



Yoma Strategic Holdings Ltd

FY2013 Results Briefing

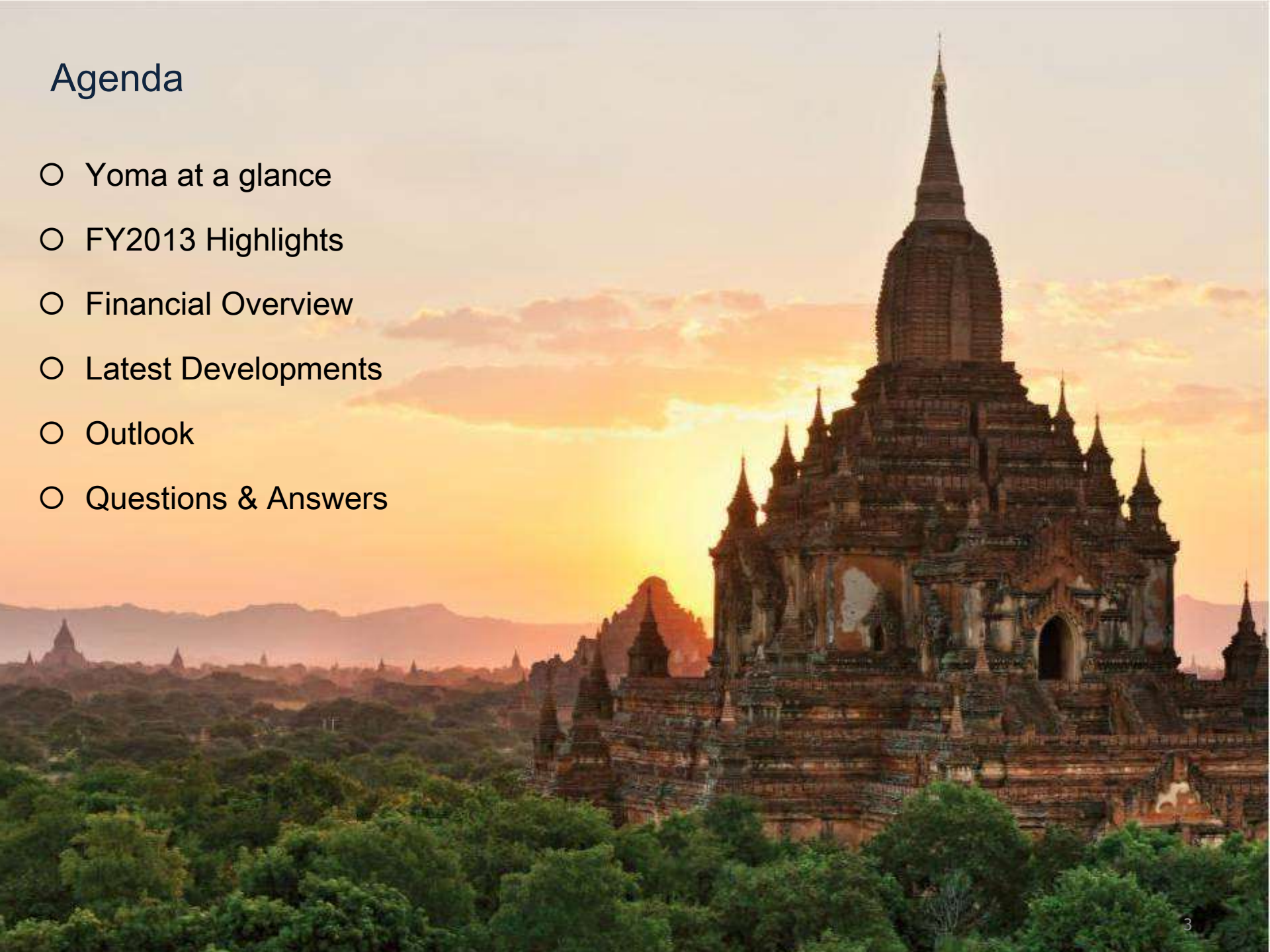
27 May 2013

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Agenda

- Yoma at a glance
- FY2013 Highlights
- Financial Overview
- Latest Developments
- Outlook
- Questions & Answers



Yoma at a Glance

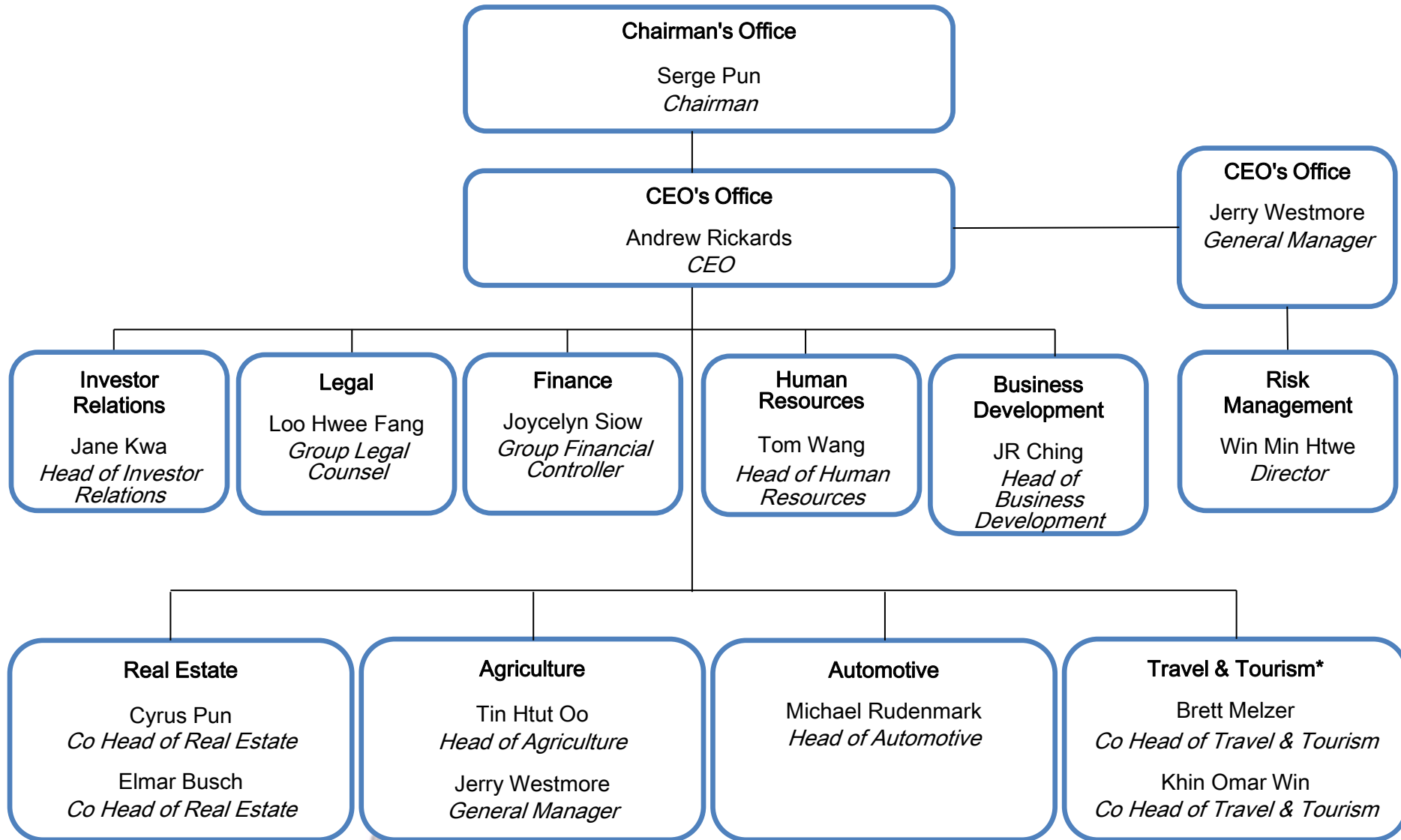
- Listed on SGX Mainboard (Z59:SI) in August 2006
- Current businesses include Real Estate, Agriculture, Automotive and Retail
- Affiliated to SPA Group Myanmar via common major shareholder, Serge Pun
- Constituent stock in FTSE ST Small Cap Index & MCSI ASWI Global Small Cap Index
- Capital International, Inc. holds approx. 7.09% shareholding of the Company and Aberdeen Asset Management holds approx. 6.12%



Stock code	Yoma:SP (Bloomberg) Yoma.SI (Reuters)
Issued & paid up shares	1,157,118,215
52 week price range*	S\$0.925 (highest) S\$0.301 (lowest)
Market capitalisation*	S\$966.19M
Analyst coverage	OCBC DBS Vickers

*As of last traded price on 21 May 2013

Experienced Management Team



*Pending completion.
Total No. of Employees: 459 (Full Time basis)

A photograph of a golden stupa on a boat. The stupa is the central focus, with a large, rounded, golden dome and a tall, slender spire. It is set against a dramatic sky with a bright sun low on the horizon, creating a lens flare and illuminating the clouds. The sun's reflection is visible on the water in the background. The stupa is mounted on a white, ornate base. The overall scene is serene and majestic.

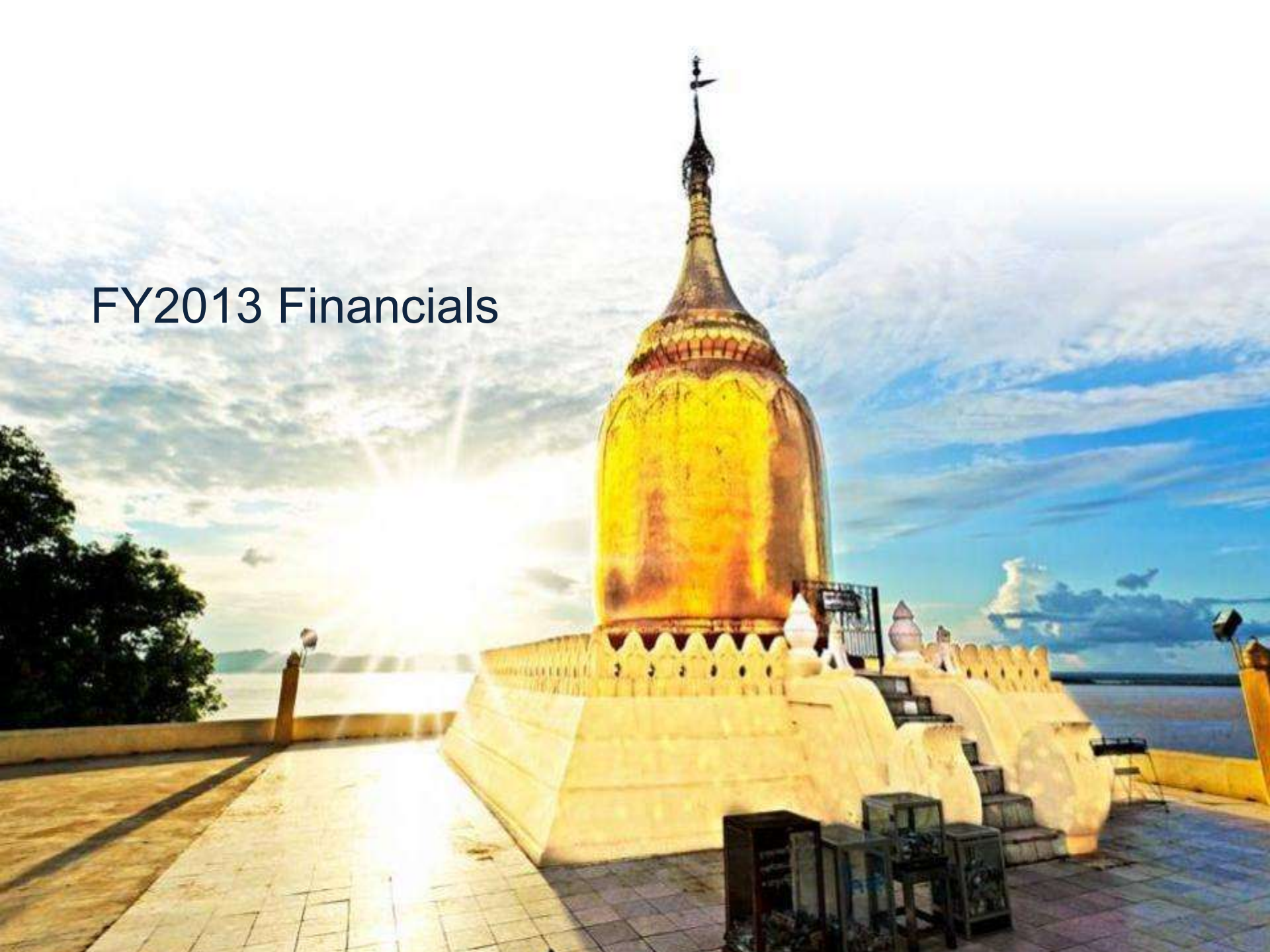
FY2013 Highlights

FY2013 Highlights



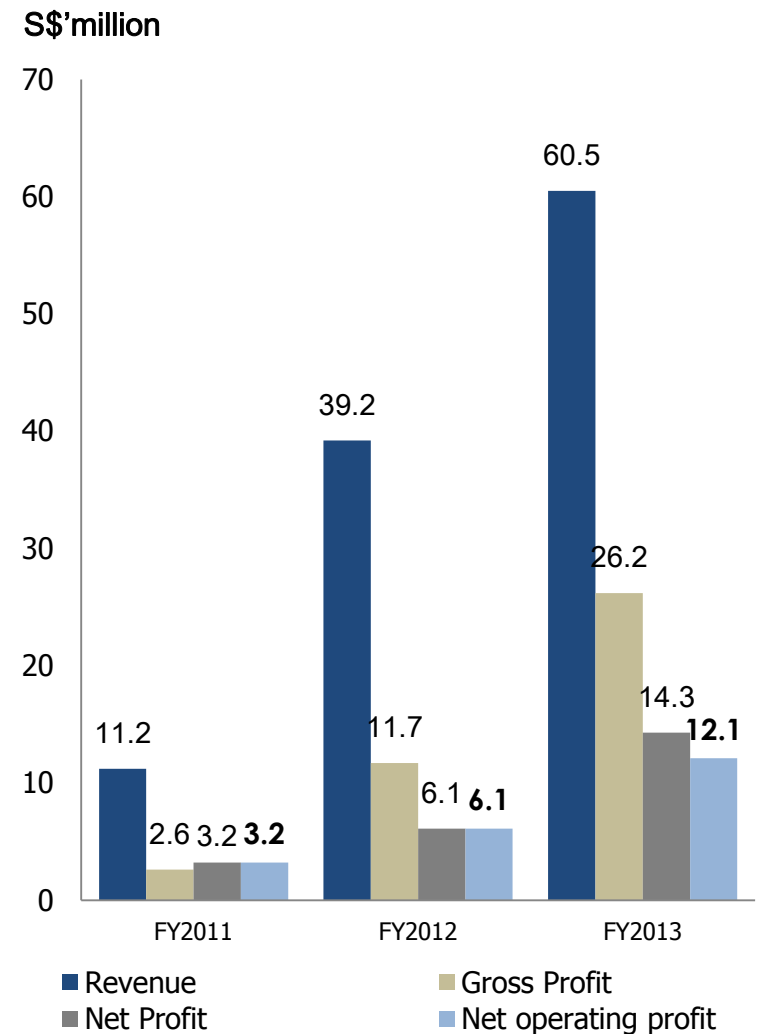
- Successful acquisition of Star City (Jun 2012)
- Issued 192,853,000 Placement Shares to Capital International, Inc. (82,000,000) and other subscribers (110,853,000) (Nov 2012)
- JV announced with Parkson Myanmar & FMI (PMIC) to operate department stores in Myanmar (Dec 2012)
- Proposed acquisition of Landmark Development Project approved by shareholders (Feb 2013)
- Proposed acquisition of Balloons over Bagan to enter into travel and tourism business in Myanmar (Mar 2013)
- Signed MOU with Mitsubishi to set up after-sales service business for Mitsubishi Motors (Mar 2013)
- JV with Dragages to construct 1,000+ apartment units in Star City (Mar 2013)

FY2013 Financials



Financial Highlights

- Revenue **↑54.2 %** to S\$60.5m
(FY2012: S\$39.2m)
 - Higher ASP for LDRs
 - Sale of more development properties in PHGE & Star City
- Gross profit **↑124.1%** to S\$26.2m
(FY2012: S\$11.7m)
- Gross profit margin: **43.3%**
(FY2012: 29.8%)
 - Higher selling prices for LDRs and houses
- Net profit attributable to shareholders **↑139.1%** to S\$14.4m
(FY2012: S\$6.0m)
- EPS **↑ 57.6%** to 1.45 SG cents
(FY2012: 0.92 SG cents)
- Other income increase due to recognition of S\$9.05m of negative goodwill arising from Xun Xiang in March 2013



¹ Negative goodwill or bargain purchase of S\$9.05 million arising from the consolidation of the Group's 100%-owned subsidiary, Xunxiang (Dalian) Enterprise Co Ltd.

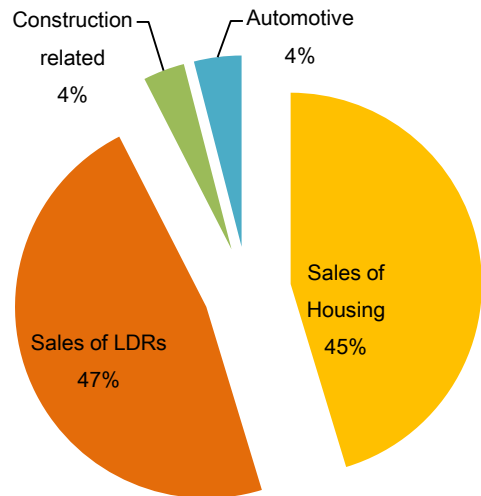
² On 25 May 2012, shareholders approved the allotment and issue of 14.5m new ordinary shares to the CEO as part of his service agreement. This resulted in a non recurring, non cash charge of S\$5.4m being recognised for the share-based payment to CEO in 2Q2012.

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

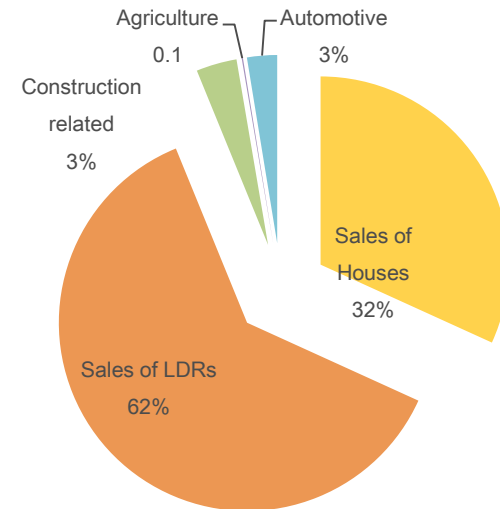
FY2013 Revenue Breakdown

In S\$'million		FY2013	FY2012
Sales of Housing and LDRs	Housing	27.1	11.84
	LDRs	28.2	23.1
Construction related services*		2.1	1.3
Agriculture		-	0.04
Automotive		2.4	0.96
Total		60.5	11.7

FY2013



FY2012



Property Development Projects Update

Pun Hlaing Golf Estate

Lakeview Apartment



Blocks A to F fully sold ; Block G intended for rental

Ivory Court Residences



Second phase (ICR II) fully sold as at 31 Mar 2013

Bamboo Grove



2 out of 4 houses sold as at 31 Mar 2013

Star City



Building 3

252 out of 264 units sold as at 31 Dec 2012; booking deposits for additional 8 units received

Building 4

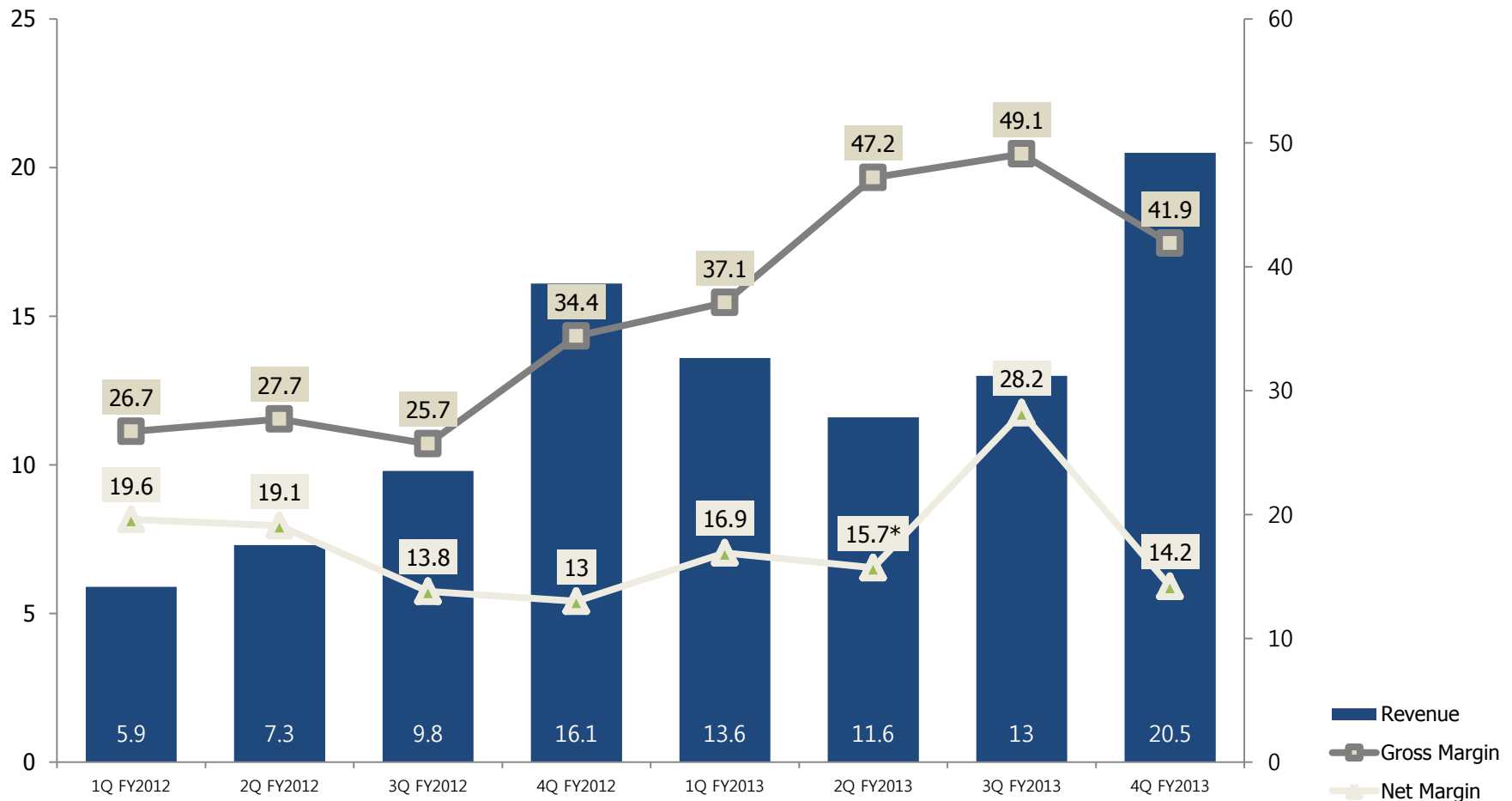
239 out of 264 units sold as at 31 Dec 2012; with booking deposits received for an additional 13 units

Total sales of S\$60.95mn as at 31 Mar 2013

Only S\$5.09mn out of the S\$60.95mn recognised (percentage-of-completion basis)

Remaining balance of approx. S\$55.86m likely to be recognised within next 18 – 24 months as construction progresses

Gross & Net Margins



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

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**Calculated based on net profit with non cash items: negative goodwill recognition³ stripped out

³ The Group recognised S\$9.05m negative goodwill from Xunxiang in March 2013, resulting in increase in other income

P&L Statement

In S\$'million unless otherwise stated	FY2013	FY2012	Change (%)
Revenue	60.5	39.2	54.2
Cost of sales	(34.3)	(27.5)	24.5
Gross profit	26.2	11.7	124.1
Other operating gains	9.6	1.1	759.8
<u>Expenses</u>			
Finance	-	(0.8)	NM
Sales & distribution	(0.3)	(0.04)	837.8
Administrative	(19.4)	(5.6)	248.9
Profit from operations	16.0	6.4	150.4
Share of loss of JV	(3)	-	NM
Profit before tax	16.0	6.2	157.4
Income tax	(1.8)	(0.9)	1,815.1
Net profit	14.3	6.1	132.3
Net profit attributable to equity holders of the company	14.4	6.0	139.1
EPS	1.45	0.92	57.6%

Selected Balance Sheet Items

In S\$'million unless otherwise stated	31 Mar 2013	31 Mar 2012
Cash and cash equivalents	106.2	20.1
Trade and other receivables	35.4	6.5
Inventories	1.7	1.6
Properties under development	22.7	7.5
LDRs	179.0	57.8
Operating rights	11.4	11.9
Investment rights*	-	32.1
Investment property*	88.8	-
Investment in JV	0.7	-
Prepayments	12.0	9.2
Total Assets	462.6	148.2
Trade and other payables	35.1	11.5
Current income tax liabilities	2.6	1.1
Bank borrowings	28.8	-
Total Liabilities	66.5	12.6
Net Assets	396.1	135.6
NAV / share (SG cents)	30.9	25.7

* Investment rights related to the option for the purchase of Xun Xiang which holds the shopping mall in the Grand Central property in Dalian, China . Option was exercised by the Company and Xun Xiang became a wholly-owned subsidiary of the Group. The investment property of S\$88.83 million as at 31 March 2013 refers to the shopping mall held by Xun Xiang which is held at fair value determined by an independent valuer.

Latest Developments



Landmark Development Project



- Signed S&P agreement with SPA Group on 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 completed 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

- Awaiting final approval from Myanmar Government

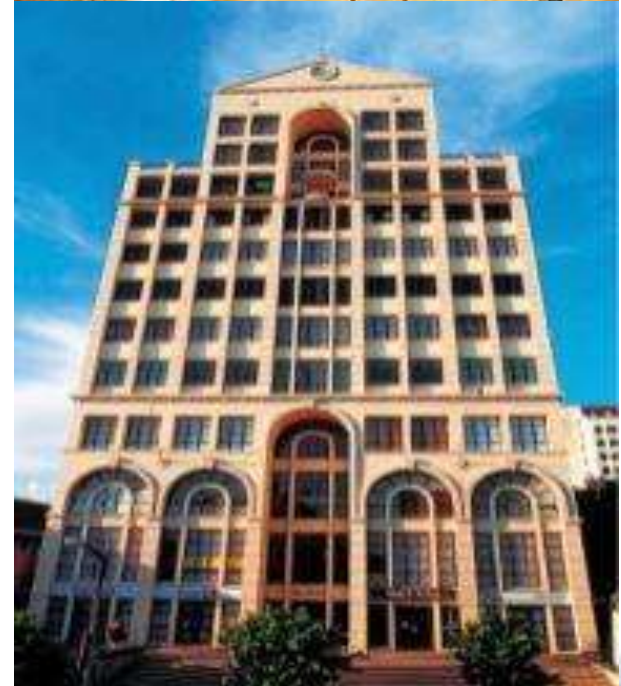
Retail

- Incorporated PMIC (JV) with Parkson Myanmar & FMI to operate department stores in Myanmar on Dec 2012

- Interest in PMIC
 - Parkson Myanmar (70%)
 - Yoma Strategic (20%)
 - FMI (10%)

- Incorporated Myanmar Parkson Company Limited (MPCL) on 1 April 2013

- First store located in FMI Centre, Pabedan Township of Yangon
 - Comprises 4 storeys
 - Built-up area of approx. 57,000 square feet
 - Soft launched in May 2013



Retail

New brands in Myanmar @ Parkson FMI:

LANCÔME 
PARIS

ESTÉE LAUDER



DOLCE & GABBANA



ESPRIT

Automotive



- 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
- Possible acquisition of existing automotive businesses of SPA
- Mitsubishi Motors' first Service Centre began operations on 20 May 2013 and the opening ceremony will be held on 27 May 2013. FMI and YSH are currently overseeing operations.

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

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



- YSH & FMI has formed JVCo, Chindwin Holdings, to acquire 75% of Balloons over Bagan (BOB) for US\$10.7 m
- BOB currently operates 7 balloons of various sizes, to be expanded to 12 balloons over a few years
- Consideration payable by JVCo:
 - US\$8.6m on completion
 - US\$2.1m payable in 3 installments of US\$700,000 as and when conditions are satisfied
- 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

Telecommunications

- 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 11 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 3 June 2013, winners due to be announced 27 June 2013



Telecommunications

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

Outlook

○ Real estate remains as the Group's core business

- Pun Hlaing Golf Estate likely to see increased demand as Myanmar's wealth rises and the expected increase in foreigners looking for international standard accommodations
- Star City likely to benefit from shortage of quality apartments in the greater Yangon area
- Similarly, if and when mortgages and a condominium law allowing foreigners to own property are introduced, it will have a positive impact in the Group's sales in property development projects
- Successfully restructured Grand Central Dalian interest



○ Return to the business of construction

- Announcement of JV with Dragages
- Big increase in demand for quality construction capabilities in Myanmar



Outlook

- **Reorientation of the Maw Tin Estate**
 - From Jatropha to higher value crops such as pepper and other crops
- **Developing automotive business**
 - Intention to move into passenger vehicles
- **Moving into luxury tourism**
 - Set to grow strongly as number of tourists grow dramatically
- **Potential of telecommunications industry**
 - Offers strong growth prospect as market is liberalised
- **Politics in Myanmar continues to sail a steady course**



Questions & Answers

