



Yoma Strategic Holdings Ltd

Investor Presentation | April 2013

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- Business Environment in Myanmar
- SPA Group
- About Yoma Strategic
- Business Overview
- Latest Developments
- Financial Highlights
- Investment Merits
- Questions & Answers



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Business Environment in Myanmar



Last emerging frontier market

Myanmar Developments & Reforms



- 2011
 - Historic visit made by Hillary Clinton, US Secretary of State then (Dec)
 - Aung San Suu Kyi stating intention to work with President Thein Sein (Mar)
 - Appointment of Derek Mitchell as the first US Ambassador to Myanmar since 1990 (Jul)
 - Aung San Suu Kyi takes her seat in the Parliament (Jul)
 - Progress of peace agreements with the ethnic minorities (Aung San Suu Kyi appointed Chair of National Reconciliation Commission) (Jul)
 - First US deal in Myanmar - General Electric provides medical equipment (Jul)
 - Aung San Suu Kyi toured US and Europe (Sep)
 - Visits made by President Thein Sein to US and South Korea (Sep/Oct)
 - New Foreign Investment Law signed (Nov)
 - Historic visit made by US President Barack Obama - first US President to visit Myanmar (Nov)
- 2012
 - World Bank providing US\$440 million zero-interest loan to improve Myanmar finances and pay back bridge loan from Japan (Jan) and US\$245 million in assistance for priority needs (Feb)
 - Aung San Suu Kyi offers to help negotiate end to conflicts between the government and the country's ethnic minority groups (Feb)
 - Myanmar's Ethnic Reconciliation and the Peace Process gaining pace (Feb)
 - President Thein Sein's first visit to Europe (Feb/Mar)
 - Foreign firms will be granted full rights to Myanmar's deepwater oil blocks (Mar)
 - Aung San Suu Kyi re-elected to be NLD's leader (Mar)
 - Singapore President Tony Tan visits Myanmar (Apr)
 - Pre-qualification for Two Mobile Phone Licenses (Apr)

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SPA Group



Affiliation with Myanmar conglomerate

SPA Group



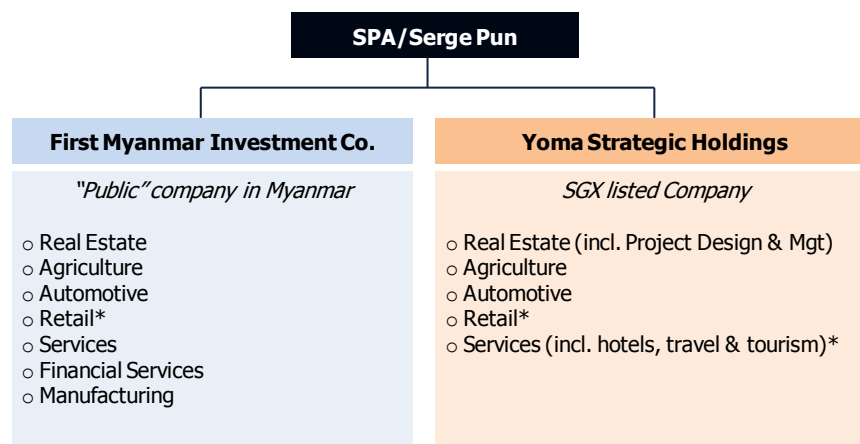
- Founded in 1991 by Serge Pun
- Over 4,500 employees in 6 businesses:



- Over 30 operating companies including the Group's local flagship company – First Myanmar Investment Co. Ltd. ("FMI"), a Myanmar Public Company with over 3,000 shareholders
- Past & present foreign JV partners include:
 - MNCs: Nissan Motor Company, Suzuki Motor Company, Sumitomo Corporation, Jebsen and Jessen, CP Land (a subsidiary of CP Pokphand) and Siam Syntech (member of Woh Hup Group)
 - International private investment companies & high net worth individuals from North America, Europe and Asia

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SPA Group



*new business

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About Yoma Strategic



SGX-listed Myanmar-centric company

Yoma at a Glance



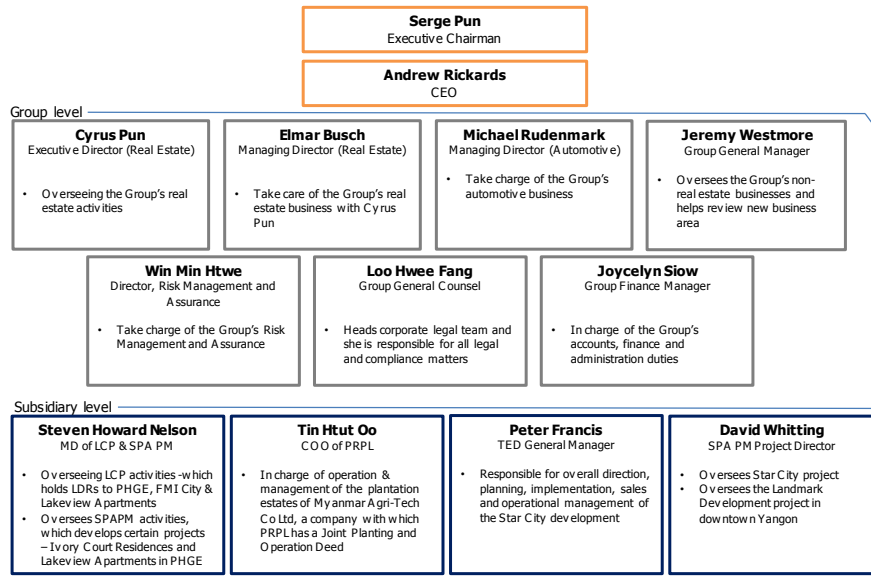
- Listed on SGX Mainboard (SGX code Z59) in Aug 2006
- Businesses incl. Real Estate, Agriculture, Automotive Dealership and Retail
- 100% Myanmar revenue contribution
- Affiliated to SPA Group Myanmar via common major shareholder, Serge Pun
- Constituent stock in FTSE ST Small Cap Index & MCSI ASWI Global Small Cap Index
- Capital International, Inc. holds approx. 7.8% shareholding of the Company



Stock code	Yoma:SP (Bloomberg) Yoma.SI (Reuters)
Issued & paid up shares	1,157,118,000
52 week price range*	S\$0.925(highest) S\$0.301(lowest)
Market capitalisation*	S\$937M (US\$758M)
Analyst coverage	OCBC DBS Vickers

*As of last traded price on 19 April 2013 of S\$0.81

Experienced Management Team



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Key Milestones



- Aug 2006** Reverse Takeover of SGX listed shell
 - Injection of Economic Benefits of Land Development Rights in FMI City and Pun Hlaing Golf Estate
 - First Right of Refusal Deed with SPA Myanmar over property in Yangon
- Sep 2007** Acquisition of rights to develop agricultural land
- Dec 2007** Diversification into Dalian, China
- Dec 2010** Agreement with Dongfeng Automobile Co Ltd
- Feb 2012** Restructuring of Dalian project
- Jun 2012** Rights Issue and Acquisition of Star City Project
- Nov 2012** Proposed acquisition of the land in Central Yangon for Landmark Development Project
 - Completion of Placement exercise
- Feb 2013** Shareholders approved Landmark Development Project acquisition at EGM



The only Myanmar-centric internationally listed company

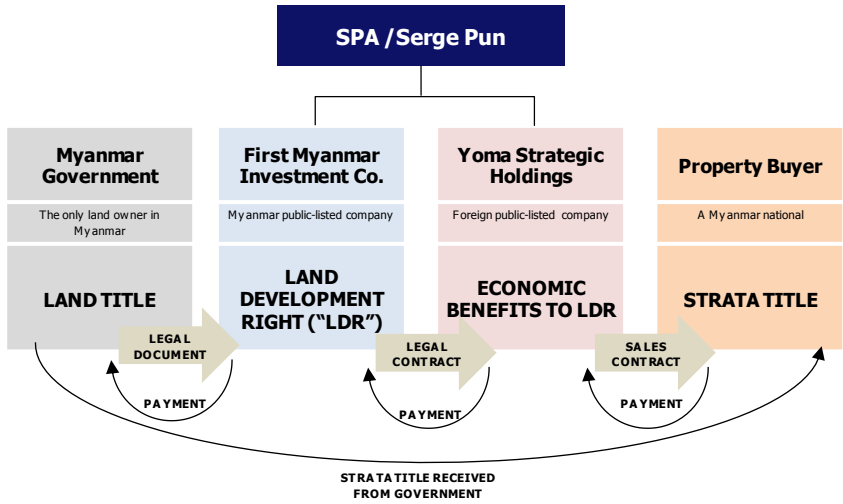
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Business Overview



Real Estate

Land Development Rights



FMI City



Myanmar's first gated community, complete with its own sports and recreation centre, supermarket and wet market, bank and food stalls. Situated on 465 acres of land, it is nine miles from the centre of Yangon and two miles from Yangon International Airport.



Sales of land lots

Sales of LDRs in Orchid Garden	<ul style="list-style-type: none"> ❖ Offer land lots to buyers to build their private houses ❖ Economic benefit to Yoma: 52.5% of sales value ❖ Approx 0.4m sq ft LDRs available as at 31 Dec 2012 ❖ Land cost in 2006 – approx Ks. 3,000/sq ft and held at cost ❖ Last selling price - approx Ks. 10,000/sq ft
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Sales of properties

Fontana Project	<ul style="list-style-type: none"> ❖ Developing houses with FMI Garden Development Company Limited and an independent alternative investment management firm ❖ Economic benefit to Yoma: 52.5% of sales value ❖ 95 units of Fontana Garden sold as at 31 Dec 2012
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Pun Hlaing Golf Estate



A 637-acre residential development located between the Hlaing and the Pan Hlaing Rivers in the township of Hlaing Tharyar, just 8 miles west of Yangon. It surrounds an 18-hole Gary Player signature golf course with a country club, international school and hospital on the premises.



Sales of land lots

Sales of Land Development Rights (LDRs)	<ul style="list-style-type: none"> ❖ Sales of land lots to buyers to build private villas ❖ Economic benefit to Yoma: 70% of sales value
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Sales of properties

Ivory Court Residences	<ul style="list-style-type: none"> ❖ 20 units of modern 3-bedroom townhouses ❖ Economic benefit to Yoma: 100% of sales value
Lakeview Apartments	<ul style="list-style-type: none"> ❖ 7 blocks with a total of 128 condominium units ❖ Economic benefit to Yoma: 100% of sales value
Bamboo Grove	<ul style="list-style-type: none"> ❖ 4 modern houses ❖ Economic benefit to Yoma: 100% of sales value

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Pun Hlaing Golf Estate

**LDRS**

- Still hold approx 5m sq ft of LDRs as at 31 Dec 2012
- Land cost of LDRs in 2006 - approx Ks.7,000/sq ft and held at cost
- Last selling price - approx Ks. 40,000/sq ft

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Pun Hlaing Golf Estate

**Lakeview Apartments**

- Self-contained low rise condominium development in Northeast corner of PHGE
- Blocks A, B, C & D already built; Blocks E, F & G under construction
- Blocks A to F fully sold ; Block G intended for rental

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Pun Hlaing Golf Estate



Ivory Court Residences



- 20 modern townhouses located in PHGE with prime views of 18th fairway
- 10 units of first phase (ICR I) all sold
- 8 out of 10 units of second phase (ICR II) sold as at 31 Dec 2012

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Pun Hlaing Golf Estate



Bamboo Grove



- 4 modern landed houses located on plots approx 7,800 - 9,500 sq ft in PHGE
- 2 out of 4 houses sold as at 31 Dec 2012

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Star City



Approx. 135 acres to comprise > 9,000 units of apartments and houses, shopping and commercial areas, targeted at middle-class population. Located in Thanlyin Township, approx. 6 miles south-east of downtown Yangon



- Properties along perimeter have view of Pun Hlaing Links golf course and features a professional estate management system, 24-hour security, water supply, cleaning services, and a substation providing 24-hour electricity to all common areas
- Acquired for S\$91m and financed by 4-for-5 rights issue which raised S\$101m
- Successfully acquired 70% economic interest of Star City on 1 June 2012

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Star City



- Buildings (1) and (2) which are not part of the acquisition have been fully sold
- Building (3) launched on 21 April 2012
 - 228 out of 264 units sold as at 31 Dec 2012; booking deposits for additional 9 units received
- Building (4) launched in 2QFY13
 - 138 out of 264 units sold as at 31 Dec 2012; with booking deposits received for an additional 14 units

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Star City



- Total of 139 units available as at 31 Dec 2012
 - Additional 32 units sold and booking deposits for 38 units received in Jan 2013
- Total sales of S\$46.3m as at 31 Dec 2012
 - Only S\$2.6m out of the S\$46.3m recognised (percentage-on-completion basis)
- Remaining balance of approx S\$43.7m will be recognised as construction progresses

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Project Management & Design



- Comprises SPA Design, Project Management and PM Development
- Provides value-added design and construction management, engineering, and architectural solutions
- Managing and consulting arm for Yoma's real estate development and special projects
- JV with Dragages (part of the Bouygues Group) to construct 1,043 units of Zone B of Thanlyin Star City in Myanmar



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Business Overview



Agriculture

Agriculture



- 100,000 acres of contiguous agricultural land located on the Maw Tin estate in Ayerwaddy Division of Myanmar, situated 260 km west of Yangon
- Jatropha Curcas currently main agricultural product
 - accounting for approx. 2,000 acres
- Started planting black pepper
- Exploring additional agricultural uses for land
 - e.g. rubber, eucalyptus, neem, coffee etc

Business Overview



Automotive

Automotive



- Exclusive dealership to import Dongfeng Light Trucks from China
- Established 70:30 Singapore JV with FMI called Myanmar Motors Pte. Ltd
- Acquisition of German Car Industries Company Limited (GCI) for US\$700,000 completed in March 2013
 - Established premier service centre for European vehicles in Yangon
- Appointment of Mr Michael Rudenmark as Managing Director (Automotive)
- Possible acquisition of existing automotive businesses of SPA

Business Overview

YOMA



Retail

Retail

YOMA

- Signed JV Agreement in November 2012 with Parkson Myanmar & FMI to establish JVCo to operate department stores in Myanmar
- Interest in JVCo
 - Parkson Myanmar (70%)
 - Yoma Strategic (20%)
 - FMI (10%)
- First store expected to be located in FMI Centre, Pabedan Township of Yangon
 - To comprise 4 storeys
 - Built-up area of approx. 43,000 square feet



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Latest Developments



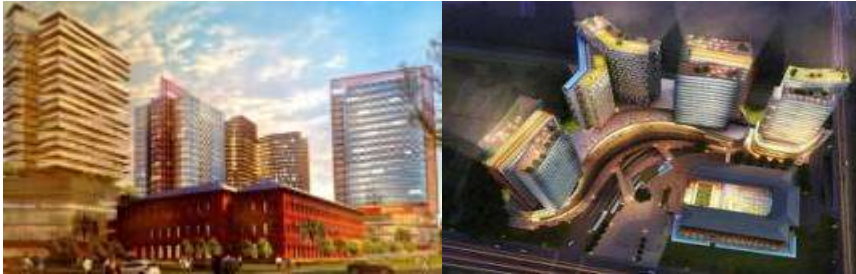
Realising golden opportunities

Landmark Development Project



- Signed S&P agreement with SPA Group 19 Nov 2012 to acquire 80% Landmark Development Project
- Acquisition cost of approx. S\$99.16m to be funded by 1 for 4 rights issue
- Development cost may be partially funded by net proceeds of placement in Nov 2012

Landmark Development Project



- Mixed-use development comprising:
 - 5-star hotel in iconic heritage building
 - 5-star luxury condominium building
 - Business hotel
 - Executive serviced apartment
 - Grade-A office towers
 - Retail podium
- Acquisition approved by shareholders at EGM on 28 Feb 2013

Share Placement and proposed Rights Issue



- On 28 Nov 2012, issued 192,853,000 Placement Shares at S\$0.525 ea. to:
 - Capital International, Inc. (82,000,000)
 - Other subscribers (110,853,000)
- Placement Shares listed and quoted on 29 Nov 2012
- Net proceeds of approx S\$99.75 million
 - For pursuing investment opportunities as and when they arise and/or
 - Enhance working capital
 - May be allocated towards partial funding of development costs for the Landmark Development Project
- Proposed 1 for 4 rights issue at 38 Singapore cents per share to raise approx. S\$109 million for acquisition of Landmark Project Development. Timing subject to completion of acquisition



Real Estate



- Appointment of Mr Elmar Busch as Managing Director (Real Estate)
 - Received notice from SPA Myanmar regarding 12-acre Riverside Residential Development Project
 - On Hlaing River next to FMI City
 - Target : 1000+ apartment units (subject to change)
-

Luxury Tourism



- Opportunity to enter high-end tourism at a time when Myanmar is receiving rapidly growing international attention and interest
 - Aim to capture all spending from beginning to end of the trip and "complete the circuit"
 - Creating destination for Luxury Tourism in Myanmar and a leading tourism brand
 - Potential Destinations – Yangon, Bagan, Inle Lake, Ngapali, and more
-

Luxury Tourism



- To acquire approx 20 acre prime site in Bagan to develop high-end boutique hotel
- Agreed land valuation is US\$5m with expected construction cost of US\$15m
- YSH & FMI to form JVCo to acquire 75% of Balloons over Bagan (BOB) for US\$10.8 m
- BOB currently operates 7 balloons of various sizes, to be expanded to 12 balloons over a few years
- Consideration payable by JVCo:
 - US\$8.7m on completion
 - US\$2.1m payable in 3 annual instalments of \$700,000

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Luxury Tourism



- Dynamic, cost and quality focused management team with international and local exposure, led by Mr Brett Melzer and Daw Khin Omar Win
- Total concept development of new niche products combining trend-setting travel experiences with culture, community and adventure.
- Established relationships with key travel industry figures and tour operators from Brett and Omar's existing business
- Proven Track Record

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Telecommunication



- Part of consortium bidding for one of two mobile phone licenses expected to be awarded by the Myanmar Government in 2013
- Consortium includes:
 - Digicel Group (leading global communications provider in 31 markets in the Caribbean, Central America and Asia Pacific)
 - Quantum Strategic Partners (part of the Soros Group)
 - YSH Finance (JV between Yoma and FMI)
- On 11th April 2013 this consortium was announced as one of 12 to be pre-qualified for the two licences (see next slide).
- Final bids due to be submitted 3rd June 2013, winners due to be announced 27th June



Pre-qualified consortia for the two telecommunications licences as announced on 11th April 2013



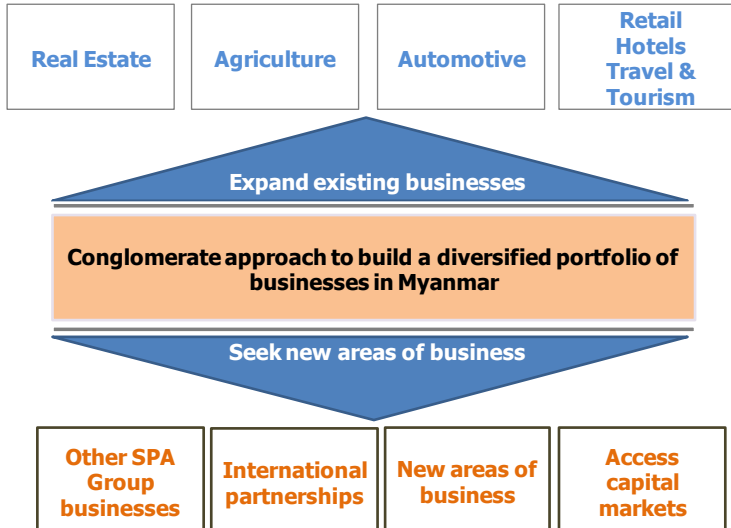
- • Airtel Consortium
- • Axiata Group Berhad
- • Digicel
- • France Telecom-Orange + Marubeni
- • KDDI Corporation + Sumitomo Corporation + Myanmar Information and Communication Technology Development Corporation (MICTDC) + A1 Construction
- • Millicom International Cellular S.A.
- • MTN Consortium (MTN Dubai + M1 Telecom + Amara Communications)
- • Qatar Telecom (Qtel) Q.S.C ("Ooredoo")
- • Singapore Telecommunications (Singtel) + KBZ + Myanmar Telephone Company Limited (M-Tel)
- • Telenor Mobile Communications AS
- • Viettel Group
- • Vodafone + China Mobile

Strategy & Business Model



Steadily building a conglomerate

Strategy & Business Model



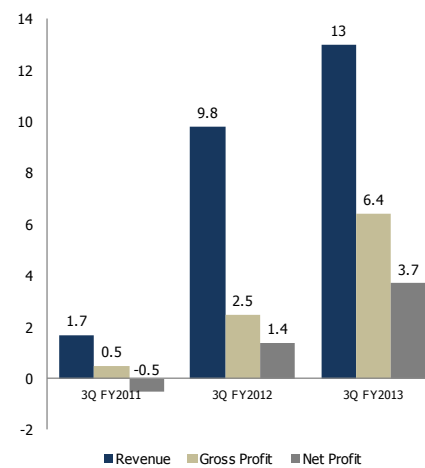
3Q FY2013 Financial Overview



3Q FY2013 P&L Highlights



- Revenue ↑ **32.1%** to S\$13.0m
 - Real estate contributed 93.4% of total revenue
 - Sale of houses increased threefold
- Gross profit ↑ **152.9%** to S\$6.4m
- Gross profit margin ↑ **23.4%pts**
 - Selling price of LDRs and residences increased approx. 30%-35%
- Net profit attributable to shareholders ↑ **169.9%** to S\$3.7m
- EPS ↑ to **0.33 SG cents** from 0.22 SG cents

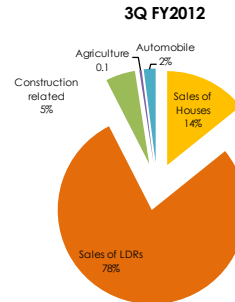
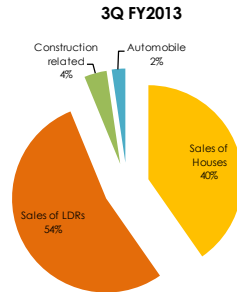


*Yoma Strategic's financial year ends 31 March every year

3Q FY2013 Revenue Breakdown



		3Q FY2013	3Q FY2012
Sales of Housing and LDRs	Houses	S\$5.2m	S\$1.4m
	LDRs	S\$6.9m	S\$7.7m
Construction related services*		S\$0.5m	S\$0.5m
Agriculture		-	S\$0.04m
Automobile		S\$0.3m	S\$0.2m
Total		S\$13.0m	S\$9.8m



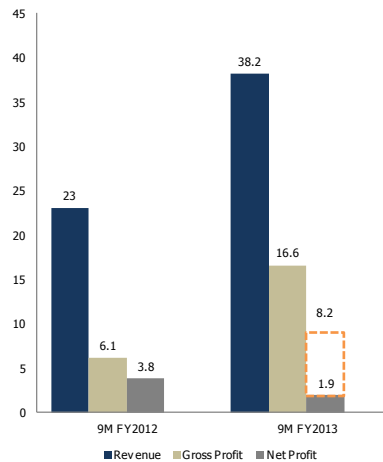
*Construction related services refers to the Design and Project Management business of Yoma Strategic Holdings

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9M FY2013 P&L Highlights



- Revenue ↑ **92.0%** to S\$25.2m
- Gross Profit ↑ **192.7%** to S\$10.5m
- GP Margin ↑ **14.5% pts** from 27.3% to 41.8%
- Net Profit (with non cash items: share based payment to CEO¹ & ESOS² expenses stripped out) ↑ **114.3%** to S\$8.2m



¹ On 25 May 2012, shareholders approved the allotment and issue of 14.5m new ordinary shares to the CEO as part of his service agreement resulting in a non recurring, non cash charge of S\$5.4m was recognised for the share-based payment to CEO in 2Q2012

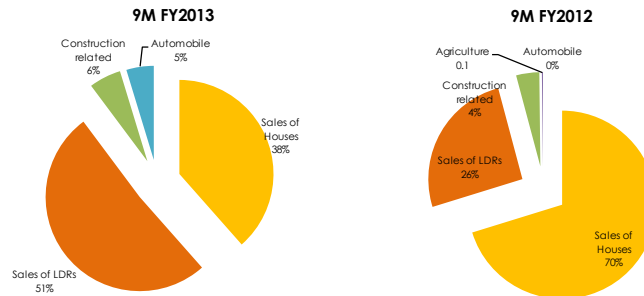
² On 25 May 2012, the Group received shareholders' approval to implement Yoma Strategic Holdings Employee Share Option Scheme 2012 (YSH ESOS 2012) which results in approx. S\$4.0m non cash valuation charge over 2 year vesting period - giving a non cash fair valuation of S\$493,000 for 2Q2012.

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9M FY2013 Revenue Breakdown



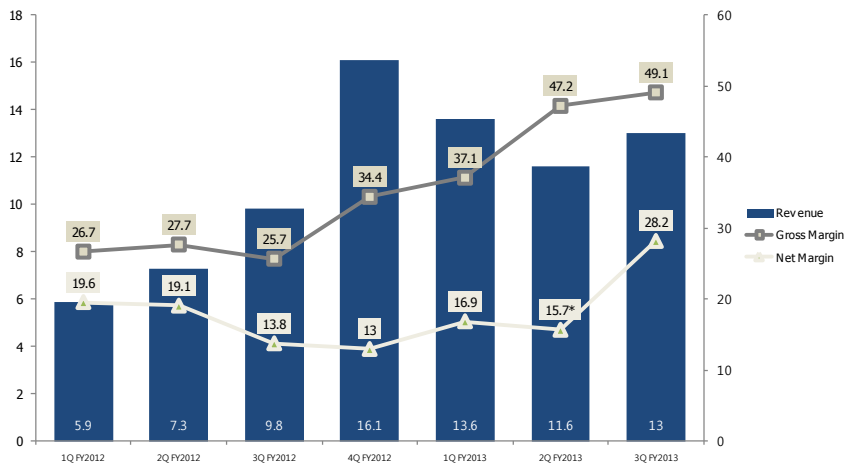
		9M FY2013	9M FY2012
Sales of Housing and LDRs	Houses	S\$14.7m	S\$15.9m
	LDRs	S\$19.6m	S\$5.8m
Construction related services*		S\$2.1m	S\$0.9m
Agriculture		-	S\$0.04m
Automotive		S\$1.8m	-
Total		S\$38.2m	S\$6.1m



*Construction related services refers to the Design and Project Management business of Yoma Strategic Holdings

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GP & Net Margins



* Calculated based on net profit with non cash items: share based payment to CEO¹ & ESOS² expenses stripped out

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P&L Statement



In S\$'million unless otherwise stated	3Q FY2013	3Q FY2012	Change (%)	9M FY2013	9M FY2012	Change (%)
Revenue	13.0	9.8	32.1	38.2	23.0	65.6
Cost of sales	(6.6)	(7.3)	(9.7)	(21.5)	(16.9)	27.3
Gross profit	6.4	2.5	152.9	16.6	6.1	171.1
Other operating gains	0.08	0.1	(27.8)	0.3	0.6	(47.2)
Expenses						
Finance	-	(0.3)	N.M	-	(0.6)	N.M
Sales & distribution	(0.1)	(0.007)	1,728.6	(0.3)	(0.3)	863.0
Administrative	(2.7)	(1.0)	161.4	(13.6)	(2.6)	422.7
Profit from operations	3.7	1.4	171.0	3.1	3.5	(11.1)
Share of loss of an associate	-	(0.1)	N.M	-	(0.02)	N.M
Profit before tax	3.7	1.2	193.6	3.1	3.4	(10.7)
Income tax	(0.1)	0.09	N.M	(1.2)	0.4	N.M
Net profit	3.6	1.3	165.5	1.9	3.8	(50.9)
Net profit attributable to equity holders of the company	3.7	1.4	169.9	1.9	3.9	(51.2)
EPS	0.331	0.22	-	0.14	0.62	-

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Selected Balance Sheet Items



In S\$'million unless otherwise stated	31 Dec 2012	31 Mar 2012
Cash and cash equivalents	129.2	20.1
Trade and other receivables	22.0	6.5
Inventories	3.0	1.6
Properties under development	19.4	7.5
LDRs	181.6	57.8
Operating rights	11.5	11.9
Investment rights	31.2	32.1
Prepayments	11.5	9.2
Total Assets	414.4	148.2
Trade and other payables	29.7	11.5
Current income tax liabilities	2.1	1.1
Total Liabilities	31.8	12.6
Net Asset	382.6	135.6
NAV/share (SG cents)	29.7	25.7

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Conclusion



Investment Merits



- Myanmar is the last emerging frontier market with huge growth potential
- Yoma is currently the only Myanmar-centric internationally listed company
- Partnering SPA Group Myanmar—a leading business conglomerate in Myanmar
- Strong track record in real estate development
- Expanding into other business areas in Myanmar with other business partners
- Strong and experienced management largely based in Myanmar
- Potential partner for global business & investment interest in Myanmar



Questions & Answers



Thank you