group had fully sold the 528 units in Star City's Zone A Buildings A3 and A4. Total contractual revenue for these sold units in the two buildings at Star City's Zone A amounted to approximately S\$60.57 million (based on the exchange rate as at 31 December 2014). However, only S\$45.95 million of revenue had been recognised for Buildings A3 and A4 as at 31 December 2014, with S\$37.79 million having been recognised in the previous periods and an additional S\$8.12 million in 3Q2015. This is in line with the Group's accounting policy which requires recognition of revenue from the sales of development properties based on the percentage-of-completion method. The balance of unrecognised revenue of approximately S\$14.67 million is expected to be recognised within the next 6 months as construction progresses. As at 31 December 2014, the Group had received cash deposits and instalments of S\$34.62 million from buyers, representing approximately 57.2% of the total contractual purchase prices of the sold units.

The rental revenue generated from the Group's investment properties increased from S\$0.32 million in Q32014 to S\$1.52 million in Q32015. The rental revenue was generated from the Group's Building A5 in Star City Zone A, Lakeview G in Pun Hlaing Golf Estate ("PHGE") and the shopping mall in Dalian.

Gross profit margin improved to 48.7% in 3Q2015 as compared to 44.3% in 3Q2014 due to higher revenue generated from sales of PHGE LDRs and residences, where the margins are higher.

The increase in other gains, net was mainly due to the recognition of currency translation gains of S\$3.21 million in 3Q2015. This comprised mainly unrealised translation gains of monetary assets denominated in United States dollars as a result of the appreciation of the United States dollar against the Singapore dollar during the current quarter.

Administrative expenses increased slightly by S\$0.59 million to S\$6.90 million in 3Q2015 as compared to S\$6.31 million in 3Q2014. This was mainly due to accrual of bonus which is being accrued on a monthly basis based on the estimated amount payable.

In 3Q2015, the Group recorded share of profits in associated companies as against a loss in the previous quarter, 2Q2015 due to improvement in results in Digicel Asian Holdings Pte Limited (“Digicel Asian Holdings”).

The Group also recorded share of profits in joint ventures of S\$0.09 million in 3Q2015 as compared to share of losses of S\$0.04 million in 3Q2014.

As a result of the above, the Group’s net profit attributable to equity holders of the Company increased to S\$7.80 million in 3Q2015 as compared to S\$5.20 million in 3Q2014.

BALANCE SHEET

The net assets attributable to equity holders of the Company increased by S\$116.74 million to S\$488.27 million as at 31 December 2014 as compared to S\$371.53 million as at 31 March 2014. The increase was due to the increase in share capital of S\$95.14 million as a result of the issuance of new ordinary shares pursuant to the private placement exercise in July 2014 and the exercise of vested options by senior employees and Directors of the Company in December 2014. Retained profits as at 31 December 2014 increased to S\$57.03 million due to the net profit attributable to equity holders of the Company of S\$19.88 million recorded during the nine-month period ended 31 December 2014.

Investment properties increased to S\$159.75 million as at 31 December 2014 as compared to S\$104.66 million as at 31 March 2014. The increase was mainly due to the transfer of Star City’s Zone A Building A5, which is a 150-unit apartment block with a fair value of S\$40.04 million, to investment properties.

The Group’s LDRs (current and non-current portions) decreased to S\$144.31 million as at 31 December 2014 as compared to S\$158.20 million as at 31 March 2014 due to the recognition of the costs of LDRs sold and the capitalisation of the costs of the LDRs transferred to development properties and investment properties during the current period. The LDRs of S\$144.31 million were made up of LDRs in Star City of S\$91.95 million and LDRs held for sale and development of S\$52.36 million relating to other projects in PHGE and FMI City. In August 2014, the Company announced that it paid S\$5.87 million as its pro-rata portion of compensation determined by the Government in relation to LDRs in PHGE to settle potential claims by individuals who claimed to have had previously occupied land in PHGE and this cost was capitalised as the additional acquisition costs of the LDRs. As at 31 December 2014, the remaining land areas pertain to LDRs in PHGE (where the Group has a 70% interest) of approximately 4.46 million square feet, in the Evergreen project (where the Group has a 100% interest) of approximately 0.30 million square feet and in FMI City (where the Group has a 52.5% interest) of approximately 0.17 million square feet.

Investment in associated companies of S\$25.02 million refers mainly to the Group's 25% interest in Digicel Asian Holdings which is in the business of development, construction and leasing of telecommunications towers. In May 2014, the Company announced that YSH Finance Limited, a 80%-owned subsidiary of the Company, had entered into a subscription agreement with Digicel Group Limited to subscribe for an additional 17% interest in Digicel Asian Holdings such that YSH Finance Limited would ultimately hold a 25% interest in Digicel Asian Holdings. Following the subscription, the Company's effective interest in Digicel Asian Holdings increased from 6.4% to 20%, therefore resulting in the change in the classification of the investment from available-for-sale financial asset to an associated company of the Group. In August 2014, the Group further announced that the Company had acquired the remaining 20% interest in YSH Finance Limited from its related party, First Myanmar Investments Company Limited, hence increased the Company's effective interest in Digicel Asian Holdings from 20% to 25%.

Trade and other receivables increased to S\$139.84 million as at 31 December 2014 as compared to S\$86.07 million as at 31 March 2014, mainly due to unbilled trade receivables and costs relating to future projects. The total amount of S\$139.84 million of trade and other receivables were made up mainly of:-

- (a) S\$59.10 million of unbilled trade receivables, of which S\$25.24 million was related to the revenue recognised for the sale of LDRS relating to Zone C in Star City which was explained in the 2Q2015 results announcement;
- (b) S\$6.13 million of current trade receivables;
- (c) S\$23.13 million of costs relating to future projects, of which S\$6.99 million was related to the purchase of land for development into an international school as detailed in the Company's announcement dated 28 August 2014; and
- (d) S\$7.00 million of the Group's contribution of pro-rata preliminary development costs of the Landmark Project as detailed in the Company's announcement dated 20 August 2013.

Other current assets decreased from S\$23.94 million as at 31 March 2014 to S\$17.74 million as at 31 December 2014. The reason for the decrease was due to the transfer of deposits paid for the purchase of 6 plots of land in Bagan amounting to S\$7.67 million, to investment properties as a result of the completion of the acquisition.

As at 31 December 2014, trade and other payables increased to S\$43.44 million as compared to S\$39.36 million as at 31 March 2014. Included in trade and other payables was an amount of S\$10.89 million of current payables for construction works and an amount of S\$4.85 million, representing the advance receipts and progress billings for the sale of houses in PHGE and Star City.

The current bank borrowing of S\$10.00 million as at 31 December 2014 was due by the Company and is secured by a personal guarantee given by the Company's Executive Chairman, Mr Serge Pun. The non-current bank borrowing of S\$15.17 million as at 31 December 2014 was due by Xun Xiang and is secured by an investment property (retail mall in Dalian, China) held by Xun Xiang. The increase from S\$14.33 million as at 31 March 2014 to S\$15.17 million as at 31 December 2014 was due to unrealised translation difference. The loan amount remains unchanged at US\$11.50 million.

CASHFLOW STATEMENT

Cash and bank balances increased to S\$43.93 million as at 31 December 2014 as compared to S\$16.74 million as at 31 March 2014. The increase was due to net cash of S\$108.11 million provided by financing activities as a result of the issuance of new ordinary shares under private placement exercise and exercise of options under the YSH ESOS 2012 and proceeds from short-term bank borrowings. This increase was reduced by cash used in operating and investing activities. The net cash used in operating activities of S\$20.71 million was a result of higher working capital requirements and the net cash used in investing activities of S\$59.60 million was mainly for the acquisition of new property, plant and equipment (largely for the Group's expansion in the automotive business) amounting to S\$7.96 million, the additional investment in Digicel Asian Holdings of S\$22.29 million and the additional investment in future projects of S\$13.75 million.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

There is no material variance between the information previously disclosed in the results announcements for the quarter ended 30 September 2014 and the actual results for the quarter ended 31 December 2014.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

As we enter calendar year 2015 and the final year of the present Government of Myanmar's five year term there is much focus on keeping the momentum going with the reform program which started in 2010. There are a number of important pieces of legislation that will hopefully be passed within the year such as the Bank and Financial Institutions Law and the Condominium Act.

The announcement in October 2014 that nine foreign banks had been awarded banking licences to offer some banking services in Myanmar is an important catalyst in the reform of the banking sector. This development along with the roll out in earnest of mobile phone coverage by Telenor and Ooredoo, the two mobile phone operators, is expected to have a positive impact on the rate of growth of the economy. The Group is likely to be a direct beneficiary of both these developments.

The Asean Economic Community (AEC) is expected to come into operation in 2015 in an attempt to harmonise many areas relating to business and trade across the ASEAN countries. Although there will likely be a number of exceptions, the general intent of raising and harmonizing standards across ASEAN bodes well for economic growth in Myanmar. One area of particular relevance to the Group is in the area of construction standards and quality of buildings. We believe that in many instances the Group is already in compliance with these enhanced standards whereas some of the local competition in Myanmar may find it harder to comply.

A number of recent international surveys suggest that confidence in Myanmar is continuing to improve. According to UOB Asian Enterprise Survey 2014, one quarter of Asian enterprises are looking to invest in the country¹. A consultation paper from the IMF ("Article IV Consultation for Myanmar") highlighted Myanmar's economic growth whilst at the same time its ability to control inflation². More recently, a survey by MasterCard released in January 2015 showed that Myanmar had the highest consumer confidence level in the countries sampled in Asia Pacific³.

While all of these third party assessments cite challenges to the economic potential being realized, they do indicate that in general the reform process is having the desired effect of stimulating economic growth. The Group is operating in a number of business areas which are expected to benefit from this improved macro outlook.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

Nil

¹ Source: <http://www.uobgroup.com/assets/pdfs/about/news/2014/UOB-awarded-the-Most-Admired-ASEAN.pdf>

² Source: <https://www.imf.org/external/pubs/ft/scr/2014/cr14307.pdf>

³ Source: <http://www.masterintelligence.com/content/intelligence/en/research/press-release/2015/consumer-confidence-in-asia-pacific-inches-down.html>

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year?

Nil

(c) Date payable

Not applicable

(d) Books closure date

Not applicable

12. If no dividend has been declared/recommendeded, a statement to that effect.

No dividend has been declared/recommendeded.

PART II- ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

13. Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.

Not applicable

14. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.

Please refer to paragraph 8.

15. A breakdown of sales.

Not applicable

16. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year.

Not applicable

17. Interested Person Transactions

The details of interested person transactions for the financial period ended 31 December 2014 are set out below.

Name of Interested Person	Aggregate value of all interested person transactions during FY2015 (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions during FY2015 which are conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000) *
	S\$'000	S\$'000
Associates of Mr. Serge Pun:-		
(a) Purchases	16,183	3,397
(b) Sales	-	896
(c) Treasury transactions	-	366
(d) Land development rights transactions	-	1,889
(e) Prepayments for projects	-	218

* Shareholders' mandate was renewed and approved at the Annual General Meeting held on 25 July 2014. Accordingly, the aggregate value of all interested person transactions is presented for the 9-months period from 1 April 2014 to 31 December 2014.

18. Negative assurance on Interim Financial Statements

We, Serge Pun and Andrew Rickards, being the Directors of the Company, do hereby confirm for and on behalf of the Board of Directors that, to the best of our knowledge, nothing has come to our attention which may render the financial results for the second quarter ended 31 December 2014 to be false or misleading in any material aspect.

BY ORDER OF THE BOARD

Andrew Rickards
CEO
9 February 2015

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