YOMA STRATEGIC HOLDINGS LTD.

DIGITALISING MYANMAR
ENHANCING LIVES

ANNUAL REPORT 2020

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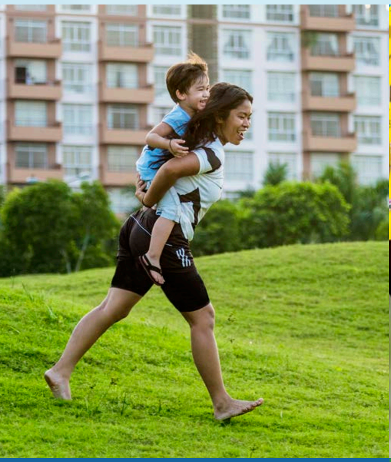

YOMA LAND

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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 business expansions and collaborations with established international and local partners.

Yoma Strategic was founded by Mr. Serge Pun. Born in Myanmar, Mr. Pun immigrated to Beijing in 1965 and subsequently, to Hong Kong SAR in 1973, where he began a career in real estate. Mr. Pun led many real estate developments in Hong Kong SAR 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 Public 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

OUR VISION

INVESTOR SATISFACTION

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

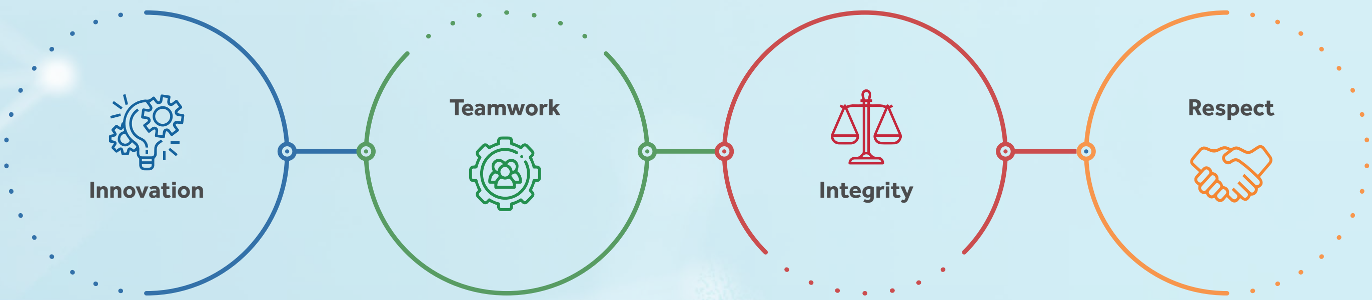
CUSTOMER SATISFACTION

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.

CORE VALUES



Chairman and CEO's Statement

We look back on 2020 with mixed emotions. On the one hand, the COVID-19 pandemic has presented significant challenges for lives and livelihoods in Myanmar, and we have spent the year managing a rapidly changing environment. But at the same time, the crisis has been the catalyst for a number of transformational trends that will benefit our businesses in the coming years. Coupled with our new partnerships with Ayala Corporation ("Ayala") and Ant Group Co.,Ltd ("Ant Group"), the future looks bright.

KEEPING SAFE AND HEALTHY

The COVID-19 pandemic caught many governments, businesses and societies unprepared. From as early as January 2020, we were on high alert. We restricted travel, introduced health and safety education, set up thermal screenings at our offices and implemented contact tracing for suspected exposures. The medical coverage for our employees was improved to cater for COVID-19, and our office staff moved to a "Work from Home" mode in order to promote social distancing. Our Group accelerated the rollout of the Yoma Connect digital platform for internal communication and digitising our processes and procedures.

We also held regular virtual townhall meetings to maintain staff morale and ensure close connection during this time apart. As a result of these efforts, we are proud that our employee satisfaction survey continued to improve despite the challenging environment and our staff reported pride in being part of the Yoma Family.

MR. SERGE PUN
Executive Chairman

MR. MELVYN PUN
Chief Executive Officer and Executive Director

> Revenue growth of
> **13.6%**
> in 12M-Sept2020 notwithstanding the challenges from COVID-19

CHANGE OF FINANCIAL YEAR

With effect from 1 October 2019, the Ministry of Planning and Finance of Myanmar mandated that all taxpayers must adopt a financial year period from 1 October to 30 September. Prior to this change, the financial year for taxpayers in Myanmar had been from 1 April to 31 March.

On 14 February 2020, the Group announced a change of its financial year end from 31 March to 30 September to align with its Myanmar subsidiaries' reporting period. Due to this change, this Annual Report will cover a period of 18 months from 1 April 2019 to 30 September 2020.

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 October 2019 to 30 September 2020 ("12M-Sept2020") and a 12-month period from 1 October 2018 to 30 September 2019 ("12M-Sept2019") in pages 30 to 39 of this Annual Report.

BUILDING GROWTH MOMENTUM NOTWITHSTANDING THE PANDEMIC

We closed 12M-Sept2020 with good momentum as our Group revenue increased to US$103.4 million from US$91.0 million in 12M-Sept2019, notwithstanding the challenges from COVID-19.

Operationally, all of the major business units improved their top-line performances during 12M-Sept2020 and remain poised to improve their bottom-line results as the effects of the COVID-19 restrictions gradually ease. We have also proactively taken numerous steps to manage our balance sheet, reduce costs and preserve cash, including the deferment of non-essential operating and capital expenditures. Our management team, as well as the Board, have also taken voluntary reductions in their directors' fees and salaries in order to support the Group's operations and protect our community's most vulnerable during this period.

> Our partnerships with Ayala Corporation and Ant Group are expected to be far-reaching and will substantially strengthen the Group's future growth prospects

BEST-IN-CLASS PARTNERSHIPS

Over the years, we have laid out a strategy of strengthening our operations by bringing in best-in-class international partners to provide investment and expertise to grow our businesses in an agile and adaptive manner. This process has become even more imperative as we navigate through the recent uncertainties posed by COVID-19 and the economic transformation expected in many sectors. During 12M-Sept2020, the Group brought in two key partners – Ayala and Ant Group – who both share long-term visions of building sustainable businesses in Myanmar. Ayala has long been a blue chip conglomerate in the Philippines with a sterling reputation for business integrity and operational excellence. The economic growth in the Philippines over the past 20 years has been remarkable and provides a model that could benefit the future development of Myanmar. We are pleased that Ayala has chosen to partner with us by investing approximately US$155 million for a 20%[1] stake in Yoma Strategic through the issuance of primary shares. The strategic nature of this partnership means we will look to leverage Ayala's broad expertise in the real estate, financial services, consumer and infrastructure sectors and also gain from their support in financial discipline and corporate governance. We look forward to a successful and transformative partnership that will benefit us for generations to come.

Meanwhile, Wave Money's partnership with Ant Group is another milestone for us. Both Wave Money and Ant Group serve unbanked and underbanked communities and have a common purpose to make financial services more accessible for everyone. The partnership with Ant Group is expected to accelerate Wave Money's digital transformation into a financial service "super app" that facilitates the mass adoption of digital payments across the country and drives greater financial inclusion.

1 *The Group had placed out the first tranche of c. US$109 million of primary shares to Ayala on 02 December 2019 and is working to complete subscription of the second tranche placement shares c. US$46 million of primary shares by 11 May 2021.*

Chairman and CEO's Statement

EXECUTING STRATEGY FOR CONTINUED GROWTH

Our Real Estate business has seen a recovery in sales volume supported by the encouraging performance of City Loft and Star Villas at StarCity, which are expected to boost next year's financials. We have plans for more City Loft projects in other locations across Yangon and additional product launches at StarCity and Pun Hlaing Estate to expand our real estate activities. The recent momentum and improvement in market conditions are expected to build a sustainable pipeline of sales, which will be complemented by a meaningful increase in recurring rental revenues from the planned commercial developments like Star Hub and the completion of Yoma Central in the future.

We have also accelerated the buildout of our Financial Services business. Myanmar's population is still massively underserved by formal banking institutions and there are significant growth opportunities for non-bank financial services. In light of this opportunity and in order to make the Group the leading fintech player in this space, we announced plans to increase our stake in Wave Money and take control of the company.

We will continue to focus on improving profitability and cashflow across all of our businesses and are confident in creating additional value for our shareholders.

INNOVATING TO ENHANCE CUSTOMERS' EXPERIENCES

It has been said that the COVID-19 pandemic would accelerate the digital transformation of many businesses. We have witnessed this trend first hand in several of our operations as we have had to rethink our interactions with customers, suppliers and employees.

Adapting to these trends, Yoma F&B has expanded its channel offerings by partnering with delivery aggregators, such as foodpanda and GrabFood, and has witnessed a significant increase in delivery sales. This shift has helped to mitigate the effects of dine-in closures and stay-at-home orders in April, May and September and is expected to generate an incremental customer channel going forward rather than being purely substitutive to our traditional business model.

We have also seen an increase in cashless transactions as a result of the COVID-19 pandemic, and Wave Money continues to gain traction with digital solutions to serve as a payment gateway and distribution and data platform to connect our businesses and adapt to the fast-changing needs of our consumers. Wave Money ended December 2020 with more than 1.5 million digital monthly active users ("MAUs") which exceeded its 1.3 million target for 2020, and we envision Wave Money to be at the centre of this new digital ecosystem.

> **We see Yoma Land and Yoma Financial Services as the primary contributors to the Group's near- and medium- term growth given the shortage of affordable housing in major cities and Myanmar's financial inclusion gap**

DISCIPLINE IN MAXIMISING VALUE AND RECYCLING CAPITAL

Our telecommunications towers investment had generated significant returns for the Group over the past five years. In November 2019, the Group divested its remaining 12.5% stake in edotco Myanmar, growing a total investment of US$20.0 million in 2014 to US$92.5 million upon exit. Proceeds from the sale were redeployed to acquire an additional 10% stake in Wave Money and to reduce the Group's overall debt levels. We believe that it is an integral part of our strategy to monetise the investment gains in our non-core asset portfolio and to recycle capital into the expansion of our core businesses along with managing a prudent balance sheet.

MOVING ONWARDS TO A STRONGER FUTURE

The IMF forecasts Myanmar GDP growth this year to reach 2%, amongst the highest in our region, with a gradual return to pre-pandemic growth levels of 5.7% in 2021[2]. Economic reforms have facilitated job growth that has averaged 13% annually between 2014 and 2016 and have transformed people's incomes with a 17% reduction in economic vulnerability over the past 10 years[3]. Myanmar today has emerged as one of the first-ever countries to meet all three criteria for graduation from Least Developed Country status[4].

> **We believe that the resilience of the Yoma Family and our organisation's ability to adapt and transform will help us to emerge stronger from the COVID-19 pandemic**

In short, notwithstanding COVID-19, the country is poised to deliver opportunities which are arguably unprecedented. Myanmar continues to possess some of our region's most attractive investment factors: the second-largest landmass in Southeast Asia, a population of over 55 million with an average age below 30, a large pool of labour, significant natural resources and a stable government with a strong popular mandate.

Nestled between rising Asian superpowers – China to our north and India to our west, and the entirety of fast growing ASEAN to our east. Not to mention our vibrant domestic market. And, with our signing of the Regional Comprehensive Economic Partnership (RCEP), it will soon be even easier to ship products made in Myanmar to anywhere within our region.

We are also heartened that the country's second democratic elections since 2015 were conducted smoothly. We are confident of the Myanmar government's commitment to economic and social reforms as laid out in the Myanmar Sustainable Development Plan.
It is apparent that countries and businesses will need to adopt to a "new normal" for the foreseeable future. Shadowed by the impact of COVID-19, our strategy remains on track, and our businesses are demonstrating a resilience even during these challenging times. Although the situation remains fluid and the road to recovery from the pandemic will not be immediate, we are confident that the foundations which we have built over the previous five years will weather this crisis.

APPRECIATION

Today, we as a nation are more prosperous than at any point in living memory. Our democracy is stronger. Fewer of our people are experiencing poverty. More of our children are in school. Our incomes are rising and our society is building towards a better future.

We know that it has been a difficult period for all of us, but our mission to "Build a Better Myanmar for Its People" comes down to all of us working together. By uniting together and taking mutual sacrifices, we believe that we have built a stronger organisation of which we are all proud. Myanmar will get through these challenging times, and the Yoma Family will emerge stronger than ever.

We thank all of our employees for their commitment to maintain business continuity. Whilst COVID-19 has been devastating to so many around the world, our people have risen to the challenge. We have witnessed incredible acts of togetherness and mutual support across the Group, and it has been inspiring to see the real difference our people have made during these times.

We would also like to thank the Board for their continued guidance. It is our pleasure to welcome Mr. Fernando Miranda Zobel de Ayala and Professor Annie Koh to the Board. Their significant experience will bring new perspectives, expertise and diversity to our Board discussions.

Finally, to all shareholders, we thank you for your unwavering support towards the Group and for believing in our ability to create sustainable growth and value.

We will ride out this storm together and are heartened by the revitalised energy and sense of urgency that the Yoma Family has demonstrated during the past year, for which we owe our most sincere gratitude.

SERGE PUN
Executive Chairman

MELVYN PUN
Chief Executive Officer

2 *https://www.imf.org/en/Countries/MMR*
3 *Labor Mobility As a Jobs Strategy for Myanmar by World Bank*
4 *datamapper/NGDP_RPCH@WEO/MMR*

Board of Directors

MR. SERGE PUN @ THEIM WAI
Executive Chairman

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

MR. CYRUS PUN CHI YAM
Non-Executive Non-Independent Director

MR. FERNANDO MIRANDA ZOBEL DE AYALA
Non-Executive Non-Independent Director

MR. ADRIAN CHAN PENGEE
Lead Independent Director

MS. WONG SU YEN
Non-Executive
Independent Director

DATO TIMOTHY ONG TECK MONG
Non-Executive
Independent Director

MR. GEORGE THIA PENG HEOK
Non-Executive
Independent Director

PROFESSOR ANNIE KOH
Non-Executive
Independent Director

MR. PAOLO MAXIMO FRANCISCO BORROMEO
Alternate Director to
Mr. Fernando Miranda Zobel de Ayala

BOARD ATTENDANCE
98%

GENDER DIVERSITY
22%

BOARD INDEPENDENCE
56%

NON-EXECUTIVE INDEPENDENT DIRECTORS WITH < 9 YEARS TENURE
80%

MR. SERGE PUN @ THEIM WAI

Executive Chairman

Board Committee(s) served on: Nil

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

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

Present Principal Commitments:
- Executive Chairman of Yoma Strategic Holdings Ltd.
- Executive Chairman of Memories Group Limited
- Executive Chairman of First Myanmar Investment Public Company Limited
- Executive Chairman of Yoma Bank Limited
- Chief Executive Officer of New Yangon Development Company 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 People's Republic of China.

Date of Appointment: 17 August 2006

Last Re-elected: 26 July 2017 (Will be seeking re-election at the 2020 AGM)

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 SAR and eventually returned to the country of his birth to establish SPA in 1991.

In 1992, Mr. Pun established First Myanmar Investment Public 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 standing member of the Chinese People's Political Consultative Conference of Dalian, China 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 of International Enterprise Singapore from 2004 to 2006. Mr. Pun is a frequent speaker in international forums on Myanmar and ASEAN.

Board of Directors

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.
- Non-Executive Director of Yoma Bank Limited

Education and Achievements:
Bachelor of Arts, Masters of Engineering and Masters of Arts, University of Cambridge (2000)

Date of Appointment: 27 July 2015

Last Re-elected: 24 July 2019

Mr. Melvyn 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. He was appointed as the Chief Executive Officer of Yoma Strategic in 2015, spearheading the move to diversify the Group's businesses along its core businesses whilst also building streams of recurring revenues and profits. He has been extensively involved in developing the Group's relationships with key partners, including Mitsubishi Corporation, IFC, ADB, Yum! Brands, New Holland, JCB, Dulwich College International, Telenor and Pernod Ricard, amongst others.

Mr. Pun is also 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 SAR, where he was Managing Director, Head of Asia Ex-Japan Corporate Solutions Group. He has extensive financial and corporate experience in various corporate 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.

MR. CYRUS PUN CHI YAM

Non-Executive Non-Independent Director

Board Committee(s) served on:
Nil

Present Directorships in other listed companies:
Memories Group Limited

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

Present Principal Commitment:
Chief Executive Officer of Memories Group Limited

Education and Achievements:
Bachelor's Degree in Economics, London School of Economics (2003)

Date of Appointment: 21 February 2011

Last Re-elected: 26 July 2017 (Will be seeking re-election at the 2020 AGM)

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

Prior to Mr. Pun's appointment as an Executive Director and the Chief Executive Officer of Memories Group Limited, he 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 bringing in international partners and investors for these developments. His last initiative at Yoma Strategic was to launch the Group's expansion into the affordable housing segment.

Mr. Pun currently serves as the Chief Executive Officer of Memories Group Limited.

MR. FERNANDO MIRANDA ZOBEL DE AYALA

Non-Executive Non-Independent Director

Board Committee(s) served on:
Nil

Present Directorships in other listed companies:
Within Ayala Group
- Ayala Corporation
- AC Energy Philippines, Inc.
- Ayala Land, Inc.
- Bank of the Philippine Islands
- Globe Telecom, Inc.
- Integrated Micro-Electronics, Inc.
- Manila Water Company, Inc.

Outside Ayala Group
- Pilipinas Shell Petroleum Corporation

Present Principal Commitment:
President, Chief Operating Officer and a Director of Ayala Corporation

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

Education and Achievements:
Bachelor of Liberal Arts Degree, Harvard College; Course in International Management, INSEAD France

Date of Appointment: 2 December 2019

Last Re-elected: N.A. (Will be seeking re-election at the 2020 AGM)

Mr. Fernando Zobel de Ayala is the President, Chief Operating Officer and Director of Ayala Corporation, one of the largest business groups in the Philippines. Ayala has maintained dominant positions in various industries in the Philippines, including real estate, banking, telecommunications, water, power, industrial technologies, infrastructure, education, and healthcare. It has a growing international presence primarily in industrial technologies, water, power, and real estate in Southeast Asia, China, the US, and Europe.

Mr. Fernando Zobel de Ayala is part of the seventh generation in the family overseeing Ayala and holds the following positions in publicly listed companies in addition to Ayala Corporation: Chairman of Ayala Land, Inc. and Manila Water Company, Inc.; Director of Bank of the Philippine Islands, Globe Telecom, Inc., and Integrated Micro-Electronics, Inc.; and Independent Director of Pilipinas Shell Petroleum Corporation.

He also serves on the boards of INSEAD and Georgetown University and is a member of the World Presidents' Organization and the Chief Executives Organization. He chairs the steering committee of Habitat for Humanity International's Asia Pacific Capital Campaign and co-chairs the TATE Museum Asia Pacific Acquisitions Committee. He also serves on the board of the Asia Society and is a member of the Asia Philanthropy Circle and The Metropolitan Museum International Council.

In the Philippines, he is also a board member of the following select organisations: AC Energy, Inc., Ayala Healthcare Holdings, Inc., Ayala Foundation, Inc., Manila Peninsula, Caritas Manila and Pilipinas Shell Foundation.

MR. ADRIAN CHAN PENGEE

Lead Independent Director

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

Present Directorships in other listed companies:
- AEM Holdings Ltd.
- Ascendas Funds Management (S) Limited (manager of Ascendas REIT)
- First REIT Management Limited (f.k.a. Bowsprit Capital Corporation Limited)
- Hong Fok Corporation Limited
- Best World International Limited

Present Principal Commitments:
- Lee & Lee (Head of Corporate)
- Shared Services for Charities Limited (Director)
- Azalea Asset Management Pte Ltd (Director)
- Want Want Holdings Ltd. (Director)
- Association of Small and Medium Enterprises (Honorary Secretary)
- Accounting and Corporate Regulatory Authority (Board Member)
- Legal Service Commission (Member)
- The Law Society of Singapore (Council Member)
- Singapore Management University's Enterprise Board (Member)

Past Directorships in listed companies held over the preceding 3 years:
- Nobel Design Holdings Limited
- Global Investments Limited

Education and Achievements:
Bachelor of Laws (Honours), National University of Singapore (1989)

Date of Appointment: 17 August 2006

Last Re-elected: 24 July 2018

Mr. Adrian Chan is the Head of the Corporate Department and a Senior Partner at the law firm, Lee & Lee. He is a board member of the Accounting and Corporate Regulatory Authority of Singapore and serves on the Legal Service Commission. He is a council member of the Law Society of Singapore, a member of the Singapore Management University's Enterprise Board and Vice-Chairman of the Singapore Institute of Directors.

He currently serves as the Chairman of the Corporate Law Advisory Panel at ACRA and has been appointed by the SGX to its Catalist Advisory Panel.

Board of Directors

MS. WONG SU YEN

Non-Executive Independent Director

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

Present Directorships in other listed companies:

- First Resources Ltd.
- Nera Telecommunications Ltd
- CSE Global Ltd.

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

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

Education and Achievements:
Bachelor of Arts (summa cum laude) in Music and Computer Science, Linfield College (1989); Master of Business Administration, the University of North Carolina at Chapel Hill (1993)

Date of Appointment: 15 December 2015

Last Re-elected: 24 July 2018 (Will be seeking re-election at the 2020 AGM)

Ms. Wong Su Yen brings over 20 years of experience in driving business strategy, strategic talent development, organisational transformation, operations re-design and risk management. She is the Chairman of the board of Nera Telecommunications and an Independent Director at CSE Global and First Resources. She also serves on the boards of NTUC First Campus and CPA Australia. She is a Fellow and Chairperson of the Governing Council of Singapore Institute of Directors.

DATO TIMOTHY ONG TECK MONG

Non-Executive Independent Director

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

Present Directorships in other listed companies:
Nil

Present Principal Commitment:
Chairman of Asia Inc Forum

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

Education and Achievements:
Bachelor of Arts (Honours) Degree in Economics and Political Science, Australian National University; Master of Science (with Distinction) in International Relations, London School of Economics (1982)

Date of Appointment: 20 May 2016

Last Re-elected: 24 July 2019

Dato Timothy Ong is a leading Brunei businessman who served as the Acting Chairman of the Brunei Economic Development Board (BEDB) from 2005 to 2010. Dato Ong is a member of a number of leading Brunei and regional boards including Asia Inc. Forum, Baiduri Bank Group, National Insurance of Brunei, Hotel Associates Sdn Bhd and the Asian Advisory Board of Prudential Financial. He is also a member of the Board of Governors of the Asian Institute of Management (AIM) and a Trustee of the Ramon Magsaysay Awards Foundation.

Dato Ong has represented Brunei in a number of regional councils including the APEC Business Advisory Council (ABAC), which he chaired in 2000, the APEC Eminent Persons Group, ASEAN-Japan Business Meeting and the Pacific Economic Cooperation Council. He is also the recipient of various state honours, including the Most Honourable Order of Seri Paduka Mahkota Brunei (Second Class) (DPMB) by His Majesty, the Sultan of Brunei, which confers the title 'Dato Paduka', and the Grand Cross of the Order of Bernardo O'Higgins (highest civilian award) by the President of Chile for his contribution to regional economic cooperation.

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.

Present Principal Commitments:

- National Cancer Centre of Singapore (Board of Trustees)
- Singapore Institute of Management (Board of Governors)

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

- DISA Limited

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: 24 July 2018

Mr. George Thia has more than 35 years' 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 as an accountant with Cooper Brothers & Co. (now known as PricewaterhouseCoopers).

Mr. Thia is currently a Business Consultant for Mergers & 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 also a board member of two non-profit organisations, the National Cancer Centre and the Singapore Institute of Management.

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 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 alternative board, SGX Catalist. Mr. Thia practiced business consultancy in association with 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:
Nil

Present Directorships in other listed companies:
- AMTD International Inc.
- KBS US Prime Property Management Pte. Ltd. (manager of Prime US REIT)

Present Principal Commitment:
Emeritus Professor of Finance (Practice) and Senior Academic Advisor of the Business Families Institute and the International Trading Institute, Singapore Management University

Past Directorships in listed companies held over the preceding 3 years:
- Health Management International Ltd.
- K1 Ventures Limited

Education and Achievements:
- Bachelor of Social Science & Economics (Honours), National University of Singapore (NUS); Master of Philosophy and Doctor of Philosophy in International Finance, New York University. She is also a Monetary Authority of Singapore (MAS) Scholar and a 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: N.A. (Will be seeking re-election at the 2020 AGM)

Professor Annie Koh is the Vice President for Business Development, V3 Group, and Professor of Family Entrepreneurship and Professor of Finance (Practice) at the Singapore Management University (SMU). She is also the Academic Director of two university-level institutes – the Business Families Institute and the International Trading Institute. Prior to these roles, she had previously held the positions of Associate Dean, Lee Kong Chian School of Business, and Dean, Office of Executive and Professional Education at SMU.

Professor Koh is a member of the World Economic Forum's Global Future Council on the New Agenda for Work, Wages and Job Creation. In addition, she chairs the Asian Bond Fund 2 Supervisory Committee of the Monetary Authority of Singapore. She is currently a board member of PBA Group and Prudential Assurance Company Singapore Pte Ltd. and serves on the Customs Advisory Council and MOM HR Transformation Advisory Panel. Professor Koh chairs the TAFEP Awards and advises a number of start-up firms. Previous boards on which she has served includes GovTech and Singapore's CPF.

Board of Directors

MR. PAOLO MAXIMO FRANCISCO BORROMEO

Alternate Director to Mr. Fernando Miranda Zobel de Ayala

Board Committee(s) served on:
Nil

Present Directorships in other listed companies:
Nil

Present Principal Commitment:
Head of Strategic and Business Development of Ayala Corporation

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

Education and Achievements:
Master in Business Administration, Wharton School at the University of Pennsylvania

Date of Appointment: 15 June 2020

Last Re-elected: N.A.

Mr. Paolo Borromeo has been the Head of Strategic and Business Development of Ayala Corporation since July 2012, where he oversees the overall corporate planning process, portfolio strategy, group-wide innovation projects, data and analytics, digital initiatives, new business development and special projects.
He has been a member of the Ayala Corporation Management Committee and the Ayala Group Management Committee since September 2014 and serves on the boards of other Ayala companies including AC Energy International, AC Industrial Technology Holdings Inc., AC Ventures Holding Corp., HCX Technology Partners Inc. and Ayala International Holdings Limited.

Mr. Paolo Borromeo also leads Ayala Corporation's healthcare businesses and is the President and CEO of Ayala Healthcare Holdings, Inc., Zapfam, Inc (FamilyDoc), and Healthway Philippines Inc.; the Chairman of IE Medica and MedEthix; and the Vice Chairman of the Generika Group of Companies.

Prior to joining Ayala Corporation, Mr. Paolo Borromeo was a Principal at Booz & Company, a global strategy consulting firm based in San Francisco, California, USA.

Key Management

MR. JR CHING
Chief Financial Officer

MS. JOYCELYN SIOW
Group Financial Controller

MS. LOO HWEE FANG
Group General Counsel and Company Secretary

MS. RITA NGUYEN
Chief Technology Officer

MR. MARTIN APPEL
Head of Human Resources

MR. STEPHEN PURVIS
Head of Yoma Land

MR. BEN KOO
Head of Yoma Financial Services

MR. ALLAN DAVIDSON
Head of Truck and Trailer Leasing, Yoma Fleet

MR. BRAD JONES
Chief Executive Officer, Wave Money

MR. TIM NASH
General Manager, KFC Myanmar

MR. YUE WAI KHIN
Chief Operating Officer, KFC Myanmar

MR. KYAW KYAW NAING
Chief Executive Officer, YKKO

MR. HOWARD SEARGENT
Managing Director, KOSPA

MR. GERHARD HARTZENBERG
Head of Heavy Equipment

MR. MICHAEL RUDENMARK
Head of Automotive

Key Management

MR. SERGE PUN

Executive Chairman

MR. MELVYN PUN

Chief Executive Officer and Executive Director

MR. JR CHING

Chief Financial Officer

Mr. JR Ching joined the Group in May 2013 and was appointed as Chief Financial Officer in May 2015 to oversee the Group's financial functions and strategic business development.

Prior to this role, he served as the Group's Head of Business Development where he was responsible for developing the Group's businesses and new business areas, overseeing acquisition and investment opportunities and reviewing the Group's overall business strategy.

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 most recently 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.

MS. JOYCELYN SIOW

Group Financial Controller

Ms. Joycelyn Siow joined as Group Finance Manager in June 2008 and was subsequently promoted to Group Financial Controller in May 2013. Prior to joining the Group, Ms. Siow had 10 years of audit experience in international audit firms where she was involved in audit services for public listed companies, multinational corporations and small- and medium-sized enterprises. Besides audit work, Ms. Siow was also involved in special assignments such as internal audit, the preparation of accountants' report for Initial Public Offerings and Reverse Takeovers and due diligence reviews.

Ms. Siow graduated from Singapore Polytechnic with a Diploma in Banking and Financial Services and later went to pursue her ACCA qualification.

MS. LOO HWEE FANG

Group General Counsel and Company Secretary

Ms. Loo Hwee Fang was appointed as Group General Counsel in April 2013. Prior to that, she was with Lee & Lee for 13 years and was a Partner in their Corporate Department since 2006. Her main area of legal practice was in corporate finance, capital markets and fund management and her scope of work included advising on fund raising, mergers and acquisitions, stock exchange procedures, compliance and corporate governance issues. Ms. Loo is listed in The Legal 500's GC Powerlist for South-East Asia in 2017 and 2019. She was also previously included in The Legal 500's GC Powerlist for Asia Pacific in 2014.

Ms. Loo graduated from the University of Sheffield, England, with an L.L.B (Honours) Degree in 1996. She is also a Barrister in-law, having been called to the English Bar at Gray's Inn, England and Wales in 1997, and was admitted to the Singapore Bar in 1998.

MS. RITA NGUYEN

Chief Technology Officer

Ms. Rita Nguyen was appointed as Chief Technology Officer in November 2017 to oversee the Group's technology strategy and digital transformation initiatives.

Prior to joining the Group, Ms. Nguyen founded two technology startups in Myanmar that focused on consumer applications and services. She has built and launched technology solutions for over 20 years for international companies, such as Electronic Arts, SAP and PaySafe, on a range of products from gaming to e-payments and telecommunications services.

Ms. Nguyen is actively involved in Myanmar's technology ecosystem where she is on the investment committee of Seed Myanmar Venture Limited, the only technology-focused venture capital fund in Myanmar. In addition, she is a director of or advisor for several local startups in the logistics, education technology and medical technology sectors.

MR. MARTIN APPEL

Head of Human Resources

Mr. Martin Appel was appointed as the Head of Human Resources in August 2016. Prior to joining the Group, he held executive HR roles at Bank of America Merrill Lynch, Honeywell and IBM. Originally from South Africa, Mr. Appel has lived and worked in Asia, including Singapore, Bangalore and Johore Bahru since December 2000. He is currently based in Yangon.

Mr. Appel graduated from the University of Kwa Zula Natal (formerly the University of Natal), Durban, South Africa with a Bachelor of Arts Degree and from the University of the Witwatersrand, Johannesburg, South Africa with a Bachelor of Education (Honours).

YOMA LAND

MR. STEPHEN PURVIS

Head of Yoma Land

Mr. Stephen Purvis was appointed as the Head of Yoma Land in January 2019. He has been with the Group since 2013 in various roles. Prior to this appointment, he was the Project Director and subsequently the General Manager for Yoma Central since 2015. He also spearheaded the master planning of StarCity from 2013 to 2014. Mr. Purvis has more than 30 years of experience in the real estate market, including the development of substantial mixed use city centre projects in a variety of markets.

Prior to joining the Group, Mr. Purvis was a director at Coral Capital Group Ltd., a Cuba-focused country fund, where he oversaw long-term equity real estate projects, including the design, funding, construction and operation of a portfolio of hotels under the Hotel Saratoga brand. Notably, he master-planned the new container port and economic zone of Mariel with partner Dubai Ports World and was also the project manager for high profile clients such as the Prince of Wales Foundation.

Mr. Purvis is a chartered member of the Royal Institute of British Architects and holds a Bachelor of Arts (Honours) Degree in Architecture from Newcastle University, England and a Bachelor in Architecture from Westminster University, England.

YOMA FINANCIAL SERVICES

MR. BEN KOO

Head of Yoma Financial Services

Mr. Ben Koo was appointed as the Head of Yoma Financial Services in August 2019 and has been with the Group since October 2018.

Mr. Koo has 20 years of experience in working at top-tier financial institutions, including Goldman Sachs, Macquarie, Deloitte and Arthur Andersen.

Prior to joining the Group, Mr. Koo 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. Prior to that role, he was the Head of Australia and New Zealand Financial Institutions Investment Research for Goldman Sachs based in Sydney.

Mr. Koo also served as a Non-Executive Director of the Anglican Church Endowment Fund in Sydney where he helped to oversee risk management, asset allocation and corporate governance changes following the 1997 Asian Financial Crisis.

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.

Key Management

MR. ALLAN DAVIDSON

Head of Truck and Trailer Leasing, Yoma Fleet

Mr. Allan Davidson joined the Group in November 2013. Prior to joining the Group, he spent more than 25 years in the vehicle leasing and rental industry in Australia, Papua New Guinea, New Zealand and Thailand.

Mr. Davidson headed up a joint venture that started the Budget Rent A Car franchise in Thailand. During his eight years there, he grew the business into a market leader with more than 1,450 vehicles across 25 locations while enduring the effects of the 1997 Asian financial crisis. He is a Member of the Military Division of the Order of Australia (AM).

MR. BRAD JONES

Chief Executive Officer, Wave Money

Mr. Brad Jones was the founding Chief Executive Officer of Wave Money and has been with the company since February 2015. He has grown Wave Money into one of the leading fintech companies in Myanmar, serving millions of customers across a network of over 68,000 agents.

Previously, Mr. Jones headed mobile money and innovation for Visa in Asia Pacific, North Africa and the Middle East. He has also been an emerging payments consultant to the World Bank Group and has worked in a variety of markets, including the Philippines, Indonesia, Bangladesh and China.

Prior to Visa, Mr. Jones was the founding Managing Director of Wing Cambodia, the first bank-led mobile money company in Asia. Mr. Jones has worked in the financial services industry for 18 years and is a well-known executive in digital payments and mobile money.

YOMA F&B

MR. TIM NASH

General Manager, KFC Myanmar

Mr. Tim Nash joined the Group in February 2020 as the General Manager of KFC Myanmar. Prior to joining the Group, he spent more than 17 years with KFC across operations, supply chain and marketing and was most recently the Manager of Operations for KFC Greater Asia based in Singapore where he supported the fast expansion of KFC Myanmar from 2016 to 2019. Mr. Nash began his KFC career in Australia and is a member of KFC's Global Emerging Leaders alumni.

Mr. Nash has been recognised as the Australian National Retail Association's Young Retailer of the Year (Runner-Up) and the Australian Institute of Management's Young Manager of the Year (Top 5) for his proven track record of applying a people first mindset to step change the customer experience that results in both short- and long-term improvements.

Mr. Nash holds a Postgraduate in Retail Management from the University of Wollongong and Mark Rison's Mini-MBA in Brand Management.

MR. YUE WAI KHIN

Chief Operating Officer, KFC Myanmar

Mr. Yue Wai Khin joined the Group in December 2014 to oversee the daily operations, recruiting and training and supply chain management functions of KFC Myanmar. Prior to joining the Group, he spent more than 25 years in the F&B industry at KFC/Pizza Hut Malaysia with extensive experience in sales and operations, staff development and training and brand development.

Mr. Yue was previously the Deputy General Manager for the Pizza Hut Dine-In segment, overseeing 115 restaurants. He was also the Deputy General Manager of Field Human Resource at KFC and the Head of Field Human Resource at Pizza Hut. Mr. Yue has received several awards for both Operations Excellence and Training and Development from Yum! Brands and is certified as a Yum! Master Trainer in Malaysia.

MR. KYAW KYAW NAING

Chief Executive Officer, YKKO

Mr. Kyaw Kyaw Naing was appointed as the Chief Executive Officer of YKKO in February 2019. Prior to joining the Group, he spent more than 17 years at YKKO and held various positions, including Procurement Director, HR Director, Operations Director and Managing Director since 2010. Mr. Naing has comprehensive experience across all of YKKO's business from sales to operations, staff development, supply chain management and brand development.

Mr. Naing has been an active member of the Myanmar Restaurants Association (MRA), an industry organisation supporting the development of all restaurants in Myanmar since 2012 and he was reappointed as Chairman of the MRA Yangon Region in 2018.

Mr. Naing has built his success in entrepreneurship from a young age and has helped to expand several medium-sized retail businesses over the years.

MR. HOWARD SEARGENT

Managing Director, KOSPA

Mr. Howard Seargent joined the Group in June 2015 as the Managing Director of Kospa Limited. Over the past five years, Mr. Seargent has established Kospa Limited as a leading logistics services company in Myanmar, providing logistics services including cold chain logistics to numerous FMCG, pharmaceutical and multinational food and beverage clients. Prior to joining the Group, Mr. Seargent had over 25 years of experience in managing FMCG businesses with multinational companies, including Coca-Cola and Goodman Fielder, in addition to supply chain consultancy roles in the Middle East and Asia.

Mr. Seargent holds a Bachelor of Science Degree from the University of the Witwatersrand and a Master of Business Leadership Degree from the Graduate Business School of the University of South Africa.

YOMA MOTORS

MR. GERHARD HARTZENBERG

Head of Heavy Equipment

Mr. Gerhard Hartzenberg joined the Group in January 2015 and is responsible for expanding the Group's Heavy Equipment business. Over the past five years, Yoma Heavy Equipment has enhanced its portfolio of brands to include New Holland, Case, JCB and FPT and built a rental business operating out of 16 locations throughout Myanmar.

Prior to joining the Group, he managed various automotive and leasing businesses in South Africa, including Imperial Group, Super Group Industrial Products, John Deere and General Motors. He has extensive experience in sales and marketing, operations, network development, training and brand establishment.

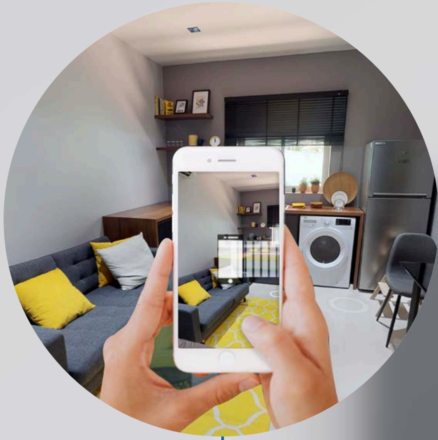
Mr. Hartzenberg is a member of the John Deere International Marketing Council and the Toyota Wings Club. He has also received several awards, including three Chairman's awards from Toyota/Hino and General Motors between 1990 and 2005.

MR. MICHAEL RUDENMARK

Head of Automotive

Mr. Michael Rudenmark was appointed as the Head of Automotive in March 2013 and is responsible for growing the Group's Automotive division, including exploring and evaluating opportunities to secure new automotive brands for the Group.

Mr. Rudenmark has lived in Yangon for more than 20 years and has extensive experience in the Myanmar automotive market as the Founder and Managing Director of German Car Industries, an automobile sales and after-sales company since April 1996.



Expanding Platform Channels, **Improving Customer Experience and Convenience**

With mobile phone penetration exceeding 100% and smartphone and social media adoption reaching 40%[1], consumers in Myanmar have better access to information, digital applications and e-commerce. Yoma Strategic's digitalisation initiatives place the customer at its core. Daily tasks are made more convenient such as using cashless payments or online delivery services. Customers can also engage with the Group's businesses through virtual platforms.

Yoma F&B: Food to Your Doorstep

Partnerships with delivery aggregators, such as foodpanda and GrabFood, have accelerated the adoption of delivery services during the COVID-19 pandemic.

Yoma F&B: Enhanced Food Safety Using Technology

KOSPA supports its customers' logistics needs, including Metro Myanmar's e-commerce platform, with digital tracking and operations management tools installed on its fleet of trucks that enable deliveries to be monitored in real time and critical data (including temperature and delivery completion) to be captured.

1 Digital 2020: Myanmar by DataReportal.

Yoma Land: Explore Your Future Home at Any Location

Virtual show flats of City Loft @StarCity and The Peninsula Residences Yangon give buyers a 360-degree perspective for each room and a zoom function for fittings and appliances.

Wave Money

Wave Money plays a pivotal role in connecting the Group's businesses with their customers and suppliers, and WavePay aims to become the centre of consumers' digital life. This includes:

- Payment platform for merchants, including KFC, Metro Myanmar and New Holland.
- Collection of contractual payments, for example cashless bill payments (e.g. rental, management fees and utilities) at the Group's real estate developments.
- Consumer credit offerings and loyalty programs to leverage customer data and expand products and services.
- Improve corporate payment processes through B2B payments and payroll services.

Yoma Fleet: Yoma Car Share

A leading online self-drive car rental service which is available in main urban areas and at major airports where customers can access rental cars contactlessly using tap cards.

Yoma Motors: Expanding Customer Outreach

Online appointments for servicing at home, live launches of new models, training sessions via Facebook and spare parts ordering through messaging platforms.

STRATEGIC PARTNERSHIP

On 14 November 2019, two prominent Southeast Asian businesses announced a new strategic partnership whereby Ayala Corporation agreed to purchase a 20%[1] stake in Yoma Strategic for approximately US$155 million.

One is the Philippines' oldest and largest conglomerate and the other is one of Myanmar's most prominent business groups. Ayala's US$155 million investment in Yoma Strategic represents one of the largest single foreign direct investments into Myanmar, and the largest ever investment into the country by the Philippines private sector.

ROADMAP FOR GROWTH

The landmark partnership is poised to support Yoma Strategic's growth plans. Both Yoma Strategic and Ayala share a long-term business philosophy for building scalable and sustainable businesses within their home countries, developing best-in-class operations, and maintaining leadership positions across a range of industries.

The Philippines' economic development roadmap over the past decade offers a useful reference for Myanmar's next phase of growth. In 2005, the Philippines' GDP per capita was US$1,244 and grew at a 7.1% CAGR to US$3,485 by 2019[2]. As a result, millions of Filipinos joined the middle class, with the proportion of the middle class population increasing to more than 40% by 2015[3].

During this period, Ayala recorded strong growth, as it capitalised on the increase in consumer spending and leveraged its strong market position to achieve outsized returns for its shareholders. As a result, Ayala's market capitaliation grew more than nine times to approximately US$13.2 billion as at the end of 2019[4].

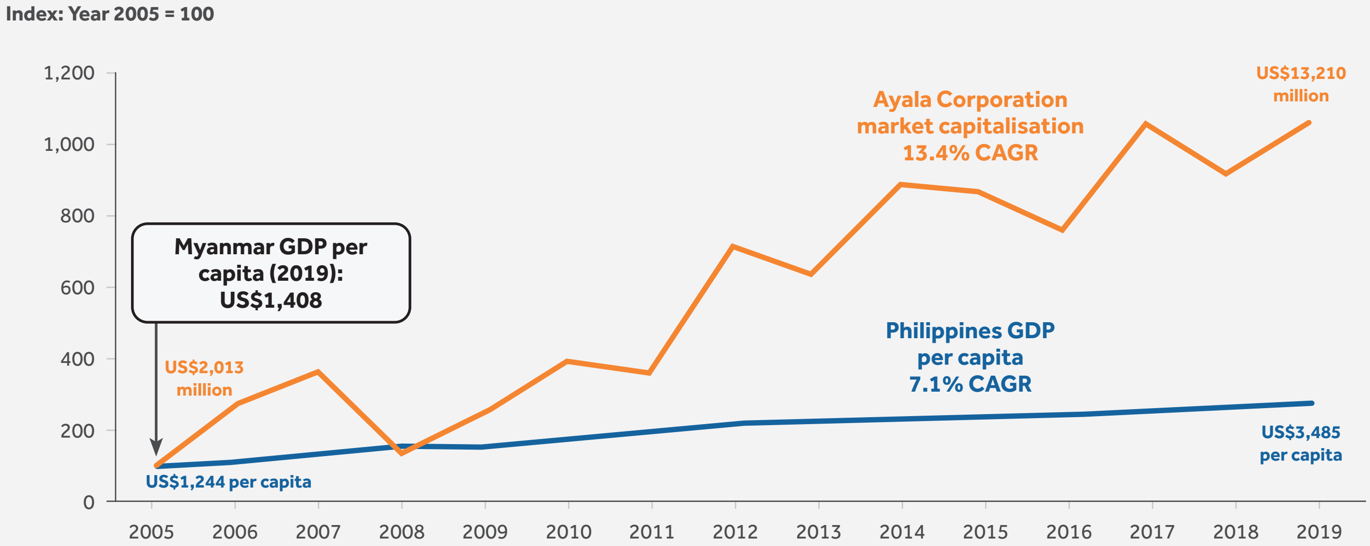
Similarly, Myanmar started at a GDP per capita of US$1,408 in 2019[1] and demonstrated significant economic growth potential. The IMF has forecasted Myanmar's GDP to grow by 5.7% and 6.2% in 2021 and 2022, respectively[5].

With further investments in infrastructure and an increase in job creation, the middle class in Myanmar is expected to grow to 19 million by 2030[6] and fuel consumer spending in the coming years. As Yoma Strategic is involved in some of Myanmar's most important economic sectors, it is ideally positioned to capture the rapid growth in domestic consumption.

1 *Refer to footnote 1 on page 3 for further explanation*
2 *World Development Indicators*
3 *"Unmasking the middle-class: profile and determinants" from psa.gov.ph*
4 *Bloomberg*
5 *https://www.imf.org/en/Countries/MMR*
6 *Kasikorn Bank – AEC, Intelligence Topic, Myanmar - What to Watch 2019*

AYALA MARKET CAPITALISATION AND PHILIPPINES GDP GROWTH, 2005 – 2019[2,4]

The Philippines' economic growth in the past decade offers a useful reference for Myanmar's next phase of development



SIGNIFICANT INVESTMENT UNDERSCORES CONFIDENCE

Ayala has a strong environmental, social and corporate governance reputation in the region and seeks like-minded institutions for partnerships. This investment in Yoma Strategic demonstrates Ayala's confidence in Myanmar's economic development and in the Group's businesses.

Ayala's investment to acquire 474.7 million primary shares in Yoma Strategic was agreed at an issue price of S$0.45 per share. The transaction will be done in two tranches, with the initial c. US$109 million of shares representing a 14.9% stake in Yoma Strategic issued on 2 December 2019. The second tranche of c. US$46 million of shares, if fully allotted and issued, shall represent approximately 5.1% of the enlarged issued and paid-up share capital of Yoma Strategic. The volume weighted average share price traded just prior to the announcement on 14 November 2019 was S$0.33.

OPPORTUNITIES FOR FURTHER GROWTH

As part of the strategic partnership, Ayala has been granted the option to co-invest in the Group's projects in certain sectors such as (i) real estate, (ii) energy generation, distribution and infrastructure, (iii) water utilities, and (iv) industrial manufacturing.

In fact, Yoma Strategic and Ayala had already announced a proposed 50:50 joint venture with AC Energy to invest in Yoma Micro Power in October 2019 to explore around 200MW of additional renewable energy opportunities in Myanmar. AC Energy is one of the fastest growing energy companies in Asia with over US$2.0 billion of invested and committed equity in renewable and thermal energy in the Philippines and around the region[7]. AC Energy's expertise in the renewable energy sector and access to funding will help Yoma Strategic capitalise on opportunities in this substantial and underserved market in Myanmar.

LEVERAGING AYALA'S EXPERIENCE AND CAPABILITIES

185 YEARS OF EXPERIENCE

Ayala is one of the oldest and most respected companies in Asia

CONVERGING BUSINESS PHILOSOPHIES

A joint commitment to corporate governance and transparency

A SHARED VISION TO "BUILD A BETTER MYANMAR FOR ITS PEOPLE"

Long-term view of building scalable and sustainable businesses to improve livelihoods and facilitate nation building

KEY SECTORS WITH BUSINESS SYNERGIES

Providing a roadmap for Yoma Strategic's growth

COMMON BUSINESSES

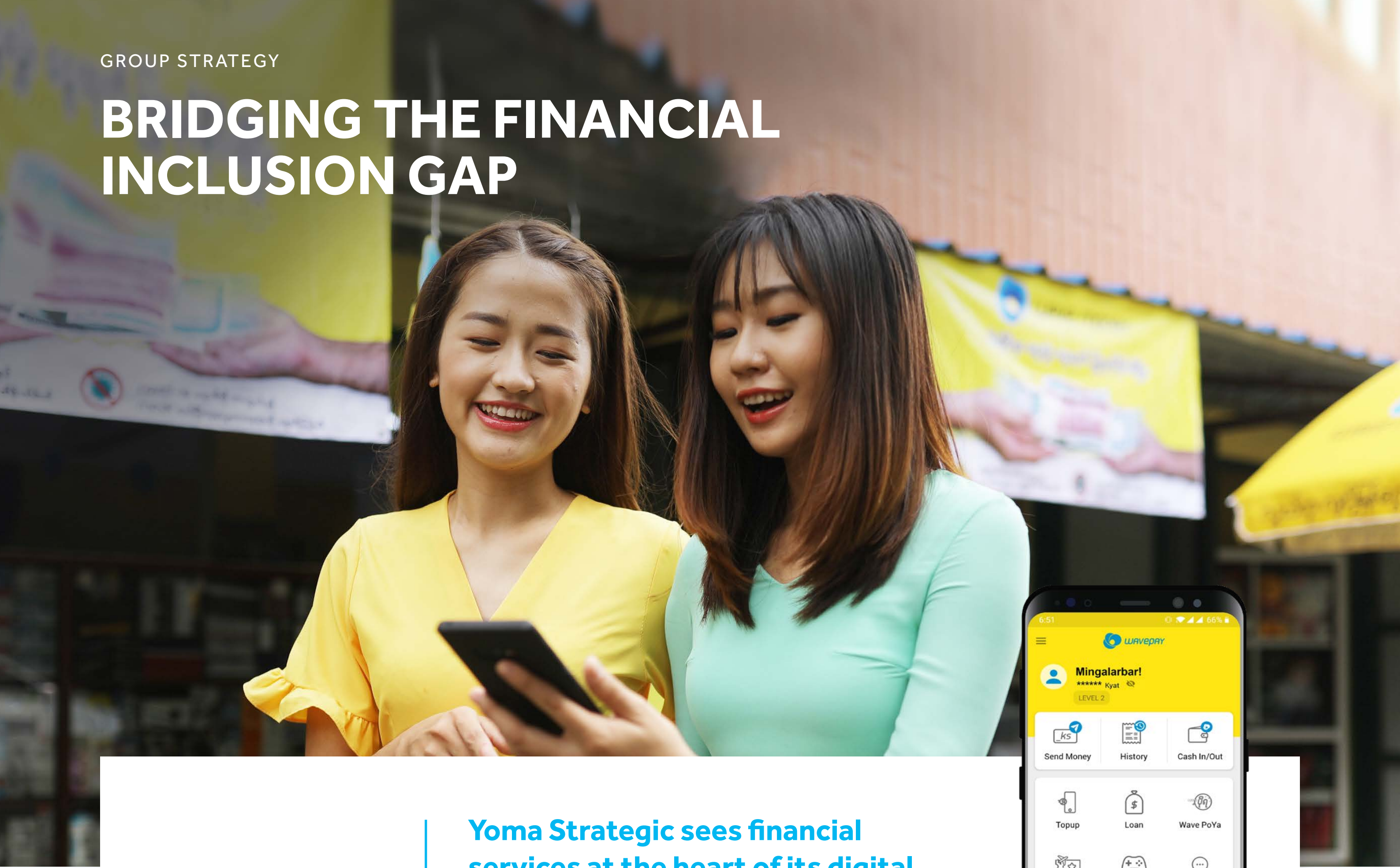
Real Estate	Fintech	Power
YOMA LAND	Wave Money	YOMA MICRO POWER
AyalaLand	GCash	AC Energy

COMMON PARTNERS

Volkswagen, 蚂蚁金服 ANT FINANCIAL, Tokyo Century

7 http:www.acenergy.com.ph

BRIDGING THE FINANCIAL INCLUSION GAP



Yoma Strategic sees financial services at the heart of its digital ecosystem, and Wave Money will play an increasing role in connecting the Group's businesses and customers, as both a payments gateway and also a distribution and data platform.

TRANSFORMING FINANCIAL SERVICES THROUGH TECHNOLOGY

Despite still being a largely cash-based society with limited formal financial inclusion outside of the major cities, Myanmar's economy is growing fast and its financial system is developing rapidly.

Yoma Strategic recognises the need to enable a more efficient flow of money to encourage economic growth in both rural and urban communities. The Group established Yoma Financial Services in 2018 by acquiring an initial 34% stake in Wave Money, which was subsequently increased to 44%[1].

Wave Money is a leading mobile financial services provider in Myanmar. Thousands of people a day are sending money through Wave Money to support their families and to facilitate business operations, providing financial inclusion to millions of people. Its initial business model provides a simple and fast way of sending and receiving money over the counter ("OTC") through a network of more than 68,000 Wave Money agents.

1 *On 13 October 2020, Yoma Strategic completed its acquisition of an additional 10% interest in Wave Money and now holds a 44% interest in Wave Money.*

2 *For the period between January and December and MAUs figure as at 31 December.*

This comprehensive network in both urban and rural areas covers approximately 91% of the country in 299 out of 330 townships nationwide. Wave Money's OTC business transacted a total remittance volume of c. US$8.7 billion in 2020[2] with more than 3.9 million OTC monthly active users ("MAUs"), significant increases compared to the c. US$4.3 billion transacted and 3.7 million OTC MAUs in 2019[2].

In its next phase of growth, Wave Money's business model is to develop and grow its digital business via its mobile app, WavePay, which allows users to make cashless payments, including peer-to-peer ("P2P") transfers, utility bill payments, airtime top-ups and merchant payments.

The digital business has been recording strong performance which was further accelerated by the COVID-19 pandemic. In September 2020, the number of digital P2P transactions exceeded the number of OTC transactions for the first time. In addition, WavePay's digital MAUs continues to grow at double-digit rates month-on-month and reached more than 1.5 million in December 2020, ahead of its targeted 1.3 million, and the digital business is working towards a target of 11.2 million digital MAUs by 2024.

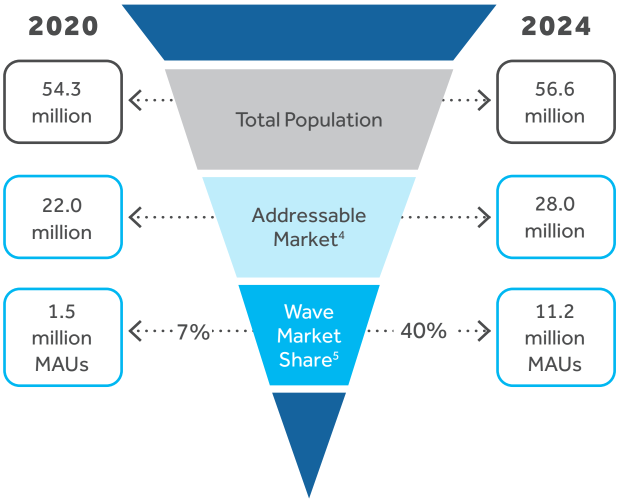
ACHIEVING 11+ MILLION DIGITAL MAUs BY 2024

In May 2020, Wave Money and Ant Group formed a strategic partnership to promote financial inclusion for the unbanked and underbanked communities in Myanmar. Ant Group's expertise in building mobile payment platforms will accelerate Wave Money's digital journey by enhancing its technological competence, capabilities, user experience and service offerings to better address the needs of users in Myanmar.

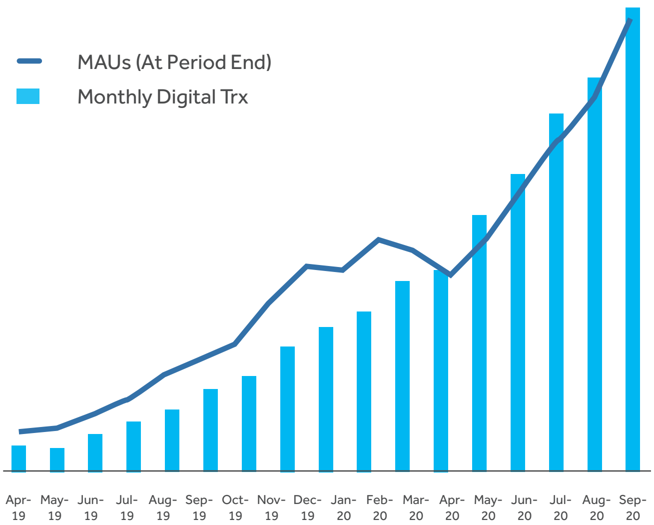
INCREASING ITS STAKE IN WAVE MONEY

In June 2020, Yoma Strategic announced plans to take a controlling stake in Wave Money by acquiring the entirety of Telenor Group's 34.2% stake for US$76.5 million. The Group intends to lead a consortium of investors for the acquisition and has established a new company, Yoma MFS Holdings, with the intention to hold Wave Money as a subsidiary of the Group[3]. Upon completion of the acquisition, the Group will cement its role as a leading player in Myanmar's fintech sector and foresees further synergies between Wave Money and its other businesses.

TARGET DIGITAL MAUs IN 2024



DIGITAL MAUs AND TRANSACTIONS TREND



SIGNIFICANT GROWTH OPPORTUNITIES[6]

8%
Access financial service via mobile devices

70%
Unbanked population in Myanmar

126%
Mobile penetration rate in Myanmar

41%
Active social media users in Myanmar

80%
Smartphone penetration rate in Myanmar

3 *Yoma Bank, an existing 5% shareholder in Wave Money, will retain its 5% stake post acquisition of the Telenor Group's stake in Wave Money.*

4 *5% YoY growth (Wave Internal Assessment) assumed for Internet Users Population data as per World Bank.*

5 *Wave Market Share as a percentage of addressable market.*

6 *Mobile Banking to improve penetration rate in Myanmar's unbanked population by Oxford Business Group, Growth of mobile and internet usage make Myanmar ICT more competitive by Oxford Business Growth, Digital 2020: Myanmar by DataReportal and Myanmar: A Roadmap for Financial Services by PWC.*

GROUP STRATEGY

A RESURGENCE IN REAL ESTATE

Yoma Strategic sees an opportunity to capitalise on the macroeconomic trend of urbanisation to modernise the housing stock in Yangon and capture the rising per capita income of the aspiring middle class.

BUILDING FOR THE FUTURE

Rapid urbanisation and the continued pace of economic reforms underpin the long-term prospects for Myanmar's real estate industry. The changes are especially obvious in Yangon which has experienced significant population growth and infrastructure improvement over the past five years. Whilst Myanmar remains largely rural with less than one-third of its population living in urban areas, an additional 7.1 million people are expected to move to cities by 2050, according to the World Bank forecast[1].

Furthermore, the COVID-19 pandemic has considerably disrupted people's lifestyles and has engendered a dramatic shift in behaviour and consumption patterns. As a result, there is a global trend, which has also occurred in Myanmar, towards communities of lower density living environments surrounded by nature and offering security and amenities at one's doorstep.

FOCUSING ON THE CORE COMPETENCY OF YOMA LAND

Yoma Land's strategy of building a strong pipeline of product launches to drive sustainable sales volume and increasing the recurring rental revenues from investment properties has seen positive momentum over the past 18 months. This trend is expected to continue in the coming years with new property developments being planned.

Both of the Group's flagship residential estates – StarCity and Pun Hlaing Estate – are well positioned to implement this strategy given their large existing landbank of more than eight million square feet, an established and growing population at each estate, continued investment in the service and amenity offerings to enhance community value and comprehensive master plans of both residential and commercial developments.

In addition, the partnership with Ayala has provided Yoma Land with an opportunity to leverage Ayala Land's experience in the Philippines to further develop the Group's existing landbank, acquire additional landbank across Myanmar in a capital-efficient manner and create a product pipeline centred around a "life-cycle" strategy for greater demographic penetration.

1 *https://www.worldbank.org/en/country/myanmar/publication/myanmars-urbanization-creating-opportunities-for-all*

PUN HLAING ESTATE
Land area of 28.4 million square feet
Remaining landbank of 5.0 million square feet
as at 30 September 2020

STARCITY
Land area of 5.9 million square feet
Remaining landbank of 3.6 million square feet
as at 30 September 2020

CITY LOFT: FOR THE ASPIRING MIDDLE CLASS

The City Loft brand was launched in November 2018 at StarCity to cater to the underserved aspiring middle-income population in Yangon where first-time home buyers are often priced out of the market. City Loft's modern affordable apartments were designed to appeal to young working professionals to get on to the property ladder and secure their financial future.

The first City Loft development is being built on a 22-acre masterplanned site at StarCity ("City Loft @ StarCity") with approximately 1,400 units[2] to be launched in phases. Since its launch, City Loft @ StarCity has booked and sold more than 80% of the 791 launched units with delivery commencing in August 2020.

Replicating the success of City Loft @ StarCity, the Group plans to expand the City Loft product throughout Myanmar starting with a 3,000-unit[2] development in the west of Yangon.

STAR VILLAS: FIRST LANDED HOUSING AT STARCITY

In August 2020, Yoma Land expanded its product offering at StarCity with the first landed housing to be built at the estate – Star Villas – to attract a new customer segment. Located beside Dulwich College International, the first phase of Star Villas is a collection of 32 two-storey freestanding houses, each with a total gross floor area of 4,380 square feet and sitting on plots of 6,400 square feet of land[3].

The subsequent phases of Star Villas will allow Yoma Land to cater to a wider customer base and encapsulate the "life-cycle centric" strategy of providing buyers with more housing options at different stages of their lives.

STAR HUB: HIGH QUALITY OFFICES IN A SUBURBAN LOCATION

Yoma Land also plans to build its first suburban commercial workplace at StarCity. Star Hub is intended to offer long-term economical workplace solutions that are community-driven and provide options for people to work and live in closer proximity as a result of a decentralised location.

The first Star Hub is targeted to complete at the end of 2021[2] and will comprise low-rise office buildings with a total gross floor area of approximately 290,000 square feet[2]. This aligns with the Group's plans to transform StarCity into a vibrant residential, leisure and business destination in the east of Yangon and also increase the recurring rental revenues for Yoma Land.

YOMA CENTRAL: TO REJUVENATE DOWNTOWN YANGON

Yoma Central and The Peninsula Yangon form part of an integrated mixed-use development with a total gross floor area of approximately 2.4 million square feet. With the collaboration of international partners[4] and financiers and a total development cost of more than US$800 million, Yoma Central and The Peninsula Yangon represent one of the largest foreign direct investments in Myanmar's real estate sector and are expected to rejuvenate downtown Yangon upon completion.

Yoma Central is expected to complete in 2022 and will transform Yoma Land's Real Estate Services business by significantly growing its recurring rental revenue streams. As Yoma Central moves closer towards completion, leasing activities for the office and retail components of the project have progressed towards securing anchor tenants prior to opening. At the same time, the residual revenue recognition from the sold units at The Peninsula Residences Yangon will be complemented by the revenue recognition from additional sales.

2 *Subject to finalisation.*
3 *Refer to standard villas*
4 *Yoma Central is a joint venture between Yoma Strategic (48%), First Myanmar Investment Public Company Limited (12%), a joint venture involving Mitsubishi Corporation and Mitsubishi Estate (30%), International Finance Corporation (5%) and Asian Development Bank (5%). The Peninsula Yangon is a joint venture between The Hongkong and Shanghai Hotels, Limited (70%), Yoma Strategic (24%) and First Myanmar Investment Public Company Limited (6%).*

A RESURGENCE IN REAL ESTATE

Artist impressions[4] of Yoma Central and The Peninsula Yangon

Yoma Central and The Peninsula Yangon: a 2.4 million square feet development comprising Grade A offices, hotels, luxury residences and retail space

TOWERS	GROUP'S STAKE	GFA (SQ.FT)	APARTMENTS/ROOMS
Yoma Central			
- The Peninsula Residences Yangon	48%	442,510	112 apartments
- Business Hotel & Serviced Residences		524,244	281 rooms / 90 serviced apartments
- Retail Podium		455,132	Not applicable
- Office		898,583	Not applicable
The Peninsula Yangon	24%	151,089	88 rooms

4 *The illustrations may differ from the actual final development of the projects.*

Business Model

	EXECUTION OF OUR BUSINESSES	VALUE CREATED IN 12M-SEPT2020	VALUE CREATION MOVING FORWARD
Financial and Operational Capital	• Focus on scaling up four core businesses to have leadership positions in their respective sectors. • Maintain unparalleled access to funding, including leveraging the Group's unique ability to tap into the capital markets and international financing. • Monitor actively the lifecycle of the Group's businesses and recycle capital from non-core assets into core businesses to maximise shareholders' returns.	• Despite COVID-19, all major business units improved their top-line performances during 12M-Sept2020 and remain poised to improve their bottom-line results as the effects of the COVID-19 restrictions gradually eased. • Commenced a partial de-leveraging of the Group's balance sheet with the gearing ratio continuing to remain well below the maximum target of 40%. • Completed the divestment of the Group's remaining telecommunications towers investment and increased the Group's stake in Wave Money. • Raised fresh capital at a significant premium which provided an updated valuation benchmark for the Group.	• Focusing on profitability and cashflow across all businesses. • Developing stable and recurring rental revenues at Yoma Land. • Continuing to divest of non-core assets and re-invest proceeds in core businesses. • Exploring opportunities to reduce the Group's cost of capital.
Intellectual Capital	• Combine the Group's innate knowledge of Myanmar with international best practices and trends to identify key industries and avenues of growth. • Keep flexibility in the Group's business model to cater for unforeseen shocks and promote a culture of innovation.	• Leveraged the Group's core competencies and resources to identify a gap in the market for modern affordable housing, designed a product which met consumer needs and created long term mortgages with a panel of banks. • Responded quickly to the COVID-19 operating environment. For instance: - Proactive efforts to promote the security and amenities of the Group's estates led to increased interest for StarCity and Pun Hlaing Estate. - Expansion of delivery channels mitigated some of the effects on the restaurants businesses. - Implementation of digital tools and processes was accelerated to facilitate "Work from Home".	• Continuing the expansion of City Loft in the Real Estate business and identifying similar market gaps across the Group's other businesses. • Digitising the Group's operations and leveraging Wave Money for data and payment services to connect the Group's businesses with their customers and suppliers. • Improving efficiency and identifying further synergies between businesses.
Human Capital	• Become the employer of choice in Myanmar and attract best-in-class talent across sectors and disciplines. • Diversify talent pool and transit from expatriates to local managers. • Develop future leaders through in-house and external training programmes.	• Achieved 86% employee satisfaction in a survey of the Group's approximately 4,300 employees. • 53 employees graduated from the Group's in-house leadership training programme: Leading the Yoma Way. • Increased the number of local managers to 397 as at 30 September 2020, which was 22% higher than 30 September 2019. • Ranked 3rd in the top 100 employer list in MyJob's survey of great companies to work for in Myanmar[1].	• Continuing to employ, empower and promote local and internal talent. • Adapting existing training programmes to prepare the Group's workforce for the upcoming digitalisation of its businesses.
Relationship and Reputational Capital	• Maintain the Group's reputation as the partner of choice for both international and local companies looking to expand in Myanmar. • Reinforce high standards of corporate governance and a robust approach to risk management. • Engage consistently with all stakeholders, including customers, employees, suppliers, regulators and shareholders.	• Forged long-term strategic partnerships with reputable international companies to contribute investment and expertise to the Group's businesses, including Ayala and Ant Group. • Maintained its ranking within the top 5% of listed companies for the SGX-ST Governance and Transparency Index. • Sustained engagement with institutional and retail investors through group and one-on-one meetings/calls to keep them abreast of the developments in Myanmar and in the Group's businesses.	• Maintaining existing relationships and identifying new strategic partners to support growth in the Group's other businesses.

1 *MyJobs.com.mm*

Group Structure

YOMA LAND

DEVELOPMENT PROPERTIES

- **Pun Hlaing Estate**

Yoma Development Group Limited	100%
Lion Century Properties Limited	100%

- **StarCity**

Thanlyin Estate Development Limited	70%

- **Yoma Central and The Peninsula Yangon**

Meeyahta Development Limited	48%
Peninsula Yangon Holdings Pte. Limited	24%

INVESTMENT PROPERTIES

- **StarCity (Residential and Commercial Units)**

Thanlyin Estate Development Limited	70%

- **Pun Hlaing Estate (Residential Units and The Campus)**

Yoma Development Group Limited	100%

- **Dulwich College Yangon**

Yangon Sand Industries Limited (Pun Hlaing Campus)	100%
Star City International School Company Limited (StarCity Campus)	70%

CONSTRUCTION AND PROJECT SERVICES

SPA Design & Project Services Limited	100%
BYMA Pte. Ltd.	40%

YOMA FINANCIAL SERVICES

WAVE MONEY

Yoma MFS Holdings Pte. Ltd.	100%
Digital Money Myanmar Limited	44%

LEASING

Yoma Fleet Limited	80%
Yoma Leasing Company Limited	80%

YOMA F&B

RESTAURANTS

- **KFC**

Summit Brands Restaurant Group Company Limited	100%

- **Little Sheep**

Altai Myanmar Company Limited	100%

- **Auntie Anne's™**

Blue Ridge Company Limited	100%

- **YKKO**

Yankin Kyay Oh Group of Companies Limited	65%
YKKO Toridoll Myanmar Company Limited	39%[3]

BOTTLING

Seagram MM Holdings Pte. Ltd.	19.8%

LOGISTICS AND DISTRIBUTION

KOSPA Limited	50%
METRO Wholesale Myanmar Limited	12%

YOMA MOTORS

HEAVY EQUIPMENT

- **New Holland**

Convenience Prosperity Company Limited	100%

- **Yoma JCB**

Convenience Prosperity Company Limited	100%

PASSENGER AND COMMERCIAL VEHICLES

- **Volkswagen and Ducati**

Yoma German Motors Limited	100%

- **Mitsubishi Motors**

MM Cars Myanmar Limited	50%

- **Hino Motors**

Summit SPA Motors Limited	23%

- **Bridgestone Tyres**

First Japan Tire Services Company Limited	30%

- **Denso**

D Service (Myanmar) Limited	40%

INVESTMENTS

TOURISM

Memories Group Limited[2]	33.3%

ENERGY AND POWER

Yoma Micro Power (S) Pte. Ltd.	35%
Yoma-AC Energy Holdings Pte. Ltd.	100%[4]

AGRICULTURE

Plantation Resources Pte. Ltd.	100%
Yoma Agriculture Company Limited	100%

DALIAN SHOPPING CENTRE

XunXiang (Dalian) Enterprise Co., Ltd.	100%

MITSUBISHI ELEVATORS

MC Elevator (Myanmar) Limited	40%

MANDALAY AIRPORT

MC-Jalux Airport Services Company Limited	9%

PRIVATE INVESTMENTS

Welbeck Global Limited	100%

Yoma Strategic Holdings Ltd.[1]

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*

1. All interests are held by a wholly-owned intermediary holding company, Yoma Strategic Investments Ltd.
2. Listed on the Catalist Board of the SGX-ST.
3. Effective interest held through a 65% subsidiary, Yankin Kay Oh Group of Companies Limited.
4. This will be a 50:50 joint venture with AC Energy, Inc. upon satisfaction of certain terms and conditions.

Geographical Presence

YOMA LAND

3
large scale **developments** in Yangon

>8
million sq ft of **landbank**

YOMA F&B

91
restaurants and stores in 12 cities

3
warehouse facilities in Yangon (logistics and distribution)

32
locations comprising warehouses, branches and depots (bottling)

YOMA FINANCIAL SERVICES

32
Yoma Fleet **Carshare hubs** in 9 cities

299
townships with >68,000 Wave Money agents (nationwide presence)

YOMA MOTORS

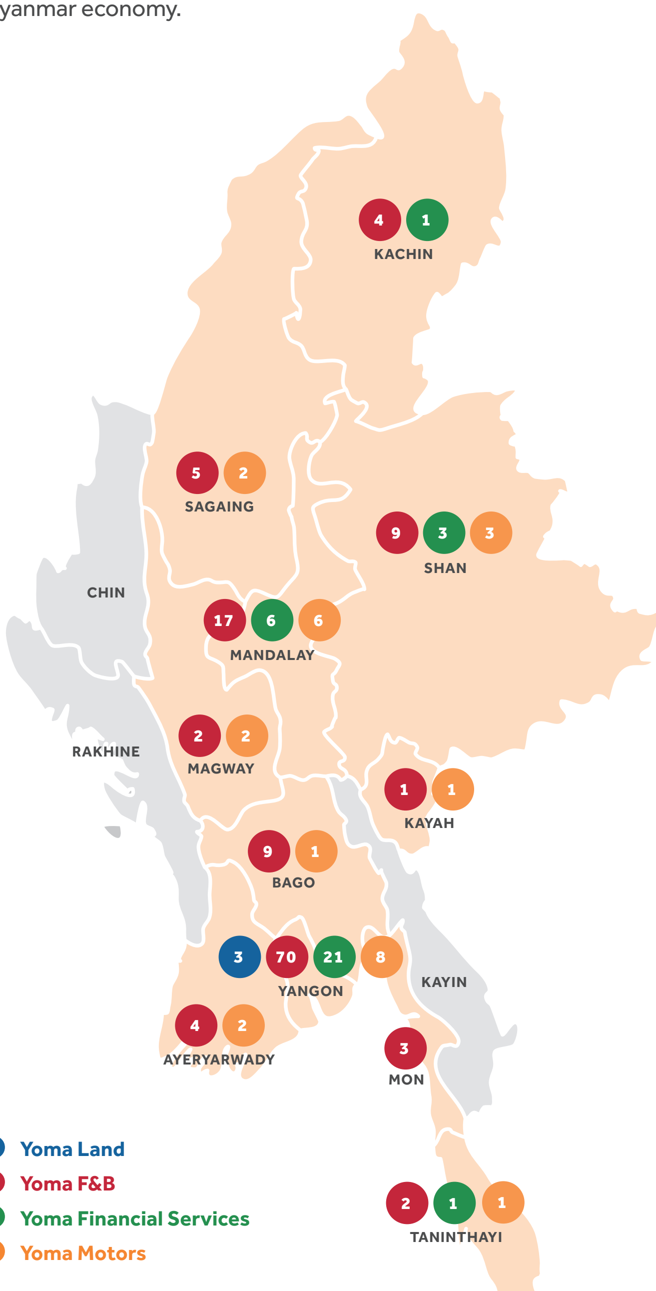
10
passenger and commercial vehicle **showrooms** in 4 cities

16
locations comprising heavy equipment branches and warehouses

Information on geographical presence as at 31 December 2020

Nationwide presence to serve the growing needs of the Myanmar people

The investment in developing a scalable larger nationwide platform beyond the major cities for key business segments leaves the Group well positioned to benefit from the long-term growth prospects offered by the developing Myanmar economy.



- Yoma Land
- Yoma F&B
- Yoma Financial Services
- Yoma Motors

US$103 million 12M-SEPT2020 REVENUE	**37** TOTAL NUMBER OF CITIES[1]
4,300 TOTAL EMPLOYEES	**41%** EMPLOYEE GENDER DIVERSITY

1 *Excluding Wave Money agents which have presence in all cites of Myanmar.*

Key Financial Highlights

US$ million	12M-Sept2018	12M-Sept2019	12M-Sept2020
INCOME STATEMENT AND KEY INCOME STATEMENT ITEMS			
Revenue	85.0	91.0	**103.4**
Gross profit	27.6	45.3	**33.1**
Gross profit margin	*32.5%*	*49.8%*	***32.0%***
Other gains or losses	75.1	9.0	**(11.6)**
Administrative expenses	(45.5)	(50.3)	**(55.2)**
Finance expenses	(16.7)	(29.6)	**(21.6)**
Share of losses of joint ventures	(2.1)	(0.9)	**(1.8)**
Share of losses of associated companies	(3.2)	(8.2)	**(5.5)**
Profit/(loss) before income tax	35.2	(34.7)	**(62.6)**
Net profit/(loss)	33.6	(37.1)	**(65.7)**
Core operating EBITDA[I]	74.9	14.2	**(16.2)**
Net profit/(loss) attributable to shareholders	24.2	(36.9)	**(60.5)**
Basic earnings per share	1.28	(1.96)	**(2.79)**
Diluted earnings per share	1.27	(1.96)	**(2.79)**
BALANCE SHEET ITEMS			
Total assets	1,066.1	1,223.9	**1,342.1**
Total liabilities	409.8	535.5	**548.2**
Shareholder's equity	656.3	688.4	**793.9**
Net gearing ratio (%)	23.9	31.4	**27.8**
Net asset value per share (USD)	27.8	26.6	**26.8**
CASH FLOW ITEMS			
Net cash (used in)/provided by operating activities	–[II]	(18.0)	**48.4**
Net cash used in investing activities	–[II]	(133.4)	**(138.8)**
Net cash provided by financing activities	–[II]	156.5	**108.2**

I *For the purpose of this section, core operating EBITDA refers to earnings before interest, taxes, depreciation, amortisation of operating subsidiaries excluding currency translation differences and EBITDA of the Yoma Central project as administrative expenses form part of the overall project budget and have been funded according to the shareholders' agreement.*

II *Cash flows from operating activities for 12M-Sept2018, which include the impact of the change in the Group's presentation currency and the adoption of SFRS(I) optional exemption to reset the foreign currency translation reserve as at 1 April 2017 to zero, are not presented as they are not comparable to 12M-Sept2019 and 12M-Sept2020.*

Management Discussion and Analysis

The figures presented in this section on Financial Review are unaudited.

REVENUE

12M-Sept2020 revenue increased by 13.6% to US$103.4 million despite the strict government measures to limit the spread of COVID-19 in April, May and September 2020. The increase in revenue was primarily due to a significant increase in Real Estate Development revenue contributed mainly by City Loft @ StarCity, an increase in F&B revenue from the consolidation of YKKO and KOSPA in March and July of 2019, respectively, thus contributed revenue for the full period of 12M-Sept2020. There was also improvement in performances from the Automotive and Financial Services segments.

12M-Sept2020 revenue was negatively impacted by lower operator fee income based on the Group's share of profit in Hlaing River Golf and Country Club Company Limited ("HRGCCL") which included a US$1.7 million fair value losses on HRGCCL's investment properties.

GROSS PROFIT AND GROSS PROFIT MARGINS

The declines in gross profit margins and gross profit contribution were primarily due to the lower operator fee income from the Real Estate Services segment. Gross profit margins in 12M-Sept2020 were also affected by lower gross profit margins in the Real Estate Development and F&B segments, which were partially mitigated by improved gross profit margins in the Motors segment due to the sales of higher margin tractors and automotive vehicles.

OTHER GAINS OR LOSSES

Other losses was higher in 12M-Sept2020 mainly due to the fair value losses relating to the Group's annual valuation exercise for its investment properties as a result of the weakening of USD against MMK and impairment losses made on the Group's agriculture investments. Please see table 1 for further explanation.

TABLE 1: BREAKDOWN OF OTHER GAINS OR LOSSES IN 12M-SEPT2020

US$ million	Breakdown of other gains or losses
21.6	The Group's investment properties recorded a fair value gain in USD terms. The valuation of certain investment properties at the end of each financial year is determined in USD mainly due to (i) the rental being charged in USD; and (ii) the selling prices of comparable properties in the Myanmar market being mostly determined in USD per square foot.
(33.7)	Currency translation losses were recorded at the Myanmar subsidiary level from the conversion of the USD valuation into MMK as USD depreciated more than 13% against MMK between 31 March 2019 and 30 September 2020.
(12.1)[1]	**Net fair value losses on investment properties held by Myanmar subsidiaries with MMK as their functional currency.**
(5.6)	**Impairment losses on the prepayments and operating rights related to the Group's agricultural investments that were affected by the COVID-19 pandemic.**
3.6	**Disposal gains from the sale of the Group's remaining 12.5% stake in edotco Myanmar.**
1.3	**Interest income from the loan to Yoma Micro Power to pre-fund the scale up of its business.**
1.4	**Fair value gain on the Group's investment in a private equity fund.**
(0.2)	**Other gains from the disposal of property, plant and equipment, fair value loss from the shopping mall in Dalian, China, etc.**
(11.6)	**Other losses for 12M-Sept2020**

ADMINISTRATIVE EXPENSES

Administrative expenses increased by 9.7% to US$55.2 million mainly due to the consolidation of YKKO and KOSPA for the entirety of 12M-Sept2020 as YKKO and KOSPA were consolidated in March 2019 and July 2019, respectively. This increase was partially mitigated by the cost control measures undertaken since the onset of the COVID-19 pandemic.

FINANCE EXPENSES

Finance expenses declined by 27.0% to US$21.6 million due to a reduction in average borrowings outstanding during 12M-Sept2020 and a lower interest rate environment as a result of falling USD LIBOR and MMK borrowing rates.

Following the adoption of SFRS(I)16 Leases on 1 April 2019, the Group also recognised US$4.1 million of interest expenses on lease liabilities for the full period in 12M-Sept2020, as compared to US$2.0 million of interest expenses on lease liabilities for only six months in 12M-Sept2019. The Group also recorded currency translation gains on borrowings in 12M-Sept2020 mainly due to the weakening of USD against MMK and CNY and the strengthening of USD against THB. Please see table 2 for breakdown of finance expenses.

1 *Currency effects from the consolidation of the Group's subsidiaries with different foreign currencies (which includes the translation of non-monetary assets, such as investment properties, into the Group's reporting currency) is reflected in other comprehensive income ("OCI") and affects the currency translation reserves presented under equity in balance sheet. The effect of the strengthening of MMK against USD would result in a countervailing OCI gain during this consolidation exercise which has a positive impact on the value of the net assets of the Group.*

Key Financial Highlights

TABLE 2: BREAKDOWN OF FINANCE EXPENSES IN 12M-SEPT2019 AND 12M-SEPT2020

US$ million	12M-Sept2019	12M-Sept2020
Interest expenses on borrowings	22.1	**19.9**
Interest expenses on lease liabilities	2.0	**4.1**
Deferred trade payables	0.5	**0.1**
Finance costs	2.2	**2.5**
Currency translation losses/(gains) on borrowings-net	2.8	**(5.0)**
	29.6	**21.6**

SHARE OF LOSSES OF JOINT VENTURES AND ASSOCIATED COMPANIES

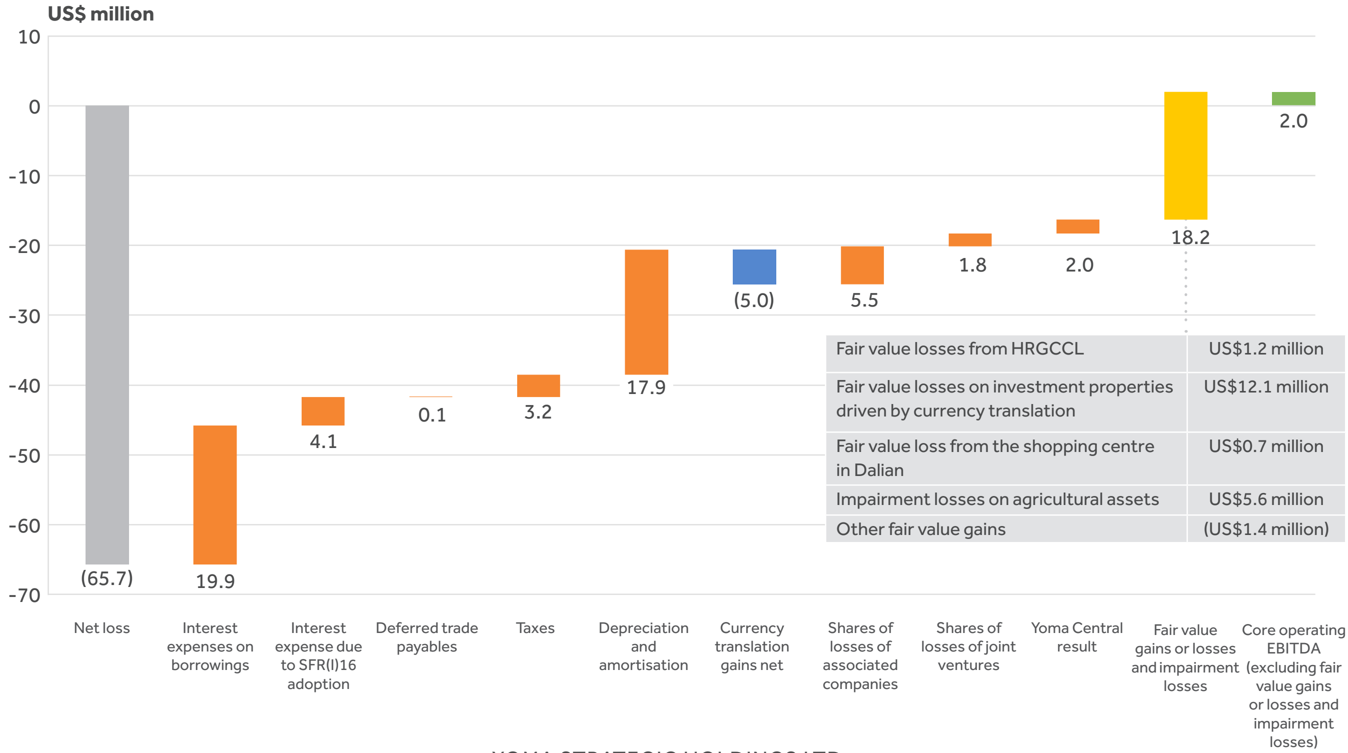
The increase in the share of losses of joint ventures was mainly due to the higher losses recorded at (i) Yoma Micro Power as a result of higher operating costs (including borrowing costs) due to the scale up in the number of micro-power plants and mini-grids; and (ii) BYMA as a result of the negative COVID-19 impact where construction works at Yoma Central were delayed. These higher shares of losses were offset by a strong improvement in the results of the Mitsubishi Motors joint venture.

The lower share of losses of associated companies was mainly due to a higher share of profits from Wave Money of US$6.1 million. This improvement was partially offset by the higher share of losses from Memories Group due to impairment losses made on its operating assets following the impairment assessment performed by Memories Group in view of the COVID-19 impact on Myanmar's tourism industry.

CORE OPERATING EBITDA (EXCLUDING FAIR VALUE GAINS OR LOSSES AND IMPAIRMENT LOSSES)

As a result of the above, the Group incurred a net loss of US$65.7 million in 12M-Sept2020. Excluding fair value gains or losses and impairment losses, core operating EBITDA would have improved to US$2.0 million.

CHART 1: CORE OPERATING EBITDA (EXCLUDING FAIR VALUE GAINS OR LOSSES AND IMPAIRMENT LOSSES) IN 12M-SEPT2020



FINANCIAL MANAGEMENT

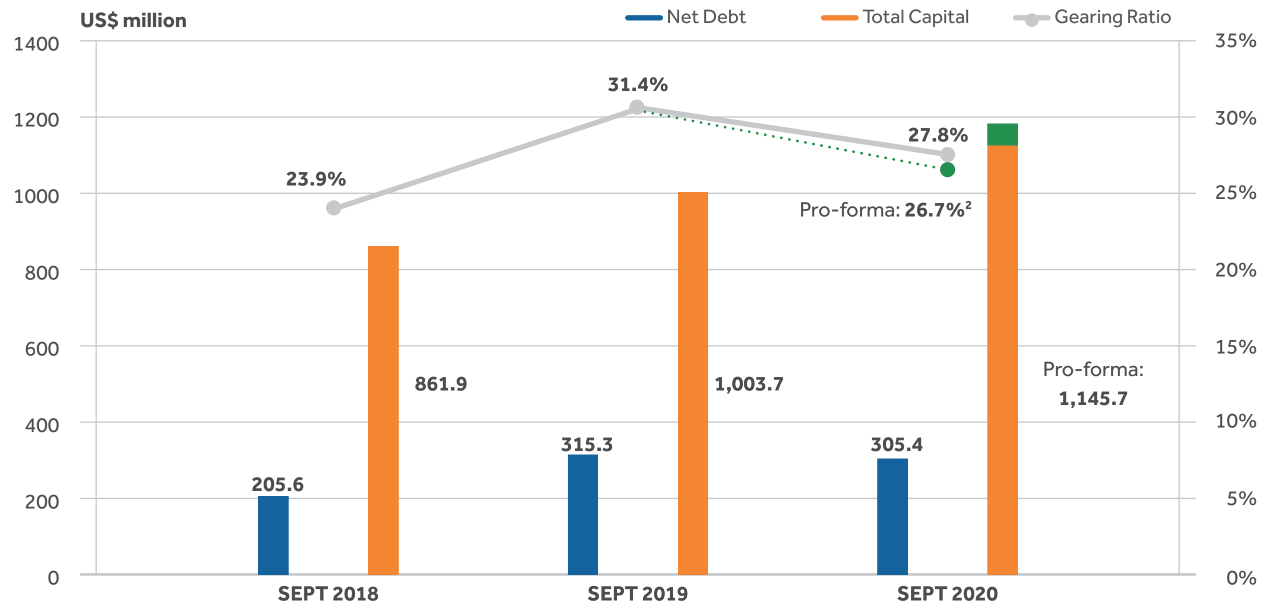
The Group seeks to manage the rapid growth of its businesses whilst maintaining a prudent balance sheet. These objectives are managed by diversifying the Group's sources of funding to optimise its capital structure and debt profile, which includes borrowings from local and international banks and development finance institutions as well as fund raisings in the international capital markets.

In 12M-Sept2020, the Group's operating cash flows of US$48.4 million reflected the resilient performance of its core businesses and cost control measures implemented during the COVID-19 period, which were augmented by the disposal of its investment in edotco Myanmar. Financing cash flows of US$108.2 million were primarily due to the issuance of the first tranche of the Ayala share placement in December 2019 net of the repayment of borrowings during the period. These net cash flows from financing activities were used to fund investing cash outflows of U$138.8 million, which mainly related to Yoma Central in 12M-Sept2020.

As a result, the Group's net gearing ratio declined to 27.8% as at 30 September 2020 and continues to remain well below its maximum targeted net gearing ratio of 40.0%. The net gearing ratio would have been 26.7% assuming that the second tranche of the Ayala share placement had been completed during the period. The 12M-Sept2020 period saw the Group repay certain borrowings from the proceeds of the sale of its stake in edotco Myanmar and the issuance of the first tranche of the Ayala share placement in December 2019. However, the net effect of this de-leveraging exercise was partially abated by US$67.5 million of additional borrowings drawn by the Yoma Central project under its non-recourse facility from the International Finance Corporation and the Asian Development Bank.

The effects of COVID-19 would likely pose uncertainties going forward. The Group will continue to monitor the evolving situation and adjust accordingly and react proactively with countermeasures to minimise the impact to the Group by preserving cash, undertaking cost management measures and deferring non-essential operating and capital expenditures. Furthermore, the Group has put in place various temporary funding arrangements to bolster its liquidity position and to provide for investments in its projects, in particular in relation to Yoma Central.

CHART 2: NET GEARING RATIO



2 *Net gearing ratio assuming completion of the second tranche of Ayala's share placement which would have increased the total capital of the Group.*

Yoma Land
Real Estate Development

Operational Review	12M-Sept2018	12M-Sept2019	12M-Sept2020
Revenue	29.4	16.2	**31.7**
Cost of sales	(19.1)	(8.4)	**(24.7)**
Gross Profit	10.3	7.8	**7.0**
Other gains or losses	(4.6)	4.0	**(4.1)**
Expenses:-			
Administrative	(8.1)	(9.9)	**(8.7)**
Finance	(1.1)	(3.4)	**(4.9)**
Share of profits/(losses) from associated companies	0.4	–	**–**
Profit/(loss) before income tax	(3.1)	(1.5)	**(10.7)**
Core operating EBITDA[I]	7.0	2.6	**0.4**

I *For the purpose of this section, core operating EBITDA refers to earnings before interest, taxes, depreciation, amortisation of operating subsidiaries excluding currency translation differences and EBITDA of the Yoma Central project as administrative expenses form part of the overall project budget and have been funded according to the shareholders' agreement.*

Revenue saw a 95.9% increase to US$31.7 million, which was mainly contributed by City Loft @ StarCity and The Peninsula Residences Yangon, as sales efforts and construction activities were focused on these two projects.

Sales momentum for City Loft @ StarCity continued to see strong interest. As at 30 September 2020, the Group had launched six buildings comprising 791 units for sale, of which 693 units were booked and sold . Revenue recognition based on the percentage of completion for sold units amounted to US$23.2 million in 12M-Sept2020. Construction of the first three buildings was completed in August 2020, while the percentage of completion for next three buildings progressed to approximately 25% to 65% during the period. As at 30 September 2020, the remaining unrecognised revenue for sold units at City Loft @ StarCity amounted to more than US$12.0 million.

The revenue recognition for The Peninsula Residences Yangon was also higher in 12M-Sept2020 as the construction for the Yoma Central project progressed, which was further complemented by the sale of an additional unit. As at 30 September 2020, 19 units of the 30 launched units were booked and sold and the remaining unrecognised revenue for sold units at The Peninsula Residences Yangon amounted to more than US$15.0 million.

In comparison, revenue recognition in 12M-Sept2019 came mainly from the percentage of completion from previous sales of uncompleted development properties in Pun Hlaing Estate, Galaxy Towers at StarCity Zone C and The Peninsula Residences Yangon. During that period, revenue recognised on a percentage of completion basis for City Loft @ StarCity was US$3.7 million as construction of the project only started in April 2019. As at 30 September 2019, 382 units of City Loft @ StarCity were booked and sold, and construction of the first three buildings was approximately 7% to 24% completed.

Gross profit contribution declined by 10.7% to US$7.0 million in 12M-Sept2020 due the lower gross profit margins recorded at the City Loft @ StarCity project as compared to the Galaxy Towers project at StarCity and various projects at Pun Hlaing Estate. The initial launches of City Loft @ StarCity priced units more competitively to build sales momentum for the project and hence, had lower gross profit margins. However, sustained by strong demand, the subsequent launches included incremental pricing adjustments over the course of the period which resulted in progressively higher gross profit margins.

Core operating EBITDA stood lower at US$0.4 million due to the lower gross profit contributions. These negative effects were marginally offset by lower administrative expenses due to cost control measures implemented at the onset of the COVID-19 pandemic.

Yoma Land
Real Estate Services

Operational Review	12M-Sept2018	12M-Sept2019	12M-Sept2020
Revenue	9.6	23.7	**8.3**
Cost of sales	(4.2)	(4.1)	**(4.5)**
Gross Profit	5.4	19.6	**3.8**
Other gains or losses	49.2	26.8	**(9.5)**
Expenses:-			
Administrative	(3.0)	(2.9)	**(2.8)**
Finance	(3.2)	(1.1)	**0.6**
Share of profits/(losses) from joint ventures	1.1	(0.1)	**(1.2)**
Profit/(loss) before income tax	49.5	42.3	**(9.1)**
Core operating EBITDA[I]	52.7	45.4	**(9.5)**

I *For the purpose of this section, core operating EBITDA refers to earnings before interest, taxes, depreciation and amortisation of operating subsidiaries excluding currency translation differences.*

Revenue was lower at US$8.3 million in 12M-Sept2020 which reflected the impact of US$1.7 million of net fair value losses recognised by HRGCCL on its investment properties in its income statement. The Group reflects a 70% share of HRGCCL's profits as operator fee income in its revenue. On the contrary, the Group recorded US$14.3 million of operator fee income in 12M-Sept2019, which included fair value gains recognised by HRGCCL at initial reclassification of its operational assets as investment properties.

Excluding operator fee income, rental revenue from the Group's portfolio of investment properties and estate management fee revenue generated from StarCity and Pun Hlaing Estate dropped slightly to US$8.6 million in 12M-Sept2020 as compared to US$9.4 million in 12M-Sept2019. This result was primarily due to a reduction in rental rates that was implemented to support occupancy levels, particularly from short-stay residents who were seeking refuge during the COVID-19 period and the retention of existing tenants in the current market environment.

Gross profit contribution was lower at US$3.8 million in 12M-Sept2020 due to the lower operator fee income as explained above. Operator fee income has minimal corresponding direct cost of sales and therefore, contributed to the relatively higher gross profit margins in 12M-Sept2019.

Other losses in 12M-Sept2020 was due to the fair value loss adjustments of US$12.1 million from the Group's annual valuation exercise for its investment properties as explained in Table 1 on page 31.

Share of losses of joint ventures was mainly from the BYMA joint venture at Yoma Central which faced construction delays due to the citywide curfews and stay at home orders in response to COVID-19. Based on the construction progress and the revised workplan as at 30 September 2020, Yoma Central is now expected to be completed in 2022.

Excluding the fair value losses at HRGCCL and from the Group's investment properties, core operating EBITDA would be positive at US$3.8 million in 12M-Sept2020.

Yoma Financial Services

Operational Review	12M-Sept2018	12M-Sept2019	12M-Sept2020
Revenue	5.5	6.7	**7.3**
Cost of sales	(3.3)	(4.2)	**(3.7)**
Gross Profit	2.2	2.5	**3.6**
Other gains or losses	–	0.1	**0.5**
Expenses:-			
Administrative	(1.6)	(2.1)	**(2.1)**
Finance	(0.4)	(0.9)	**(0.6)**
Share of profits/(losses) from associated companies	(0.7)	2.7	**6.1**
Profit/(loss) before income tax	(0.5)	2.3	**7.5**
Core operating EBITDA[I]	3.3	4.1	**4.9**

I *For the purpose of this section, core operating EBITDA refers to earnings before interest, taxes, depreciation and amortisation of operating subsidiaries excluding currency translation differences.*

Revenue grew by 7.9% to US$7.3 million and was exclusively derived from Yoma Fleet. Fleet size grew by 22.6% to 1,352 vehicles and total assets under management stood at US$47.1 million as at 30 September 2020.

Growth in revenue is no longer linear to the growth in fleet size due to the change in portfolio mix between operating leases and finance leases. As at 30 September 2020, finance leases comprised 50.5% of Yoma Fleet's portfolio as compared to 38.3% as at 30 September 2019. Finance leases recognise only the interest component of the lease payment as revenue without the corresponding depreciation charges in cost of goods sold associated with operating leases, and hence, record higher gross profit margins despite the lower amount of revenue.

During the period, Yoma Fleet also right-sized its daily rental fleet which resulted in higher utilisation rates and contributed to further gross profit margin improvements.

As a result of the above, gross profit margins improved by 11.6 percentage points to 49.3% in 12M-Sept2020. Contribution from gross profit, coupled with a strong focus on cost control measures and a reduction in sales and marketing expenses, led to an 18.7% improvement in core operating EBITDA to US$4.9 million in 12M-Sept2020.

The share of profit from associated companies was attributable wholly to the Group's 34% stake[3] in Wave Money and grew significantly to US$6.1 million. Revenue and net profit of Wave Money grew by 84.2% and 125.9%, respectively, due to the increased scale of the over-the-counter business maintaining its market leading position and the rapid expansion of the digital business being managed prudently.

3 *On 13 October 2020, Yoma Strategic acquired an additional 10% interest in Wave Money and now holds a 44% interest in Wave Money.*

Yoma F&B

Operational Review	12M-Sept2018	12M-Sept2019	12M-Sept2020
Revenue - Restaurants	12.5	21.3	**24.5**
Revenue - Logistics and Distribution	–	1.5	**7.0**
Total Revenue - F&B	12.5	22.8	**31.5**
Cost of sales	(6.4)	(11.3)	**(17.8)**
Gross Profit - Restaurants	6.1	11.5	**12.9**
Gross Profit - Logistics and Distribution	–	–	**0.8**
Total Gross Profit - F&B	6.1	11.5	**13.7**
Other gains or losses	–	0.8	**1.2**
Expenses:-			
Administrative	(9.6)	(15.6)	**(20.5)**
Finance	–	(0.5)	**(1.4)**
Share of profits/(losses) from joint ventures	(1.5)	0.7	**–**
Share of profits/(losses) from associated companies	(1.4)	(6.1)	**(1.8)**
Profit/(loss) before income tax	(6.4)	(9.2)	**(8.8)**
Core operating EBITDA[I]	(1.3)	1.0	**2.8**

I *For the purpose of this section, core operating EBITDA refers to earnings before interest, taxes, depreciation and amortisation of operating subsidiaries excluding currency translation differences.*

Revenue grew by 38.0% to US$31.5 million mainly due to the consolidation of YKKO and KOSPA for the entirety of 12M-Sept2020 as compared to six and three months of consolidation, respectively, in 12M-Sept2019.

The Group's restaurants business had been particularly affected by COVID-19 due to government imposed lock downs, curfews and prohibitions on dine-in sales in April, May and September 2020 along with temporary store closures in severely affected trade zones (e.g. airports, shopping malls, etc.). Despite these challenges, revenue from the restaurants business recorded growth due to (i) the acquisition of a 65% interest in YKKO completing in March 2019 which resulted in the consolidation of YKKO for the full 12M-Sept2020 period, (ii) the new store openings for KFC, YKKO and Auntie Anne's™ during the period, and (iii) an increase in delivery sales which accounted for approximately 20% to 50% of total restaurants sales between March 2020 and September 2020.

The consolidation of KOSPA was effective from July 2019 and is reflected in the full 12M-Sept2020 period. In July 2019, SF Holding Co., Ltd ("SF") acquired a 25% stake in KOSPA and KOSPA became a 50%-subsidiary of the Group with SF and Kokubu each holding a 25% stake. Meanwhile, higher transportation and warehouse utilisation rates and volumes also contributed to the growth in KOSPA's revenue in 12M-Sept2020.

As at 30 September 2020, the Group operated 91 F&B outlets comprising 45 KFC restaurants, 42 YKKO restaurants, 3 Auntie Anne's™ kiosks and 1 Little Sheep Hot Pot restaurant. As a result of the above, gross profit contribution recorded an improvement. However, overall gross profit margins declined by 7.2 percentage points mainly due to the dilutive effect of KOSPA, which generally carries lower gross profits margins than the restaurants business, and the higher costs of packaging, delivery commissions and promotional activities related to the restaurants business.

Higher gross profit contribution, coupled with operating efficiencies from the enlarged overall restaurant platform and a strong focus on cost control measures during the COVID-19 period, led to a significant improvement in core operating EBITDA to US$2.8 million in 12M-Sept2020.

There was also a significant reduction in net losses from associated companies mainly due to the improved performance by Access Myanmar Distribution Company Limited ("AMDC") and Seagram MM (restructured from AMDC) with the absence of market entry costs from the launch of new whisky brands and costs associated with the restructuring of Seagram MM, both of which were incurred in 12M-Sept2019.

Yoma Motors

Operational Review	12M-Sept2018	12M-Sept2019	12M-Sept2020
Revenue - Heavy Equipment	25.7	18.3	**17.1**
Revenue - Automotive	1.2	2.4	**6.7**
Total Revenue - Motors	26.9	20.7	**23.8**
Cost of sales	(24.0)	(17.5)	**(19.4)**
Gross Profit - Heavy Equipment	2.0	2.2	**2.6**
Gross Profit - Automotive	0.9	1.0	**1.8**
Total Gross Profit - Motors	2.9	3.2	**4.4**
Other gains or losses	(0.6)	(0.1)	**1.1**
Expenses:-			
Administrative	(6.7)	(6.7)	**(6.9)**
Finance	(0.4)	(0.1)	**(0.3)**
Share of profits/(losses) of joint ventures	(1.0)	(0.6)	**0.9**
Profit/(loss) before income tax	(5.8)	(4.3)	**(0.8)**
Core operating EBITDA[1]	(2.0)	(2.0)	**(0.6)**

1 *For the purpose of this section, core operating EBITDA refers to earnings before interest, taxes, depreciation and amortisation of operating subsidiaries excluding currency translation differences.*

Revenue recorded a 15.1% increase to US$23.8 million with the improvement mainly coming from the Automotive segment from the sales of Volkswagen vehicles and Ducati motorbikes. Volkswagen's 23,000 square feet showroom in Yangon and 4,800 square feet showroom in Mandalay became fully operational in May 2019 and hence, contributed to the full 12M-Sept2020 period. Following Ducati's launch in February 2019, the brand's premium motorcycles received increasingly strong customer interest and positive brand recognition across the country. The Group sold 154 Volkswagen vehicles and 72 Ducati motorbikes in 12M-Sept2020 as compared to 28 Volkswagen vehicles and 32 Ducati motorbikes in 12M-Sept2019.

The increase in revenue from the Automotive segment more than offset the marginal decline in revenue from the Heavy Equipment segment. The New Holland and JCB businesses were negatively affected by COVID-19 with border closed, crop prices falling and construction activities delayed. As a result, the Group sold 337 tractors and 50 units of construction equipment in 12M-Sept2020 as compared to 399 tractors and 69 units of construction equipment in 12M-Sept2019. However, the decrease in the number of tractors sold in 12M-Sept2020 was partially mitigated by a focus on selling higher value tractors.

Core operating EBITDA improved by 70% primarily as a result of an increase in gross profit contribution from both the Automotive and Heavy Equipment segments. In addition to the improved gross profit margins in the Heavy Equipment segment from selling higher margin tractors, the scaling up of the Automotive segment, which on average generates healthier margins than the Heavy Equipment segment, contributed to this improvement. The cost control measures implemented during the COVID-19 period further underpinned these results.

The joint ventures saw significant improvements in their respective performances. Mitsubishi Motors turned profitable during the period due to the strong demand for its Xpander model and sold 793 vehicles in 12M-Sept2020, more than double the 233 vehicles sold in 12M-Sept2019. Hino also saw an improvement in sales with 181 vehicles sold in 12M-Sept2020 as compared to 109 vehicles sold in 12M-Sept2020.

Portfolio of Investments

MEMORIES GROUP

Memories Group had been deeply impacted by the COVID-19 pandemic. Myanmar restricted international travel in March 2020 and, although there had been a surge of domestic tourism, the disruption to Memories Group's operations had been substantial. Apart from Awei Metta, its urban hotel in Yangon, all of Memories Group's other assets and operations – Awei Pila, Keinnara Hpa An, Balloons Over Bagan, etc. – faced episodes of temporary closures over the COVID-19 period. Furthermore, the spending power of domestic travelers is generally lower than that of international visitors. Nonetheless, Memories Group continues to diversify its sales and marketing efforts in the domestic market and is making noticeable inroads in building brand recognition for its hotels.

The Group holds a 33% stake in Memories Group and, in view of the adverse impact of COVID-19 on Myanmar's tourism industry, Memories Group recorded a US$14.8 million impairment loss on its operating assets in 12M-Sept2020. As at 30 September 2020, the carrying cost of Memories Group is US$18.7 million on the Group's balance sheet.

YOMA MICRO POWER

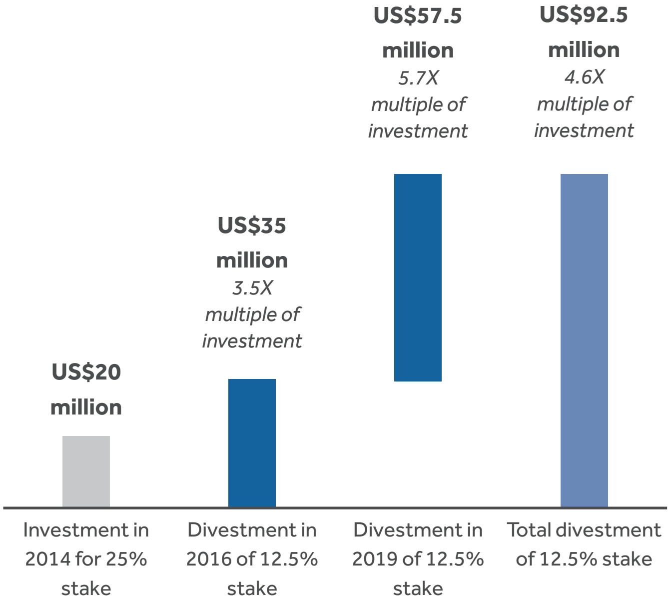
Yoma Micro Power is a joint venture between the Group, the International Finance Corporation and The Norwegian Investment Fund for Developing Countries to build micro-power plants and mini-grids with the purpose of powering off-grid telecommunication towers and villages. As of 30 September 2020, Yoma Micro Power has 313 telecommunication towers connected and nine village mini-grids operational with the intention to scale up to 2,000 telecommunication towers and 375 villages by 2023.

In October 2019, the Group formed a strategic 50:50 joint venture[4] with Ayala Corporation Energy to hold the Group's stake in Yoma Micro Power and invest an additional US$30 million to drive the scale up of the business. The partnership will also explore around 200MW of additional renewable energy projects in Myanmar, including large-scale utility tenders. It marks the first co-investment opportunity between Yoma Strategic and Ayala in the Group's projects.

EDOTCO MYANMAR

In November 2019, the Group disposed of its remaining 12.5% stake in edotco Myanmar, the operator of over 1,800 telecommunications towers[5] across Myanmar, for a consideration of US$57.5 million. With this disposal, the Group's investment of US$20.0 million in 2014 for a 25% stake in edotco Myanmar had grown to a total of US$92.5 million upon exit. Proceeds from the sale were redeployed to acquire an additional 10% stake in Wave Money and to reduce the Group's overall debt levels. The disposal was in line with the Group's strategic goal of divesting certain non-core assets and recycling capital into the expansion of its core businesses whilst managing a prudent balance sheet.

CHART 3: DELIVERING HIGH RETURNS ON TELECOMMUNICATIONS TOWERS INVESTMENT



DALIAN SHOPPING MALL

The Group is actively looking to recycle capital from its investment in a 320,000 square feet retail shopping mall in Dalian, China which is held through the Group's subsidiaries, Wayville Investments Limited and Xun Xiang (Dalian) Enterprise Co., Ltd. ("Xun Xiang").

As at 30 September 2019, the Group classified this investment in Xun Xiang (including its investment properties) to "Disposal group classified as held-for-sale". In connection with this reclassification, the Group undertook a valuation exercise to determine this non-core asset's fair value and recognised a fair value loss of approximately US$31.6 million in 12M-Sept2019 and a further fair value loss of approximately US$0.7 million in 12M-Sept2020.

As at 30 September 2020, the fair value of the retail shopping mall was U$32.2 million, and the loan owing by Xun Xiang had been fully repaid. The Group continues to monitor the Chinese real estate market closely and remains actively committed to dispose of this non-core asset as and when market conditions permit.

4 *Subject to satisfaction of certain terms and conditions including consents of joint venture partners.*
5 *https://edotcogroup.com/myanmar/*

Risk Management

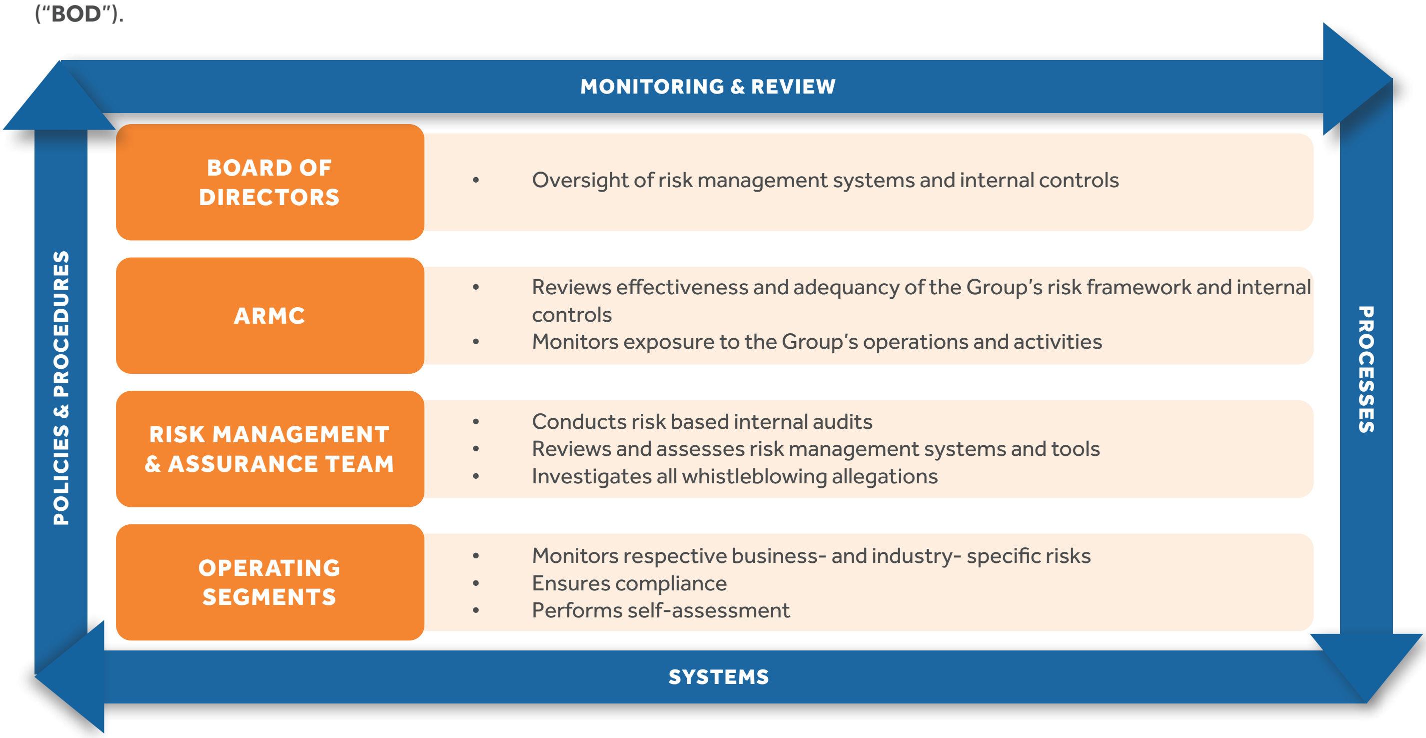
The Group has put in place a robust risk management framework to identify, measure and monitor critical risks. A strong risk awareness culture is embedded within the Group's decision-making activities which seeks to balance an acceptable risk tolerance level against anticipated returns.

The Group's established Enterprise Risk Management ("**ERM**") Framework is premised on the principles set out in international standards, such as ISO 31000:2009 Risk Management – Principles and Guidelines and the COSO (Committee of Sponsoring Organisations of the Treadway Commission) framework.

As part of the ERM Framework, an annual Group-wide self-assessment is undertaken to identify material risks faced by the Group along with mitigating measure in place. Where appropriate, related policies and internal controls are refined by Management with guidance from the Audit and Risk Management Committee ("**ARMC**") and the Board of Directors ("**BOD**").

The ERM Framework provides a sound and systematic approach towards risk management and internal control through the following activities:

a) Risk identification and assessment
b) Development of key risk management strategies
c) Implementation of prevention, detection and response controls
d) Monitoring and mitigation of key risks and risk exposure levels
e) Reporting of key risk management performance to the ARMC and the BOD



The risks identified and the adequacy of any mitigating controls are measured and monitored through Risk-Based Independent Audits ("**RBIA**") as part of the process of prevention, detection and response controls implemented by Management. Results of the RBIA are presented to the ARMC and the BOD with any residual risks, along with the necessary corrective actions, being highlighted.

The Group categorises its risk profile into 5 key areas:

- Strategic Risk
- Operational Risk
- Financial Risk
- Compliance Risk
- Information Technology Risk

	DESCRIPTION	MITIGATION
STRATEGIC RISK		
Business Model /Strategy	The Group recognises that competitive landscapes, changing customer preferences and market driven forces impact the strategy and operations of each of the Group's business units and their financial performance.	Regular and constant strategy sessions are held across the Group to review existing strategies at each business unit, including the relevant digital trends in different sectors, and to formulate pre-emptive measures, such as diversifying the Group's business mix and sources of revenue and profitability.
OPERATIONAL RISK		
Pandemic	The unprecedented disruption brought about by the COVID-19 pandemic has impacted the Group's businesses and operations. The imposition of travel and movement restrictions, city-wide curfews and other lockdown measures could impact business continuity. Furthermore, curbs on various retail, construction and government department activities could adversely affect the Group's operations.	Continuously monitoring the impact of COVID-19 on its businesses and initiating measures to ensure the safety and wellbeing of its employees and customers. Ensuring its operations remain sustainable by adjusting many of its standard operating procedures and accelerating the implementation of digital processes.
FINANCIAL RISK		
Cashflow and Funding	The disruption caused by COVID-19 to the Group's businesses and operations may intensify the need for additional near-term funding. This may occur amidst financial markets volatility and a tightening credit environment.	Reviewing the Group's cashflow profile and maintaining funding flexibility through the extension of borrowings, the sourcing of alternative funding facilities and the deferment of non-essential operating and capital expenditures. Cost control measures to preserve cash have been implemented since the onset of the pandemic in Myanmar.
Foreign Exchange and Interest Rates	The Group operates in Myanmar with US dollars as its reporting currency. It may be exposed to unfavorable movements in both foreign exchange and interest rates.	Constantly reviewing foreign currency exposures in operations and monitoring the Group's economic exposure to movements in foreign exchange rates. Hedging opportunities are being evaluated to mitigate such exposures and take into account the cost of such hedges. Maintaining a mix of both fixed and floating rates on borrowings to manage interest rate fluctuations.
INFORMATION TECHNOLOGY RISK		
Security	As the Group increasingly relies on information technology to facilitate its operations and to maintain business continuity, it has become increasingly exposed to evolving IT risks, including network security, data protection and cybercrimes.	Establishing a strict Information Security Policy designed to address the following: • Secure access via identity management. • Back-up and privileged access protocols. • Data storage capacity and utilisation monitoring.
COMPLIANCE RISK		
Corruption and Fraud	Corruption and fraud represent inherent risks faced by any business operating in Myanmar. These acts could be committed by customers, employees, officers or vendors engaged by the Group.	• Reviewing and assessing the Group's Code of Conduct and Conflict of Interest Policy and reinforcing a zero-tolerance policy toward any incidents of corruption and fraud. • Having a Whistleblowing Policy that provides accessible channels for reporting of improprieties or concerns to Group Risk Management and Assurance Team for investigation and reporting to the ARMC. • Conducting regular internal audits on specified procedures, functions and business units to measure compliance with the Group's policies.

Sustainability Summary

OUR SUSTAINABILITY STRATEGY

The Group focuses on sustainability solutions that create value for all stakeholders. The sustainability journey provides new opportunities for the communities in which the Group operates and allows it to implement its mission to Build a Better Myanmar for Its People.	The Group has identified a set of focus areas that are relevant to its businesses and is guided by environmental, social and governance ("ESG") factors in its decision-making processes throughout its operations. These sustainability objectives are organised around People, Planet and Profit.	The Group's 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 and 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	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).	Raise awareness on the importance of recycling and reducing the use of plastics across the Group's various businesses in order to minimise its environmental impact. Implement procurement guidelines to reduce the amount of waste generated.	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.

SUSTAINABLE DEVELOPMENT GOALS

Yoma Strategic is committed to supporting the UN's SDGs in its operations.

SDG	YOMA STRATEGIC'S CONTRIBUTIONS
1 NO POVERTY	The Group's businesses provide approximately 4,130 jobs to locals in Myanmar. All of its employees are paid at least the statutory minimum wage. Aside from direct employment, the Group also supports local businesses, job creation and financial inclusion in communities throughout Myanmar. For instance, Wave Money, a mobile based financial services provider that facilitates secure and real-time payment transactions, runs a network of more than 68,000 agents in both urban and rural communities across 299 townships. It caters to approximately 70% unbanked population of Myanmar many of whom are micro and small businesses as well as migrant workers who have relocated to urban centres in search of employment but periodically remit their salaries to support their families in rural areas. Wave Money has also become a trusted partner for many government departments and non-profit organisations in disbursing COVID-19 relief funds.
2 ZERO HUNGER	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. Since 2012, the Group has sold approximately 4,200 tractors via its self-managed locations[1], over 300 independent business associates and 30 independent parts distributors and continues to support a dedicated maintenance team to better serve rural communities throughout the country. Yoma Heavy Equipment also sponsored Myanmar's first cassava conference and workshop to educate farmers about the crop's potential, which was attended by the Ministry of Agriculture, the Department of Agricultural Research (DAR), the Department of Agriculture (DOA), local farmers and other stakeholders.
3 GOOD HEALTH AND WELL-BEING	Various Yoma Group[2] companies are partners of M2030. M2030 is a movement launched by the Asia Pacific Leaders Malaria Alliance (APLMA) to eliminate malaria in Asia by 2030. The existing M2030 partners include Pun Hlaing Siloam Hospitals, Wave Money, Volkswagen, New Holland, JCB, KFC, Auntie Anne's, YKKO, Little Sheep Hotpot and Yoma Micro Power.
5 GENDER EQUALITY	Approximately 41% of the Group's workforce is female. In addition, Yoma Strategic has a 22% female representation on its Board of Directors as at November 2020. Training programs on building and maintaining a respectful workplace were rolled out in 12M-Mar2019. As at 30 September 2020, more than 80% of the Group's managers underwent such training which covered topics that included anti-harassment, maternity planning and career development.
7 AFFORDABLE AND CLEAN ENERGY	As of September 2020, Yoma Micro Power has constructed and commenced operations at 318 off-grid solar micro power plants. Approximately 812 households in 11 villages in off-grid areas now have access to electricity. Yoma Micro Power plans to scale up to 750 solar micro power plants in financial year ending 30 September 2021 and to more than 2,000 by the end of 2023.

1 *Comprises 13 branches nationwide and 3 warehouses in Yangon.*
2 *For this purpose, Yoma Group comprises Yoma Strategic and First Myanmar Investment Public Company Limited.*

Sustainability Summary

SDG	YOMA STRATEGIC'S CONTRIBUTIONS
8 DECENT WORK AND ECONOMIC GROWTH	The Group fully supports and practices the International Labour Organisation's Eight I Core Conventions and the IFC's Labour and Working Conditions Standards. The Group prohibits child labour at all of its business operations and projects, and there were no cases of child labour reported in 18M-Sept2020.
11 SUSTAINABLE CITIES AND COMMUNITIES	Yoma Land has developed City Loft, a product offering of quality affordable housing that caters to the underserved the middle-income market, in-line with its wider mission to build better communities for the future of Myanmar. The first project City Loft @ StarCity is expected to include commercial, communal and recreational areas and is designed to facilitate modern living standards that allow an inclusive community to thrive. Yoma Central, an integrated mixed-use development currently under construction in downtown Yangon, has adopted IFC EDGE (Excellence in Design for Greater Efficiencies) as a sustainability standard for green design and construction principles. For example, the project plans to install low-emissivity glazing windows to reduce solar heat gain and will utilise natural day light and ventilation to minimise energy consumption. The Group has generated approximately 0.57TJ of renewable energy from solar panels which were installed at Star City and The Campus. This is equivalent to the monthly electricity consumption of approximately 920 households in Myanmar[4].
16 PEACE, JUSTICE AND STRONG INSTITUTIONS	The Group strongly opposes bribery and all other kinds of corruption. To reinforce its Code of Conduct, the Group conducts training for all employees covering its policies on Anti-Bribery and Anti-Corruption, Conflicts of Interest and Whistle Blowing. These policies extend to the Group's business dealings with third party service providers and vendors. The Group prohibits 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, the Group believes that it is important to lead by example so as to ensure that internationally recognised best practices are established early on in the rapid development of Myanmar.

Further information on the Group's sustainability efforts and performance will be detailed in the Sustainability Report to be published by February 2021. The Sustainability Report would be prepared based on the internationally recognised Global Reporting Initiative ("GRI") framework and aligned with the Singapore Exchange's Sustainability Reporting Guidelines.

4 *This is based on an average of 435kWh consumed per household per month. Source of data: Myanmar Energy Statistics 2019. Published by Economic Research Institute for ASEAN and East Asia (ERIA). https://www.eria.org/uploads/media/0.ERIA-Myanmar_Energy_Statistics_2019.pdf*

Corporate Information

BOARD OF DIRECTORS
Mr. Serge Pun @ Theim Wai
(Executive Chairman)

Mr. Pun Chi Tung Melvyn
(Chief Executive Officer and Executive Director)

Mr. Pun Chi Yam Cyrus
(Non-Executive Non-Independent Director)

Mr. Fernando Miranda Zobel de Ayala
(Non-Executive Non-Independent Director)

Mr. Chan Pengee Adrian
(Lead Independent Director)

Ms. Wong Su Yen
(Non-Executive Independent Director)

Dato Timothy Ong Teck Mong
(Non-Executive Independent Director)

Mr. Thia Peng Heok George
(Non-Executive Independent Director)

Professor Annie Koh
(Non-Executive Independent Director)

Mr. Paolo Maximo Francisco Borromeo
(Alternate Director to Mr. Fernando Miranda Zobel de Ayala)

AUDIT AND RISK MANAGEMENT COMMITTEE
Mr. George Thia (Chairman)
Ms. Wong Su Yen
Dato Timothy Ong

NOMINATING AND GOVERNANCE COMMITTEE
Mr. Adrian Chan (Chairman)
Dato Timothy Ong
Mr. Melvyn Pun

REMUNERATION COMMITTEE
Ms. Wong Su Yen (Chairman)
Mr. George Thia
Mr. Adrian Chan

COMPANY REGISTRATION NUMBER
196200185E

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63 Mohamed Sultan Road
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Fax: (65) 6223 1990

COMPANY SECRETARIES
Ms. Loo Hwee Fang
Mr. Lun Chee Leong

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Tel: (65) 6593 4848
Fax: (65) 6593 4847

INDEPENDENT AUDITOR
Nexia TS Public Accounting Corporation
80 Robinson Road
#25-00
Singapore 068898

Ms. Meriana Ang Mei Ling
Director-in-charge
(Appointed with effect from financial year ended 31 March 2018)

PRINCIPAL BANKERS OF THE GROUP
CIMB Bank Berhad
50 Raffles Place
#09-01 Singapore Land Tower
Singapore 048623

Bangkok Bank Public Company Limited
180 Cecil Street
Bangkok Bank Building
Singapore 069546

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 management of the Company (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 30 September 2020 ("**FP2020**"), 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 to the requirements of the Listing Manual. The Company has complied in all material aspects with the core principles and provisions of the 2018 Code.

Corporate Governance Accolades

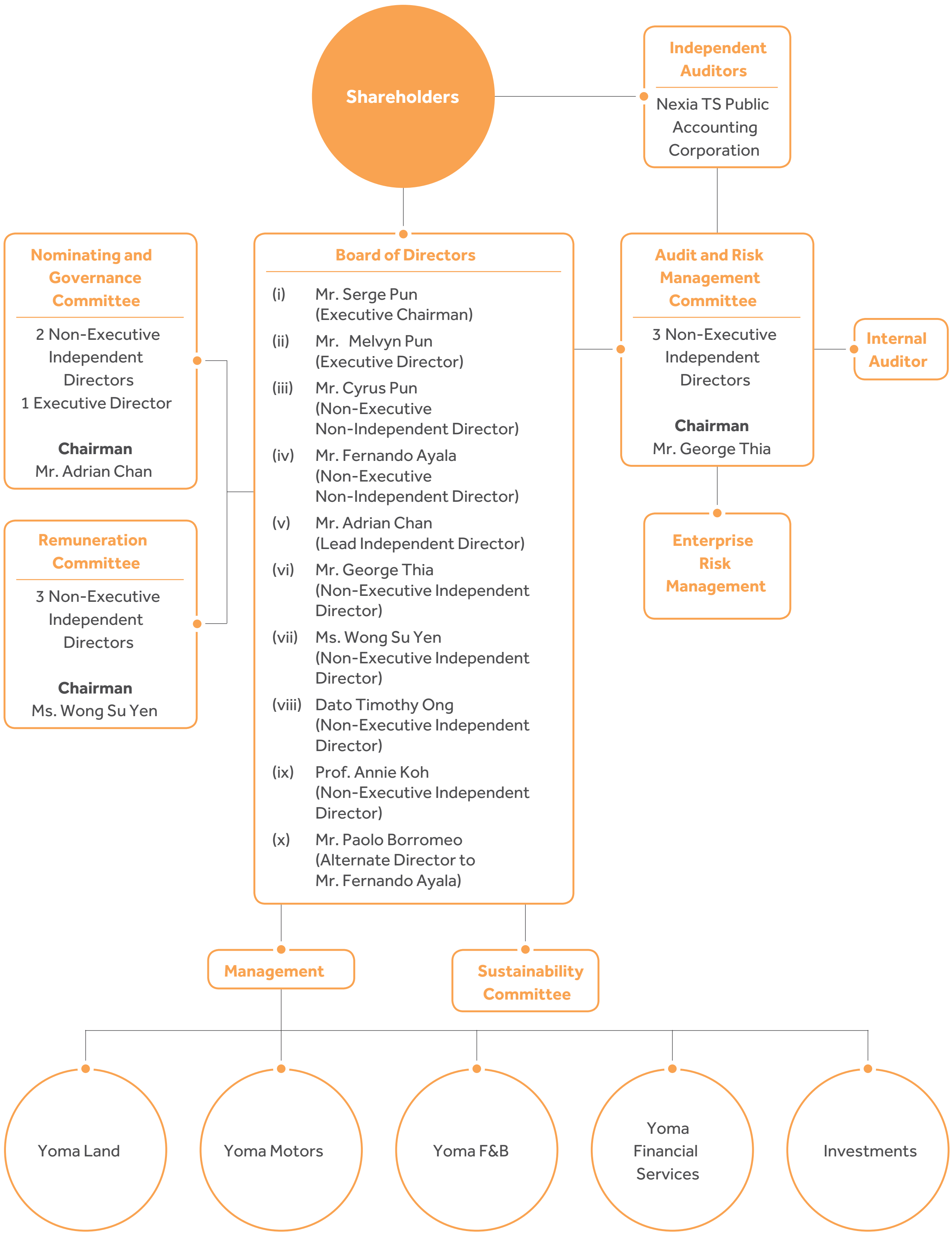
- The Company continues to uphold the highest standards of corporate governance and it remains in the top 5% on the Singapore Governance and Transparency Index (SGTI) in 2020. The SGTI is aimed at assessing companies on their corporate governance disclosure and practices, as well as the timeliness, accessibility and transparency of their financial results announcements.

- 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 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 nine (9) Directors and an Alternate Director. The Board comprises two (2) Executive Directors, two (2) Non-Executive Non-Independent Directors and five (5) Non-Executive Independent Directors and one (1) Alternate to a Non-Executive Non-Independent Director. The five (5) Non-Executive Independent Directors collectively comprises more than fifty per cent. (50%) of the Board of Directors.

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.

BOARD MATTERS

Principle 1 – The Board's Conduct of Affairs

The Board leads and controls, and is collectively responsible to oversee the business and affairs of the Company, and for 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 that all directors and employees, including senior management, are required to comply with. 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 strategy set by the Board. The 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 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 their respective areas of focus. 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 the Management accountable for performance. Directors understand the Group's businesses 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).

Corporate Governance Report

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-assessment carried out by the Directors for FP2020, 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, Chapter 50.

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 strengthen its role as a leading player in Myanmar's financial technology sector by increasing its existing shareholding and taking a controlling interest in Digital Money Myanmar Limited (Wave Money); (ii) to expand its Real Estate development activities and capture the recent momentum and improvement in market conditions by building a sustainable pipeline of sales and to increase the recurring rental revenue in its Real Estate Services business; and (iii) to leverage Ayala Corporation's capabilities and experiences to strengthen the Group's businesses and to support its corporate functions.

Review Process

A process is in place to support the Board in reviewing and monitoring the Group's strategic plans. An annual off-site board strategy meeting is organised for in-depth discussion on strategic issues and direction 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 key business units at each Board meeting and at the off-site Board 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. An off-site board strategy meeting was held in April 2019 in the Philippines over a 3-day period to coincide with an invitation from Ayala Corporation for site visits and presentations. All Directors attended this off-site board strategy meeting.

Meetings (Provision 1.5)

Board meetings are scheduled to coincide with half-yearly financial results reporting in order to facilitate a review of the financial statements and 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 there and to provide an opportunity for the Non-Executive Independent Directors to familiarise themselves with the key management personnel. Due to the travel restrictions imposed by Singapore and Myanmar in response to the COVID-19 pandemic, no Board meeting was held in Myanmar for FP2020.

Board meetings generally include presentations by key management personnel and external consultants/experts on strategic issues relating to specific business areas. 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 formal Board meetings.

FP2020

During FP2020, the Board met on eight (8) occasions. The number of Board and Board Committee meetings as well as the attendance of each Board member at these meetings and the last Annual General Meeting ("**AGM**") held on 24 July 2019 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 networking relationships which would further the interests of the Company.

Corporate Governance Report

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 teleconferencing. To further facilitate the efficient decision-making of the Board, resolutions of the Board would be passed by way of circulating resolutions pursuant to the Constitution of the Company.

Table 1: Directors' Attendance at meetings held during FP2020

Name	Board	ARMC	NGC	RC	AGM
Total number of meetings held	8	6	3	2	1
Executive Directors					
Mr. Serge Pun	8	N.A.	N.A.	N.A.	1
Mr. Melvyn Pun	8	N.A.	3	N.A.	1
Non-Executive Directors					
Mr. Cyrus Pun	8	N.A.	N.A.	N.A.	1
Mr. Fernando Ayala[1] Mr. Paolo Borromeo[2] (Alternate Director to Mr. Fernando Ayala)	3 (out of 4)	N.A.	N.A.	N.A.	N.A.
Mr. Adrian Chan	8	N.A.	3	2	1
Ms. Wong Su Yen	8	6	N.A.	2	1
Dato Timothy Ong	8	6	3	N.A.	1
Mr. George Thia	8	6	N.A.	2	1
Prof. Annie Koh[3]	N.A.	N.A.	N.A.	N.A.	N.A.

Notes:

1. Mr. Fernando Ayala was appointed as a Non-Executive Non-Independent Director with effect from 2 December 2019 during FP2020. He was unable to attend one Board meeting as he had to attend to an urgent engagement.

2. Mr. Paolo Borromeo was appointed as an Alternate Director to Mr. Fernando Ayala with effect from 15 June 2020 during FP2020.

3. Prof. Annie Koh was appointed after FP2020 as a Non-Executive Independent Director with effect from 3 November 2020.

Corporate Governance Report

Board Approval (Provision 1.3)

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 annual and interim financial statements
- ☑ Dividend policy and payout
- ☑ Acquisitions and divestments exceeding the prescribed amount by any Group Company
- ☑ 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 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 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 prior experience in areas such as accounting, legal and industry-specific knowledge, and will ensure that he undergoes training in the roles and responsibilities of a director of a listed issuer as prescribed under the Listing Manual. During FP2020, Mr. Fernando Ayala was appointed as a Non-Executive Non-Independent Director of the Company on 2 December 2019 and Mr. Paolo Borromeo was appointed as the Alternate Director to Mr. Fernando Ayala on 15 June 2020. Prof. Annie Koh was also appointed as a Non-Executive Independent Director of the Company on 3 November 2020. Both Mr. Fernando Ayala, Mr. Paolo Borromeo and Prof. Annie Koh have been briefed on their duties and statutory obligations as a Director of the Company. The Company will organise site visits for Mr. Fernando Ayala, Mr. Paolo Borromeo and Prof. Annie Koh once the travel restrictions imposed in response to the COVID-19 pandemic have been lifted.

Mr. Fernando Ayala has extensive directorship experience including being a chairman of and/or board member of several public-listed companies in the Philippines. Some of these listed companies had been ranked as among the Top Performing Companies in Corporate Governance under the ASEAN corporate governance Scorecard ("AGCS") in 2017 and two such listed companies were also recognised for their corporate governance practices as some of the top-performing Philippines publicly listed companies under the 2018 AGCS. Therefore, the NGC is of the view that the mandatory training prescribed by Rule 210(5)(a) of the Listing Manual for Mr. Fernando Ayala is not required. Prof. Annie Koh has directorship experience in companies listed on the SGX-ST. For more information, please refer to the section on Board of Directors of this Annual Report.

As Mr. Paolo Borromeo has no prior experience as a director of a listed company, he has attended and completed the Listed Entity Director Programme, as mandated under the Listing Manual, conducted by Singapore Institute of Directors ("**SID**") to familiarise himself with the role and responsibilities of a director of a listed company.

Training (Provision 1.2)

The Directors are provided with updates and/or briefings from time to time by professional advisers, auditors, Management and the Company Secretaries 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 trainings 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.

Corporate Governance Report

In the course of FP2020, the Directors were provided with a briefing from the Company's Independent Auditors on Accounting Standards updates. They were also apprised of amendments to the Listing Manual and relevant media releases by the SGX-ST. The workshops attended by some of the Directors in FP2020 included "Directors Virtual Conference: Living in a COVID-19 World: Singapore Perspective" organised by SID, "Digital Transformation Masterclass" jointly organised by Singapore Management University and Accenture, "Data Strategy Training for Executives" organised by NxtLvl Academy, as well as "Politics and the Myanmar Market" organised by the Myanmar Hong Kong Chamber of Commerce and Industry. Seminars attended by some of the Directors in FP2020 included the Audit Committee Seminar jointly organised by ACRA, SGX and SID, the SID Directors Conference 2019, and the Global Board Leaders Summit organised by the National Association of Corporate Directors.

Directors' Participation (Provision 1.5)

Directors attend and actively participate in Board and Board Committee meetings. In particular, Non-Executive Independent Directors contribute to the Board process by monitoring and reviewing Management's performance in meeting agreed goals and objectives. Their views and opinions provide alternative perspectives to the Group's business. When constructively challenging 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 Lead Independent Director, the Non-Executive Independent Directors meet periodically and communicate regularly through emails without the presence of the other Directors, so as to facilitate a more effective check on Management. The Lead Independent Director will provide feedback to the Executive Chairman after such meetings.

During FP2020, led by the Lead Independent Director, the Non-Executive Independent Directors met 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 discharge his duty, the commitment of time for meetings of the Board and Board Committee and duties of a director, 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 FP2020, 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 FP2020, where a Director had other listed company board representations and/or other 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 on Board of Directors of this Annual Report.

Complete, Adequate and Timely Information (Provision 1.6)

Prior to each meeting, members of the Board and the Board Committees are provided with the meeting agenda with the relevant documents (including board papers and supporting information) being submitted by Management at least five (5) business 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 the Board and the 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 operational activities, future prospects, progress and development of the Company and monthly reports of the Group's businesses are provided. Comprehensive half-yearly financial reports, 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 the Board meetings.

In addition, 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 challenges and opportunities for the Group.

Corporate Governance Report

Access to Management (Provision 1.7)

The Directors have separate and independent access to Management in order to better understand the challenges faced by the Group as and when they require further enquiries or additional information. 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 the Management.

Directors also have ongoing interactions across various levels and functions within the Company. Throughout the year, the Directors have various opportunities to interact with Management and senior executives (for instance, at Company hosted dinners and off-site board strategy meeting).

Company Secretaries (Provision 1.7)

The Directors have separate and independent access to the Company Secretaries. The Company Secretaries play a significant role in supporting the Board in discharging its duties, and are trained in legal and company secretarial practices. The Company Secretaries attend all meetings of the Board and Board Committees to provide guidance for Board procedures to be followed. The Company Secretaries, together with Management, also ensures that the Company complies with applicable statutory and regulatory rules. Together with Management, the Companies Secretaries also advise the Chairman, the Board and the Board Committees on corporate governance practices and processes, including ensuring good information flow within the Board and 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 Secretaries is a decision of the Board as a whole.

Independent Professional Advice (Provision 1.7)

The Directors, whether as a group or individually, are entitled to seek and obtain independent professional advice, in 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

The compositions of the Board and Board Committees as at the date of this Annual Report are set out below.

Name	Date of First Appointment	Last Re-election	Board	ARMC	RC	NGC
Mr. Serge Pun[(1)]	17 August 2006	26 July 2017	Chairman	–	–	–
Mr. Melvyn Pun	27 July 2015	24 July 2019	Member	–	–	Member
Mr. Cyrus Pun[(1)]	21 February 2011	26 July 2017	Member	–	–	–
Mr. Fernando Ayala[(1)]	2 December 2019	N.A.	Member	–	–	–
Mr. Adrian Chan	17 August 2006	24 July 2018	Member	–	Member	Chairman
Ms. Wong Su Yen[(1)]	15 December 2015	24 July 2018	Member	Member	Chairman	–
Dato Timothy Ong	20 May 2016	24 July 2019	Member	Member	–	Member
Mr. George Thia	22 December 2017	24 July 2018	Member	Chairman	Member	–
Prof. Annie Koh[(1)]	3 November 2020	N.A.	Member	–	–	–
Mr. Paolo Borromeo[(1)(2)] (Alternate Director to Mr. Fernando Ayala)	15 June 2020	N.A.	Member	–	–	–

Notes:

(1) Mr. Serge Pun, Mr. Cyrus Pun and Ms. Wong Su Yen will retire pursuant to Regulation 105 of the Constitution of the Company and stand for re-election at the AGM to be held on 29 January 2021 (the "**2020 AGM**"). Mr. Fernando Ayala and Prof. Annie Koh will retire pursuant to Regulation 115 of the Constitution and stand for re-election at the 2020 AGM. The NGC has considered their contributions and performances and recommended to the Board to nominate their re-election at the 2020 AGM. Additional information on Mr. Serge Pun, Mr. Cyrus Pun, Ms. Wong Su Yen, Mr. Fernando Ayala and Prof. Annie Koh as prescribed in Appendix 7.4.1 of the Listing Manual may be found on Pages 260 to 278 of this Annual Report.

(2) Mr. Paolo Borromeo will continue to serve on the Board as the Alternate Director to Mr. Fernando Ayala subject to shareholders' approval on the re-election of Mr. Fernando Ayala as a Director at the 2020 AGM.

Board Independence (Provisions 2.1, 2.2 and 2.3)

Independence

A majority of Board members are independent

Diversity

A good combination of gender and experiences

As at the date of this Annual Report, there is a strong independence element on the Board. The 2018 Code provides that the independent directors should make up majority of the Board where the chairman and the CEO are immediate family members. As the Executive Chairman, Mr. Serge Pun, is the father of the CEO, Mr. Melvyn Pun, the Company has appointed Mr. Adrian Chan, Mr. George Thia, Ms. Wong Su Yen, Dato Timothy Ong and Prof. Annie Koh as the Non-Executive Independent Directors, comprising more than half of the Board. Mr. Adrian Chan serves as the Lead Independent Director.

The independence of each Director is reviewed annually by the NGC based on the definition of "independence" as set out in the 2018 Code. Pursuant to Provision 2.1 of the 2018 Code, an "independent" director is one who is independent in conduct, character and judgment, 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 judgment 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 FP2020, no conflicts of interests from the Non-Executive Independent Directors had arisen.

In addition to the requirements under Rule 210(5)(d)(iii) of the Listing Manual which will come into effect on 1 January 2022 and in line with the practices of the Company established for compliance with the 2012 Code of Corporate Governance (the "**2012 Code**"), that the independence of any director who has served on the Board beyond nine (9) years from the date of his first appointment ("**Long Tenured Independent Director**") is subject to particularly rigorous review, the NGC has developed a detailed and rigorous process and procedure to assess the independence of the Long Tenured Independent Director.

This process involved taking into account, among other things, whether the Long Tenured Independent Director's long-term relationship with Management could materially interfere, or be reasonably perceived to interfere, with the exercise of their unfettered and independent business judgment in the best interest of the Company. The process extended beyond the submission of confirmations of independence which all Non-Executive Independent Director are subject to, and required the Long Tenured Independent Director to undertake a detailed self-assessment in which he had to provide written justification and examples of past conduct to justify why he should continue to be deemed independent. In addition to the self-assessment, the process also comprised a peer-assessment component which involved not only the NGC members but all members of the Board. The assessment criteria included, *inter alia*, whether the Long Tenured Independent Director had made decisions on matters with the interest of the Company at heart without undue reliance, influence or consideration of the Company's interested parties, and avoided apparent conflicts of interest by abstaining from deliberation on matters in which he had an interest in.

All members of the Board were also given the opportunity to highlight if there had been any circumstances that could have materially interfered with the Long Tenured Independent Director's exercise of unfettered and independent business judgment which appeared relevant to the assessment of his independence which should be brought to the Board's attention.

The NGC noted that Mr. Adrian Chan, who is a Non-Executive Independent Director, has served on the Board for more than nine (9) years and is thus, deemed to be a Long Tenured Independent Director. After rigorous review and assessment, the NGC and the Board concurred that Mr. Adrian Chan had maintained his independence throughout his services on the Board, having observed instances of Mr. Adrian Chan's contribution and objectivity in the review and evaluation of actions taken by or proposals from the Management. The Company has also benefited from his years of experience in his field of expertise. Mr. Adrian Chan did not take part in the review of his own independence.

Corporate Governance Report

Board Composition and Size (Provision 2.4)

The Board comprises business leaders and professionals with financial, legal and business management backgrounds. The NGC has reviewed the Board composition, taking into account the scope and nature of the operations of the Group, the requirements of the business and the need to avoid undue disruptions from changes to the composition of the Board and the Board committees, and is satisfied that the current size of the Board is appropriate and allows for effective decision making. The standing of the members of the Board 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, experience, gender, age, knowledge of the Group and the 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 five (5) 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 area of responsibilities 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 business decision making and the Company had, on 28 August 2015, supported the Board Diversity Pledge initiated by the Singapore Institute of Directors 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 due to their different backgrounds, gender and cultures, effectively spurring innovative thinking and cultivating sustainable competitive advantages for the Company's long-term growth and success.

The Board has adopted a formal Board Diversity Policy setting 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 optimum balanced composition of the Board. The final decision on 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 after having given 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 achievement of its strategic objective for sustainable development by enhancing the decision-making process of the Board. The NGC will be responsible for ensuring that the Board Diversity Policy is implemented in an effective and practical manner, and will report 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.

As at the date of this Annual Report, the Board has two (2) female members (20% female representation) and Directors with ages ranging from mid-40s to more than 70 years old and who 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 Chief Executive Officer (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, increased accountability and enhances the Board's capacity for independent decision-making.

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

Role of Chairman (Provisions 3.1 and 3.2)

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 to promote 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 the Management. 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 he 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 the Management, makes strategic proposals to the Board and after robust and constructive board discussions, 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 the Executive Chairman and CEO are immediate family members and the Executive Chairman is part of the Management team, the Board appointed Mr. Adrian Chan as the Lead Independent Director to provide leadership and to co-ordinate the activities of the Non-Executive Directors in circumstances where it would be inappropriate for the Executive Chairman 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 Lead Independent Director assists the Board in ensuring effective corporate governance in managing the affairs of the Board and the Company. He also serves as Chairman of the NGC, helping the NGC conduct annual performance evaluation and developing succession plans for the Executive Chairman and CEO.

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

Mr. Adrian Chan is the Head of the Corporate Department and a Senior Partner at Lee & Lee Advocates and Solicitors, Singapore. His contact details may be found at http://www.leenlee.com.sg.

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.		
Mr. Adrian Chan Chairman and Lead Independent Director	Dato Timothy Ong Non-Executive Independent Director	Mr. Melvyn Pun CEO and Exeutive Director

The NGC comprises three (3) Directors. The majority of the members of the NGC including the Chairman are Non-Executive Independent Directors. The Lead Independent Director is 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 the nomination and selection process of the new Director and how he/she will fit in the overall competency of the Board.

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

(c) 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.

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

(e) 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 making its recommendation to the Board.

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

(g) 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.

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

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

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

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

(l) Undertakes such other duties as may be agreed to 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 of Directors as well as 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 provisions in the applicable Listing Manual and Provision 2.1 of the 2018 Code, the respective Directors' self-declaration in the Directors' Independence Checklist and their actual performance on the Board and 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.

The Directors are subject to re-election at least once every three (3) years and the Constitution of the Company provides that at least one-third of the Directors (including the Executive Chairman) 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 2020 AGM, Mr. Serge Pun, Mr. Cyrus Pun and Ms. Wong Su Yen will retire and seek re-election pursuant to Regulation 105 of the Constitution of the Company. Mr. Fernando Ayala and Prof. Annie Koh will retire and seek re-election pursuant to Regulation 115 of the Constitution of the Company. Mr. Paolo Borromeo will continue serve the Board as the Alternate Director to Mr. Fernando Ayala subject to shareholders' approval on the re-election of Mr. Fernando Ayala as a Director at the 2020 AGM.

Alternate Director

Mr. Paolo Borromeo was appointed as the Alternate Director to Mr. Fernando Ayala in FP2020 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. Fernando 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. Fernando Ayala.

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 will also consider the need to position and shape the Board in line with the evolving needs of the Company and the business. The NGC undertakes the process of identifying the quality of directors aligned with the Company's strategic directions. The NGC, in consultation with Management, assesses if there is any 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 is 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 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 Chairman and the 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 FP2020, Mr. Fernando Ayala was appointed as a Non-Executive Non-Independent Director in December 2019. Following the close of FP2020, Prof. Annie Koh has been appointed as a Non-Executive Independent Director on 3 November 2020. The Board approved their appointments as directors, having considered that their extensive experiences will strengthen the core competencies of the Board.

The CEO leads the evaluation of performance of the Group's key management personnel and ensure 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 off-site locations with Management to discuss broader issues of strategy and business direction for the Group.

Corporate Governance Report

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 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 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 example, in order to align the criteria with any changes in the Code of Corporate Governance.

Board and Board Committees

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.

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 FP2020. 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 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 Board Committees; 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 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 compositions of the Board and 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.

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 Independent Director	Mr. George Thia Non-Executive Independent Director	Mr. Adrian Chan Lead Independent Director

The RC comprises three (3) Directors. All members of the RC, including the Chairman, are Non-Executive Independent Directors. The RC met twice during FP2020.

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.

Corporate Governance Report

Role (Provisions 6.1 and 6.3)

(a) Develops and maintains a 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 specific remuneration packages for each Executive Director and the CEO.

(c) Reviews the remuneration of senior Management.

(d) Considers what compensation commitments the Directors' and key management personnel's contracts of service, if any, would entail in the event of early termination, and ensuring 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 to evaluate the costs and benefits of long-term incentive schemes.

(g) Makes recommendations in consultation with the CEO and submitting 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 the Directors' remuneration, particularly those required by regulatory bodies such as the 2018 Code, 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 relevant interested parties.

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

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

Based on a remuneration the framework, the remuneration packages for the 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 the 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 incentive compensation. The RC reviewed and made the requisite recommendations in relation to the remuneration of key management personnel during FP2020 and submitted them for endorsement by the Board. No Director was involved in deciding his own remuneration.

The RC seeks expert advice and views on remuneration and governance matters from both within and outside the Group as appropriate. There were no remuneration consultants engaged by the Company in FP2020. In its deliberations, the RC also took into consideration industry practices and norms in compensation. Remuneration is appropriate to attract, retain and motivate the directors to provide good stewardship of the Company and key management personnel to successfully manage the Company for the long term 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 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.

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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 and 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 expansion 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 the Directors and employees of the Group. The YSH ESOS 2012 is administered by the RC. In FP2020, no options were granted. An aggregate number of 33.60 million options (including those which had been forfeited or exercised and taking into account adjustments) were granted to the key executives and Directors as at 30 September 2020. These options are subject to a vesting period whereby one-third of each grant is vested in each anniversary of the date of grant after the exercise date. 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 to drive an ownership culture and retain key talent. As such, a performance share plan ("**YSH PSP**") which comprises equity awards provisionally granted to employees based on performance had been approved by Shareholders on 27 July 2015. In FP2020, the RC granted an aggregate of 9,625,000 long-term incentive award shares under the YSH PSP to employees as part of the Group's remuneration framework. The award shares are subject to a vesting period and upon the satisfaction of the performance criteria. 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 was renewed on 1 April 2016 and can be terminated by not less than six (6) months' notice in writing by either party; and

(b) the CEO, Mr. Melvyn Pun, which commenced on 27 July 2015 and 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 the Directors' remuneration, particularly those required by regulatory bodies such as the SGX-ST, and also to enable adequate disclosure in the financial statements for enhanced transparency between the Company and relevant interested parties.

The level and mix of each of the Executive Directors' and CEO's remuneration for FP2020 are set out below:

Remuneration Band & Name of Director	Base / Fixed Salary (%)	Benefits-in-kind, Allowances and Other Incentives (%)	Total (%)
Executive Directors			
Mr. Serge Pun S$969,900	86	14	100
Mr. Melvyn Pun S$829,364	90	10	100

Remuneration of Non-Executive Directors (Provision 7.2)

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 conducted a comprehensive review of the annual fee structure for the Non-Executive Directors for FP2020 and adjusted the basic retainer fee and the fees payable for each Board Committee appointments. It believes that the current fees are appropriate and comparable to the market. The payment of the Directors' fees for financial period between 1 April 2019 to 31 March 2020 had been approved by the shareholders at the last AGM held on 24 July 2019. The Company would be seeking shareholders' approval at the 2020 AGM for the payment of the Directors' fees for 6-month period between 1 April 2020 to 30 September 2020.

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

The fee structure of the Non-Executive Directors for FP2020 is as follows:

	S$ Per annum
Basic Retainer Fee	
Non-Executive Director	48,000
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

Information on the remuneration of the Non-Executive Directors for FP2020 is set out below (assuming that shareholders approve the payment of fees for 6-month period ended 30 September 2020 at the 2020 AGM):

Non-Executive Directors	S$ (FP2020)
Mr. Cyrus Pun	66,000
Mr. Fernando Ayala (1)	34,000
Mr. Adrian Chan	112,750
Ms. Wong Su Yen	104,500
Dato Timothy Ong	93,500
Mr. George Thia	110,000
Prof. Annie Koh (2)	N.A.
Mr. Paolo Borromeo (3)	N.A.

Notes:

(1) Mr. Fernando Ayala was appointed as a Non-Executive Non-Independent Director on 2 December 2019. The directors' fees in the table reflects fees in respect of the period from 2 December 2019 to 30 September 2020.

(2) Prof. Annie Koh was appointed as a Non-Executive Independent Director after FP2020, on 3 November 2020.

(3) Mr. Paolo Borromeo was appointed as the Alternate Director to Mr. Fernando Ayala on 15 June 2020. He will not be paid fees.

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As announced on 15 May 2020, in view of the COVID-19 pandemic and as a sign of solidarity, the Board has taken voluntary reductions in directors' fees of twenty-five (25) per cent since 1 April 2020. The reductions shall be for a twelve (12) month period and the Directors' fees disclosed above is post the reductions.

Disclosure on Key Executives' Remuneration (Provisions 8.1(b) 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 the best interest of the Group and may adversely affect talent attraction and retention.

The level and mix of each of the key management personnel's remuneration, in bands of S$200,000, for FP2020, are set out below:

Remuneration Band & Name of Top 5 Key Management Personnel and Senior Management(1) (in alphabetical order)	Base / Fixed Salary (%)	Benefits-in-kind, Allowances and Other Incentives (%)	Vested long term PSP(2) (%)	Total (%)
S$800,000 – S$1,000,000				
Mr. JR Ching	57	9	34	100
S$600,000 – S$800,000				
Mr. Gerhad Hartzenberg	63	17	20	100
Ms. Loo Hwee Fang	54	2	44	100
Ms. Rita Nguyen	100	–	–	100
Mr. Stephen Purvis	80	–	20	100
S$400,000-S$600,000				
Mr. Allan Davidson	100	–	–	100
Mr. Ben Koo	97	3	–	100
Ms. Joycelyn Siow	63	4	33	100
Mr. Martin Appel	78	22	–	100
Mr. Michael Rudenmark	75	–	25	100

Notes:

(1) The above table only includes key management personnel who have been in employment with the Group for the entire period of FP2020 and excludes those who joined the Group during FP2020.

(2) This refers to the long-term incentive awards that were granted in July 2016. The calculation of the value of these long-term incentive awards is based on the fair value of these awards determined on the date of grant.

As announced on 15 May 2020, in view of the COVID-19 pandemic and as a sign of solidarity, the Group's senior management has taken voluntary reductions in salary of twenty-five (25) per cent since 1 April 2020. The reductions shall be for a twelve (12) month period and the remuneration disclosed above is post the reductions.

The aggregate amount of the total remuneration paid to the 5 top key management personnel for FP2020 is S$3.80 million, including the fair value amount of long-term incentive awards that were released in FP2020. Furthermore, an aggregate number of 8.35 million long-term incentive awards which will vest in July 2025 has also been granted to key management personnel under the YSH PSP during FP2020. During FP 2020, no termination, retirement and post-employment benefits have been granted to the Directors, the CEO or the top 5 top key management personnel and senior management.

Apart from Mr. Serge Pun (who is the father of Mr. Melvyn Pun and Mr. Cyrus 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 or CEO, and whose remuneration exceeded S$100,000 during FP2020. 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 by keeping the Board informed and updated with the provision of 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 Company'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 value creation. The Board has set up the ARMC to specifically address this.

The Board is responsible for the governance of risk and oversees Management in implementing a sound system of the risk management and internal controls, including financial, operational, compliance and information technology controls and risk management policies and systems to safeguard the interests of the Company and its shareholders and maintain accountability of its assets. The ARMC reviews the effectiveness and adequacy of the Company's internal controls, including financial operational, compliance and information technology controls, and risk management policies and systems established by Management. In addition to the internal auditor, the Independent Auditor also reviews the internal controls of the Group and reports these findings to the ARMC during its meetings. The ARMC would review the adequacy of the actions taken by Management to address the recommendation of the Independent Auditor and the internal auditor, comment on the effectiveness and adequacy of internal controls and to submit its findings to the Board so to reassure the Board that sufficient checks have been put in place and so as to enable the Board to comment on the adequacy and effectiveness of the internal controls.

A framework of internal controls is in place and will be refined constantly, with reviews conducted at least annually. The internal controls structure which is 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 authorization matrix in place, which are reviewed from time to time, that govern and allow from time to time the monitoring of financial and operational controls;

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

(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.

The Group has also implemented a set of standard operating procedures relating to sales and accounts receivables, purchases, human resources and payroll, cash management and capital expenditure and capital disposal.

Internal Audit Function (Provision 10.4)

The Group's internal audit function has been outsourced to Mazars LLP, an independent accounting and auditing firm. The internal auditor reports 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. Further, the ARMC decides on the appointment, termination and remuneration of the internal auditors. The internal auditors have unfettered access to all the Company's documents, records, properties and personnel, including the ARMC, and have appropriate standing within the company.

The Company has in place an Enterprises 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 risk management and assurance team. The risk management and assurance 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 former Head of Risk Management and Assurance, Ms. Win Min Htwe had tendered her resignation with effect from 30 September 2019. The Company is in the process of seeking a suitable candidate to fill the position of Head of Risk Management and Assurance. During this period, the Risk Management and Assurance Team will continue review and monitor the Group's internal control systems and risk management, and report to the ARMC as well as working together with Mazars. The ARMC approves the hiring, removal and evaluation of the Head of Risk Management and Assurance.

Please refer to the information on the Enterprise Risk Management Framework implemented by the Group on page 40 of this Annual Report for a description of the process and framework used to assess the internal control systems and risk management.

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

During FP2020, the Board and the ARMC reviewed the internal controls and risk management systems and after taking into consideration and adopting the recommendations of the Group's risk management and assurance team, the work done by both the internal auditor and Independent Auditor, written assurances from Management, the Board is of the opinion, with the concurrence of the ARMC, that the internal control systems, addressing the financial, operational, compliance and information technology risks faced by the Group, and risk management systems, are adequate and effective in safeguarding the interests of the Company and its shareholders. The ARMC had also met the internal auditor without the presence of Management during FP2020.

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. It should be recognised that such systems are designed to provide reasonable assurance, but not an absolute guarantee, against material misstatement or loss.

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

An annual internal audit program 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 40 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 discussion with relevant staff to obtain understanding of the control environment and procedures.

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

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

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

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

Each finding is 'risk rated' as per the tolerance levels approved by the Board and action plan implementation due dates are agreed with Management. Follow up reviews are conducted to validate the existence and effectiveness of action plans implemented.

MATERIAL CONTRACTS

There were no material contracts entered into by the Company or any of its subsidiaries involving interests of any Director or controlling shareholder during FP2020.

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 operation 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 the 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).

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)

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	Ms. Wong Su Yen Non-Executive Independent Director	Dato Timothy Ong Non-Executive Independent Director

The ARMC comprises three (3) Directors. All members of the ARMC, including the Chairman, are Non-Executive Independent Directors.

KEY AUDIT MATTERS

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 the financial period ended 30 September 2020, as set out in pages 87 to 95 of this Annual Report.

KEY AUDIT MATTERS	HOW THE ARMC REVIEWED THE MATTER AND WHAT DECISION WAS MADE
Recognition of revenue from contracts with customers – Sale of development properties	The ARMC reviewed the Management's assessment of the recognition of revenue from sale of development properties 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 recognising revenue. The ARMC also reviewed the 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 the 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 COVID-19 pandemic on the development properties to collaborate the changes in the key assumptions used in forming any revised completion timeline and estimated total construction costs.

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KEY AUDIT MATTERS	HOW THE ARMC REVIEWED THE MATTER AND WHAT DECISION WAS MADE
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 of investment properties and impact of the COVID-19 pandemic, 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.
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 potential impact of the COVID-19 pandemic through discussion with Management regarding the upcoming marketing and sales programs, 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 30 September 2020.
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 potential impact COVID-19 pandemic has 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 asests 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 COVID-19 pandemic, 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 30 September 2020.
Adoption of SFRS(I) 16 *Leases*	The ARMC approved the accounting policy changes resulting from the adoption of SFRS(I) 16. The ARMC also reviewed Management's analysis of the first-year application of SFRS(I) 16 and basis of computation which included the identification of the lease contracts and discount rate used and the assessment of whether it was reasonably certain that lease extension and/or termination options would be exercised. The ARMC is satisfied with the appropriateness of Management's identification of the contracts as leases and the reasonableness of the calculation of the lease liabilities as at 30 September 2020.

Corporate Governance Report

Powers and Duties of the ARMC (Provision 10.1)

The ARMC is authorised by the Board to investigate any matters it deems appropriate within its terms of reference and has direct and unrestricted access to the Independent Auditor and the internal auditor. It may invite any Director, Management, officer or employee of the Company, the Independent Auditor and internal auditor 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 within its terms of reference as it deems appropriate, at the Company's expense.

Role (Provision 10.1)

(a) Reviews with Management and, where appropriate, with 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 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 and effectiveness of the internal audit function in the overall context of the Group's internal controls and risk management systems.

(d) Reviews and approves the annual audit plans of the internal auditor and Independent Auditor.

(e) Reviews, on an annual basis, the 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.

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

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

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

(i) Reviews the Company's whistle-blowing policy and arrangements put in place for raising concerns about possible improprieties in matters of financial reporting or any other matters.

The Board is of the view that all the members, including the Chairman of the ARMC, have accounting, financial, business management, corporate expertise and work 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 and one other member of the ARMC, Dato Timothy Ong, possesses related financial management expertise and experience.

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

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 or executive officer 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 Auditors and Internal Auditors (Provision 10.5)

During FP2020, the ARMC met with Management and the Independent Auditor on six (6) 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.

The Independent Auditor also met with the ARMC members without the presence of Management during FP2020. 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 its corresponding impact on the financial statements, if any.

The ARMC also met the internal auditor without the presence of Management during FP2020.

Independent Auditor

The Company has engaged Nexia TS Public Accounting Corporation ("**Nexia TS**") as its Independent Auditor. Nexia 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 FP2020, the fees paid or payable by the Group to the Independent Auditor for their audit services amounted to S$515,000. The Independent Auditor did not provide any non-audit services during FP2020. 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 its 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 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 to the Board the re-appointment of Nexia TS Public Accounting Corporation as the Independent Auditor for the Company's audit obligations for the financial year ending 30 September 2021.

Release of Annual Reports

The Company ensures that the audited annual financial statements and the Annual Report are released within 120 days from the financial year end, and the Directors affirm in the Directors' Report 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 in SGXNet, press release, the Company's website as well as results briefings. This Annual Report is accessible on the Company's website and SGXNet.

Whistle-blowing Policy

The Group is committed to a high standard of ethical conduct and adopts a zero tolerance approach to fraud and corruption. It undertakes to investigate complaints of suspected fraud and corruption in an objective manner. As such, the Company has put in place a whistle-blowing policy. In order to promote an environment conducive to employees to raise or report 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, member of key management personnel (i.e. having designation of Head/Chief/Managing Director of a Division and above) shall be received by the most senior officer in the risk management and assurance team, who will conduct an initial review of the report received and recommend the remedial, disciplinary or other action to be taken by the Company. All investigations shall be reported to the ARMC for their attention and further action as necessary.

In the event that the whistle-blowing report involves any Director, member of the key management personnel or the Head of Risk Management and Internal Audit or equivalent, the reports 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.

On an ongoing basis, the whistle-blower policy is covered during employee training and periodic communication to employee as part of the Group's efforts to promote awareness of fraud control.

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 equitable in order to enable them to exercise 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 decisions including amendments to the Company's Constitution, the authorisation of additional shares and the transfer of all or substantially all 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 communication 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 http://www.yomastrategic.com. The Company's latest financial results and annual reports are available on the website. There is also a specific "Investor Relations" link and the investor relations contact provided on the Company's website. The Company also issues press releases after the release of significant developments and regularly conducts briefings for the analysts together, with key executives being present. Presentation materials for such briefings are made available on SGXNet and on the Company's website. The Company makes timely disclosures of any new material information to the SGX-ST. These filings are also posted on the Company's website, allowing investors to keep abreast of strategic and operational developments.

As announced on 14 February 2020, the Company has ceased to continue with quarterly reporting of its financial statement, and instead, the Company will announce its financial statement on a half-yearly basis (within the prescribed forty-five (45) days and sixty (60) days) and provide a trading update for the other quarters. It also notifies investors of the scheduled date of announcement of the financial statements, about one week before the scheduled date by way of an SGX-ST announcement, as a part of its commitment to ensure transparent disclosure to investors.

The contact details of the Company's Investor Relations personnel are as follows:

Company

Ms. Jane Kwa, Tel: (65) 9759 2602 or (95) (09) 75016 9631
Email: janekwa@yoma.com.mm

Cogent Communications Pte Ltd

Mr. Gerald Woon, Tel: (65) 6704 9268 or (65) 9694 8364
Email: woon@cogentcomms.com

General Meetings (Provisions 11.1 to 11.5)

The Company provides shareholders with the opportunity to participate effectively at general meetings, and encourages active shareholder participation at its general meetings. The Company also informs shareholders of the rules governing general meetings of shareholders. It delivers the notice of AGM and related information at least fourteen (14) days' in advance. Detailed information on each item in the AGM agenda is provided in the explanatory notes to the notice of AGM. Notices of meetings are also published in The Business Times. Reports or circulars of the general meetings are despatched to all shareholders by post. The Company also holds its general meetings at a central location in Singapore with convenient access to public transportation.

Shareholders who are unable to attend the 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 Companies Act) and who is unable to attend may choose to appoint up to two proxies to attend and vote on his behalf, while relevant intermediaries may appoint more than two proxies to attend and participate in general meetings. The Company's ordinary shares have one vote per share. Voting in absentia by mail, facsimile or email is currently not permitted to ensure proper authentication of the identity of shareholders and their voting intent.

Separate resolutions are passed at every general meeting on each distinct issue. 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 key executives are in attendance to address queries and concerns about the Company. The Company's Independent Auditor also attends the AGM to help address shareholders' queries relating to the conduct of the audit and the preparation and content of the auditors' reports.

Pursuant to Rule 730A(2) of the Listing Manual, all resolutions to be proposed at the annual general meeting and at any adjournment thereof shall be put to the vote by way of poll. An external firm will also be appointed as scrutineers to count and validate the votes cast at the meetings. Voting and vote tabulation procedures will be disclosed at the general meeting. 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.

In view of the COVID-19 pandemic, the 2020 AGM to be held in January 2021 will be 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. Printed copies of the notice of general meeting and the proxy form for the 2020 AGM will not be sent to shareholders nor published in The Business Times. No request forms will be sent as shareholders will not be able to request for printed copy of this Annual Report during this period. Alternative arrangements relating to attendance at the 2020 AGM via electronic means (including arrangements by which the meeting can be electronically accessed via live audio-visual webcast or live audio-only stream), submission of questions in advance of the 2020 AGM, addressing of substantial and relevant questions at the 2020 AGM and voting by appointing the chairman of the meeting as proxy at the 2020 AGM, are set out in the Notice of the 2020 AGM.

The Company Secretaries prepare minutes of general meetings, which record substantial and relevant comments or queries from shareholders relating to the agenda of the general meeting and responses from the Board and Management. These minutes may be accessed on the Company's website and SGXNet within one (1) month from the date of the general meeting.

2019 AGM

The 2019 AGM was attended by all the Directors appointed at that point in time, including the Chairman of the Board, the CEO and the Chairmen of all the Board Committees. The 2019 AGM was held at Marina Mandarin Singapore at 6 Raffles Boulevard Marina Square, a central and easily accessible location in Singapore. The Company's Independent Auditor was also present. The Company made the results of the votes of the 2019 AGM for all resolutions publicly available on the website of the SGX-ST via SGXNet on the same day that the meeting was held. Proxy documents were made easily available to shareholders via post.

Shareholders' Trip and Site Visits in Yangon

The Company endeavours to organise an annual shareholders' trip as it believes that such a trip will reinforce the Company's efforts to enhance communications with shareholders. The Company has, to-date, 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). The trips had been organised for the past six (6) financial years.

The Company had hosted its fifth shareholders' trip in February 2019. During the trip, the Company arranged site visits to its key property development projects as well as its consumer, automotive & heavy equipment and financial services businesses. Interactive sessions were also hosted with the Group's key management personnel including the Executive Directors and various business division heads in Yangon. The trip enhanced shareholders' understanding of the Company and the country. The Company will continue to seek effective ways to engage with shareholders.

For FP2020, the Company had originally intended to organise its sixth shareholders' trip but it had to be cancelled due to travel restrictions imposed by the governments of Singapore and Myanmar in response to the COVID-19 pandemic. The Company will continue to monitor the situation and will organise the next shareholders' trip when such trips are permitted under applicable laws, or when it would be appropriate to do so.

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 as dividends subject to (a) the level of cash, gearing, return on equity and

Corporate Governance Report

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.

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 the dividends, all Shareholders will be treated equally and final dividends will be approved by Shareholders at general meetings.

In light of the uncertain operating environment caused by the COVID-19 pandemic and the Group's result for FP2020, the Board has reviewed and recommended no dividend for FP2020.

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 general meetings and other dialogues to allow shareholders to communicate their views on various matters affecting the Company.

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

The Company also frequently arranges site visits, including to its business in Yangon, for investors and analysts. The Company believes such trips can offer the investment community a first-hand experience of the Group's operations and a greater appreciation of the long-term growth potential of its businesses.

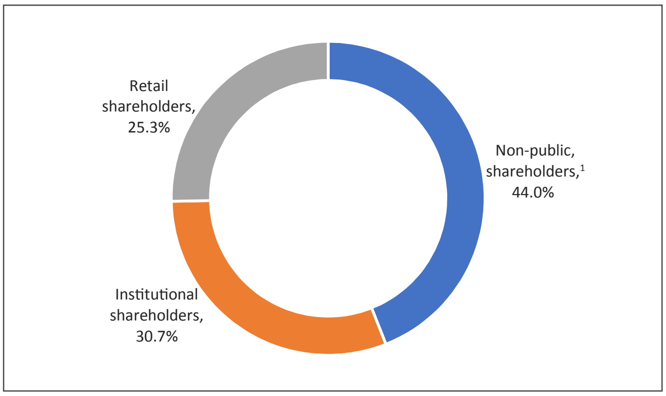
Despite the challenges brought upon by the COVID-19 pandemic, the Company continued to engage with the investment community via virtual one-on-one meetings and virtual conferences. Prior to the COVID-19 pandemic, Management had participated in physical roadshows and conferences in Singapore as well as overseas, including Thailand, Hong Kong SAR, the United States, the Middle East and Europe. Between April 2019 and November 2020, the Group had engaged with more than 500 institutional and retail shareholders.

The Company also held its analysts' briefings via a physical meeting in November 2019 and conferences calls in May 2020 and November 2020 for its half-yearly and/or full-year results to communicate its results, strategies and outlook. Key management personnel (including the CEO and CFO) attended these meetings and conference calls to answer any questions that the analysts had.

When the Company announced the strategic partnership with Ayala Corporation in November 2019, it leveraged various media platforms to disseminate information about the transaction, provided interviews with key management and hosted an on-the-ground media event in Singapore on 16 November 2019 which was attended by both Mr. Serge Pun and Mr. Jamie Augusto Zobel De Ayala, Chairman and CEO of Ayala, and moderated by Dato Timothy Ong to provide both companies' perspective of the partnership.

As at October 2020, non-public shareholders[1] formed 44.0% of the Company's shareholder base, while institutional investors and retail shareholders formed 30.7% and 25.3% respectively[2]. Its institutional shareholders were geographically diversified across Asia Pacific (11.5%), North America (13.6%) and UK and rest of Europe (5.6%)[2].

Shareholders by Investors



1 Shares held by the Company's Board of Directors and the Director's associate including Ayala Corporation (14.9%).
2 Based on the Company's internal data.

Corporate Governance Report

Investor Relation Policy (Provisions 12.2 and 12.3)

The Company has implemented an investor relation policy which aims to provide timely, unbiased and accurate disclosures 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 relation 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 Relation Policy can be found on the Company's website (http://www.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 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 business, 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 http://www.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, and in particular, corruption risks, including but not limited to its geographical organisation and sectors of operation.

Training and Employee Participation

The Group continuously ensures that its compliance policies and procedures are communicated effectively to all employees, including officers, directors, 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 of 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 corporate website (http://www.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.

One key area of focus of the Company in relation to the management of stakeholder arrangements is the development and growth of Myanmar. During FP2020, as disclosed in this Annual Report, the Company was involved in various community projects in order to contribute to the development and growth of Myanmar. One such event is the Yoma Yangon International Marathon which the Company organises annually to promote healthy lifestyles among members of the community. The Company donates the registration fees from this Marathon to organisations which are committed to the education and healthcare of underprivileged Myanmar children.

Another key area of focus for the Company is the environment and sustainable development. The Company encourages value chain is environmentally friendly and is consistent with promoting sustainable development. It promotes a "paperless culture" by encouraging employees to read documents on the screen 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.

USE OF PROCEEDS

Pursuant to the Company's placement of 332,500,000 new ordinary shares to Ayala Corporation which was completed on 2 December 2019, the Company received approximately US$108.57 million. Please refer to the Company's announcement dated 14 November 2019 for further details.

Corporate Governance Report

As at date of this Annual Report, the net proceeds had been fully utilised. The breakdown of the utilisation is as follows:-

Purpose	Approximate Percentage of Allocation[1] (%)	Approximate Amount of Utilisation (US$)	Balance (US$)
Investment in Real Estate businesses	50 – 70%	49.3 million	–
Investments in Financial Services businesses	Not more than 5%	–	–
Investments in Consumer businesses including capital expenditure for store expansions and potential new F&B investments	Not more than 5%	5.8 million	–
Refinance existing indebtedness	15 – 25%	35.5 million	–
General corporate purposes	15 – 25%	18.0 million [2]	–
Total	100%	108.6 million	–

Notes:

(1) The percentage of allocation is based on the total amount of proceeds of US$155.0 million. As at the date of this Annual Report, the Company had only completed placement of c.US$109 million new shares.

(2) The breakdown on the general corporate expenditure of US$18.0 million is as follows:-

Use of proceeds for payment for cost and expenses relating to:	Amount (US$)
The Group's solar investment and payment of the final retention sum in relation to the Company's obligation under the spin-off of the tourism asset.	4.4 million
The Group's investment in Volkswagen business and private equity fund and payment of fees and expenses including professional fees.	8.7 million
Health and safety measures put in place for COVID-19 prevention, including additional health insurance, medical supplies, workplace improvement and internet allowance due to work-from-home policy.	1.0 million
Information Technology including license fees, upgrade of infrastructure and business process digitalization.	1.3 million
Payments for professional fees such as legal, corporate secretarial, valuation, internal audit and statutory audit.	1.7 million
Corporate expenses including group marketing expenses, tax related payments, insurance and other corporate overheads.	0.9 million

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, 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 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 FP2020 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, its subsidiaries and associated companies 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

Corporate Governance Report

his associates will abstain from voting on the resolution approving the general mandate. The IPT Mandate was last renewed by shareholders on 24 July 2019 and shareholders' approval will be sought at the 2020 AGM to renew the IPT Mandate. The details of interested person transactions for FP2020 are set out below.

Name of Interested Person	**Nature of Relationship**	**Aggregate value of all interested person transactions during FP2020 (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 FP2020 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	–	236
(b) Hlaing River Golf & Country Club Company Limited		–	479
(c) JJ-Pun Trading Company Limited		–	242
(d) Myanmar Agri-Tech Ltd		–	493
(e) Pun Hlaing International Hospital Limited		–	142
(f) Serge Pun & Associates (Myanmar) Ltd		–	371
(g) Yoma Bank Limited		–	12,624
(h) Yangon Nominees Ltd		–	136
(i) Memories Group Limited		–	74
Treasury Transactions			
(a) Yoma Bank Limited (excluding Meeyahta International Hotel Limited)	Associate of Mr. Serge Pun, Executive Chaiman	–	12,044
(b) Yoma Bank Limited (comprising only Meeyahta International Hotel Limited)		–	2,253
Acquisition			
First Myanmar Investment Public Company Limited	Associate of Mr. Serge Pun, Executive Chairman	10,000[(1)]	–

Note (1): Please refer to the Company's announcements dated 8 November 2019 and 13 October 2020.

*Shareholders' mandate was renewed and approved (with modifications) at the AGM held on 24 July 2019. Accordingly, the aggregate value of all interested person transactions is presented for the eighteen-month period from 1 April 2019 to 30 September 2020.

Corporate Governance Report

SECURITIES TRANSACTION

The Company has adopted an internal code on dealings in securities by its officers who have access to price-sensitive or confidential information. Directors 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 for 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 April 2019 to 30 September 2020

The Directors present their statement to the members together with the audited consolidated financial statements of the Group for the financial period from 1 April 2019 to 30 September 2020 and the statement of financial position of the Company as at 30 September 2020.

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 30 September 2020 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 @ Theim Wai
Mr. Pun Chi Tung Melvyn
Mr. Pun Chi Yam Cyrus
Mr. Fernando Miranda Zobel de Ayala (Appointed on 2 December 2019)
Mr. Chan Pengee Adrian
Ms. Wong Su Yen
Dato Timothy Ong Teck Mong
Mr. Thia Peng Heok George
Prof. Annie Koh (Appointed on 3 November 2020)
Mr. Paolo Maximo Francisco Borromeo (Alternate Director to Mr. Fernando Miranda Zobel de Ayala) (Appointed on 15 June 2020)

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' Statement

For the financial period from 1 April 2019 to 30 September 2020

DIRECTORS' INTERESTS IN SHARES AND DEBENTURES

(a) According to the Register of Directors' Shareholdings, none of the Directors holding office at the end of the financial period 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 30.09.2020	At 1.4.2019 or date of appointment, if later	At 30.09.2020	At 1.4.2019 or date of appointment, if later
The Company				
Number of ordinary shares				
Mr. Serge Pun @ Theim Wai	328,636,358	128,636,358	300,896,790	500,896,790
Mr. Pun Chi Tung Melvyn	20,147,800	20,147,800	–	–
Mr. Pun Chi Yam Cyrus	888,000	888,000	–	–
Mr. Chan Pengee Adrian	745,681	694,681	–	–
Dato Timothy Ong Teck Mong	1,075,000	1,024,000	–	–
Ms. Wong Su Yen	150,000	99,000	–	–
Mr. Fernando Miranda Zobel de Ayala	–	–	332,500,000	–

(b) According to the Register of Directors' Shareholdings, certain Directors holding office at the end of the financial period 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, no Directors holding office at the end of the financial period has 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, Chapter 50, Mr. Serge Pun @ Theim Wai 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 October 2020 were the same as those as at 30 September 2020.

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.

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 30.09.2020	Aggregate granted since commencement of the scheme to 30.09.2020	Aggregate adjusted since commencement of the scheme to 30.09.2020 [i]	Aggregate exercised/ forfeited since commencement of the scheme to 30.09.2020	Aggregate outstanding as at 30.09.2020
Mr. Serge Pun @ Theim Wai	–	2,000,000	161,154	(666,000)	1,495,154
Mr. Pun Chi Tung Melvyn	–	4,000,000	–	–	4,000,000
Mr. Pun Chi Yam Cyrus	–	2,000,000	161,154	(666,000)	1,495,154

[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.

There are no Options granted or exercised during the financial period ended 30 September 2020.

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 April 2019 to 30 September 2020

OPTION SCHEME (CONTINUED)

(b) Options outstanding

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

	No. of unissued ordinary shares under Options as at 30.09.2020	Exercise price	Exercise period
2013 Options			
– First Tranche	5,352,723	S$0.28*	3.7.2014 - 1.7.2022
2014 Options			
– First Tranche	840,604	S$0.57*	2.4.2015 - 31.3.2023
– Second Tranche	840,604	S$0.58*	2.5.2015 - 30.4.2023
	1,681,208		
2015 Options			
– First Tranche	1,457,046	S$0.51*	29.11.2016 - 27.11.2024
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		
	14,490,977		

* 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.

PERFORMANCE SHARE PLAN (CONTINUED)

(a) Yoma Performance Share Plan (continued)

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 period 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 period 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.

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 granted to him or her.

During the financial year ended 31 March 2017, the Company granted Awards for an aggregate of 7,255,409 shares and 600,000 shares respectively to the employees and Directors of the Company pursuant to the Yoma PSP, with total fair value of US$2,187,000. During the financial year ended 1 April 2018, the Company granted Awards for an aggregate of 4,186,111 shares to the employees of the Company pursuant to the Yoma PSP, with total fair value of US$1,655,000. 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.

No Award has been granted to controlling shareholders of the Company or their associates during the financial period ended 30 September 2020.

PERFORMANCE SHARE PLAN (CONTINUED)

(b) Information on Awards

Awards granted, vested and cancelled during the financial period, and Awards outstanding at the end of the financial period, were as follows:

Performance shares for employees

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 during the financial period	Number of Awards outstanding as at end of the financial period
27.05.2016	5,551,344	–	(4,264,164)	(1,287,180)	–
23.06.2017	2,878,948	–	(2,235,068)	(643,880)	–
06.07.2018	3,214,719	–	(2,496,587)	(718,132)	–
30.07.2020	–	9,625,000	–	–	9,625,000

Performance shares for Non-Executive 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 during the financial period	Number of Awards outstanding as at end of the financial period
07.11.2016					
Mr. Chan Pengee Adrian	51,000	–	(51,000)	–	–
Ms. Wong Su Yen	51,000	–	(51,000)	–	–
Dato Timothy Ong Teck Mong	51,000	–	(51,000)	–	–
	153,000	–	(153,000)	–	–

Directors' Statement

For the financial period from 1 April 2019 to 30 September 2020

AUDIT AND RISK MANAGEMENT COMMITTEE

The members of the Audit and Risk Management Committee (the "ARMC") at the end of the financial period ended 30 September 2020 were as follows:

Mr. Thia Peng Heok George (Chairman)
Dato Timothy Ong Teck Mong
Ms. Wong Su Yen

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

The ARMC carried out its functions in accordance with Section 201B(5) of the Singapore Companies Act, Chapter 50. 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 30 September 2020 and the consolidated financial statements of the Group for the financial period ended 30 September 2020 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, Nexia TS Public Accounting Corporation, be nominated for re-appointment at the forthcoming Annual General Meeting of the Company.

INDEPENDENT AUDITOR

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

On behalf of the Directors

Mr. Serge Pun @ Theim Wai Director	**Mr. Pun Chi Tung Melvyn** Director

12 January 2021

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 30 September 2020, 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 from 1 April 2019 to 30 September 2020, 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, Chapter 50 (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 30 September 2020 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 30 September 2020. 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 amount to US$40.13 million for the financial period ended 30 September 2020.

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. Profits are recognised only in respect of finalised sales contracts to the extent that such profits relate to the progress of the development properties.

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)

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 and economic condition brought on by the COVID-19 pandemic.

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 COVID-19 pandemic on the development properties to collaborate the changes in the key assumptions used in forming any revised completion timeline and estimated total construction costs.

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 and historical trends of similar completed projects. We recomputed the cumulative and current financial period'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.

Report on the Audit of the Financial Statements (continued)

Key Audit Matters (continued)

(2) Valuation and impairment of assets

The outbreak of the COVID-19 pandemic in 2020 and the measures taken by governments all around the world including lockdown, travel bans and restrictions in response to control the spread of the COVID-19 pandemic have 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 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 22 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 30 September 2020, the carrying value of the Group's investment properties stated at fair value based on independent external valuations by real estate valuers (the "valuers") of US$273.38 million accounted for 20.4% 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 by the COVID-19 pandemic.

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 team, we also evaluated the appropriateness of valuation methodologies and significant underlying assumptions used in the valuation of the investment properties, including the implications of COVID-19 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 descriptions 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 in conveying the uncertainties.

(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 16 and Note 27 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 30 September 2020, the carrying values of the Group's development properties and land development rights of US$304.76 million and US$150.95 million, respectively, accounted for 22.7% and 11.2% of the Group's total assets. No write-down has been recognised for the Group's development properties and land development rights for the financial period then ended.

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.

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 COVID-19 pandemic has resulted in significant economic uncertainly in current and future economic environment in Myanmar and there is heightened uncertainty inherent in estimating the impact of the pandemic on 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 COVID-19 pandemic 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.

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 17, Note 19, Note 20, Note 23 and Note 26 to the financial statements

Area of focus (continued)

As at 30 September 2020, management reviewed whether there are objective evidences 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 30 September 2020, the Group has non-financial assets with carrying amounts before impairment loss, of US$305.04 million, comprising of the following:

i. Property, plant and equipment amounting to US$182.43 million
ii. Investment in associated companies to US$82.95 million
iii. Investment in joint ventures amounting to US$10.60 million
iv. Intangible assets amounting to US$18.51 million
v. Goodwill amounting to US$8.79 million; and
vi. Prepayment for agriculture amounting to US$1.76 million

For the purposes of performing impairment assessment, all non-financial assets including goodwill have been determined using allocated to the respective cash generating units ("CGU"). The recoverable amount of the underlying CGUs is determined using the value-in-use calculations which are based on future discounted cash flows. The Group recognised impairment loss on intangible assets for agriculture operating rights and prepayments for agriculture products during the financial period ended 30 September 2020.

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 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 COVID-19 pandemic.

How our audit addressed the matter

We obtained an understanding of management's impairment assessment process including their considerations of the potential impact COVID-19 pandemic has 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, when applicable have included the potential impact of COVID-19 pandemic.

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 specialist, we assessed the reasonableness of key assumptions used in the calculations, comprising 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 trends analysis, and discussing with management on the planned strategies, revenue growth strategies and cost initiatives of each CGU subject to impairment testing.

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

(3) Adoption of SFRS(I) 16 Leases
See accounting policies on Note 2.19 and critical accounting estimates on Note 3(e)
Refer to Note 23, Note 24 and Note 29 to the financial statements

The Group adopted SFRS(I) 16 *Leases* on 1 April 2019 and elected to measure the right-of-use assets ("ROU") at an amount equal to the lease liabilities as at 1 April 2019.

The lease liabilities were initially measured by discounting the lease payments over the lease terms. For leases with extension options, the Group applied significant judgement in determining whether such extension options should be reflected in measuring the lease liabilities. As at 30 September 2020, the Group's lease liabilities amounting to US$52.24 million.

We focused on the adoption of SFRS(I) 16 in view of the significant effort required to audit the lease liabilities recognised due to the large volume of leases and significant judgement applied in determining whether the facts and circumstances created an economic incentive for the Group to exercise the lease options.

How our audit addressed the matter

We obtained an understanding of the lease contracts identified by management and assessed the appropriateness of management's identification of those contracts as leases based on the terms set out in the contracts.

We assessed the reasonableness of management's expectation of the lease period based on our understanding of the Group's historical lease periods for similar assets, importance of the leased assets to the Group's business and whether the cost of obtaining the replacement asset would be significant. We reviewed the calculation of the lease liabilities based on the lease payments over the expected lease terms and discount rate used in the computation.

We have also reviewed the adequacy and appropriateness of the related disclosure made in the financial statements in relation to the adoption of SFRS(I) 16.

Independent Auditor's Report

To the Members of Yoma Strategic Holdings Ltd.

Report on the Audit of the Financial Statements (continued)

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.

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.

Report on the Audit of the Financial Statements (continued)

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

- 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.

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 Ms. Meriana Ang Mei Ling.

Nexia TS Public Accounting Corporation
Public Accountants and Chartered Accountants

Singapore
12 January 2021

Consolidated Statement of Comprehensive Income

For the financial period from 1 April 2019 to 30 September 2020

	Note	**For the financial period from 1 April 2019 to 30 September 2020 (18 months) US$'000**	For the financial year from 1 April 2018 to 31 March 2019 (12 months) US$'000 (Restated)
Revenue	4	**144,192**	100,698
Cost of sales		**(95,909)**	(52,859)
Gross profit		**48,283**	47,839
Other losses or gains			
- Impairment loss on financial assets at amortised cost, net	41(b)	**(697)**	(746)
- Others	6	**(34,501)**	77,428
Expenses			
- Administrative		**(83,063)**	(45,958)
- Finance	7	**(40,113)**	(22,793)
Share of losses of joint ventures	19	**(1,639)**	(2,883)
Share of losses of associated companies	20	**(7,326)**	(9,485)
(Loss)/profit before income tax		**(119,056)**	43,402
Income tax expense	9(a)	**(4,386)**	(1,732)
Net (loss)/profit for the financial period/year		**(123,442)**	41,670
Other comprehensive (loss)/income:			
Items that may be reclassified subsequently to profit or loss:			
- Currency translation gains/(losses) arising from consolidation		**37,593**	(41,624)
- Reclassification of currency translation losses arising from deemed disposal of joint venture		**(581)**	–
- Share of other comprehensive income/(loss) of joint ventures	19	**872**	(170)
- Share of other comprehensive income/(loss) of associated companies	20	**1,065**	(2,283)
		38,949	(44,077)
Items that will not be reclassified subsequently to profit or loss:			
- Currency translation gains/(losses) arising from consolidation		**9,894**	(2,401)
Other comprehensive income/(loss), net of tax		**48,843**	(46,478)
Total comprehensive loss for the financial period/year		**(74,599)**	(4,808)
Net (loss)/profit attributable to:			
Equity holders of the Company		**(118,013)**	33,842
Non-controlling interests		**(5,429)**	7,828
		(123,442)	41,670
Total comprehensive (loss)/income attributable to:			
Equity holders of the Company		**(79,064)**	(10,235)
Non-controlling interests		**4,465**	5,427
		(74,599)	(4,808)
(Loss)/earnings per share attributable to equity holders of the Company (US cents per share)	11		
- Basic		**(5.67)**	1.79
- Diluted		**(5.67)**	1.77

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

Statements of Financial Position

As at 30 September 2020

	Note	Group			Company		
		30 September 2020 US$'000	31 March 2019 US$'000 (Restated)	1 April 2018 US$'000 (Restated)	**30 September 2020 US$'000**	31 March 2019 US$'000 (Restated)	1 April 2018 US$'000 (Restated)
ASSETS							
Current assets							
Cash and bank balances	12	**46,418**	29,877	25,455	**11,788**	14,906	14,008
Trade and other receivables	13	**114,474**	85,776	50,532	**10,827**	8,710	5,559
Inventories	15	**19,298**	18,401	26,862	**–**	–	–
Development properties	16	**304,761**	276,944	271,996	**–**	–	–
Other assets	17	**65,376**	61,894	54,273	**1,621**	3,393	2,195
Financial assets at fair value through profit or loss	18	**–**	50,852	41,102	**–**	–	–
Land development rights	27	**1,161**	1,007	6,258	**–**	–	–
		551,488	524,751	476,478	**24,236**	27,009	21,762
Assets of disposal group classified as held-for-sale	10	**32,665**	–	–	**–**	–	–
		584,153	524,751	476,478	**24,236**	27,009	21,762
Non-current assets							
Trade and other receivables	13	**16,546**	13,214	23,420	**–**	–	–
Other assets	17	**3,838**	7,380	6,527	**–**	–	–
Financial assets at fair value through profit or loss	18	**12,231**	9,396	8,138	**–**	–	–
Investments in joint ventures	19	**10,600**	11,372	9,747	**–**	–	–
Investments in associated companies	20	**82,954**	81,350	76,654	**–**	–	–
Investments in subsidiary corporations	21	**–**	–	–	**720,014**	716,504	624,746
Investment properties	22	**273,379**	310,359	202,505	**–**	–	–
Property, plant and equipment	23	**182,434**	65,066	51,994	**3,773**	165	73
Intangible assets	26	**25,985**	28,252	19,947	**–**	–	–
Land development rights	27	**149,789**	150,530	156,620	**–**	–	–
Deferred income tax asset	30	**208**	208	–	**–**	–	–
		757,964	677,127	555,552	**723,787**	716,669	624,819
Total assets		**1,342,117**	1,201,878	1,032,030	**748,023**	743,678	646,581

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

Statements of Financial Position

As at 30 September 2020

	Note	Group			Company		
		30 September 2020 US$'000	31 March 2019 US$'000 (Restated)	1 April 2018 US$'000 (Restated)	**30 September 2020 US$'000**	31 March 2019 US$'000 (Restated)	1 April 2018 US$'000 (Restated)
LIABILITIES							
Current liabilities							
Trade and other payables	28	**85,004**	76,129	106,826	**4,595**	5,627	8,252
Current income tax liabilities	9(b)	**6,493**	4,143	4,452	**288**	196	237
Borrowings	29	**80,735**	116,156	71,118	**45,193**	85,865	58,477
		172,232	196,428	182,396	**50,076**	91,688	66,966
Liabilities directly associated with disposal group classified as held-for-sale	10	**442**	–	–	**–**	–	–
		172,674	196,428	182,396	**50,076**	91,688	66,966
Non-current liabilities							
Trade and other payables	28	**1,884**	11,700	13,703	**–**	–	–
Borrowings	29	**337,625**	259,004	143,169	**133,651**	161,994	86,800
Put options to non-controlling interests	31	**33,026**	30,134	28,348	**33,026**	30,134	28,348
Financial liabilities at fair value through profit or loss	32	**1,510**	1,616	–	**1,510**	1,616	–
Deferred income tax liabilities	30	**1,464**	1,407	526	**–**	–	–
		375,509	303,861	185,746	**168,187**	193,744	115,148
Total liabilities		**548,183**	500,289	368,142	**218,263**	285,432	182,114
NET ASSETS		**793,934**	701,589	663,888	**529,760**	458,246	464,467
EQUITY							
Capital and reserves attributable to equity holders of the Company							
Share capital	33	**624,890**	513,716	483,178	**624,890**	513,716	483,178
Perpetual securities	34	**30,000**	30,000	–	**30,000**	30,000	–
Other reserves	36	**(45,662)**	(79,522)	(1,128)	**(29,526)**	(24,437)	9,717
(Accumulated losses)/ Retained profits	37	**(9,919)**	90,313	56,303	**(95,604)**	(61,033)	(28,428)
		599,309	554,507	538,353	**529,760**	458,246	464,467
Non-controlling interests		**194,625**	147,082	125,535	**–**	–	–
Total equity		**793,934**	701,589	663,888	**529,760**	458,246	464,467

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

Consolidated Statement of Changes in Equity

For the financial period from 1 April 2019 to 30 September 2020

	Note	Attributable to equity holders of the Company						
	Note	Share capital US$'000	Perpetual securities US$'000	Other reserves US$'000	Retained profits/ (accumulated losses) US$'000	Total US$'000	Non-controlling interests US$'000	Total equity US$'000
2020								
Balance as at 1 April 2019, as restated		**513,716**	**30,000**	**(79,526)**	**90,726**	**554,916**	**147,490**	**702,406**
Change in accounting policy - SFRS(I) 1-23	2.1(B)	–	–	4	(413)	(409)	(408)	(817)
Balance as at 1 April 2019, as restated		**513,716**	**30,000**	**(79,522)**	**90,313**	**554,507**	**147,082**	**701,589**
Issuance of shares under placement	33	108,573	–	–	–	108,573	–	108,573
Issuance of shares pursuant to exercise of share awards	33, 36(b)(ii)	2,601	–	(2,601)	–	–	–	–
Employee share options scheme – value of employee services	36(b)(i)	–	–	181	–	181	–	181
Employee share awards scheme – value of employee services	36(b)(ii)	–	–	955	–	955	–	955
Forfeiture of share awards	36(b)(ii)	–	–	(732)	732	–	–	–
Equity loan from non-controlling interests	21(a)	–	–	–	–	–	28,590	28,590
Acquisition of subsidiary corporations	44(c)	–	–	–	–	–	4,352	4,352
Increase in share capital of subsidiary corporations	21(b)	–	–	–	18,249	18,249	10,257	28,506
Accretion of imputed interest – put options to non-controlling interests	36(b)(iv)	–	–	(2,892)	–	(2,892)	–	(2,892)
Dividends declared to non-controlling interests		–	–	–	–	–	(121)	(121)
Perpetual securities distribution paid:								
- for the financial year ended 31.3.2019		–	–	–	(300)	(300)	–	(300)
- for the financial period ended 30.9.2020		–	–	–	(900)	(900)	–	(900)
	34	–	–	–	(1,200)	(1,200)	–	(1,200)
Total comprehensive income/ (loss) for the financial period		–	–	38,949	(118,013)	(79,064)	4,465	(74,599)
Balance as at 30 September 2020		**624,890**	**30,000**	**(45,662)**	**(9,919)**	**599,309**	**194,625**	**793,934**

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

Consolidated Statement of Changes in Equity

For the financial period from 1 April 2019 to 30 September 2020

	Note	Attributable to equity holders of the Company						
		Share capital US$'000	Perpetual securities US$'000	Other reserves US$'000	Retained profits US$'000	Total US$'000	Non-controlling interests US$'000	Total equity US$'000
2019								
Balance as at 31 March 2018		483,178	–	(1,128)	56,433	538,483	125,653	664,136
Change in accounting policy - SFRS(I) 1-23	2.1(B)	–	–	–	(130)	(130)	(118)	(248)
Balance as at 1 April 2018, as restated		483,178	–	(1,128)	56,303	538,353	125,535	663,888
Effect of changes in functional currency		29,605	–	(32,743)	3,138	–	–	–
Issuance of shares pursuant to exercise of share awards	33, 36(b)(ii)	933	–	(933)	–	–	–	–
Employee share options scheme – value of employee services	36(b)(i)	–	–	197	–	197	–	197
Employee share awards scheme – value of employee services	36(b)(ii)	–	–	1,451	–	1,451	–	1,451
Forfeiture of share options and share awards	36(b)(i), 36(b)(ii)	–	–	(503)	503	–	–	–
Increase in share capital of subsidiary corporation	21(c)	–	–	–	–	–	13,313	13,313
Acquisition of subsidiary corporations	44(c)	–	–	–	–	–	2,859	2,859
Increase in share capital of subsidiary corporations		–	–	–	–	–	24	24
Accretion of imputed interest – put options to non-controlling interests	36(b)(iv)	–	–	(1,786)	–	(1,786)	–	(1,786)
Issuance of perpetual securities classified as equity	34	–	30,000	–	–	30,000	–	30,000
Dividends paid	39	–	–	–	(3,473)	(3,473)	–	(3,473)
Dividends declared to non-controlling interests		–	–	–	–	–	(76)	(76)
Total comprehensive (loss)/ income for the financial year, as previously reported		–	–	(44,081)	34,125	(9,956)	5,717	(4,239)
Change in accounting policy – SFRS(I) 1-23	2.1(B)	–	–	4	(283)	(279)	(290)	(569)
Total comprehensive (loss)/ income for the financial year, as restated		–	–	(44,077)	33,842	(10,235)	5,427	(4,808)
Balance as at 31 March 2019, as restated		513,716	30,000	(79,522)	90,313	554,507	147,082	701,589

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

Consolidated Statement of Cash Flows

For the financial period from 1 April 2019 to 30 September 2020

	For the financial period from 1 April 2019 to 30 September 2020 (18 months) US$'000	For the financial year from 1 April 2018 to 31 March 2019 (12 months) US$'000 (Restated)
Cash flows from operating activities		
Net (loss)/profit	**(123,442)**	41,670
Adjustments for:		
- Income tax expense	**4,386**	1,732
- Depreciation of property, plant and equipment	**24,614**	9,231
- Amortisation of intangible assets	**1,500**	1,015
- Write-off of property, plant and equipment	**944**	157
- Net fair value losses/(gains) on investment properties	**12,108**	(69,412)
- Fair value (gain)/loss on financial liabilities at fair value through profit or loss	**(106)**	1,616
- Dividend income from financial assets at fair value through profit or loss	**(180)**	–
- Fair value loss on assets of disposal group classified as held-for-sale	**32,243**	–
- Gain on disposal of property, plant and equipment	**(409)**	(164)
- Gain on deemed divestment of associated companies	**(359)**	–
- Gain on remeasurement of previously held interest in joint venture as a result of change in control	**(241)**	–
- Impairment loss of prepayment – crop and supply agreement	**4,310**	–
- Impairment loss of agriculture operating rights	**1,316**	–
- Interest income on loan to joint venture	**(1,296)**	–
- Interest income on bank deposits	**(433)**	(18)
- Interest income from trade receivables under instalments and contracts with significant financing component	**(528)**	(451)
- Interest expense on borrowings	**31,823**	17,834
- Interest expense on lease liabilities	**6,079**	–
- Interest expense on deferred trade payables	**215**	498
- Amortised interest on non-current payables	**37**	–
- Employee share option expenses	**181**	197
- Employee share award expenses	**955**	1,451
- Share of losses of joint ventures	**1,639**	2,883
- Share of losses of associated companies	**7,326**	9,485
- Unrealised currency translation losses/(gains)	**3,959**	(8,522)
Operating cash flows before changes in working capital	**6,641**	9,202

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

Consolidated Statement of Cash Flows

For the financial period from 1 April 2019 to 30 September 2020

	For the financial period from 1 April 2019 to 30 September 2020 (18 months) US$'000	For the financial year from 1 April 2018 to 31 March 2019 (12 months) US$'000 (Restated)
Cash flows from operating activities (continued)		
Operating cash flows before change in working capital (continued)	**6,641**	9,202
Changes in working capital, net of effects from acquisition of subsidiary corporations:		
- Inventories	**(95)**	8,815
- Development properties	**6,881**	60,269
- Trade and other receivables	**(13,094)**	(5,275)
- Land development rights	**587**	5,618
- Trade and other payables	**(27,110)**	(45,184)
- Financial assets at fair value through profit or loss	**48,017**	(12,951)
Cash generated from operations	**21,827**	20,494
Interest received	**1,826**	470
Income tax paid	**(1,016)**	(1,256)
Net cash provided by operating activities	**22,637**	19,708
Cash flows from investing activities		
Additions to investment properties	**(4,668)**	(15,018)
Additions to property, plant and equipment	**(49,045)**	(23,916)
Additions to investment in future projects	**–**	(19,891)
Additions to development properties intended for investing activities	**(56,285)**	(124,791)
Acquisition of subsidiary corporations, net of cash acquired	**4,344**	(12,436)
Dividend received from financial assets at fair value through profit or loss	**180**	–
Dividend income from joint venture	**–**	3
Shareholders' loans to associated company	**–**	(317)
Investments in joint ventures	**(3,451)**	(5,356)
Investments in associated companies	**(13,680)**	(5,634)
Loan to a joint venture for renewable energy projects	**(24,017)**	–
Advanced payment for additional investment in associated company	**(7,800)**	–
Prepayment for operating rights	**(577)**	(893)
Prepayment for property, plant and equipment	**(3,091)**	(1,565)
Proceeds from disposal of property, plant and equipment	**9,640**	2,443
Net cash used in investing activities	**(148,450)**	(207,371)

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

Consolidated Statement of Cash Flows

For the financial period from 1 April 2019 to 30 September 2020

	Note	For the financial period from 1 April 2019 to 30 September 2020 (18 months) US$'000	For the financial year from 1 April 2018 to 31 March 2019 (12 months) US$'000 (Restated)
Cash flows from financing activities			
Interest paid		(32,682)	(16,023)
Distribution to perpetual securities holder		(1,200)	–
Interest expense on lease liabilities paid		(6,079)	–
Repayment of lease liabilities		(1,824)	–
Proceeds from issuance of shares under placement		108,573	–
Proceeds from issuance of perpetual securities		–	30,000
Equity loan from non-controlling interests		10,785	–
Dividends paid		–	(3,472)
Proceeds from borrowings		134,068	196,786
Repayment of borrowings		(122,780)	(46,110)
Loan from a non-related party for renewable energy projects		24,017	–
Proceed from issuance of ordinary shares of subsidiary corporation to non-controlling interest		28,506	13,337
Loan from non-controlling interests		–	18,203
Decrease/(increase) in bank deposits restricted for use		2,744	(1,958)
Net cash provided by financing activities		144,128	190,763
Net increase in cash and cash equivalents		18,315	3,100
Cash and cash equivalents at beginning of financial period/year		15,487	13,023
Effects of currency translation on cash and cash equivalents		910	(636)
Cash and cash equivalents at end of financial period/year	12	34,712	15,487

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

Consolidated Statement of Cash Flows

For the financial period from 1 April 2019 to 30 September 2020

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 April 2019	**(334,649)**	**(40,511)**	**(3,493)**	**–**
Changes from financing cash flows				
Proceeds from borrowings	**(134,068)**	**–**	**–**	**–**
Repayment of borrowing	**122,780**	**–**	**–**	**–**
Payment of finance lease liabilities	**–**	**–**	**–**	**1,824**
Interest paid	**–**	**–**	**32,682**	**6,079**
Total changes from financing cash flows	**(11,288)**	**–**	**32,682**	**7,903**
Acquisition arising from business combinations	**–**	**–**	**–**	**(1,451)***
Foreign exchange movement	**(5,516)**	**(1,573)**	**(253)**	**(1,944)**
Other changes				
Adoption of SFRS(I) 16	**–**	**–**	**–**	**(45,101)**
Additions during the financial period	**–**	**–**	**–**	**(5,572)**
Offsetting arrangement	**–**	**1,590**	**–**	**–**
Transfer to equity loan from non-controlling interests	**–**	**17,805**	**–**	**–**
Transfer to investments in associated companies	**–**	**8,386**	**–**	**–**
Interest expense	**–**	**–**	**(31,823)**	**(6,079)**
Total other changes	**–**	**27,781**	**(31,823)**	**(56,752)**
Balance as at 30 September 2020	**(351,453)**	**(14,303)**	**(2,887)**	**(52,244)**
Balance as at 1 April 2018	(185,487)	(28,800)	(1,953)	–
Changes from financing cash flows				
Proceeds from borrowings	(196,786)	–	–	–
Proceeds from loan from non-controlling interest	–	(18,203)	–	–
Repayment of borrowing	46,110	–	–	–
Interest paid	–	–	16,023	–
Total changes from financing cash flows	(150,676)	(18,203)	16,023	–
Acquisition arising from business combinations	–	–	–	–
Foreign exchange movement	1,514	1,998	271	–
Other changes				
Offsetting arrangement	–	4,494	–	–
Interest expense	–	–	(17,834)	–
Total other changes	–	4,494	(17,834)	–
Balance as at 31 March 2019	(334,649)	(40,511)	(3,493)	–

* Excluded leases obtained from Yoma Fleet Limited amounting to US$2,958,000 which have been eliminated as part of consolidated adjustment.

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 12 January 2021.

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 21.

On 14 February 2020, the Company announced that it had changed its financial year end from 31 March to 30 September. Consequently, the reporting period for 2020 covered a period of 18 months from 1 April 2019 to 30 September 2020 whereas the comparative period covered a period of 12 months from 1 April 2018 to 31 March 2019.

Coronavirus (COVID-19) Impact

On 30 January 2020, the World Health Organisation declared the outbreak a Public Health Emergency of International Concern. The outbreak was subsequently characterised as a pandemic on 11 March 2020.

In response to the pandemic, governments from different countries around the world have implemented containment measures to varying degrees in a bid to curb the spread of the virus. As a result, there has been disruption to global trade due to restrictions for cross-border movement and reduced demand in recreational activities.

The COVID-19 pandemic has affected almost all countries of the world, and resulted in border closures, production stoppages, workplace closures, movements controls and other measures imposed by the various governments, The Group's significant operations are in Myanmar, all of which have been affected by the spread of COVID-19 in 2020.

Set out below is the impact of COVID-19 on the Group's financial performance reflected in this set of financial statements for the financial period ended 30 September 2020.

i. The Group had assessed that the going concern basis of preparation for this set of financial statements remains appropriate.
ii. In 2020, border closures, production stoppages and workplace closures had resulted in periods where the Group's operations were temporarily suspended to adhere to the Myanmar governments' movement control measures. These had negatively resulted impacted business operation in 2020, resulting in a negative impact on the Group's financial performance for 2020.
iii. In 2020, the Group had received rental rebates for its leased retail stores and had also provided rental concessions to tenants in its commercial buildings. The effects of such rental concessions received are disclosed in Note 24.
iv. The Group had considered the market conditions including the impact of COVID-19 as at the reporting date, in making estimates and judgements on the recoverability of assets as at 30 September 2020. The significant estimates and judgements applied are disclosed in Note 3.

As the global COVID-19 situation remains very fluid as at the date of issuance of these financial statements, the Group cannot reasonably ascertain the full extent of the probable impact of the COVID- 19 disruptions on its operating and financial performance for the financial year ending 30 September 2021.

Notes to the Financial Statements

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.

Interpretations and amendments to published standards effective in 2020

On 1 April 2019, 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 year. 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 years except for the adoption of SFRS(I) 16 Leases and the change in accounting policy related to SFRS(I) 1-23 Borrowing Costs.

(A) Adoption of SFRS(I) 16 *Leases*

(a) <u>When the Group is the lessee</u>

Prior to the adoption of SFRS(I) 16, non-cancellable operating lease payments were not recognised as liabilities in the statement of financial position. These payments were recognised as rental expenses over the lease term on a straight-line basis.

The Group's accounting policy on leases after the adoption of SFRS(I) 16 is as disclosed in Note 2.19 to the financial statements.

On initial application of SFRS(I) 16, the Group has elected to apply the following practical expedients:

(i) For all contracts entered into before 1 April 2019 and that were previously identified as leases under SFRS(I) 1-17 *Lease* and SFRS(I) INT 4 *Determining whether an Arrangement contains a Lease*, the Group has not reassessed if such contracts contain leases under SFRS(I) 16; and

(ii) On a lease-by-lease basis, the Group has:

(a) applied a single discount rate to a portfolio of leases with reasonably similar characteristics;
(b) relied on previous assessments on whether leases are onerous as an alternative to performing an impairment review;
(c) accounted for operating leases with a remaining lease term of less than 12 months as at 1 April 2019 as short-term leases;
(d) excluded initial direct costs in the measurement of the right-of-use asset at the date of initial application; and
(e) used hindsight in determining the lease term where the contract contains options to extend or terminate the lease.

There were no onerous contracts as at 1 April 2019.

Notes to the Financial Statements

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.1 Basis of preparation (continued)

Interpretations and amendments to published standards effective in 2020 (continued)

(A) Adoption of SFRS(I) 16 *Leases* (continued)

(a) When the Group is the lessee (continued)

For leases previously classified as operating leases on 1 April 2019, the Group has applied the following transition provisions:

(i) On a lease-by-lease basis, the Group chose to measure its ROU assets at amounts equal to the lease liabilities, adjusted by the amounts of any prepaid or accrued lease payments relating to the leases recognised in the statement of financial position immediately before the date of transition.

(ii) Recognised its lease liabilities by discounting the remaining lease payments as at 1 April 2019 using the incremental borrowing rate for each individual lease or, if applicable, the incremental borrowing rate for each portfolio of leases with reasonably similar characteristic.

(iii) For leases previously classified as finance leases, the carrying amounts of the leased assets and finance lease liabilities as at 1 April 2019 are determined as the carrying amounts of the ROU assets and lease liabilities.

(b) When the Group is a lessor

There are no material changes to accounting by the Group as a lessor.

The effects of adoption of SFRS(I) 16 on the Group's financial statements as at 1 April 2019 are as follows:

	Group 1 April 2019 US$'000	Company 1 April 2019 US$'000
Right-of-use assets included in property, plant and equipment	24,316	3,330
Right-of-use assets included in development properties	22,872	–
Lease liabilities	(45,101)	(3,330)
Other assets	(2,087)	–

Notes to the Financial Statements

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.1 Basis of preparation (continued)

Interpretations and amendments to published standards effective in 2020 (continued)

(A) Adoption of SFRS(I) 16 *Leases* (continued)

An explanation of the differences between the operating lease commitments previously disclosed in the Group's financial statements as at 31 March 2019 and the lease liabilities recognised in the statement of financial position as at 1 April 2019 are as follows:

	Group 1 April 2019 US$'000	Company 1 April 2019 US$'000
Operating lease commitment disclosed as at 31 March 2019	190,905	875
Add: Extension option which are reasonably certain to be exercised	–	3,229
Less: Prepayments	(2,087)	–
Less: Short term leases	(933)	(403)
Less: Discounting effects using the incremental borrowing rate of 8%	(113,284)	(371)
Less: Adjustment related to uncertain variable rental included in operating lease commitments	(29,500)	–
Lease Liabilities recognised as at 1 April 2019	45,101	3,330

Early adoption of amendment to SFRS(I) 16

The Group has elected to early adopt the amendments to SFRS(I) 16 which introduced a practical expedient for a lessee to elect not to assess whether a rent concession is a lease modification, if all the following conditions are met:

(a) the change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change;
(b) any reduction in lease payments affects only payments originally due on or before 30 June 2020; and
(c) there is no substantive change to other terms and conditions of the lease

The Group has elected to apply this practical expedient to all property leases. As a result of applying the practical expedient, rent concessions of US$710,000 [Note 24(c)] was recognised as reduction of variable lease payments or rental expenses in profit or loss during the financial period.

Notes to the Financial Statements

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.1 Basis of preparation (continued)

Interpretations and amendments to published standards effective in 2020 (continued)

(B) SFRS(I) 1-23 Borrowing costs

In 2018, the IFRS Interpretations Committee ("IFRIC"), which works with the IASB in supporting the application of IFRS standards, received a submission on whether a real estate developer capitalises borrowing costs as part of the cost of units for a residential multi-unit real estate development, for which the developer recognises revenue over time for the sale of individual units in the development based on IFRS 15 *Revenue from Contracts with Customers.*

In November 2018, the IFRIC issued a Tentative Agenda Decision containing explanatory material for the decision and how the applicable principles and requirements in IAS 23 *Borrowing Costs* apply to the fact pattern in the submission. The IFRIC tentatively concluded that such an entity should not capitalise borrowing costs. This Tentative Agenda Decision was finalised in its original form on 20 March 2019.

The above Agenda Decision has relevant impact to the Group's activities as a property developer. Following this Agenda Decision, borrowing costs which were previously capitalised for development projects over the period of development are now expensed as incurred to the profit and loss. Borrowing costs on the portion of the property not ready for transfer of control to customers are capitalised until the time when control is capable of being transferred to customers. As this constitutes a change in accounting policy, comparatives were restated accordingly.

The effects of change in accounting policy on the Group's financial statements:

	Group 31 March 2019 US$'000
Consolidated Statement of Comprehensive Income	
Decrease in cost of sales	509
Increase in finance expense	(1,082)
Decrease in net profit	(573)
Decrease in net profit attributable to:	
- Equity holders of the Company	(283)
- Non-controlling interests	(290)
Decrease in basic earnings per share	(0.01)
Decrease in diluted earnings per share	(0.01)

	31 March 2019 US$'000	1 April 2018 US$'000
Consolidated Statement of Financial Position:		
Decrease in development properties	(817)	(248)
Decrease in net asset	(817)	(248)
Decrease in retained profits	(413)	(130)
Increase in other reserves	4	–
Decrease in non-controlling interests	(408)	(118)
Decrease in total equity	(817)	(248)

Notes to the Financial Statements

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.1 Basis of preparation (continued)

Interpretations and amendments to published standards effective in 2020 (continued)

(B) SFRS(I) 1-23 Borrowing costs (continued)

Prior year reclassification – The Company

Prior year reclassification has been made in relation to a loan granted by a non-related party to the Company which was obtained for the purpose of long-term financing of a subsidiary corporation on a back-to-back arrangement on a gross basis to better reflect the nature of the transaction. Such reclassification has no impact on the Group's financial statements for the prior financial years.

The comparative figures of the statement of financial position of the Company have been restated as follows:

	As previously reported US$'000	Reclassification US$'000	As restated US$'000
As at 31 March 2019			
Investments in subsidiary corporations	715,377	1,127	716,504
Trade and other payables	4,500	1,127	5,627
As at 1 April 2018			
Investments in subsidiary corporations	623,694	1,052	624,746
Trade and other payables	7,200	1,052	8,252

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 good or service to the customer, which is when the customer obtains control of the good 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 acceptance 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 acceptance by the customers.

Notes to the Financial Statements

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.2 Revenue recognition (continued)

(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.

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 relates less the costs that relate directly to providing the goods or services and that have not been recognised as expenses.

Notes to the Financial Statements

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.2 Revenue recognition (continued)

(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.

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.

The acquisition method of accounting is used to account for business combinations entered into by the Group.

Notes to the Financial Statements

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.3 Group accounting (continued)

(a) *Subsidiary corporations* (continued)

(ii) *Acquisitions* (continued)

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.

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.

Notes to the Financial Statements

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.3 Group accounting (continued)

(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.

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.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.3 Group accounting (continued)

(c) Associated companies and joint ventures (continued)

(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.

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.

Notes to the Financial Statements

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.4 Property, plant and equipment (continued)

(b) Depreciation (continued)

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".

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 period 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.

Notes to the Financial Statements

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 on or after 1 January 2010 represents the excess of (i) the sum of 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 (ii) the fair value of the identifiable net assets acquired.

Goodwill on acquisitions of subsidiary corporations prior to 1 January 2010 and on acquisitions of joint ventures and associated companies represents the excess of the cost of the acquisition over the fair value of the Group's share of the net identifiable 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.

(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.

Notes to the Financial Statements

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.8 Intangible assets (continued)

(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 period 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.

The amortisation period 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.

Notes to the Financial Statements

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 period.

(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.

An impairment loss for an asset other than goodwill is reversed if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. 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.

Notes to the Financial Statements

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

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.

At initial recognition

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.

At subsequent measurement

(i) 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.

Notes to the Financial Statements

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.11 Financial assets (continued)

(a) Classification and measurement (continued)

At subsequent measurement (continued)

(i) Debt instruments (continued)

- 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 period in which it arises and presented in "Other gains or losses".

(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 period 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 41(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.

Notes to the Financial Statements

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.11 Financial assets (continued)

(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.

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.

Notes to the Financial Statements

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.14 Inventories (continued)

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 period 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 period 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.

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 period 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.

Notes to the Financial Statements

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.19 Leases

(a) *The accounting policy for leases before 1 April 2019 are as follows:*

(i) *When the Group is the lessee:*

The Group leases offices, apartment units, retail spaces and office equipment under operating leases from non-related parties.

Lessee - Operating leases

Leases where substantially all of the risks and rewards incidental to ownership are retained by the lessors are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessors) are recognised in profit or loss on a straight-line basis over the period of the lease. Contingent rents are recognised as an expense in profit or loss when incurred.

(ii) *When the Group is the lessor:*

The Group leases motor vehicles under both finance leases and operating leases and investment properties under operating leases to non-related parties and related parties.

Lessor – Finance leases

Leases where the Group has transferred substantially all of the 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 receivables”. The difference between the gross receivable and the present value of the lease receivables is recognised as unearned finance income.

Each lease payment received is applied against the gross investment in the finance lease receivable to reduce both 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 recognised as expenses in profit or loss over the lease term on the same basis as the lease income.

Lessor - Operating leases

Leases of investment properties and motor vehicles where the Group retains substantially all of the 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.

Notes to the Financial Statements

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.19 Leases (continued)

(b) *The accounting policy for leases after 1 April 2019 are as follows:*

(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 recognised 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 which its underlying assets meet the definition of properties under development is presented within "Development properties" and accounted for in accordance with Note 2.2(d) and 2.5.

Right-of-use assets are presented within "Property, plant and equipment" and "Development properties", are disclosed in Note 23 and Note 16 respectively.

<u>Lease liabilities</u>

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 contract 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.

Notes to the Financial Statements

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.19 Leases (continued)

(b) *The accounting policy for leases after 1 April 2019 are as follows: (continued)*

(i) *When the Group is the lessee: (continued)*

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 recognised 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 24.

(ii) *When the Group is the lessor:*

The accounting policy applicable to the Group as a lessor in the comparative period were the same under SFRS(I) 16.

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 statement of financial position date. Management periodically evaluates positions taken in tax returns with respect to stiuations 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 period. The total amount to be recognised over the vesting period 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 period.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.21 Employee compensation (continued)

(b) *Share-based compensation* (continued)

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.

(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 State 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 expenses". All other foreign exchange gains and losses impacting profit or loss are presented within "Other gains or losses".

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.

Notes to the Financial Statements

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.22 Currency translation (continued)

(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;

(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.

Notes to the Financial Statements

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 period in which they arise. Costs to sell include all costs that would be necessary to sell the assets, including transportation costs.

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 included 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 making 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.

Notes to the Financial Statements

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

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 recognized 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.

Notes to the Financial Statements

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 30 September 2020 is US$40,134,000 (31 March 2019: US$30,234,000).

If the contract costs of uncompleted properties to be incurred increase/decrease by 10% (2019: 10%) from management's estimates, the Group's revenue and profit would have been decreased/increased by US$927,000/ US$927,000 and US$381,000/US$342,000 (31 March 2019:US$3,535,000/US$3,535,000 and US$627,000/US$655,000) respectively.

(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 figure, 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 figure, 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 22. If the selling prices and price per unit measurement of the investment properties determined by the valuation experts had been 5% (31 March 2019: 5%; 1 April 2018: 5%) higher/lower, the carrying amount of the investment properties would have been US$13,669,000 (31 March 2019: US$15,518,000; 1 April 2018: US$10,125,000) higher/lower.

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

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 the same 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 16 and Note 27 respectively.

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 26(e).

Management has assessed that the recoverable amounts of the CGUs are more than the carrying values of the CGUs, and accordingly no impairment charge was recognised. The carrying amounts of goodwill and intangible assets with indefinite useful lives are disclosed in Note 26(e) and Note 26(d) respectively.

Other non-financial assets

Intangible assets with finite 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 investment in associated company (i.e. Memories Group Limited), 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 17, 19, 20, 21, 23 and 26 respectively.

3. CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS (CONTINUED)

(d) *Estimated impairment of non-financial assets* (continued)

Other non-financial assets (continued)

The impairment assessments for investment in associated company, prepayments and agriculture operating rights are performed based on the value-in-use calculations. As at 30 September 2020, the Group recognised impairment losses of US$4,310,000 (31 March 2019: Nil) and US$1,316,000 (31 March 2019: Nil) 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 prepayment and agriculture operating rights reduced to US$1,755,000 and US$4,095,000 respectively as disclosed in Note 17 and Note 26(a). No impairment loss was recognised for the Group's investment in Memories Group Limited, as the estimated recoverable amount was higher than the carrying amount as disclosed in Note 20(a). Specific estimates used in the impairment assessment are disclosed in Note 17 and Note 20(a) respectively.

(e) *Critical judgement over the lease term*

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The Group has several lease contracts that include extension and/or terminate options. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to extend and/or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise the option. After the commencement date, the Group reassesses the lease term whenever there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to extend and/or terminate (e.g. construction of significant leasehold improvements or significant customisation to the leased asset). The Group included the extension option in the lease term for the leases of the certain restaurant premises because of the economic disincentive to continue the leases.

(f) *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 41(b).

Total carrying amounts of trade receivables, finance lease receivables and contract assets as at 30 September 2020 are US$56,017,000 (31 March 2019: US$45,266,000; 1 April 2018: US$33,106,000).

Notes to the Financial Statements

3. CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS (CONTINUED)

(g) 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 18 and Note 32 respectively. If the fair value had been 5% (31 March 2019: 5%; 1 April 2018: 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$611,000 and US$76,000 (31 March 2019: US$3,012,000 and US$81,000; 1 April 2018: US$2,056,000 and Nil) respectively.

(h) 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 period 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 9(a) and Note 9(b) respectively.

Notes to the Financial Statements

4. REVENUE

Revenue of the Group is analysed as follows:

	Group	
	For the financial period from 1 April 2019 to 30 September 2020 (18 months)	For the financial year from 1 April 2018 to 31 March 2019 (12 months)
	US$'000	US$'000
Revenue from contracts with customers	**125,491**	87,398
Leasing income from investment properties (Note 22)	**8,005**	7,043
Leasing income from motor vehicles	**7,690**	4,916
Interest income from finance leases	**3,006**	1,341
	144,192	100,698

(a) Disaggregation of revenue from contracts with customers

	Group	
	For the financial period from 1 April 2019 to 30 September 2020 (18 months)	For the financial year from 1 April 2018 to 31 March 2019 (12 months)
	US$'000	US$'000
Major products or service lines		
Sale of development properties	**40,134**	30,234
Sale of land development rights	**136**	1,606
Sale of goods		
- Automotive & heavy equipment	**32,923**	22,736
- Food & beverages	**37,918**	14,569
Logistic and distribution	**8,581**	–
Real estate services	**5,764**	18,253
Agricultural activities	**35**	–
	125,491	87,398
Geographical markets		
Myanmar	**125,491**	87,398
Timing of revenue recognition		
Product and services transferred overtime	**40,134**	30,234
Product and services transferred at a point in time	**85,357**	57,164
	125,491	87,398

Notes to the Financial Statements

4. REVENUE (CONTINUED)

(b) The following table provides information about contract assets and contract liabilities for contracts with customers.

		Group		
	Note	**30 September 2020 US$'000**	31 March 2019 US$'000	1 April 2018 US$'000
Contract assets (Note 13)	(i)	**16,429**	21,778	11,294
Contract liabilities (Note 28)	(ii)	**(16,570)**	(13,459)	(7,965)

(i) Contract assets

Contract assets relate primarily to the Group's right to consideration for works completed but not billed 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 30 September 2020, significant change in contract assets relates to amounts billed and reclassified to trade receivables of US$4,149,000 (31 March 2019: US$3,713,000).

(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 April 2019 to 30 September 2020 (18 months) US$'000	For the financial year from 1 April 2018 to 31 March 2019 (12 months) US$'000
Revenue recognised that was included in contract liabilities at the beginning of financial period/year	**8,979**	4,766
Increases due to cash received and contractual progress billing, excluding amounts recognised as revenue during the financial period/year	**9,930**	11,338

(iii) As at 30 September 2020, the Group has aggregate amount of transaction price allocated to contracts that are partially or fully satisfied in relation to sale of development properties of US$47,590,000 (31 March 2019: US$37,877,000).

Notes to the Financial Statements

4. REVENUE (CONTINUED)

(b) (iii) Management expects that the transaction price allocated to unsatisfied performance obligation as at 30 September 2020 and 31 March 2019 may be recognised as revenue in next reporting periods as follows:

	2020 US$'000	2021 US$'000	2022 US$'000	**Total US$'000**
Partially and fully unsatisfied performance obligations as at:				
- 30 September 2020	**–**	**42,019**	**5,571**	**47,590**
- 31 March 2019	26,354	8,764	2,759	37,877

The amount disclosed above does not include variable consideration which is subject to significant risk of reversal.

As permitted under the SFRS(I) 15, the aggregated transaction price allocated to unsatisfied contracts of periods one year or less, or are billed based on time incurred, is not disclosed.

5. EXPENSES BY NATURE

	Group	
	For the financial period from 1 April 2019 to 30 September 2020 (18 months) US$'000	For the financial year from 1 April 2018 to 31 March 2019 (12 months) US$'000 (Restated)
Purchase of inventories	**44,628**	20,770
Subcontractors and related construction costs	**39,181**	15,914
Employee compensation (Note 8)	**38,497**	22,734
Amortisation of intangible assets [Note 26(f)]	**1,500**	1,015
Depreciation of property, plant and equipment (Note 23)	**24,614**	9,231
Total amortisation and depreciation	**26,114**	10,246
Marketing and commission	**6,876**	1,411
Professional fees	**3,721**	3,186
Utilities expenses	**3,100**	1,282
License fee	**2,614**	2,322
Travelling and related costs	**2,396**	1,628
Rental expenses on short-term leases/operating leases[a]	**983**	3,446
Write-off of property, plant and equipment	**944**	157
Fees on audit services paid/payable to:		
- Auditor of the Company	**458**	339
- Other auditors	**354**	107
Total fees on audit services	**812**	446
Costs of land development rights sold (Note 27)	**62**	1,431
Changes in inventories	**(95)**	8,815
Others	**9,139**	5,029
Total cost of sales and administrative expenses	**178,972**	98,817

[a] Included within rental expenses are COVID-19 related rent concession received from lessors of US$710,000 [Note 24(c)] of which the Group applied the practical expedient as disclosed in Note 2.1(A).

Notes to the Financial Statements

6. OTHER LOSSES OR GAINS

	Group	
	For the financial period from 1 April 2019 to 30 September 2020 (18 months) US$'000	For the financial year from 1 April 2018 to 31 March 2019 (12 months) US$'000
Net fair value (losses)/gains on investment properties (Note 22)	**(12,108)**	69,412
Fair value gains on financial assets at fair value through profit or loss (Note 18)	**5,235**	11,124
Currency translation gains/(losses), net	**3,274**	(3,395)
Management services fee	**1,236**	833
Interest income on loan to joint venture	**1,296**	–
Interest income on bank deposits	**433**	18
Interest income from trade receivables under instalments and contracts with significant financing component	**528**	451
Gain on disposal of property, plant and equipment	**409**	164
Dividend income from financial assets, at fair value through profit or loss	**180**	–
Fair value gain/(loss) on financial liabilities, at fair value through profit or loss (Note 32)	**106**	(1,616)
Gain on deemed divestment of associated company	**359**	–
Gain on disposal of financial asset at fair value through profit or loss [Note 18(b)(i)]	**3,638**	–
Gain on remeasurement of previously held interest in a joint venture as result of change in control	**241**	–
Impairment loss of agriculture operating rights [Note 26(a)]	**(1,316)**	–
Impairment loss of prepayments – crop and supply Agreement (Note 17)	**(4,310)**	–
Fair value loss on assets of disposal group classified as held-for-sale (Note 10)	**(32,243)**	–
Others	**(1,459)**	437
	(34,501)	77,428

7. FINANCE EXPENSES

	Group	
	For the financial period from 1 April 2019 to 30 September 2020 (18 months) US$'000	For the financial year from 1 April 2018 to 31 March 2019 (12 months) US$'000 (Restated)
Interest expense		
- borrowings	**31,823**	17,834
- lease liabilities	**6,079**	–
- deferred trade payables	**215**	498
Amortised interest on deferred consideration	**37**	–
Other finance costs	**3,888**	1,759
Currency translation (gains)/losses, net	**(1,929)**	2,702
	40,113	22,793

Notes to the Financial Statements

8. EMPLOYEE COMPENSATION

	Group	
	For the financial period from 1 April 2019 to 30 September 2020 (18 months)	For the financial year from 1 April 2018 to 31 March 2019 (12 months)
	US$'000	US$'000
Wages and salaries	**33,068**	18,844
Employer's contribution to defined contribution plans	**179**	139
Share options expenses [Note 36(b)(i)]	**181**	197
Share awards expenses [Note 36(b)(ii)]	**955**	1,451
Other short-term benefits	**4,114**	2,103
	38,497	22,734

9. INCOME TAXES

(a) *Income tax expense*

	Group	
	For the financial period from 1 April 2019 to 30 September 2020 (18 months)	For the financial year from 1 April 2018 to 31 March 2019 (12 months)
	US$'000	US$'000
Tax expense attributable to profit is made up of:		
- Profit for the financial period/year:		
- Current income tax		
- Singapore	**537**	236
- Foreign	**2,688**	1,367
	3,225	1,603
- Deferred income tax (Note 30)	**(176)**	(325)
	3,049	1,278
- Under/(over)-provision of current income tax in prior financial years		
- Singapore	**62**	(49)
- Foreign	**1,275**	503
	1,337	454
	4,386	1,732

Notes to the Financial Statements

9. INCOME TAXES (CONTINUED)

(a) *Income tax expense* (continued)

The tax expense on the Group's (loss)/profit 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 April 2019 to 30 September 2020 (18 months) US$'000	For the financial year from 1 April 2018 to 31 March 2019 (12 months) US$'000 (Restated)
(Loss)/profit before income tax:	**(119,056)**	43,402
Share of losses of joint ventures, net of tax (Note 19)	**1,639**	2,883
Share of losses of associated companies, net of tax (Note 20)	**7,326**	9,485
(Loss)/profit before income tax and share of losses of joint ventures and associated companies	**(110,091)**	55,770
Tax calculated at a tax rate of 17% (31 March 2019: 17%)	**(18,715)**	9,481
Effects of:		
- different tax rates in other countries	**(3,435)**	3,142
- expenses not deductible for tax purposes	**24,070**	3,352
- income not subject to tax purposes	**(2,011)**	(16,528)
- tax incentives	**(38)**	(1)
- deferred tax assets not recognised	**3,178**	1,832
- under-provision in prior financial years	**1,337**	454
Income tax expense	**4,386**	1,732

Notes to the Financial Statements

9. INCOME TAXES (CONTINUED)

(b) Movement in current income tax liabilities

	Group		Company	
	30 September 2020 US$'000	31 March 2019 US$'000	**30 September 2020 US$'000**	31 March 2019 US$'000
Beginning of financial period/year	**4,143**	4,452	**196**	237
Income tax expense for the financial period/ year	**3,225**	1,603	**287**	185
Income tax paid	**(1,016)**	(1,256)	**(264)**	(189)
Under/(over)-provision in prior financial years	**26**[2]	454	**69**	(37)
Other tax payables[1]	**(492)**	(779)	**–**	–
Acquisition of subsidiary corporations [Note 44(c)]	**–**	155	**–**	–
Currency translation differences	**607**	(486)	**–**	–
End of financial period/year	**6,493**	4,143	**288**	196

[1] Other tax payables related to tax liabilities payable on the profit of sold residential units in StarCity Galaxy Towers development which was assigned to the Group by a non-related investor in accordance with the sale and purchase agreement signed in August 2016.

[2] Under-provision in prior financial years are partly settled through utilisation of prepaid withholding taxes of US$1,311,000.

10. 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"). Accordingly, 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) were presented as disposal group held-for-sale as at 30 September 2019. In connection with this reclassification, the Group took a fair value loss. This fair value loss was recognised in "other losses or gains" and amounted to US$32,243,000 (Note 6) for the financial period ended 30 September 2020.

The disposal group was presented under the "Investments" reportable segment of the Group (Note 43). 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 were 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 30 September 2020.

(a) Details of the assets of disposal group classified as held-for-sale were as follows:

	30 September 2020 US$'000
Cash and bank balances (Note 12)	**300**
Trade and other receivables	**89**
Other assets	**23**
Property, plant and equipment (Note 23)	**10**
Investment properties (Note 22)	**32,243**
	32,665

Notes to the Financial Statements

10. DISPOSAL GROUP CLASSIFIED AS HELD FOR SALE (CONTINUED)

(b) Details of the liabilities directly associated with disposal group classified as held-for-sale were as follows:

	30 September 2020 US$'000
Trade and other payables	**442**

11. (LOSS)/EARNINGS PER SHARE

Basic (loss)/earnings per share is calculated by dividing the net (loss)/profit 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)/earnings 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 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	
	30 September 2020	31 March 2019 (Restated)
Net (loss)/profit attributable to equity holders of the Company (US$'000)	**(118,013)**	33,842
Less: Perpetual securities distribution paid during current financial period	**(1,200)**	–
Net (loss)/profit used to determine basic (loss)/earnings per share	**(119,213)**	33,842
Weighted average number of ordinary shares outstanding for basic earnings per share ('000)	**2,102,473**	1,895,259
Adjustments for share options	**518**	1,071
Adjustments for share awards	**9,625**	11,798
Weighted average number of ordinary shares outstanding for diluted earnings per share ('000)	**2,112,616**	1,908,128
Basic (loss)/earnings per share (US cents)	**(5.67)**	1.79
Diluted (loss)/earnings per share (US cents)	**(5.67)***	1.77

* As net loss was recorded by the Group, the dilutive potential share options and share awards were anti-dilutive and no change has been made to the dilutive loss per share.

Notes to the Financial Statements

12. CASH AND BANK BALANCES

	Group			Company		
	30 September 2020	31 March 2019	1 April 2018	**30 September 2020**	31 March 2019	1 April 2018
	US$'000	US$'000	US$'000	**US$'000**	US$'000	US$'000
Cash and bank balances	**46,418**	29,877	25,455	11,788	14,906	14,008

Please refer to Note 44(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	
	30 September 2020	31 March 2019
	US$'000	US$'000
Cash and bank balances (as above)	**46,418**	29,877
Add: Cash and bank balances included in assets of disposal group classified as held-for-sale (Note 10)	**300**	–
Less: Bank deposits restricted for use	**(11,646)**	(14,390)
Less: Bank overdrafts (Note 29)	**(360)**	–
Cash and cash equivalents per consolidated statement of cash flows	**34,712**	15,487

Bank deposits restricted for use are in relation to debt service reserve accounts required for certain borrowings.

Cash and bank balances of the Group with carrying amount of US$3,330,000 (31 March 2019: US$1,632,000; 1 April 2018: Nil) are subject to a floating charge to secure borrowings the Group [Note 29(a)].

Notes to the Financial Statements

13. TRADE AND OTHER RECEIVABLES

	Group			Company		
	30 September 2020 US$'000	31 March 2019 US$'000	1 April 2018 US$'000	**30 September 2020 US$'000**	31 March 2019 US$'000	1 April 2018 US$'000
Current						
Trade receivables						
- Non-related parties	**18,773**	10,135	13,701	**–**	–	–
- Associated companies	**–**	78	–	**–**	–	–
	18,773	10,213	13,701	**–**	–	–
Contract assets [Note 4(b)]	**16,429**	21,778	11,294	**–**	–	–
Finance lease receivables (Note 14)	**5,570**	2,375	1,067	**–**	–	–
Non-trade receivables						
- Non-related parties	**6,365**	7,046	8,028	**9**	213	137
- Associated companies	**5,554**	6,339	–	**3,624**	534	–
- Joint ventures	**2,094**	469	–	**45**	–	–
	14,013	13,854	8,028	**3,678**	747	137
Amounts due from entities related by a common controlling shareholder	**35,386**	36,288	16,231	**7,074**	7,845	5,211
Loan to a joint venture	**24,017**	–	–	**–**	–	–
Staff loans	**286**	1,268	211	**75**	118	211
	114,474	85,776	50,532	**10,827**	8,710	5,559
Non-current						
Loans to associated companies	**–**	1,829	16,376	**–**	–	–
Trade receivables – Non-related parties	**4,343**	2,414	2,175	**–**	–	–
Staff loan	**1,301**	485	–	**–**	–	–
Finance lease receivables (Note 14)	**10,902**	8,486	4,869	**–**	–	–
	16,546	13,214	23,420	**–**	–	–
Total trade and other receivables	**131,020**	98,990	73,952	**10,827**	8,710	5,559

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 is provided to Yoma Micro Power (S) Pte. Ltd. for the purpose of developing additional renewable energy projects within Myanmar including participation in large utility scale renewable projects. The loan is unsecured, interest-bearing at 15% per annum and receivable on demand. This loan is obtained by the Group from a non-related party who will be investing into the Group's investment in the renewable energy projects (Note 28).

Notes to the Financial Statements

13. TRADE AND OTHER RECEIVABLES (CONTINUED)

Staff loans are unsecured, interest-bearing at 5% (31 March 2019: 5%; 1 April 2018: 5%) per annum and are receivable on demand except for the amount of US$1,301,000 which are repayable under installment plan. Included in the staff loans are loans made to two (31 March 2019: two; 1 April 2018: one) members of key management personnel of the Group amounting to US$1,497,000 (31 March 2019: US$1,624,000; 1 April 2018: US$5,000) which are interest-free.

Trade and other receivables of the Group with carrying amount of US$3,259,000 (31 March 2019: US$6,955,000; 1 April 2018: Nil) are subject to a floating charge to secure borrowings of the Group [Note 29(a)].

As at 31 March 2019 and 1 April 2018, non-current loans to associated companies were unsecured, interest-free and not expected to be repaid within 12 months. The fair value of non-current loans to associated companies of US$1,553,000 (1 April 2018: US$15,425,000) was determined from the adjusted future cash flow analysis discounted at market borrowing rate of an equivalent instrument at the reporting date of 13% (1 April 2018: 13%). The fair value is within Level 2 of the fair value hierarchy.

The fair value of non-current trade receivables of US$3,924,000 (31 March 2019: US$2,653,000; 1 April 2018: US$3,217,000) is computed based on the adjusted future cash flows discounted at market interest rate of an equivalent instrument at the reporting date of 7% (31 March 2019: 13%; 1 April 2018: 12.9%). The fair value is within Level 2 of the fair value hierarchy.

During the financial year ended 31 March 2019, the Group capitalised part of the costs incurred for the development of a hotel project in Yangon on behalf of an associated company which had been included in the non-current loans to associated companies as at 1 April 2018, amounting to US$14,380,000 as additional cost of investments in associated companies [Note 20(c)(i)] following the approval from the other shareholders of the associated company.

Trade receivables amounting to US$166,000 (31 March 2019: US$382,000, 1 April 2018: US$2,521,000) are under instalment credit agreements with interest rate ranging from 10% to 13% (31 March 2019: 10% to 13%; 1 April 2018: 10% to 13%) and are analysed as below:

	Group		
	30 September 2020	31 March 2019	1 April 2018
	US$'000	US$'000	US$'000
Gross instalment receivables:			
- Within one year	**166**	233	2,623
- Between one to five years	**–**	151	54
	166	384	2,677
Less: Unearned interest income	*****	(2)	(156)
Net instalment receivables	**166**	382	2,521

* Amount less than US$1,000

Notes to the Financial Statements

13. TRADE AND OTHER RECEIVABLES (CONTINUED)

The present value of trade receivables with instalment credit agreements are analysed as follows:

	Group		
	30 September 2020 US$'000	31 March 2019 US$'000	1 April 2018 US$'000
Within one year	166	231	2,468
Between one and five years	–	151	53
	166	382	2,521

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 US$'000	**Gross amounts offset in the statements of financial position US$'000**	**Net amounts presented in the statements of financial position US$'000**
Group			
30 September 2020			
Trade and other receivables	41,284	(5,898)	35,386
Trade and other payables	(5,898)	5,898	–
31 March 2019			
Trade and other receivables	39,218	(2,930)	36,288
Trade and other payables	(2,930)	2,930	–
1 April 2018			
Trade and other receivables	31,957	(15,726)	16,231
Trade and other payables	(15,726)	15,726	–
Company			
30 September 2020			
Trade and other receivables	10,329	(3,255)	7,074
Trade and other payables	(3,255)	3,255	–
31 March 2019			
Trade and other receivables	8,736	(891)	7,845
Trade and other payables	(891)	891	–
1 April 2018			
Trade and other receivables	9,946	(4,735)	5,211
Trade and other payables	(4,735)	4,735	–

Notes to the Financial Statements

14. FINANCE LEASE RECEIVABLES

	Group		
	30 September 2020 US$'000	31 March 2019 US$'000	1 April 2018 US$'000
Gross receivables due			
- Not later than one year	**8,004**	3,784	1,853
- Later than one year but within five years	**13,754**	10,631	6,351
	21,758	14,415	8,204
Less: Unearned finance income	**(5,286)**	(3,554)	(2,268)
Net investment in finance leases	**16,472**	10,861	5,936

The net investment in finance leases is analysed below:

	Group		
	30 September 2020 US$'000	31 March 2019 US$'000	1 April 2018 US$'000
Not later than one year (Note 13)	**5,570**	2,375	1,067
Later than one year but within five years (Note 13)	**10,902**	8,486	4,869
Net investment in finance leases	**16,472**	10,861	5,936

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$9,533,000 (31 March 2019: US$7,368,000; 1 April 2018: US$4,402,000) 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% (31 March 2019: 13%; 1 April 2018: 13%). The fair value is within Level 2 of the fair value hierarchy.

15. INVENTORIES

	Group		
	30 September 2020 US$'000	31 March 2019 US$'000	1 April 2018 US$'000
Construction materials	**3**	6	36
Consumables	**1,511**	1,827	1,290
Trading goods	**17,784**	16,568	25,536
	19,298	18,401	26,862

The cost of inventories recognised as an expense and included in "cost of sales" amounted to US$44,533,000 (31 March 2019: US$29,585,000).

Inventories of the Group with carrying amount of US$13,287,000 (31 March 2019: US$11,819,000; 1 April 2018: Nil) are subject to a floating charge to secure borrowings of the Group [Note 29(a)].

Notes to the Financial Statements

16. DEVELOPMENT PROPERTIES

	Group		
	30 September 2020 US$'000	31 March 2019 US$'000 (Restated)	1 April 2018 US$'000 (Restated)
Properties under development, sold units for which revenue is recognised overtime – costs incurred	**22,503**	2,078	1,185
Other unsold properties under development			
– Costs incurred	**262,947**	273,163	268,463
– Right-of-use assets	**17,269**	–	–
Completed properties	**2,042**	1,703	2,348
	304,761	276,944	271,996

During the financial period ended 30 September 2020, the Group transferred certain development properties with total carrying amount of US$56,072,000 (which was inclusive of development properties for hotel and serviced apartment in Yoma Central) to property, plant and equipment (Note 23) in accordance with SFRS(I) 1-16 Property, plant and equipment.

During the financial year ended 31 March 2019, the Group transferred certain units of development properties with total carrying amounts of US$51,256,000 to investment properties (Note 22) for leasing purposes following a change in use of the properties as required under SFRS(I) 1-40 *Investment Properties*. The transfer is in line with the Group's effort to increase its recurring leasing revenue as well as to meet the market's demand for leased properties.

As at 30 September 2020, a development property of the Group with a carrying amount of US$70,478,000 (31 March 2019: US$93,609,000; 1 April 2018: Nil) was mortgaged to secure the Group's borrowings [Note 29(a)].

17. OTHER ASSETS

	Group			Company		
	30 September 2020 US$'000	31 March 2019 US$'000	1 April 2018 US$'000	**30 September 2020 US$'000**	31 March 2019 US$'000	1 April 2018 US$'000
Other deposits	**1,351**	1,820	1,907	**121**	403	1,091
Advances to suppliers and subcontractors	**49,345**	49,178	35,599	**–**	–	–
Prepayments – Crop and Supply Agreement	**1,755**	5,803	5,588	**–**	–	–
Other prepayments	**8,963**	12,473	17,706	**1,500**	2,990	1,104
Advanced payment for investment in associated company [Note 20(b)]	**7,800**	–	–	**–**	–	–
	69,214	69,274	60,800	**1,621**	3,393	2,195
Less: Non-current portion	**(3,838)**	(7,380)	(6,527)	**–**	–	–
Current portion	**65,376**	61,894	54,273	**1,621**	3,393	2,195

Other deposit and prepayment of the Group with carrying amount of US$130,000 and US$468,000 (31 March 2019: US$308,000 and US$519,000; 1 April 2018: Nil) are subject to a floating charge to secure borrowings of the Group [Note 29(a)].

Notes to the Financial Statements

17. OTHER ASSETS (CONTINUED)

Prepayments – Crop and Supply Agreement

	Group	
	30 September 2020 US$'000	31 March 2019 US$'000
Cost		
Beginning of financial period/year	**13,922**	13,707
Additions	**1,213**	419
Currency translation differences	**39**	(204)
End of financial period/year	**15,174**	13,922
Accumulated impairment loss		
Beginning of financial period/year	**(8,119)**	(8,119)
Impairment loss (Note 6)	**(4,310)**	–
Currency translation differences	**(990)**	–
End of financial period/year	**(13,419)**	(8,119)
Carrying value	**1,755**	5,803

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 adjustments 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 period of the agriculture operating rights of 17 years (31 March 2019: 18 years, 1 April 2018: 19 years). Key assumptions used for value-in-use calculations were as below:

	Group		
	30 September 2020	31 March 2019	1 April 2018
Crop yield rate per kg	**207**	1,250	1,250
Market price of crop per MT	**US$1,850**	US$1,779	US$2,050
Discount rate[1]	**20.0%**	19.2%	16.3%

[1] Pre-tax discount rate applied to the pre-tax cash flow projections

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.

Notes to the Financial Statements

17. OTHER ASSETS (CONTINUED)

Prepayments – Crop and Supply Agreement (continued)

Sensitivity analysis

As impairment loss of US$4,310,000 was recognised for prepayments during the financial period ended 30 September 2020. A further decrease of 1% in market price or increase of 1% in discount rate with all other assumptions remain constant would result in additional impairment of US$784,000 or US$196,000 respectively.

The impairment test carried out as at 31 March 2019 for the Group's prepayments has revealed that the recoverable amounts of prepayments was US$62,000 or 1% (1 April 2018: US$257,000 or 5%) higher than the carrying amount of the prepayments. A further decrease in the market price of the planted crops or a further increase in the discount rate by about 0.2% or 0.1% (1 April 2018: 0.4% or 0.2%) would result in the recoverable amount of prepayments being equal to the carrying amount.

18. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	Group	
	30 September 2020 US$'000	31 March 2019 US$'000
Beginning of financial period/year	**60,248**	49,240
Additions	**1,107**	–
Fair value gains recognised in profit or loss (Note 6)	**5,235**	11,124
Capital repayment	**(625)**	–
Disposal	**(53,862)**	–
Currency translation differences	**128**	(116)
End of financial period/year	**12,231**	60,248

Analysed as:

	Group		
	30 September 2020 US$'000	31 March 2019 US$'000	1 April 2018 US$'000
Unlisted securities			
– Private investment fund – Myanmar (Note a)	**8,418**	5,712	5,915
– Equity securities – Myanmar (Note b)	**3,813**	54,536	43,325
Total	**12,231**	60,248	49,240
Current portion	**–**	50,852	41,102
Non-current portion	**12,231**	9,396	8,138
Total	**12,231**	60,248	49,240

(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 30 September 2020, the fair value of US$8,418,000 (31 March 2019: US$5,712,000; 1 April 2018: US$5,915,000) is determined based on valuation techniques as described in Note 3(g).

Notes to the Financial Statements

18. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

(b) Included in the Group's equity securities are as follows:

(i) 12.5% equity interest in edotco Investments Singapore Pte. Ltd. ("edotco Investments") of which the Company had been granted a put option to sell its interest to edotco Group Sdn Bhd ("edotco Group"). Similarly, the Company had also granted a call option to the edotco Group on the same terms. At each reporting date, the Group would remeasure the fair value of its interest in edotco Investments based on earnings multiple using recent transacted valuation of other telecom tower companies based in Asia as reference as described in Note 3(g).

On 15 November 2019, the Group completed the disposal of its 12.5% equity interest in edotco Investments to a non-related party for a consideration of US$57,500,000 and recognised a gain of US$3,638,000 as included in "other losses or gains" (Note 6). Prior to the disposal, the Group recognised fair value gains of US$3,635,000 during the financial period ended 30 September 2020 in relation to the fair value remeasurement.

As at 31 March 2019, the Group remeasured the fair value of its interest in edotco Investments to US$50,852,000 (1 April 2018: US$40,424,000) and recognised fair value gains on its interest in edotco Investments of US$10,428,000 during the financial year ended 31 March 2019 in relation to the fair value remeasurement.

(ii) 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 30 September 2020, the fair value of US$3,126,000 (31 March 2019: US$3,088,000; 1 April 2018: US$2,223,000) is determined based on valuation techniques as described in Note 3(g).

(iii) Other unquoted equity securities with a fair value of US$687,000 (31 March 2019: US$596,000; 1 April 2018: Nil) which is determined based on valuation techniques as described in Note 3(g) are subject to a floating charge to secure borrowings of the Group [Note 29(a)].

19. INVESTMENTS IN JOINT VENTURES

	Group		
	30 September 2020	31 March 2019	1 April 2018
	US$'000	US$'000	US$'000
Investments in joint ventures, at cost	**10,600**	11,372	5,248
Loan to joint ventures	**–**	–	4,499
Total	**10,600**	11,372	9,747

Notes to the Financial Statements

19. INVESTMENTS IN JOINT VENTURES (CONTINUED)

	Group	
	30 September 2020 US$'000	31 March 2019 US$'000
Beginning of financial period/year	**11,372**	5,248
Additions	**3,451**	9,855
Acquisition of subsidiary corporations [Note 44(c)]	**–**	84
Dividend income	**–**	(1,063)
Share of losses [Note 9(a)]	**(1,639)**	(2,883)
Fair value of previously held interest [Note 44(a)]	**(3,264)**	–
Gain on remeasurement on previously held interest	**(197)**	–
Share of other comprehensive income/(loss)	**872**	(170)
Currency translation differences	**5**	301
End of financial period/year	**10,600**	11,372

The Group has certain interests in the ownership and voting rights in the 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 vehicles 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.

The Group's material joint ventures are summarised below:

	Group	
	30 September 2020 US$'000	31 March 2019 US$'000
MM Cars Myanmar Limited ("MM Cars")	**3,437**	2,221
Yoma Micro Power (S) Pte Ltd ("YMP")	**5,253**	4,006
Other immaterial joint ventures	**1,910**	5,145
	10,600	11,372

(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 departmental stores in Myanmar through 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.

(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 Mynamar. The Group has a 40% equity interest in BYMA at a historical cost of US$295.

Notes to the Financial Statements

19. INVESTMENTS IN JOINT VENTURES (CONTINUED)

(c) In December 2013, the Group entered into an agreement with Sumitomo Corporation 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%. The deemed loss on dilution of US$119,000 has been recognised and included in the Group's share of losses of joint ventures for the financial year ended 31 March 2019.

(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 the purposes of 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 service 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.

(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.

(f) In July 2014, the Group entered into a joint venture agreement with Kokubu & Co., Ltd. ("Kokubu") and FMI to incorporate KOSPA Limited ("KOSPA") to establish and operate the business of offering distribution and third-party logistics services in Myanmar, including cold chain solutions, inventory management and transportation. Subsequently, in March 2015, the Group acquired an additional 20% equity interest in KOSPA from FMI, which resulted in the increase in its equity interest in KOSPA from 30% to 50% at a historical cost of US$50,000. During the financial year ended 31 March 2019, KOSPA capitalised the quasi-capital loan amounting to US$5,950,000 (including the amount brought forward from 1 April 2018 of US$4,499,000) as its additional share capital and accordingly, the Group's historical cost of investment in KOSPA increased to US$6,000,000 as at 31 March 2019.

In February 2019, the Group entered into definitive agreements with a non-related party, S.F Holding Co., Ltd.("S.F. Express") for the subscription of new shares amounting to a 25% interest in KOSPA, subject to the satisfaction of certain conditions, for an aggregate issue price of US$4,000,000 for the purpose of funding the expansion of KOSPA's business. In conjunction with the completion of the proposed investment by S.F. Express, the Group acquired from Kokubu a certain number of shares in KOSPA such that the Group retained its 50% interest in KOSPA post the investment from S.F. Express for a total consideration of US$2,000,000 to be paid within a period of five years. Upon completion of the transaction in July 2019, KOSPA became a subsidiary corporation of the Group pursuant to a new shareholders agreement between the parties (Note 44).

Notes to the Financial Statements

19. INVESTMENTS IN JOINT VENTURES (CONTINUED)

(g) 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. The Group has a 50% equity interest at a historical cost of US$4,000,000.

(h) 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, YMP.

During the financial year ended 31 March 2019, YMP issued additional new shares to International Finance Corporation and existing shareholders to expand its business pursuant to the new Shareholders' Agreement signed in March 2018 and the 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%. As a result, the Group's historical cost of investment increased from US$950,000 as at 1 April 2018 to US$5,240,000 as at 31 March 2019.

Subsequently in September 2020, the Group contributed additional investment in YMP amounting to US$2,926,000 based on its pro-rata shareholdings, thus increased its cost of investment to US$8,166,000 as at 30 September 2020 in YMP.

As at 30 September 2020, the Group's 35% investment in YMP with a carrying amount of US$5,253,000 (31 March 2019: US$4,006,000; 1 April 2018: US$950,000) is pledged to secure borrowings of the Group [Note 29(a)].

(i) In July 2016, the Group through its subsidiary corporation, Yoma Agriculture Company Limited ("YAC") entered into a new 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. During the financial period ended 30 September 2020, the Group has invested additional US$12,000 based on its pro-rata shareholding in Myfood and its historical cost of investment increased to US$133,500.

(j) 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 fertilizers, seeds and/or pesticides through the incorporation of a jointly-controlled company, Zuari Yoma Agri Solutions Limited ("Zuari"). The Group has 50% equity interest in Zuari at a historical cost of US$12,500. Subsequently in September 2020, the Group invested an additional US$500,000 in ZYAS, resulting in the increase in its historical cost of investment to US$512,500 based on its pro-rata shareholding.

As at 30 September 2020, the Group has a total of US$6,534,000 (31 March 2019: US$3,565,000; 1 April 2018: US$7,802,000) of commitments to provide fundings, 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 relating to the Group's interests in the joint ventures, except for a corporate guarantee provided to a joint venture for its borrowing of US$500,000 as at 31 March 2019 and 1 April 2018 .

Notes to the Financial Statements

19. INVESTMENTS IN JOINT VENTURES (CONTINUED)

Set out below are the joint ventures of the Group as at 30 September 2020, 31 March 2019 and 1 April 2018:

Name of joint ventures	Principal activities	Country of incorporation/ Principal place of business	Interest		
			30 September 2020	31 March 2019	1 April 2018
			%	%	%
Joint ventures held by Yoma Strategic Investments Ltd.					
[a] Parkson Myanmar Investment Company Pte. Ltd.	Investments – Investment holding	Singapore/Not applicable	**20**	20	20
[b] MC Elevator (Myanmar) Limited	Investments – Distributor and service activities	Myanmar	**40**	40	40
[e] KOSPA Limited	Consumer – Logistics activities	Myanmar	**–**[1]	50	50
[d] Yoma Micro Power (S) Pte. Ltd.	Investments – Investment holding	Singapore/Not applicable	**35**	35	47.5
[a] BYMA Pte. Ltd.	Real Estate Services – Construction services activities	Singapore/ Myanmar	**40**[2]	–[2]	–[2]
Joint ventures held by Myanmar Motors Pte. Ltd.					
[b] First Japan Tire Services Company Limited	Automotive & Heavy Equipment – Distributor activities	Myanmar	**30**	30	30
[b] MM Cars Myanmar Limited	Automotive & Heavy Equipment – Distributor activities	Myanmar	**50**	50	50
Joint venture held by Elite Matrix International Limited					
[c] Summit SPA Motors Limited	Automotive & Heavy Equipment – Distributor activities	Myanmar	**23.16**	23.16	40

Notes to the Financial Statements

19. INVESTMENTS IN JOINT VENTURES (CONTINUED)

Name of joint ventures	Principal activities	Country of incorporation/ Principal place of business	Interest 30 September 2020 %	31 March 2019 %	1 April 2018 %
Joint ventures held by Yoma Agriculture Company Limited					
[e] Myfood Industries Myanmar Company Limited	Investment – Agricultural activities	Myanmar	**60**	60	60
[e] Zuari Yoma Agri Solutions Limited	Investment – Agricultural activities	Myanmar	**50**	50	–
Joint venture held by Yankin Kyay Oh Group of Companies Limited					
[d] YKKO Toridoll Myanmar Company Limited	Consumer – F&B activities	Myanmar	**60**	60	–
Joint ventures held by SPA Project Management Pte. Ltd.					
[a] BYMA Pte. Ltd.	Real Estate Services– Construction services activities	Singapore/ Myanmar	**–**[2]	40	40

[a] Audited by Ernst & Young LLP, Singapore

[b] Audited by Myanmar Vigour & Associates, Myanmar

[c] Audited by Yangon Professional Group, Myanmar

[d] Audited by Nexia TS Public Accounting Corporation, Singapore

[e] Audited by Excellent Choice Professional Financial Consulting and Auditing Group, Myanmar

[1] Further to the issuance of new shares to S.F. Express and the acquisition of certain number of shares from Kokubu by the Group, KOSPA has become a subsidiary corporation of the Group.

[2] Pursuant to a restructuring undertaken by the Group during the financial period, the Group's interest in Byma Pte. Ltd. is now held through Yoma Strategic Investments Ltd a wholly-owned subsidiary corporation of the Company.

Notes to the Financial Statements

19. INVESTMENTS IN JOINT VENTURES (CONTINUED)

Summarised financial information for joint ventures

Management has determined the significance of joint ventures based on the future plans of the respective entities, their prospects and the impact on the financial statements of the Group.

Set out below are 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 in the Group's accounting policies, which are in accordance with SFRS(I).

Summarised statement of financial position

	MM Cars		YMP	
	30 September 2020 US$'000	31 March 2019 US$'000	**30 September 2020 US$'000**	31 March 2019 US$'000
Current assets	**14,650**	4,359	**26,920**	9,166
Includes:				
- Cash and bank balances	**5,658**	282	**21,481**	4,354
Current liabilities	**(10,130)**	(1,993)	**(2,870)**	(436)
Includes:				
- Financial liabilities (excluding trade payables)	**(6,926)**	(1,737)	**(1,959)**	(72)
Non-current assets	**1,656**	1,472	**35,008**	2,394
Non-current liabilities	**–**	–	**(45,965)**	–
Net assets	**6,176**	3,838	**13,093**	11,124

Summarised statement of comprehensive income

	MM Cars		YMP	
	For the financial period from 1 April 2019 to 30 September 2020 (18 months) US$'000	For the financial year from 1 April 2018 to 31 March 2019 (12 months) US$'000	**For the financial period from 1 April 2019 to 30 September 2020 (18 months) US$'000**	For the financial year from 1 April 2018 to 31 March 2019 (12 months) US$'000
Revenue	**12,701**	7,199	**3,842**	113
Expenses	**(11,211)**	(7,819)	**(9,816)**	(2,108)
Includes:				
- Depreciation and amortisation	**(172)**	(297)	**(31)**	(161)
- Interest expense	**–**	–	**(1,825)**	–
Profit/(loss) before income tax	**1,490**	(620)	**(5,974)**	(1,995)
Income tax expense	**(407)**	–	**–**	–
Net profit/(loss), representing total comprehensive income/(loss)	**1,083**	(620)	**(5,974)**	(1,995)

Notes to the Financial Statements

19. INVESTMENTS IN JOINT VENTURES (CONTINUED)

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	
	30 September 2020	31 March 2019	**30 September 2020**	31 March 2019
	US$'000	US$'000	**US$'000**	US$'000
Net assets				
At beginning of financial period/year	**3,838**	5,066	**11,123**	795
Profit/(loss) for the financial period/year	**1,083**	(620)	**(5,974)**	(1,995)
Increase in share capital	**–**	–	**7,944**	12,323
Currency translation differences	**1,255**	(608)	**–**	–
	6,176	3,838	**13,093**	11,123
At end of financial period/year				
Interests in joint ventures	**3,088**	1,919	**4,583**	3,893
Others	**349**	302	**670**	113
Carrying value	**3,437**	2,221	**5,253**	4,006

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	
	30 September 2020	31 March 2019
	US$'000	US$'000
Carrying amount of interests in the immaterial joint ventures	**1,910**	5,145
Group's share of:		
- Loss for the financial period/year, representing total comprehensive loss	**(1,577)**	(1,843)

Notes to the Financial Statements

20. INVESTMENTS IN ASSOCIATED COMPANIES

	Group		
	30 September 2020	31 March 2019	1 April 2018
	US$'000	US$'000	US$'000
Investment in associated companies, at cost	**54,894**	66,970	76,407
Loan to associated companies	**28,060**	14,380	247
Total	**82,954**	81,350	76,654

	Group	
	30 September 2020	31 March 2019
	US$'000	US$'000
Beginning of financial year	**66,970**	76,407
Additions	**8,386**	1,855
Disposals	**(14,201)**	–
Share of losses [Note 9(a)]	**(7,326)**	(9,485)
Share of other comprehensive income/(loss)	**1,065**	(2,283)
Currency translation differences	**–**	476
End of financial year	**54,894**	66,970
Add: Loan to associated company	**28,060**	14,380
	82,954	81,350

The loan to associated company, Peninsula Yangon Holdings Pte Ltd ("Peninsula") is unsecured and interest-free. There is no certainty on the definite date of repayment as the Group intends to provide this loan as financing for Peninsula's operations over the long term. Accordingly, the loan is considered as a quasi-capital loan and forms part of the Group's cost of investment in Peninsula.

The Group's material associated companies are summarised below:

	Group	
	30 September 2020	31 March 2019
	US$'000	US$'000
Memories Group Limited ("Memories Group") (Note a)	**18,740**	30,696
Digital Money Myanmar Limited ("Wave Money") (Note b)	**30,005**	20,669
Other immaterial associated companies (Note c)	**34,209**	29,985
	82,954	81,350

Notes to the Financial Statements

20. INVESTMENTS IN ASSOCIATED COMPANIES (CONTINUED)

(a) In December 2017, the Group received consideration shares issued by 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 consideration for the acquisition of new businesses which resulted in the dilution of the Group's interest in Memories Group from 47.56% to 33.3%. The deemed loss on dilution which reduced the value of the Group's effective interest in the net assets of Memories Group was US$4,469,000 and has been recognised and included in the Group's share of losses of associated companies for the financial year.

As at 30 September 2020, the Group's 33.3% investment in Memories Group with a carrying amount of US$18,740,000 (31 March 2019: US$30,696,000; 1 April 2018: Nil) is pledged to secure borrowings of the Group [Note 29(a)].

Memories Group is a tourism group in Myanmar that operates an integrated tourism platform which synergistically connects all its business to provide a seamless one-of-kind experience aimed at creating lasting memories. As at 30 September 2020, the fair value of the Group's interest in Memories Group, which is listed on the SGX, was US$6,683,000 (31 March 2019: US$7,765,000; 1 April 2018: US$29,274,000). The fair value measurement is classified within Level 1 of the fair value hierarchy. The carrying amount of the Group's interest as at 30 September 2020 was US$18,740,000 (31 March 2019: US$30,696,000, 1 April 2018: US$35,809,000). The reduction in the carrying amount is due to higher share of loss recognised during the financial period ended 30 September 2020 as a result of the impairment loss of US$14,774,000 recognised by Memories Group on its operating assets in view of the adverse impact of COVID-19 pandemic on Myanmar's tourism industry.

Although the fair value of the Group's interest in Memories Group is lower than its carrying amount, management is of the view that no impairment is required as the estimated recoverable amount determined based on value-in-use calculation was higher than the carrying amount as at 30 September 2020. Cash flows projections used in this calculation were based on financial budgets approved by the management covering on 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:

	30 September 2020
Growth rate[1]	3%
Discount rate[2]	14.3 - 17.3%

(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.

Sensitivity analysis

The impairment review carried out as at 30 September 2020 for the Group's investment in Memories Group has revealed that the recoverable amount is higher than the carrying amount by US$5,269,000. A decrease of 1% in growth rate or an increase of 1% in discount rate with all other assumptions remain constant would result in this recoverable amount to be lower by US$870,000 or US$1,295,000, respectively.

Notes to the Financial Statements

20. INVESTMENTS IN ASSOCIATED COMPANIES (CONTINUED)

(b) In March 2018, the Group acquired 34% equity interest in Wave Money which is in the financial services sector offering mobile payment solutions and services in Myanmar, for cost of investment of US$19,400,000 from FMI. The consideration was settled in two payments of US$15,000,000 in March 2018 and US$4,400,000 during the financial year ended 31 March 2019.

During the financial year ended 31 March 2019, the Group contributed additional capital of US$1,608,000 based on its pro-rata shareholding in Wave Money. Its historical cost of investment was US$21,008,000 as at 30 September 2020. On 13 October 2020, the Group completed its acquisition of an additional 10% equity interest in Wave Money for US$7,800,000 (Note 17) and the Group's equity interest in Wave Money increased to 44%.

(c) Included as other immaterial associated companies are:

(i) The Group's 24% equity interest in Peninsula Yangon Holdings Pte. Limited ("Peninsula Yangon") with an initial cost of investment of US$240 made in January 2016. During the financial year ended 31 March 2019, the Group capitalised part of the costs incurred for the development of the hotel project in Yangon on behalf of this associated company which had been included in the non-current loans to associated companies and which amounted to US$14,380,000 as quasi-capital under investments in associated companies (Note 13) following the approval from the other shareholders of this associated company.

Subsequently during the financial period ended 30 September 2020, the Group has provided an additional shareholder loan amounting to US$13,680,000 to finance the development of the hotel project in Yangon. The additional loan has been capitalised as a quasi-capital loan and form part of the Group's cost of investment in Peninsula Yangon.

The contribution of Peninsula Yangon to the Group for the financial period ended 30 September 2020 and the financial year ended 31 March 2019 are not significant as the construction of the hotel projects is still in progress. Accordingly, the summarised financial information of Peninsula Yangon is not disclosed.

As at 30 September 2020, the Group's 24% investment in Peninsula Yangon with a carrying amount of US$28,158,000 (31 March 2019: US$14,482,000; 1 April 2018: Nil) is pledged to secure borrowings of the Group [Note 29(a)].

(ii) The Group's investment in Access Myanmar Distribution Company Limited ("Access Myanmar Distribution") which was incorporated to hold the Asia Beverages Co., Ltd. group of companies' assets and businesses relating to the production, branding, marketing and distribution of bottled water, spirits, wines, beers, alcoholic beverages and other fast-moving consumer goods products in Myanmar. The Group had an indirect interest of 50% in Access Myanmar Distribution which was held through its 60%-owned subsidiary corporation, Access Myanmar Holding Company Pte. Ltd. ("Access Myanmar Holding") with a historical cost of US$19,034,000. Accordingly, the Group has effective control of 30% in Access Myanmar Distribution.

During the financial period ended 30 September 2020, the Group completed the restructuring of its investment in Access Myanmar Distribution into a new joint venture company, Seagram MM Holdings Pte. Ltd. ("Seagram MM") with Pernod Ricard and other parties to focus on the production and distribution of whisky in Myanmar. In November 2018, Seagram MM had been incorporated with initial issued and paid-up share capital of US$100 and the Group held an initial 50% equity interest in Seagram MM. Following the completion of the restructuring, the Group's equity interest in Seagram MM reduced from 50% to 19.8% with a historical cost of US$8,386,000. As the Group was no longer required to maintain its original investment in Access Myanmar Distribution, the Group subsequently disposed of its residual 30% effective interest in Access Myanmar Distribution to a non-related party for a consideration of MMK2.5 billion (approximately US$1,647,000).

As at 30 September 2020, the Group has an aggregate US$21,420,000 (31 March 2019: US$35,990,000; 1 April 2018: US$23,490,000) of commitments to provide funding, if called, relating to the above associated companies. These commitments have not been recognised in the Group's consolidated financial statements.

There were no contingent liabilities relating to the Group's interest in the associated companies.

Notes to the Financial Statements

20. INVESTMENTS IN ASSOCIATED COMPANIES (CONTINUED)

Set out below are the associated companies of the Group as at 30 September 2020, 31 March 2019 and 1 April 2018:

Name of associated companies	Principal activities	Country of incorporation/ Principal place of business	Interest		
			30 September 2020 %	31 March 2019 %	1 April 2018 %
Associated companies held by Yoma Strategic Investments Ltd.					
[a] Peninsula Yangon Holdings Pte. Limited	Real Estate Development – Investment holding	Singapore/Not applicable	**24**	24	24
[b] Digital Money Myanmar Limited	Financial Services – Mobile financial service activities	Myanmar	**34**	34	34
[c] Memories Group Limited	Investments – Investment holding	Singapore/Not applicable	**33.3**	33.3	47.5
[d] Metro Wholesale Myanmar Limited	Consumer – Distributor and logistics activities	Myanmar	**15**	15	15
[c] Seagram MM Holdings Pte. Ltd.	Investments – Investment holding	Singapore/Not applicable	**19.8**	50	–
Associated company held by Access Myanmar Holding Company Pte. Ltd.					
[b] Access Myanmar Distribution Company Limited	Consumer – Bottling business	Myanmar	**–**	50	50
Associated company held by Myanmar Motors Pte. Ltd.					
[c] D Myanmar Investment (Singapore) Pte. Ltd.	Automotive & Heavy Equipment – Investment holding	Singapore/Not applicable	**40**	40	40

[a] Audited by KPMG, Singapore

[b] Audited by U Win Tin and Associates, Myanmar

[c] Audited by Nexia TS Public Accounting Corporation, Singapore

[d] Audited by Khin Su Htay & Associates, Myanmar

Notes to the Financial Statements

20. INVESTMENTS IN ASSOCIATED COMPANIES (CONTINUED)

Summarised financial information for associated companies

Management has determined the significance of associated companies based on the future plans of the respective entities, their prospects and the impact on the financial statements of the Group.

Set out below are the summarised financial information of 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 in the Group's accounting policies, which are in accordance with SFRS(I).

Summarised statement of financial position

	Memories Group		Wave Money	
	30 September 2020 US$'000	31 March 2019* US$'000	**30 September 2020 US$'000**	31 March 2019 US$'000
Current assets	**3,095**	5,261	**124,946**	34,329
Includes: Cash and bank balances	**406**	2,265	**120,576**	32,816
Current liabilities	**(16,848)**	(14,321)	**(93,498)**	(30,283)
Includes:				
- Financial liabilities (excluding trade payables)	**14,069**	12,190	**14,087**	8,770
Non-current assets	**74,282**	87,672	**5,195**	5,700
Non-current liabilities	**(35,618)**	(17,800)	**(97)**	(661)
Net assets	**24,911**	60,812	**36,546**	9,085

Notes to the Financial Statements

20. INVESTMENTS IN ASSOCIATED COMPANIES (CONTINUED)

Summarised financial information for associated companies (continued)

Summarised statement of comprehensive income

	Memories Group		Wave Money	
	For the financial period from 1 April 2019 to 30 September 2020 (18 months)	For the financial year from 1 April 2018 to 31 March 2019 (12 months)*	**For the financial period from 1 April 2019 to 30 September 2020 (18 months)**	For the financial year from 1 April 2018 to 31 March 2019 (12 months)
	US$'000	US$'000	**US$'000**	US$'000
Revenue	**10,523**	10,094	**141,338**	33,498
Other income	**825**	7,838	**–**	–
Expenses	**(40,415)**	(14,772)	**(115,005)**	(32,907)
Includes:				
- Depreciation and amortisation	**(4,442)**	(1,772)	**(4,890)**	(1,162)
- Interest expense	**(5,378)**	(660)	**–**	–
- Impairment loss on goodwill	**(5,135)**	–	**–**	–
- Impairment loss on property, plant and equipment	**(9,639)**	–	**–**	–
(Loss)/profit before income tax	**(35,971)**	2,068	**26,333**	591
Income tax credit/ (expense)	**4**	(60)	**(2,789)**	28
Net (loss)/profit	**(35,967)**	2,008	**23,544**	619
Other comprehensive (loss)/income	**–**	(2,213)	**–**	–
Total comprehensive (loss)/income	**(35,967)**	205	**23,544**	619

* Certain comparative figures of Memories Group have been represented to be in line with the audited financial statements issued by Memories Group.

Notes to the Financial Statements

20. 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		Wave Money	
	30 September 2020 US$'000	31 March 2019 US$'000	**30 September 2020 US$'000**	31 March 2019 US$'000
Net assets				
At 1 April or date of acquisition, if later	**60,812**	43,809	**9,085**	5,599
(Loss)/profit for the financial period/year	**(35,967)**	2,008	**23,544**	619
Increase in share capital	**–**	17,208	**–**	4,052
Equity component of convertible bond	**66**	–	**–**	–
Other comprehensive loss	**–**	(2,213)		–
Currency translation differences	**–**	–	**3,917**	(1,185)
	24,911	60,812	**36,546**	9,085
At end of financial period/year				
Interests in associated companies	**8,295**	20,250	**12,425**	3,089
Goodwill	**10,362**	10,362	**17,580**	17,580
Others	**83**	84	**–**	–
Carrying amount	**18,740**	30,696	**30,005**	20,669

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	
	30 September 2020 US$'000	31 March 2019 US$'000
Carrying amount of interests in associated companies	**34,209**	29,985
Group's share of:		
- Loss for the financial period/year, representing total comprehensive loss	**(3,159)**	(1,446)

Notes to the Financial Statements

21. INVESTMENTS IN SUBSIDIARY CORPORATIONS

	Company		
	30 September 2020	31 March 2019	1 April 2018
	US$'000	US$'000 (Restated)	US$'000 (Restated)
Equity investment at cost			
Beginning of financial period/year	**78,792**	78,792	74,005
Currency translation differences	**–**	–	4,787
End of financial period/year	**78,792**	78,792	78,792
Loans to subsidiary corporations (net)	**641,222**	637,712	545,954
Total investments in subsidiary corporations	**720,014**	716,504	624,746

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-capital loans and form part of the Company's cost of investments in the subsidiary corporations.

Significant restrictions

Cash and bank balances of US$31,996,000 (31 March 2019: US$12,736,000 and US$1,557,000; 1 April 2018: US$10,574,000 and US$697,000) are held in Myanmar and the People's Republic of China, respectively, 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, YSH Finance Ltd, 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, 50% interest in Kospa Limited and 48% interest in Meeyahta Development Limited are pledged to secure borrowings of the Group and the Company [Note 29(a)].

Notes to the Financial Statements

21. 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		
			30 September 2020	31 March 2019	1 April 2018	**30 September 2020**	31 March 2019	1 April 2018
			%	%	%	%	%	%
Held by the Company								
[1] Yoma Strategic Investments Ltd.	Others – Investment holding	Singapore/Not applicable	**100**	100	100	**100**	100	100
Subsidiary corporations of Yoma Strategic Investments Ltd.								
[1] Lion Century Properties Limited	Real Estate Development – Development activities	British Virgin Islands/ Myanmar	**100**	100	100	**100**	100	100
[1] Yoma Education Pte. Ltd.	Others – Investment holding	Singapore/Not applicable	**100**	100	100	**100**	100	100
[1] Yoma Development Group Pte. Ltd.	Real Estate Development – Investment holding	Singapore/Not applicable	**100**	100	100	**100**	100	100
[1] Plantation Resources Pte. Ltd.	Investments – Agricultural activities	Singapore	**100**	100	100	**100**	100	100
[1] Wayville Investments Limited	Investments – Investment holding	British Virgin Islands/Not applicable	**100**	100	100	**100**	100	100
[1] Elite Matrix International Limited	Automotive & Heavy Equipment – Investment holding	British Virgin Islands/Not applicable	**100**	100	100	**100**	100	100

Notes to the Financial Statements

21. 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		
				30 September 2020	31 March 2019	1 April 2018	**30 September 2020**	31 March 2019	1 April 2018
				%	%	%	%	%	%
	Subsidiary corporations of Yoma Strategic Investments Ltd. (continued)								
(1)	YSH Finance Ltd.	Investments – Investment holding	British Virgin Islands/Not applicable	**100**	100	100	**100**	100	100
(1)	Chindwin Holdings Pte. Ltd.	Others – Investment holding	Singapore/Not applicable	**70**	70	70	**70**	70	70
(1)	Welbeck Global Limited	Investments – Investment holding	British Virgin Islands/Not applicable	**100**	100	100	**100**	100	100
(1)	Yoma Agricultural & Logistics Holding Pte. Ltd.	Investments – Agricultural activities	Singapore/ Myanmar	**100**	100	100	**100**	100	100
(2)	Pun Hlaing Lodge Limited	Investments – Investment holding	Myanmar/Not applicable	**100**	100	100	**100**	100	100
(2)	Yangon Sand Industries Limited	Real Estate Services – Investment properties leasing activities	Myanmar	**100**	100	100	**100**	100	100
(2)	Summit Brands Restaurant Group Company Limited	Consumer – F&B activities	Myanmar	**100**	100	100	**100**	100	100
(5) (7)	Kospa Limited	Consumer – Logistics activities	Myanmar	**50**	50[i]	50[i]	**50**	50[i]	50[i]

Notes to the Financial Statements

21. 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		
			30 September 2020	31 March 2019	1 April 2018	**30 September 2020**	31 March 2019	1 April 2018
			%	%	%	%	%	%
Subsidiary corporations of Yoma Strategic Investments Ltd. (continued)								
(2) Meeyahta International Hotel Limited	Real Estate Development – Development activities	Myanmar	**80**	80	80	**80**	80	80
(1) Access Myanmar Holding Company Pte. Ltd.	Consumer – Investment holding	Singapore/Not applicable	**60**	60	60	**60**	60	60
(2) Yoma Nominee Limited	Others – Investment holding	Myanmar/Not applicable	**100**	100	100	**100**	100	100
(2) Yoma Venture Company Limited	Real Estate Development – Development activities	Myanmar	**100**	100	100	**100**	100	100
(2) Yoma Agriculture Company Limited	Investments – Agricultural activities	Myanmar	**100**	100	100	**100**	100	100
(3), (7) Meeyahta Development Limited	Real Estate Development – Development activities	Myanmar	**48.00**	48.54	51.99	**48.00**	48.54	51.99
(1) Yoma F&B Pte. Ltd.	Consumer – Investment holding	Singapore/Not applicable	**100**	100	–	**100**	100	–
(1) Yoma Financial Services Pte. Ltd.	Financial Services – Investment holding	Singapore/Not applicable	**100**	100	–	**100**	100	–
(1) Yoma MFS Holdings Pte. Ltd.	Investments – Investment holding	Singapore/Not applicable	**100**	–	–	**100**	–	–

Notes to the Financial Statements

21. 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		
				30 September 2020	31 March 2019	1 April 2018	**30 September 2020**	31 March 2019	1 April 2018
				%	%	%	%	%	%
	Subsidiary corporation of Yoma Strategic Investments Ltd. (continued)								
(1)	Yoma-AC Energy Holdings Pte. Ltd.	Investments – Investment holding	Singapore/Not applicable	**100**	–	–	**100**	–	–
	Subsidiary corporations of Elite Matrix International Limited								
(1)	Myanmar Motors Pte. Ltd.	Automotive & Heavy Equipment – Investment holding	Singapore/Not applicable	**91**[(ii)]	100	100	**100**[(ii)]	100	100
(2)	Convenience Prosperity Company Limited	Automotive & Heavy Equipment – Distributor activities	Myanmar	**100**	100	100	**100**	100	100
	Subsidiary corporation of Wayville Investments Limited								
(1)	Wyndale International Limited	Investments – Investment holding	British Virgin Islands/Not applicable	**100**	100	100	**100**	100	100

Notes to the Financial Statements

21. 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		
			30 September 2020	31 March 2019	1 April 2018	**30 September 2020**	31 March 2019	1 April 2018
			%	%	%	%	%	%
Subsidiary corporations of Yoma Development Group Pte. Ltd.								
(2) YL Holdings (Myanmar) Company Limited	Investments – Investment holding	Myanmar/Not applicable	**100**	–	–	**100**	–	–
(1) SPA Project Management Pte. Ltd.	Others – Investment holding	Singapore/Not applicable	**100**	100	100	**100**	100	100
(1) SPA Design Pte. Ltd.	Others – Investment holding	Singapore/Not applicable	**100**	100	100	**100**	100	100
(2) SPA Design & Project Services Limited	Real Estate Services – Project management and design activities	Myanmar	**100**	100	100	**100**	100	100
(2) Yoma Development Group Limited	Real Estate Development & Services – Development and investment properties leasing activities	Myanmar	**100**	100	100	**100**	100	100
Subsidiary corporation of Yoma Development Group Limited								
(2) Thanlyin Estate Development Limited	Real Estate Development & Services – Development and investment properties leasing activities	Singapore	**70**	70	70	**70**	70	70

Notes to the Financial Statements

21. 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		
			30 September 2020	31 March 2019	1 April 2018	**30 September 2020**	31 March 2019	1 April 2018
			%	%	%	%	%	%
Subsidiary corporations of Thanlyin Estate Development Limited								
(1) Thanlyin Estate Development (Singapore) Pte. Ltd.	Real Estate Development – Marketing activities	Singapore	**100**	100	100	**70**	70	70
(2) Star City International School Company Limited	Real Estate Services – Investment properties leasing activities	Myanmar	**100**	100	100	**100**	100	100
Subsidiary corporations of Myanmar Motors Pte. Ltd.								
(2) German Car Industries Company Limited	Automative & Heavy Equipment – Distributor activities	Myanmar	**100**	100	100	**100**	100	100
(2) Yoma Fleet Limited	Financial Services – Automotive and equipment leasing activities	Myanmar	**80**	100	100	**80**	100	100
(2) Vehicle Lease Management Limited	Financial Services – Investment holding	Myanmar/Not applicable	**–**(iii)	100	100	**–**(iii)	100	100
(2) Successful Goal Trading Company Limited	Automotive & Heavy Equipment – Distributor activities	Myanmar	**100**	100	100	**100**	100	100

Notes to the Financial Statements

21. 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		
			30 September 2020	31 March 2019	1 April 2018	**30 September 2020**	31 March 2019	1 April 2018
			%	%	%	%	%	%
Subsidiary corporations of Myanmar Motors Pte. Ltd. (continued)								
(2) Seven Golden Gates Company Limited	Automotive & Heavy Equipment – Distributor activities	Myanmar	**100**	100	100	**100**	100	100
(2) SGG Motor Services Limited	Automotive & Heavy Equipment – Distributor activities	Myanmar	**100**	100	100	**100**	100	100
(2) Yoma German Motors Limited	Automotive & Heavy Equipment – Distributor activities	Myanmar	**100**	100	100	**100**	100	100
Subsidiary corporation of Yoma Fleet Limited								
(2) Yoma Leasing Company Limited	Financial Services – Automotive and equipment leasing activities	Myanmar	**100**	100	100	**100**	100	100

Notes to the Financial Statements

21. 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		
			30 September 2020	31 March 2019	1 April 2018	**30 September 2020**	31 March 2019	1 April 2018
			%	%	%	%	%	%
Subsidiary corporations of Yoma F&B Pte. Ltd.								
(2) Altai Myanmar Company Limited	Consumer – F&B activities	Myanmar	**100**	100	–	**100**	100	–
(2) Blue Ridge Company Limited	Consumer – F&B activities	Myanmar	**100**	100	–	**100**	100	–
(2) Popa Myanmar Company Limited	Consumer – Investment holding	Myanmar/Not applicable	**100**	100	–	**100**	100	–
(2) Yankin Kyay Oh Group of Companies Limited	Consumer – F&B activities	Myanmar	**35**	35	–	**65**	65	–
(2) YKKO Trademarks Company Limited	Consumer – Activities of head offices; management consultancy activities	Myanmar	**60**	60	–	**60**	60	–
Subsidiary corporation of Wyndale International Limited								
(4) Xun Xiang (Dalian) Enterprise Co., Ltd.	Investments – Investment properties leasing activities	People's Republic of China	**100**	100	100	**100**	100	100
Subsidiary corporations of Chindwin Holdings Pte. Ltd.								
(2) Chindwin Bagan Company Limited	Investments – Investment activities	Myanmar	**100**	100	100	**70**	70	70
(2) Chindwin Pindaya Company Limited	Investments – Investment activities	Myanmar	**100**	100	100	**70**	70	70

Notes to the Financial Statements

21. INVESTMENTS IN SUBSIDIARY CORPORATIONS (CONTINUED)

(1) Audited by Nexia TS Public Accounting Corporation ("Nexia TS").

(2) For the purpose of preparing the consolidated financial statements, these financial statements have been audited by Nexia 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 Myanmar Vigour & Associates Limited, member of Deloitte Touche Tohmatsu Limited, for local statutory purposes.

(4) For the purpose of preparing the consolidated financial statements, these financial statements have been audited by Nexia TS Public Accounting Corporation, Singapore. Audited by Dalian Boyuan United Certified Public Accountants, People's Republic of China for local statutory purposes.

(5) KOSPA Limited was acquired on 15 July 2019 (Note 44). For the purpose of preparing the consolidated financial statements, the financial statements of KOSPA Limited have been audited by Nexia TS Public Accounting Corporation under audit of significant line items. Audited by Excellent Choice Professional Financial Consulting and Auditing Group, Myanmar for local statutory purpose.

(6) Given that full scope of audit on significant subsidiary corporations incorporated outside Singapore have been performed by Nexia 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 Nexia TS Public Accounting Corporation is not the statutory auditor, the Company believes that Rule 715 has been complied with.

(7) The Group is the largest shareholder of the subsidiary corporation and has the majority representation on subsidiary corporation's board of director. 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) The Group held its interest in KOSPA Limited as a joint venture as at 31 March 2019 and 1 April 2018.

(ii) Following the conversion of shareholders loan, new shares representing 9% interest in Myanmar Motor Pte. Ltd. were allotted and issued to Yoma Strategic Investments Ltd., a wholly-owned subsidiary corporation of the Company.

(iii) This subsidiary corporation has been liquidated on 3 June 2020.

Transactions with non-controlling interests – Acquisition of additional interests in subsidiary corporations

(a) During the financial period ended 30 September 2020, the Group reclassified the non-current loans from non-controlling interests of the subsidiary corporation, Meeyahta Development Limited ("MDL"), amounting to US$17,805,000 as equity loan from non-controlling interests following the approval for capitalisation from the shareholders of MDL. Subsequently, the non-controlling shareholders of MDL provided additional equity loan amounting to US$10,785,000 based on the non-controlling interests pro-rata shareholding in MDL. Accordingly, total loan from non-controlling interests of US$28,590,000 is presented within equity of the Group.

Notes to the Financial Statements

21. INVESTMENTS IN SUBSIDIARY CORPORATIONS (CONTINUED)

Transactions with non-controlling interests – Acquisition of additional interests in subsidiary corporations (continued)

(b) In April 2019, Tokyo Century Corporation completed the acquisition of 20% equity interest in the Group's subsidiary corporation, Yoma Fleet Limited ("YF"), by way of subscription of newly issued shares in the share capital of YF. As a result of the acquisition, the Group's interest in YF reduced from 100% to 80%.

During the financial period ended 30 September 2020, the non-controlling shareholders of MDL contributed capital of US$2,306,000 based on their pro-rata shareholdings in MDL in accordance with the shareholders agreement. There is no change in the Group's effective shareholdings in MDL and the Group remains as the largest single shareholder of MDL.

The following summarises the effect of the changes in the Group's ownerships interest in MDL and YF on the equity attributable to shareholders of the Company during the financial period.

	Group		
	Meeyahta Development Limited US$'000	Yoma Fleet Limited US$'000	Total US$'000
Consideration received from non-controlling interests	2,306	26,200	28,506
Carrying amount of non-controlling interests	(2,306)	(7,951)	(10,257)
Excess of consideration received recognised in parent's equity	–	18,249	18,249

(c) During the financial year ended 31 March 2019, the non-controlling interests of MDL contributed capital of US$13,313,000 based on their pro-rata shareholdings in MDL in accordance with the shareholders agreement. Following the capital contribution by the non-controlling interests, the Group's interest in MDL reduced from 60% to 48% (ultimate effective interest). However, the Group remains as the largest single shareholder of MDL. The Group has the majority representation on MDL's board of directors and defacto control over the voting rights, and therefore, continues to consolidate MDL in its financial statements.

Notes to the Financial Statements

21. 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 US$'000	Carrying amount of NCI at the end of financial period/ year US$'000	Dividends declared to NCI US$'000
30 September 2020					
Thanlyin Estate Development Limited	Myanmar	30	(1,145)	48,610#	–
Meeyahta Development Limited	Myanmar	52*	(5,305)	123,102	–
31 March 2019					
Thanlyin Estate Development Limited	Myanmar	30	10,051	42,961#	–
Meeyahta Development Limited	Myanmar	52*	(2,980)	97,615	–
1 April 2018					
Thanlyin Estate Development Limited	Myanmar	30	3,438	34,363#	3,558
Meeyahta Development Limited	Myanmar	52*	(2,893)	87,156	–

* 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% (31 March 2019: 52%; 1 April 2018: 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*.

Notes to the Financial Statements

21. INVESTMENTS IN SUBSIDIARY CORPORATIONS (CONTINUED)

Summarised financial information of subsidiary corporations with material non-controlling interests

Set out below are 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.

Summarised statement of financial position

	Thanlyin Estate Development Limited			Meeyahta Development Limited		
	30 September 2020 US$'000	31 March 2019 US$'000	1 April 2018 US$'000	**30 September 2020 US$'000**	31 March 2019 US$'000	1 April 2018 US$'000
Current						
Assets	**168,876**	69,251	122,342	**308,355**	273,566	198,665
Liabilities	**(124,101)**	(105,360)	(85,263)	**(26,563)**	(10,365)	(16,440)
Total current net assets/(liabilities)	**44,775**	(36,109)	37,079	**281,792**	263,201	182,225
Non-current						
Assets	**157,104**	136,317	51,823	**85,246**	2,375	22
Liabilities	**(30,957)**	(28,012)	(45,267)	**(125,357)**	(75,922)	–
Total non-current net assets/(liabilities)	**126,147**	108,305	6,556	**(40,111)**	(73,547)	22
Net assets	**170,922**	72,196	43,635	**241,681**	189,654	182,247

Summarised statement of comprehensive income

	Thanlyin Estate Development Limited		Meeyahta Development Limited	
	30 September 2020 US$'000	31 March 2019 US$'000	**30 September 2020 US$'000**	31 March 2019 US$'000
Revenue	**39,015**	22,940	**6,181**	3,946
(Loss)/profit before income tax	**(1,918)**	34,280	**(10,203)**	(5,731)
Income tax expense	**(1,898)**	(778)	**–**	–
Net (loss)/profit	**(3,816)**	33,502	**(10,203)**	(5,731)

Notes to the Financial Statements

21. INVESTMENTS IN SUBSIDIARY CORPORATIONS (CONTINUED)

Summarised statement of cash flows for the financial period from 1 April 2019 to 30 September 2020

	Thanlyin Estate Development Limited		Meeyahta Development Limited	
	30 September 2020 US$'000	31 March 2019 US$'000	**30 September 2020 US$'000**	31 March 2019 US$'000
Cash (used in)/generated from operations	**(11,179)**	3,222	**1,448**	(23,860)
Income tax paid	**(125)**	(619)	**–**	–
Net cash (used in)/provided by operating activities	**(11,304)**	2,603	**1,448**	(23,860)
Net cash used in investing activities	**(3,320)**	(7,896)	**(58,965)**	(66,176)
Net cash provided by financing activities	**13,970**	7,691	**67,647**	89,258
Net (decrease)/increase in cash and cash equivalents	**(654)**	2,398	**10,130**	(778)
Cash and cash equivalents at beginning of financial period/year	**3,412**	1,055	**2,636**	3,414
Effects of currency translation on cash and cash equivalents	**156**	(41)	**10**	–
Cash and cash equivalents at end of financial period/year	**2,914**	3,412	**12,776**	2,636

22. INVESTMENT PROPERTIES

Group	**Completed investment properties US$'000**	**Investment properties under construction US$'000**	**Total US$'000**
30 September 2020			
Beginning of financial period	**160,254**	**150,105**	**310,359**
Movements:			
- Subsequent expenditure on investment properties	**631**	**4,037**	**4,668**
- Fair value loss on assets of disposal group classified as held-for-sale (Note 10)	**(32,243)**	**–**	**(32,243)**
	(31,612)	**4,037**	**(27,575)**
Net fair value losses recognised in profit or loss (Note 6)	**(6,855)**	**(5,253)**	**(12,108)**
Transfer to assets of disposal group classified as held-for-sale (Note 10)	**(32,243)**	**–**	**(32,243)**
Currency translation differences	**13,704**	**21,242**	**34,946**
End of financial period	**103,248**	**170,131**	**273,379**

Notes to the Financial Statements

22. INVESTMENT PROPERTIES (CONTINUED)

Group	Completed investment properties US$'000	Investment properties under construction US$'000	Total US$'000
31 March 2019			
Beginning of financial year	156,058	46,447	202,505
Movements:			
– Subsequent expenditure on investment properties	4,608	10,410	15,018
– Transfer from land development rights (Note 27)	–	894	894
– Transfer from property, plant and equipment (Note 23)	3,860	–	3,860
– Transfer from development properties (Note 16)	–	51,256	51,256
	8,468	62,560	71,028
Net fair value gains recognised in profit or loss (Note 6)	13,730	55,682	69,412
Currency translation differences	(18,002)	(14,584)	(32,586)
End of financial year	160,254	150,105	310,359

Investment properties are leased to non-related parties and related parties under operating leases (Note 25).

Investment properties with an aggregate carrying amounts of US$91,245,000 (31 March 2019: US$116,409,000; 1 April 2018: US$87,772,000) are mortgaged to secure borrowings of the Group [Note 29(a)].

The following amounts are recognised in profit or loss:

	Group	
	30 September 2020 US$'000	31 March 2019 US$'000
Leasing income (Note 4)	**8,005**	7,043
Direct operating expenses arising from:		
- Investment properties that generate leasing income	**(1,869)**	(1,504)

Notes to the Financial Statements

22. INVESTMENT PROPERTIES (CONTINUED)

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	Educational use (Dulwich School Campus)	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
No. 128 Jinma Road, Jinzhou New Area, Dalian, Liaoning Province, the People's Republic of China [Transfer to assets of disposal group classified as held-for-sale (Note 10)]	Shopping centre and retail stores (Grand Central Mall – Dalian)	Leasehold with 40 years lease expiring on 16 November 2046

Notes to the Financial Statements

22. INVESTMENT PROPERTIES (CONTINUED)

Fair value hierarchy

Description	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
30 September 2020			
Recurring fair value measurements			
Investment properties:			
- Office building – Myanmar	–	–	18,145
- Commercial units – Myanmar	–	11,076	–
- Residential units – Myanmar	–	108,746	55,052
- Educational use – Myanmar	–	–	80,360
31 March 2019			
Recurring fair value measurements			
Investment properties:			
- Office building – Myanmar	–	–	16,800
- Commercial units – Myanmar	–	10,224	–
- Residential units – Myanmar	–	48,598	98,000
- Shopping centre and retail stores – People's Republic of China	–	26,732	39,355
- Educational use – Myanmar	–	–	70,650
1 April 2018			
Recurring fair value measurements			
Investment properties:			
- Office buildings – Myanmar	–	–	8,164
- Commercial units – Myanmar	–	10,789	–
- Residential units – Myanmar	–	47,905	–
- Shopping centre and retail stores – People's Republic of China	–	28,625	42,143
- Educational use – Myanmar	–	–	64,879

Notes to the Financial Statements

22. INVESTMENT PROPERTIES (CONTINUED)

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 30 September 2020, the fair values of the properties located in People's Republic of China and Myanmar have been determined by Cushman & Wakefield and Colliers International Consultancy & Valuation (Singapore) Pte Ltd, (31 March 2019 and 1 April 2018: Cushman & Wakefield and Jones Lang LaSalle Property Consultants Pte Ltd) respectively.

At each financial period 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 among 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.

Reconciliation of movements in Level 3 fair value measurement

	Group	
	30 September 2020	31 March 2019
	US$'000	US$'000
Shopping centre and retail stores – People's Republic of China		
Beginning of financial period/year	**39,355**	42,143
Fair value loss recognised in profit or loss, under "other losses or gains"	**(16,854)**	–
Transfer to assets of disposal group classified as held-for-sale	**(21,984)**	–
Currency translation differences	**(517)**	(2,788)
End of financial period/year	**–**	39,355
Changes in unrealised losses for assets held at the reporting date included in profit or loss under "other losses or gains"	**(16,854)**	–
Educational use – Myanmar		
Beginning of financial period/year	**70,650**	64,879
Additions:		
- Subsequent expenditure on investment properties	**1,091**	1,768
Currency translation differences	**10,696**	(8,630)
Fair value (losses)/gains recognised in profit or loss, under "other losses or gains"	**(2,077)**	12,633
End of financial period/year	**80,360**	70,650
Changes in unrealised (losses)/gains for assets held at the reporting date included in profit or loss under "other losses or gains"	**(2,077)**	12,633

Notes to the Financial Statements

22. INVESTMENT PROPERTIES (CONTINUED)

Reconciliation of movements in Level 3 fair value measurement (continued)

	Group	
	30 September 2020 US$'000	31 March 2019 US$'000
Residential units – Myanmar		
Beginning of financial period/year	**98,000**	–
Additions:		
- Subsequent expenditure on investment properties	**2,958**	8,866
- Transfer from land development rights (Note 27)	**–**	894
- Transfer from development properties (Note 16)	**–**	51,256
Currency translation differences	**14,698**	(8,717)
Fair value (losses)/gains recognised in profit or loss, under "other losses or gains"	**(5,619)**	45,701
Transfer to Level 2	**(54,985)**	–
End of financial period/year	**55,052**	98,000
Changes in unrealised (losses)/gains for assets held at the reporting date included in profit or loss under "other losses or gains"	**(5,619)**	45,701
Office Building – Myanmar		
Beginning of financial period/year	**16,800**	8,164
Additions:		
- Transfer from property, plant and equipment (Note 23)	**–**	3,860
- Subsequent expenditure on investment properties	**4,351**	3,547
Currency translation differences	**(1,502)**	(2,088)
Fair value (losses)/gains recognised in profit or loss, under "other losses or gains"	**(1,504)**	3,317
End of financial period/year	**18,145**	16,800
Changes in unrealised (losses)/gains for assets held at the reporting date included in profit or loss under "other gains – net"	**(1,504)**	3,317

The Group's accounting policy is to recognise transfers into and out of fair value hierarchy levels as of the date the event or change in circumstances that caused the transfer. During the financial period ended 30 September 2020, the construction of the residential units at Tower 2 and Tower 4 of Starcity Zone C was completed. The fair values of these investment properties have been derived using the direct comparison approach and transferred from Level 3 of fair value hierarchy to Level 2.

Notes to the Financial Statements

22. 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:

Description	Fair value as at 30 September 2020 US$'000	Fair value as at 31 March 2019 US$'000	Fair value as at 1 April 2018 US$'000	Valuation technique	Unobservable inputs	30 September 2020	31 March 2019	1 April 2018	Relationship of unobservable inputs to fair value
Educational use – Pun Hlaing, Myanmar	**25,653**	22,050	21,620	Depreciated replacement cost method for building and direct comparison method for land	Estimated construction costs per square meter	US$213	US$233	US$209	The higher the construction cost, the higher the fair value
					Unit rate on land per square meter	US$164-US$205	US$142-US$153	US$114-US$151	The higher the unit rate, the higher the fair value
					Developer profit margin	20%	20%	20%	The higher the profit margin, the higher the fair value
Educational use – Thanlyin, Myanmar	**54,707**	48,600	43,000	Depreciated replacement cost method for building and direct comparison method for land	Estimated construction costs per square meter	US$315	US$298	US$282	The higher the construction cost, the higher the fair value
					Unit rate on land per square meter	US$134-US$154	US$119-US$167	US$103-US$109	The higher the unit rate, the higher the fair value
					Developer profit margin	20%	20%	20%	The higher the profit margin, the higher the fair value

Notes to the Financial Statements

22. INVESTMENT PROPERTIES (CONTINUED)

Valuation techniques and inputs used in Level 3 fair value measurement (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 30 September 2020 US$'000	31 March 2019 US$'000	1 April 2018 US$'000	Valuation technique	Unobservable inputs	30 September 2020	31 March 2019	1 April 2018	Relationship of unobservable inputs to fair value
Office building, Myanmar	**18,144**	28,000	10,714	Depreciated replacement cost method for building and direct comparison method for land reconciled with income approach	Estimated construction costs per square meter	US$1,920	US$1,702	US$1,509	The higher the construction cost, the higher the fair value
					Estimated market rent	US$308-US$564	–	–	The higher the market rent, the higher the fair value
					Unit rate on land per square meter	US$328-US$369	US$267-US$286	US$268-US$300	The higher the unit rate, the higher the fair value
					Developer profit margin	20%	20%	20%	The higher the profit margin, the higher the fair value
Residential units (Starcity Zone C) – Myanmar	**38,280**	85,000	–	Depreciated replacement cost method for building and residual land method for land	Estimated construction costs per square meter	US$1,083	US$807	–	The higher the construction cost, the higher the fair value
					Unit rate on land per square meter	US$541	US$587	–	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

Notes to the Financial Statements

22. 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 30 September 2020 US$'000	31 March 2019 US$'000	1 April 2018 US$'000	Valuation technique	Unobservable inputs	30 September 2020	31 March 2019	1 April 2018	Relationship of unobservable inputs to fair value
Residential units (Golf Apartments Block C, D, E, F, G) – Myanmar	**16,772**	13,000	–	Depreciated replacement cost method for building and residual land approach for land	Estimated construction costs per square meter	**US$739**	US$592	–	The higher the construction cost, the higher the fair value
					Unit rate on land per square meter	**US$649-US$739**	US$950-US$1,010	–	The higher the profit margin, the higher the fair value
					Developer profit margin	**20%**	20%	–	The higher the profit margin, the higher the fair value
Shopping centre and retail stores – People's Republic of China [Transfer to assets of disposal group classified as held-for-sale (Note 10)]	**21,984**	39,355	42,143	Income approach (an adjustment of 60% was made as at 30 September 2020 to derive the fair value on realisation basis)	Discount rate	**7%**	7%	7%	The higher the discount rate, the lower the valuation.

Notes to the Financial Statements

23. PROPERTY, PLANT AND EQUIPMENT

	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	Construction-in-progress US$'000	Right-of- use assets (Note 24) US$'000	Total US$'000
Group									
30 September 2020									
Cost									
Beginning of financial period	14,793	12,946	22,783	29,453	1,717	557	3,589	–	85,838
Adoption of SFRS(I) 16	–	–	–	–	–	–	–	24,316	24,316
Transfer (to)/from inventories	–	(1,391)	(90)	188	–	–	–	–	(1,293)
Transfer to finance lease receivables	–	–	–	(100)	–	–	–	–	(100)
Transfer from development properties (Note 16)	939	3,023	–	–	–	–	52,110	–	56,072
Additions	886	1,772	6,715	14,202	–	–	26,119	6,552	56,246
Acquisition of subsidiary corporation [Note 44(c)]	3,465	200	161	3,225	–	–	–	1,504	8,555
Transfer to assets of disposal group classified as held-for-sale (Note 10)	–	–	(36)	–	–	–	–	–	(36)
Disposals/ write-offs	(18)	(118)	(1,444)	(14,287)	–	–	(890)	–	(16,757)
Currency translation differences	2,696	1,620	3,382	344	(25)	85	729	3,417	12,248
End of financial period	22,761	18,052	31,471	33,025	1,692	642	81,657	35,789	225,089

Notes to the Financial Statements

23. 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	Construction-in-progress US$'000	Right-of- use assets (Note 24) US$'000	Total US$'000
Accumulated depreciation									
Beginning of financial period	1,901	2,653	7,784	7,672	668	94	–	–	20,772
Transfer to inventories	–	(409)	(3)	–	–	–	–	–	(412)
Transfer to finance lease receivables	–	–	–	(36)	–	–	–	–	(36)
Depreciation charge (Note 5)	2,442	2,454	6,591	6,028	253	58	–	6,788	24,614
Transfer to assets of disposal group classified as held-for-sale (Note 10)	–	–	(26)	–	–	–	–	–	(26)
Disposals/ write-offs	(8)	(96)	(879)	(5,089)	–	–	–	–	(6,072)
Currency translation differences	761	562	1,457	344	(9)	21	–	679	3,815
End of financial period	5,096	5,164	14,924	8,919	912	173	–	7,467	42,655
Net book value									
End of financial period	**17,665**	**12,888**	**16,547**	**24,106**	**780**	**469**	**81,657**	**28,322**	**182,434**

Notes to the Financial Statements

23. 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	Construction-in-progress US$'000	Total US$'000
Group								
31 March 2019								
Cost								
Beginning of financial year	14,814	10,494	16,794	19,993	1,773	634	3,357	67,859
Transfer to inventories	–	(265)	–	(81)	–	–	–	(346)
Transfer to investment properties (Note 22)	(4,268)	–	–	–	–	–	–	(4,268)
Additions	1,295	3,599	7,911	14,024	–	–	643	27,472
Acquisition of subsidiary corporations [Note 44(c)]	5,029	299	471	233	–	–	–	6,032
Disposals/write-offs	(238)	(57)	(215)	(4,321)	–	–	–	(4,831)
Currency translation differences	(1,839)	(1,124)	(2,178)	(395)	(56)	(77)	(411)	(6,080)
End of financial year	14,793	12,946	22,783	29,453	1,717	557	3,589	85,838
Accumulated depreciation								
Beginning of financial year	1,246	1,653	5,681	6,706	516	63	–	15,865
Transfer to inventories	–	(29)		(31)	–	–	–	(60)
Transfer to investment properties (Note 22)	(408)	–	–	–	–	–	–	(408)
Depreciation charge (Note 5)	1,460	1,352	3,024	3,186	171	38	–	9,231
Disposals/write-offs	(90)	(43)	(161)	(2,101)	–	–	–	(2,395)
Currency translation differences	(307)	(280)	(760)	(88)	(19)	(7)	–	(1,461)
End of financial year	1,901	2,653	7,784	7,672	668	94	–	20,772
Net book value								
End of financial year	12,892	10,293	14,999	21,781	1,049	463	3,589	65,066

Notes to the Financial Statements

23. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	Motor vehicles US$'000	Renovation, furniture and office equipment US$'000	Right-of-use assets (Note 24) US$'000	Total US$'000
Company				
30 September 2020				
Cost				
Beginning of financial period	193	525	–	718
Adoption of SFRS(I) 16	–	–	3,330	3,330
Additions	–	393	907	1,300
Disposals/write-offs	(25)	(161)	–	(186)
End of financial period	168	757	4,237	5,162
Accumulated depreciation				
Beginning of financial period	188	365	–	553
Depreciation charge	5	188	828	1,021
Disposals/write-offs	(25)	(160)	–	(185)
End of financial period	168	393	828	1,389
Net book value				
End of financial period	–	364	3,409	3,773
31 March 2019				
Cost				
Beginning of financial year	193	358	–	551
Additions	–	167	–	167
End of financial year	193	525	–	718
Accumulated depreciation				
Beginning of financial year	172	306	–	478
Depreciation charge	16	59	–	75
End of financial year	188	365	–	553
Net book value				
End of financial year	5	160	–	165

During the financial year ended 31 March 2019, the Group transferred property, plant and equipment with net book value of US$3,860,000 to investment properties (Note 22) as additional space in the office building has been leased out under operating leases to related parties.

The land and building of the Group with a net book value of US$77,915,000 (31 March 2019: US$7,721,000, 1 April 2018: US$12,304,000) are mortgaged and other classes of property, plant and equipment of the Group with aggregate net book of US$1,979,000 (31 March 2019: US$2,482,000; 1 April 2018: Nil) are subject to a floating charge, to secure borrowings of the Group [Note 29(a)].

Notes to the Financial Statements

23. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Included in the Group's additions of property, plant and equipment are:

- utilisation of prior financial year's prepayment and advance to suppliers totalling to US$1,629,000 (31 March 2019: US$3,081,000); and
- right-of-use assets with lease liabilities of US$5,572,000 (31 March 2019: Nil).

As at 30 September 2020, proceeds from the disposal of certain property, plant and equipment amounting to US$510,000 remained outstanding.

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 24(a).

24. 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 logistic 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.

(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$'000	Total US$'000
Group				
30 September 2020				
Cost				
Adoption of SFRS (I)16	24,316	–	–	24,316
Additions	6,534	18	–	6,552
Acquisition of subsidiary corporation	1,360	–	144	1,504
Currency translation differences	3,395	–	22	3,417
End of financial period	35,605	18	166	35,789
Accumulated depreciation				
Depreciation charge	6,698	3	87	6,788
Currency translation differences	670	–	9	679
End of financial period	7,368	3	96	7,467
Net book value				
End of financial period	28,237	15	70	28,322

Notes to the Financial Statements

24. 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 2020			
Cost			
Adoption of SFRS(I)16	3,330	–	3,330
Additions	889	18	907
End of financial period	4,219	18	4,237
Accumulated depreciation			
Depreciation charge	825	3	828
End of financial period	825	3	828
Net book value			
End of financial period	3,394	15	3,409

ROU assets classified within development properties

The ROU assets relating to the properties under development presented under development properties (Note 16) are stated at present value at initial adoption and has a carrying amount at the reporting date of US$22,565,000 as at 30 September 2020.

(b) Interest expenses

	Group 30 September 2020 US$'000
Interest expenses on lease liabilities	**6,079**

(c) Lease expenses not capitalised in lease liabilities

	Group 30 September 2020 US$'000
Lease expenses - short term leases	**1,258**
Lease expenses - low value leases	**88**
Variable lease payments which do not depends on an index or rate	**347**
Rental discount rebate	**(710)**
Total (Note 5)	**983**

(d) Total cash outflow for all the leases was US$9,596,000.

Notes to the Financial Statements

25. LEASES – THE GROUP AS A LESSOR

Nature of the Group's leasing activities

The Group has leased 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 are disclosed in Note 22.

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 30 September 2020 US$'000
- Not later than one year	**6,280**
- Between one and five year	**4,001**
- Later than five years	**227**
Total undiscounted lease payment	**10,508**

26. INTANGIBLE ASSETS

	Group		
	30 September 2020 US$'000	31 March 2019 US$'000	1 April 2018 US$'000
Composition:			
Agriculture operating rights (Note a)	**4,095**	6,029	6,531
Golf estate operating rights (Note b)	**9,990**	10,616	11,294
Distributor licence (Note c)	**1,346**	1,809	2,122
Trademark (Note d)	**1,766**	1,766	–
Goodwill (Note e)	**8,788**	8,032	–
	25,985	28,252	19,947

Notes to the Financial Statements

26. INTANGIBLE ASSETS (CONTINUED)

(a) Agriculture operating rights

	Group	
	30 September 2020 US$'000	31 March 2019 US$'000
Cost		
Beginning of financial period/year	**10,815**	11,169
Currency translation differences	**(159)**	(354)
End of financial period/year	**10,656**	10,815
Accumulated amortisation		
Beginning of financial period/year	**4,786**	4,638
Amortisation charge	**564**	382
Currency translation differences	**(105)**	(234)
End of financial period/year	**5,245**	4,786
Accumulated impairment		
Beginning of financial period/year	**–**	–
Impairment loss (Note 6)	**1,316**	–
End of financial period/year	**1,316**	–
Carrying value	**4,095**	6,029

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 17.

Sensitivity analysis

An impairment loss of US$1,316,000 was recognised for agriculture operating rights during the financial period ended 30 September 2020. A further decrease of 1% in market price or increase of 1% in discount rate with all other assumptions remain constant would result in additional impairment of US$1,830,000 or US$459,000 respectively.

The impairment review carried out as at 31 March 2019 for the Group's prepayments has revealed that the recoverable amounts of agriculture operating rights was US$7,656,000 or 127% (1 April 2018: US$6,799,000 or 101%) higher than the carrying amount of the prepayments. A further decrease in the market price of the planted crops or a further increase in the discount rate by about 5.6% or 4.3% (1 April 2018: 2.2% or 2.6%) would result in the recoverable amount of agriculture operating rights being equal to the carrying amount.

Notes to the Financial Statements

26. INTANGIBLE ASSETS (CONTINUED)

(b) Golf estate operating rights

	Group	
	30 September 2020 US$'000	31 March 2019 US$'000
Cost		
Beginning of financial period/year	**11,953**	12,344
Currency translation differences	**(171)**	(391)
End of financial period/year	**11,782**	11,953
Accumulated amortisation		
Beginning of financial period/year	**1,337**	1,050
Amortisation charge	**473**	320
Currency translation differences	**(18)**	(33)
End of financial period/year	**1,792**	1,337
Carrying value	**9,990**	10,616

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	
	30 September 2020 US$'000	31 March 2019 US$'000
Cost		
Beginning and end of financial period/year	**3,096**	3,096
Accumulated amortisation		
Beginning of financial period/year	**1,287**	974
Amortisation charge	**463**	313
End of financial period/year	**1,750**	1,287
Carrying value	**1,346**	1,809

Notes to the Financial Statements

26. INTANGIBLE ASSETS (CONTINUED)

(d) Trademarks

Trademarks with a carrying amount of US$1,766,000 relate to the "YKKO" brand of a well-known restaurant chain with a history of over 30 years and a network of over 37 outlets in Myanmar that were acquired during the financial year ended 31 March 2019 [Note 44(c)]. As explained in Note 2.8(e), the useful life of these trademarks is estimated to be indefinite.

As at 30 September 2020 and 31 March 2019, 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 business in Note 26(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 26(e).

(e) Goodwill

	Group	
	30 September 2020 US$'000	31 March 2019 US$'000
Beginning and end of financial period/year	**8,032**	–
Acquisition of subsidiary corporation [Note 44(c)]	**756[(ii)]**	8,032[(i)]
End of financial period/year	**8,788**	8,032

(i) Acquisition of Yankin Kyay Oh Group of Companies Limited ("YKKO")

The goodwill and trademark of US$8,032,000 and US$1,766,000 derived from the acquisition of YKKO and YKKO Trademarks Company Ltd ("Brandco") have been allocated to the same cash-generated units ("CGU"), i.e. restaurants business under consumer segment for impairment review.

(ii) Acquisition of KOSPA Limited ("KOSPA")

The goodwill of US$756,000 derived from the step-acquisition of KOSPA which was completed on 15 July 2019 is allocated to logistic and distribution business under consumer segment for impairment review.

30 September 2020

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.

Notes to the Financial Statements

26. INTANGIBLE ASSETS (CONTINUED)

(e) *Goodwill* (continued)

30 September 2020 (continued)

Key assumption used for value-in-use calculations were as follows:

	Myanmar	
	Restaurants business	**Logistic and distribution business**
Growth rate[1]	**7%**	**5%**
Discount rate[2]	**25.6%**	**21.9%**

[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.

The Group believes that any reasonable possible changes on the above key assumptions are not likely to cause the recoverable amount to be materiality lower than the related carrying amount.

31 March 2019

The Group performed its impairment review by comparing the carrying value of the CGU against its fair value less cost of disposal. The carrying value of the CGU has been determined by taking the net asset value of its cash generating assets and the goodwill and trademarks attributable to the CGU. Because the acquisition of YKKO and Brandco took place on 18 March 2019, the fair value was determined based on the consideration paid after considering the effect of changes in economic circumstances since the acquisition. Based on the impairment test, the fair value less the cost of disposal CGU exceeded its carrying amount. As a result, no impairment loss was provided for. There is a material degree of uncertainty with respect to the estimates of the recoverable amount of the CGU's net assets.

The Group has assessed that any reasonable possible change in the key assumptions used in the fair value less cost of disposal would not result in the carrying amount f the CGU to exceed its recoverable amount.

(f) Amortisation expenses amounting to US$1,500,000 (31 March 2019: US$1,015,000) are included in the statement of comprehensive income under administrative expenses (Note 5).

Notes to the Financial Statements

27. LAND DEVELOPMENT RIGHTS

	Group	
	30 September 2020 US$'000	31 March 2019 US$'000
Beginning of financial period/year	**151,537**	162,878
Capitalisation of direct costs	**320**	850
Transfer to investment properties (Note 22)	**–**	(894)
Transfer to development properties	**–**	(6,572)
Charged to profit or loss (Note 5)	**(62)**	(1,431)
Currency translation differences	**(845)**	(3,294)
End of financial period/year	**150,950**	151,537

	Group		
	30 September 2020 US$'000	31 March 2019 US$'000	1 April 2018 US$'000
Represented by:			
- Pun Hlaing Estate (PHE)	**82,382**	82,144	88,483
- Thanlyin Estate, Star City	**61,943**	62,842	67,524
- Evergreen Condominium	**5,103**	5,178	5,347
- Others	**1,522**	1,373	1,524
	150,950	151,537	162,878
Analysed as:			
- Current portion	**1,161**	1,007	6,258
- Non-current portion	**149,789**	150,530	156,620
	150,950	151,537	162,878

Land development rights of the Group with an aggregate carrying amounts of US$12,357,000 (31 March 2019: US$12,250,000, 1 April 2018: US$10,905,000) are mortgaged to secure borrowings of the Group [Note 29(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

28. TRADE AND OTHER PAYABLES

	Group			Company		
	30 September 2020 US$'000	31 March 2019 US$'000	1 April 2018 US$'000	**30 September 2020 US$'000**	31 March 2019 US$'000	1 April 2018 US$'000
Current						
Trade payables						
- Non-related parties	**8,206**	24,157	55,874	**–**	–	–
- Joint ventures	**3**	–	626	**–**	–	–
- Associated companies	**805**	868	447	**–**	–	–
	9,014	25,025	56,947	**–**	–	–
Contract liabilities [Note 4(b)]	**16,570**	13,459	7,965	**–**	–	–
Accrued operating expenses	**18,295**	14,728	18,676	**2,442**	922	4,602
Non-trade payables						
- Non-related parties	**37,566**	21,226	22,627	**2,153**	4,702	3,573
- Joint ventures	**841**	886	–	**–**	3	–
- Associated companies	**2,718**	805	611	**–**	–	77
	41,125	22,917	23,238	**2,153**	4,705	3,650
	85,004	76,129	106,826	**4,595**	5,627	8,252
Non-current						
Non-trade payables						
- Non-related parties	**1,884**	11,700	13,703	**–**	–	–
Total trade and other payables	**86,888**	87,829	120,529	**4,595**	5,627	8,252

Notes to the Financial Statements

28. TRADE AND OTHER PAYABLES (CONTINUED)

Included in current non-trade payables as at 30 September 2020 is a loan of US$24,017,000 (31 March 2019: Nil; 1 April 2018: Nil) 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 13). 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.

Current non-trade payables to joint ventures and associated companies are unsecured, interest-free and payable on demand.

As at 30 September 2020, non-current non-trade payable to a non-related party of US$1,884,000 related to deferred cash consideration for the acquisition of KOSPA which will be repaid within 5 years, i.e. by February 2024 [Note 44(a)]. As at 31 March 2019 and 1 April 2018, non-current non-trade payables to a non-related party of US$11,700,000 and US$13,703,000 respectively, was unsecured, interest-bearing at 7% per annum and was payable in full on or by 31 May 2020. This amount has been fully repaid on 15 December 2019.

The fair value of non-current payables of US$1,632,000 (31 March 2019: US$10,571,000; 1 April 2018: US$13,519,000) is determined from the adjusted future cash flows discounted at the market interest rate of an equivalent instrument at the reporting date of 7.00% (31 March 2019: 7.00%; 1 April 2018: 7.00%) which the directors expect to be available to the Group.

29. BORROWINGS

	Group			Company		
	30 September 2020 US$'000	31 March 2019 US$'000	1 April 2018 US$'000	**30 September 2020 US$'000**	31 March 2019 US$'000	1 April 2018 US$'000
Current						
Borrowings	**76,841**	116,156	71,118	**44,308**	85,865	58,477
Bank overdraft	**360**	–	–	**360**	–	–
Lease liabilities	**3,534**	–	–	**525**	–	–
	80,735	116,156	71,118	**45,193**	85,865	58,477
Non-current						
Borrowings	**204,575**	148,499	114,369	**60,531**	92,000	86,800
Bonds	**70,037**	69,994	–	**70,037**	69,994	–
Loans from non-controlling interests	**14,303**	40,511	28,800	**–**	–	–
Lease liabilities	**48,710**	–	–	**3,083**	–	–
	337,625	259,004	143,169	**133,651**	161,994	86,800
Total borrowings	**418,360**	375,160	214,287	**178,844**	247,859	145,277
Borrowings are analysed as :						
- secured	**295,453**	282,594	141,231	**138,332**	196,794	103,850
- unsecured	**122,907**	92,566	73,056	**40,512**	51,065	41,427
	418,360	375,160	214,287	**178,844**	247,859	145,277

Notes to the Financial Statements

29. BORROWINGS (CONTINUED)

The exposure of borrowings of the Group and the Company to interest rate changes on their contractual repricing dates at the reporting dates are as follows:

	Group			Company		
	30 September 2020 US$'000	31 March 2019 US$'000	1 April 2018 US$'000	**30 September 2020 US$'000**	31 March 2019 US$'000	1 April 2018 US$'000
Within six months	**283,008**	235,579	168,474	**172,327**	167,865	135,277

(a) Total borrowings as at 30 September 2020 were mainly made up of a Thai Baht Bond issued by the Company which is fully guaranteed by 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 investment properties, property, plant and equipment and land development rights of the Group (Notes 22, 23 and 27);
- Assignment and mortgage of the Group's interest in certain subsidiary corporations (Note 21), certain investments in associated companies (Note 20) and certain investments in joint ventures (Note 19);
- Assignment and charge over certain bank deposits (Note 12);
- A floating charge over certain current assets and property, plant and equipment of a subsidiary corporation (Notes 12, 13, 15, 17, 18 and 23); and
- Corporate guarantee by the Company [Note 40(c)]

(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 the settlements are not expected to occur within twelve months from the reporting date. Accordingly, these are considered to be quasi-equity loan from non-controlling interests.

(c) The fair value of non-current borrowings of US$297,505,000 (31 March 2019: US$206,268,000; 1 April 2018: US$129,586,000) is determined from the adjusted future cash flows, discounted at the market interest rate of an equivalent instrument at the reporting date of 7.0% (31 March 2019: 7.0%; 1 April 2018: 7.0%) which the directors expect to be available to the Group.

Notes to the Financial Statements

30. 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 2020	
Beginning and end of financial period	**208**
31 March 2019	
Beginning of financial year	–
Credited to profit or loss [Note 9(a)]	208
End of financial year	208

Deferred income tax liabilities

	Fair value adjustment			
	Distributor license US$'000	Trademarks US$'000	Property, plant and equipment US$'000	Total US$'000
30 September 2020				
Beginning of financial period	**414**	**736**	**257**	**1,407**
Credited to profit or loss [Note 9(a)]	**(176)**	**–**	**–**	**(176)**
Acquisition of subsidiary corporations [Note 44(c)]	**–**	**–**	**222**	**222**
Currency translation differences	**11**	**–**	**–**	**11**
End of financial period	**249**	**736**	**479**	**1,464**
31 March 2019				
Beginning of financial year	526	–	–	526
Credited to profit or loss [Note 9(a)]	(117)	–	–	(117)
Acquisition of subsidiary corporations [Note 44(c)]	–	736	257	993
Currency translation differences	5	–	–	5
End of financial year	414	736	257	1,407

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$45,544,000 (31 March 2019: US$26,851,000; 1 April 2018: US$16,076,000) 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$42,153,000 (31 March 2019: US$25,388,000; 1 April 2018: US$14,249,000) have expiry dates of three years from the year of assessment when the losses were incurred, while the remaining tax losses of US$3,391,000 (31 March 2019: US$2,699,000, 1 April 2018: US$1,827,000) 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

31. PUT OPTIONS TO NON-CONTROLLING INTERESTS

During the financial year ended 1 April 2018, the Company through its subsidiary corporation, YSIL, entered into put option agreements with the Asian Development Bank ("ADB") and the International Finance Corporation ("IFC"), the non-controlling shareholders which own a 5% shareholding interest in ("MDL"). The put options entitle the non-controlling shareholders to sell all or part of their shareholdings in the subsidiary corporation and the related shareholder loans to the Group. 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 subscribe 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 loan. Management has assessed that there is no change to the key assumptions which would trigger a change in the valuation of the put options.

The movement of the put options granted are as follows:

	Group and Company	
	30 September 2020 US$'000	31 March 2019 US$'000
Beginning of financial period/year	**30,134**	28,348
Accretion of imputed interest [Note 36(b)(iv)]	**2,892**	1,786
End of financial period/year	**33,026**	30,134

Key assumptions used in the valuation of put options are as follows:

	Group and Company		
	30 September 2020 %	31 March 2019 %	1 April 2018 %
Dividend distribution rate	**12.5**	12.5	12.5
Discount rate	**6.3**	6.3	6.3

32. FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS

	Group and Company	
	30 September 2020 US$'000	31 March 2019 US$'000
Beginning of financial period/year	**1,616**	–
Fair value (gain)/loss recognised in profit or loss (Note 6)	**(106)**	1,616
End of financial period/year	**1,510**	1,616

Notes to the Financial Statements

32. FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

During the financial year ended 31 March 2019, the Company entered into four share warrant deeds with two investors which provided the investors with the options to purchase the shares in a subsidiary corporation of the Company.

The share warrants 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 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.

33. SHARE CAPITAL

	Issued share capital	
	No. of ordinary shares '000	Amount US$000
30 September 2020		
Beginning of financial period	**1,895,820**	**513,716**
Shares issued pursuant to:		
- Private placement (Note b)	**332,500**	**108,573**
- Performance share plan (Note a)	**9,149**	**2,601**
End of financial period	**2,237,469**	**624,890**
31 March 2019		
Beginning of financial year	1,893,575	483,178
Shares issued pursuant to: Performance share plan (Note b)	2,245	933
Effect of change in functional currency	–	29,605
End of financial year	1,895,820	513,716

(a) In December 2019, the Company allotted and issued 332,500,000 new ordinary shares at US$0.45 per shares to a subscribers pursuant placement exercise for a total consideration of US$108,573,000.

(b) In July 2019, an aggregate of 9,149,000 new ordinary shares were issued to eligible employees and Non-Executive Independent Directors pursuant to the vesting of shares under Yoma Performance Shares Plan. As a result, an amount of US$2,601,000 was transferred from share awards reserve to share capital of the Company [Note 36(b)(ii)].

In July 2018, an aggregate of 2,245,000 new ordinary shares were issued to eligible employees and Non-Executive Independent Directors pursuant to the vesting of shares under Yoma Performance Shares Plan. As a result, an amount of US$933,000 was transferred from share awards reserve to share capital of the Company [Note 36(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

34. PERPETUAL SECURITIES

During the financial year ended 31 March 2019, the Company entered into perpetual securities agreements with two investors for the issuance of perpetual securities of an aggregate principal amount of US$30,000,000.

The perpetual securities bear distribution at a rate of 2% per annum, payable at each anniversary date. The distribution rate will increase to 17% per annum if the Company's elect not to redeem the securities on the sixth anniversary of the first utilisation date. The Company has full discretion to defer or not making distributions on the perpetual securities, and is not subject to any limits as to the number of times a distribution can be deferred.

The perpetual securities are classified as equity and distribution are treated as dividends. This is due to the reason that the Company has no contractual obligations to repay the principal or to pay any distributions which means the instruments do not meet the definition as a financial liability under SFRS(I) 1-32 *Financial Instruments: Disclosure and Presentation*.

During the financial period ended 30 September 2020, the Directors of the Company have approved the distribution amount of US$1,200,000 to the holders of the securities which has been accounted for as a deduction of the Company's retained profits.

35. 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.

Once they have vested, the options are exercisable over a period 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 ended 30 September 2020 and the financial year ended 31 March 2019. 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 14,492,000 (31 March 2019: 14,492,000; 1 April 2018: 16,789,000) shares, options for 14,492,000 (31 March 2019: 10,492,000; 1 April 2018: 9,107,000) shares are exercisable at the reporting date. There were no options exercised during the financial period from 1 April 2019 to 30 September 2020 and year ended 31 March 2019.

Notes to the Financial Statements

35. 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	Granted during financial period '000	Forfeited during financial period '000	Exercised during financial period '000	End of financial period '000	Exercise price	Exercise period
<u>Group and Company</u>							
30 September 2020							
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	–	–	–	1,457	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	**–**	**–**	**–**	**14,492**		

Notes to the Financial Statements

35. 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 year '000	Granted during financial year '000	Forfeited during financial year '000	Exercised during financial year '000	End of financial year '000	Exercise price	Exercise period
Group and Company							
31 March 2019							
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
- Third Tranche	1,121	–	(1,121)	–	–	S$0.61	2.6.2015 - 31.5.2023
- Fourth Tranche	840	–	(840)	–	–	S$0.65	31.7.2015 - 29.7.2023
	3,643	–	(1,961)	–	1,682		
2015 Options							
- First Tranche	1,457	–	–	–	1,457	S$0.51	29.11.2016 - 27.11.2024
- Second Tranche	336	–	(336)	–	–	S$0.50	6.1.2017 - 4.1.2025
	1,793	–	(336)	–	1,457		
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		
	16,789	–	(2,297)	–	14,492		

Notes to the Financial Statements

35. SHARE OPTIONS AND SHARE AWARDS (CONTINUED)

(b) *Share awards*

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 are 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.

2019 Awards

On 6 July 2018, the Group granted awards comprising 3,214,719 ordinary shares to employees, being long-term incentive awards, under the Yoma PSP. The release of these ordinary shares are 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 3,164,719 ordinary shares have been vested in two tranches from July 2019 to July 2020. A total of 50,000 ordinary shares have been vested in three tranches from July 2019 to July 2021. The fair value at grant date for these share awards was S$0.365 per share, which was an observable market price at that date.

2018 Awards

On 23 June 2017, the Group granted awards comprising 4,186,111 ordinary shares to employees, being long-term incentive awards, under the Yoma PSP. The release of these ordinary shares are 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 4,036,111 ordinary shares have been vested in three tranches from June 2018 to June 2020. A total of 150,000 ordinary shares have been vested in May 2020. The fair value at grant date for these share awards was S$0.58 per share, which was an observable market price at that date.

During the financial period ended 30 September 2020, the Company issued and allotted 9,149,000 (31 March 2019: 2,245,000) new ordinary shares under the Yoma PSP [Note 33(b)] and 2,649,000 (2019: 260,000) were forfeited following the resignation of employees.

During the financial period ended 30 September 2020, the Group charged US$955,000 (31 March 2019: US$1,451,000) (Note 8) to profit or loss based on the fair value of the share awards at the grant date being expensed over the vesting periods.

Notes to the Financial Statements

36. OTHER RESERVES

(a) Compositions

	Group			Company		
	30 September 2020 US$'000	31 March 2019 US$'000	1 April 2018 US$'000	**30 September 2020 US$'000**	31 March 2019 US$'000	1 April 2018 US$'000
Share options reserve	**3,480**	3,299	3,371	**3,480**	3,299	3,371
Share awards reserve	**20**	2,398	1,833	**20**	2,398	1,833
Currency translation reserve	**(16,136)**	(55,085)	22,016	**–**	–	32,861
Put options reserve	**(33,026)**	(30,134)	(28,348)	**(33,026)**	(30,134)	(28,348)
	(45,662)	(79,522)	(1,128)	**(29,526)**	(24,437)	9,717

Other reserves are non-distributable.

(b) Movements

	Group		Company	
	30 September 2020 US$'000	31 March 2019 US$'000	**30 September 2020 US$'000**	31 March 2019 US$'000
(i) Share options reserve				
Beginning of financial period/year	**3,299**	3,371	**3,299**	3,371
Employee share options - value of employee services (Note 8)	**181**	197	**181**	197
Less: Forfeited share options	**–**	(477)	**–**	(477)
Effect of change in functional currency	**–**	208	**–**	208
End of financial period/year	**3,480**	3,299	**3,480**	3,299
(ii) Share awards reserve				
Beginning of financial period/year	**2,398**	1,833	**2,398**	1,833
Employee share awards - value of employee services (Note 8)	**955**	1,451	**955**	1,451
Less: Forfeited share awards	**(732)**	(26)	**(732)**	(26)
Issuance of shares pursuant to performance share awards [Note 33(b)]	**(2,601)**	(933)	**(2,601)**	(933)
Effect of change in functional currency	**–**	73	**–**	73
End of financial period/year	**20**	2,398	**20**	2,398

Notes to the Financial Statements

36. OTHER RESERVES (CONTINUED)

(b) *Movements* (continued)

	Group		Company	
	30 September 2020 US$'000	31 March 2019 US$'000	**30 September 2020 US$'000**	31 March 2019 US$'000
(iii) Currency translation reserve				
Beginning of financial period/year	**(55,089)**	22,016	**–**	32,861
Prior year adjustment	**4**	–	**–**	–
Beginning of financial year, as restated	**(55,085)**	22,016	**–**	32,861
Net currency translation differences of financial statements of foreign subsidiary corporations, joint ventures and associated companies	**48,843**	(46,478)	**–**	–
Less: Non-controlling interests' share	**(9,894)**	2,401	**–**	–
Effect of change in functional currency	**–**	(33,024)	**–**	(32,861)
End of financial period/year	**(16,136)**	(55,085)	**–**	–
(iv) Put options reserve				
Beginning of financial period/year	**(30,134)**	(28,348)	**(30,134)**	(28,348)
Accretion of imputed interest (Note 31)	**(2,892)**	(1,786)	**(2,892)**	(1,786)
End of financial period/year	**(33,026)**	(30,134)	**(33,026)**	(30,134)

Notes to the Financial Statements

37. RETAINED PROFITS/(ACCUMULATED LOSSES)

(a) Retained profits of the Group are distributable except for retained profits of joint ventures and associated companies amounting to US$1,687,000 (2018: US$2,745,000) and US$8,313,000 (2018: US$704,000) respectively.

(b) Movements in accumulated losses of the Company are as follows:

	Company	
	30 September 2020 US$'000	31 March 2019 US$'000
Beginning of financial period/year	**(61,033)**	(28,428)
Net loss	**(34,103)**	(32,610)
Forfeiture of share options	**–**	477
Forfeiture of share awards	**732**	26
Dividends paid (Note 39)	**–**	(3,473)
Perpetual securities distribution paid	**(1,200)**	–
Effect of change in functional currency	**–**	2,975
End of financial period/year	**(95,604)**	(61,033)

38. COMMITMENTS

(a) *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 19) and investments in associated companies (Note 20), are as follows:

	Group		
	30 September 2020 US$'000	31 March 2019 US$'000	1 April 2018 US$'000
Private equity investment fund	**1,943**	3,050	3,142
Property, plant and equipment	**167**	578	1,967
Investment properties	**1,588**	5,235	6,638
	3,698	8,863	11,747

Notes to the Financial Statements

38. COMMITMENTS (CONTINUED)

(b) *Operating lease commitments - Where the Group is lessee*

The Group leases offices, apartment units retail and branch/show room space and office equipment from non-related parties under non-cancellable operating lease agreements. The leases have varying terms, escalation clauses and renewal rights.

As at 31 March 2019, the future minimum lease payables under non-cancellable operating leases contracted for at the reporting date but not recognised as liabilities, are as follows:

	Group 31 March 2019 US$'000	**Company** 31 March 2019 US$'000
Within one year	4,045	875
Between one and five years	18,827	–
More than five years	168,033	–
	190,905	875

As disclosed in Note 2.1(A), the Group has adopted SFRS(I) 16 on 1 April 2019. These lease payments have been recognised as ROU assets and lease liabilities on the statement of financial position as at 30 September 2020, except for short-term and low value leases.

(c) *Operating lease commitments - Where the Group is lessor*

The Group leases investment properties and motor vehicles under operating leases to non-related parties under non-cancellable operating lease agreements. The leases have varying terms, escalation clauses and renewal rights.

The future minimum lease receivables under non-cancellable operating leases contracted for at the reporting date but not recognised as assets, are as follows:

	Group 31 March 2019 US$'000
Within one year	9,550
Between one and five years	10,021
More than five years	139
	19,710

On 1 April 2019, the Group has adopted SFRS(I) 16 and the undiscounted lease payments from the operating leases to be received after 30 September 2020 is disclosed in Note 25.

Notes to the Financial Statements

39. DIVIDENDS

	Group		
	30 September 2020 US$'000	31 March 2019 US$'000	1 April 2018 US$'000
Ordinary dividends			
Interim one-tier tax exempt dividend in respect of current financial year of 0.25 cents	**–**	–	3,204
Final one-tier tax exempt dividend in respect of previous financial year of 0.25 cents	**–**	3,473	–
	–	3,473	3,204

The Directors have considered the uncertain operating environment caused by the COVID-19 pandemic and the Group's results for the financial period ended 30 September 2020 and has recommended no dividend declared for the financial period then ended.

40. CONTINGENT LIABILITIES

Group

(a) The Group has agreed to provide guarantees under the dealer undertaking to a maximum sum of US$34,402,000 (31 March 2019: US$36,550,000, 1 April 2018: US$35,410,000) 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 30 September 2020 is US$20,490,000 (31 March 2019: US$23,962,000; 1 April 2018: US$21,700,000).

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 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$2,886,000 (31 March 2019: US$2,760,000; 1 April 2018: US$3,081,000).

Company

(a) The Company has provided a banker's guarantee to a supplier of a subsidiary corporation for the purchases of inventories. As at 30 September 2020, the subsidiary corporation has made purchases from the supplier under the Company's corporate guarantee which amounting to US$1,000,000 (31 March 2019: US$990,000; 1 April 2018: US$3,009,000). In addition, the Company has provided corporate guarantee for payables of certain subsidiary corporations amounting to US$25,140,000 as at 30 September 2020 (31 March 2019: US$6,937,000; 1 April 2018: US$10,536,000). At the reporting date, the Company does not consider it probable that a claim will be made against the Company under these guarantees.

Notes to the Financial Statements

40. CONTINGENT LIABILITIES (CONTINUED)

Company (continued)

(b) The Company has provided corporate guarantees to banks for borrowings of certain subsidiary corporations. These bank borrowings amounted to US$37,298,000 as at 30 September 2020 (31 March 2019: US$38,161,000; 1 April 2018: US$39,680,000). 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.

41. 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 adverse effects from the unpredictability of 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 expense 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 rate 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% (31 March 2019: 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 lower/higher by US$1,415,000 and US$862,000 (31 March 2019: US$1,178,000 and US$839,000) 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, by entering into appropriate currency hedging contracts. At the reporting date, the Group had not entered into any currency hedging contracts.

Notes to the Financial Statements

41. 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:

Group	SGD US$'000	MMK US$'000	USD US$'000	THB US$'000	Others US$'000	Total US$'000
30 September 2020						
Financial assets						
Cash and bank balances	530	13,931	31,931	26	–	46,418
Trade and other receivables	660	51,247	78,375	–	738	131,020
Financial assets at fair value through profit or loss	–	3,813	8,418	–	–	12,231
Other financial assets	20	844	487	–	–	1,351
	1,210	69,835	119,211	26	738	191,020
Financial liabilities						
Trade and other payables	1,719	24,974	43,617	–	8	70,318
Borrowings	6,904	86,452	254,967	70,037	–	418,360
Financial liabilities at fair value through profit or loss	1,510	–	–	–	–	1,510
Put options to non-controlling interests	–	–	33,026	–	–	33,026
	10,133	111,426	331,610	70,037	8	523,214
Net financial (liabilities)/assets	(8,923)	(41,591)	(212,399)	(70,011)	730	(332,194)
Add: Non-financial assets	108,123	499,932	485,772	–	32,301	1,126,128
Currency profile including non-financial assets and liabilities	99,200	458,341	273,373	(70,011)	33,031	793,934
Currency exposure of financial (liabilities)/assets net of those denominated in the respective entities' functional currencies	(8,413)	(75,743)	–	(70,011)	–	(154,167)

Notes to the Financial Statements

41. 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:

Group	SGD US$'000	MMK US$'000	USD US$'000	THB US$'000	Others US$'000	Total US$'000
Restated						
31 March 2019						
Financial assets						
Cash and bank balances	650	6,142	21,501	27	1,557	29,877
Trade and other receivables	2,137	37,329	58,607	–	917	98,990
Financial assets at fair value through profit or loss	–	3,684	56,564	–	–	60,248
Other financial assets	96	688	1,004	–	32	1,820
	2,883	47,843	137,676	27	2,506	190,935
Financial liabilities						
Trade and other payables	4,010	17,717	51,912	–	731	74,370
Borrowings	12,434	29,400	263,332	69,994	–	375,160
Financial liabilities at fair value through profit or loss	1,616	–	–	–	–	1,616
Put options to non-controlling interests	–	–	30,134	–	–	30,134
	18,060	47,117	345,378	69,994	731	481,280
Net financial (liabilities)/assets	(15,177)	726	(207,702)	(69,967)	1,775	(290,345)
Add: Non-financial assets	116,515	435,697	373,610	–	66,112	991,934
Currency profile including non-financial assets and liabilities	101,338	436,423	165,908	(69,967)	67,887	701,589
Currency exposure of financial (liabilities)/assets net of those denominated in the respective entities' functional currencies	(15,968)	3,684	–	(69,967)	–	(82,251)

Notes to the Financial Statements

41. FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) *Market risk* (continued)

(ii) *Currency risk* (continued)

Group	SGD US$'000	MMK US$'000	USD US$'000	Others US$'000	Total US$'000
Restated					
1 April 2018					
Financial assets					
Cash and bank balances	486	4,720	19,550	699	25,455
Trade and other receivables	5,826	17,924	45,372	4,830	73,952
Financial assets at fair value through profit or loss	–	678	48,562	–	49,240
Other financial assets	186	455	1,233	33	1,907
	6,498	23,777	114,717	5,562	150,554
Financial liabilities					
Trade and other payables	16,955	38,691	56,272	646	112,564
Borrowings	11,664	33,260	169,363	–	214,287
Put options to non-controlling interests	–	–	28,348	–	28,348
	28,619	71,951	253,983	646	355,199
Net financial (liabilities)/assets	(22,121)	(48,174)	(139,266)	4,916	(204,645)
Add: Non-financial assets	123,651	387,698	286,378	70,806	868,533
Currency profile including non-financial assets and liabilities	101,530	339,524	147,112	75,722	663,888
Currency exposure of financial assets/(liabilities) net of those denominated in the respective entities' functional currencies	(19,920)	9,546	–	–	(10,374)

Notes to the Financial Statements

41. FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) *Market risk* (continued)

(ii) *Currency risk* (continued)

If MMK, SGD and THB had strengthened or weakened against USD by 15%, 1% and 1% (31 March 2019: 12%, 3% and 2%; 1 April 2018: 2%, 6% and Nil) respectively, with all other variables, including tax rates being held constant, the effects arising from the net financial position on the Group's net profit/(loss) will be as follows:

	Group Impact on net profit/(loss) Increase/(decrease)		
	30 September 2020 US$'000	31 March 2019 US$'000	1 April 2018 US$'000
MMK against USD/SGD			
- strengthened	**(9,430)**	367	158
- weakened	**9,430**	(367)	(158)
SGD against USD/USD against SGD			
- strengthened	**(70)**	(397)	(992)
- weakened	**70**	397	992
THB against USD			
- strengthened	**(581)**	(1,161)	–
- weakened	**581**	1,161	–

Notes to the Financial Statements

41. 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:

Company	SGD US$'000	MMK US$'000	USD US$'000	THB US$'000	Total US$'000
30 September 2020					
Financial assets					
Cash and bank balances	157	1	11,604	26	11,788
Trade and other receivables	1,675	–	9,152	–	10,827
Other financial assets	20	–	101	–	121
	1,852	1	20,857	26	22,736
Financial liabilities					
Trade and other payables	1,055	104	3,436	–	4,595
Borrowings	7,687	–	101,120	70,037	178,844
Financial liabilities through profit or loss	1,510	–	–	–	1,510
Put options to non-controlling interests	–	–	33,026	–	33,026
	10,252	104	137,582	70,037	217,975
Net financial (liabilities)/assets	(8,400)	(103)	(116,725)	(70,011)	(195,239)
Add: Non-financial assets	723,872	–	1,127	–	724,999
Currency profile including non-financial assets and liabilities	715,472	(103)	(115,598)	(70,011)	529,760
Currency exposure of financial liabilities/(assets) net of those denominated in the Company's functional currency	(8,400)	(103)	–	(70,011)	(78,514)

Notes to the Financial Statements

41. 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:

Company	SGD US$'000	MMK US$'000	USD US$'000	THB US$'000	Total US$'000
Restated					
31 March 2019					
Financial assets					
Cash and bank balances	280	5	14,594	27	14,906
Trade and other receivables	1,049	–	7,661	–	8,710
Other financial assets	91	14	298	–	403
	1,420	19	22,553	27	24,019
Financial liabilities					
Trade and other payables	4,384	1	1,242	–	5,627
Borrowings	11,065	–	166,800	69,994	247,859
Financial liabilities through profit or loss	1,616	–	–	–	1,616
Put options to non-controlling interests	–	–	30,134	–	30,134
	17,065	1	198,176	69,994	285,236
Net financial (liabilities)/assets	(15,645)	18	(175,623)	(69,967)	(261,217)
Add: Non-financial assets	718,336	–	1,127	–	719,463
Currency profile including non-financial assets and liabilities	702,691	18	(174,496)	(69,967)	458,246
Currency exposure of financial liabilities/ (assets) net of those denominated in the Company's functional currency	(15,645)	18	–	(69,967)	(85,594)

Notes to the Financial Statements

41. 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:

Company	SGD US$'000	MMK US$'000	USD US$'000	Others US$'000	Total US$'000
Restated					
1 April 2018					
Financial assets					
Cash and bank balances	411	30	13,567	–	14,008
Trade and other receivables	826	–	4,733	–	5,559
Other financial assets	181	34	876	–	1,091
	1,418	64	19,176	–	20,658
Financial liabilities					
Trade and other payables	6,906	–	1,346	–	8,252
Borrowings	11,427	–	133,850	–	145,277
Put options to non-controlling interests	–	–	28,348	–	28,348
	18,333	–	163,544	–	181,877
Net financial (liabilities)/assets	(16,915)	64	(144,368)	–	(161,219)
Add: Non-financial assets	414,079	(8,587)	219,343	851	625,686
Currency profile including non-financial assets and liabilities	397,164	(8,523)	74,975	851	464,467
Currency exposure of financial liabilities/ (assets) net of those denominated in the Company's functional currency	(16,915)	64	–	–	(16,851)

Notes to the Financial Statements

41. FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) *Market risk* (continued)

(ii) *Currency risk* (continued)

If MMK, SGD and THB had strengthened or weakened against USD by 15%, 1% and 1% (31 March 2019: 12%, 3% and 2%; 1 April 2018: 2%, 6% and Nil), 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)		
	30 September 2020 US$'000	31 March 2019 US$'000	1 April 2018 US$'000
MMK against USD			
- strengthened	**(13)**	2	1
- weakened	**13**	(2)	(1)
SGD against USD/USD against SGD			
- strengthened	**(70)**	(389)	(842)
- weakened	**70**	389	842
THB against USD			
- strengthened	**(581)**	(1,161)	–
- weakened	**581**	1,161	–

(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 the investments in unquoted shares and private investment funds in Myanmar held by the Group which are classified on the consolidated statement of financial position 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 investment portfolio and had obtained a put option in the case of its larger positions. If prices for financial instruments classified as financial assets at fair value through profit or loss changed by 5% (31 March 2019: 5%; 1 April 2018: 5%) with all other variables including tax rates being held constant, the effects on the Group's net loss would have been US$612,000 (31 March 2019: US$3,012,000; 1 April 2018: US$2,005,000) 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 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.

41. 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 receivables. The Group places its deposits with financial institutions and other creditworthy issuers and limits the amount of credit exposure to any one party. As at 30 September 2020, the Group has concentrated credit risk on one debtor (31 March 2019: one debtor, 1 April 2018: one debtor) that individually represents more than 18% (31 March 2019: 20%, 1 April 2018: 15%) of total trade receivables, contract assets and finance lease receivables.

The maximum exposure to 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**		
	30 September 2020	31 March 2019	1 April 2018	**30 September 2020**	31 March 2019	1 April 2018
	US$'000	US$'000	US$'000	**US$'000**	US$'000	US$'000
Corporate guarantees provided to:						
- banks on customers' finance leases (Note 40)	**20,490**	23,962	21,700	**–**	–	–
- banks on borrowings of certain subsidiary corporations (Note 40)	**–**	–	–	**37,298**	38,161	39,680
- a supplier and outstanding payables of certain subsidiary corporation (Note 40)	**2,886**	2,760	3,081	**26,140**	7,927	13,595

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 the 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 the respective management and at the Group level by the Group's management.

For customers who obtained finance leases from banks and of 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 the tenants to furnish cash deposits and/or to pay rental in advance. For the restaurants business in the consumer segment, 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

41. FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) *Credit risk* (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 customer's credit risk and assessing the customer's ability to repay, the Group considers the customers' trade history with the Group, the aging profile, maturity 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 customers is set out below:

	Group		
	30 September 2020 US$'000	31 March 2019 US$'000	1 April 2018 US$'000
By business segment			
Real estate development	**33,223**	26,894	21,558
Real estate services	**2,245**	1,451	1,337
Automotive & heavy equipment	**2,138**	5,334	3,642
Financial services	**16,936**	11,507	6,504
Consumer	**1,475**	11	–
Others	**–**	69	65
	56,017	45,266	33,106
By geographical area			
People's Republic of China	**–**	68	65
Myanmar	**56,017**	45,198	33,041
	56,017	45,266	33,106
By type of customer			
Joint ventures	**113**	1,459	1,559
Non-related parties			
- Individuals	**36,232**	23,916	23,240
- Other companies	**19,672**	19,891	8,307
	56,017	45,266	33,106

Notes to the Financial Statements

41. 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 2019 and 30 September 2020

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 period.

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 payment 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 customers and/or counterparties. Where receivables are written-off, the Group continues to engage in enforcement activity 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 the ECL 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 the ECL, 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 12-month ECL.

Notes to the Financial Statements

41. 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 2019 and 30 September 2020 (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 expected credit losses 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$17,432,000 as at 30 September 2020 (31 March 2019: US$17,153,000; 1 April 2018: US$9,749,000) 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 30 September 2020 has been recognised based on 12-month expected credit losses which amounted to US$1,691,000 (31 March 2019: US$1,496,000; 1 April 2018: US$1,062,000) with additional loss allowance of US$559,000 (31 March 2019: US$ 434,000) and reversal of loss allowance of US$364,000 (31 March 2019: Nil) recognised in profit or loss during the financial period ended 30 September 2020.

Notes to the Financial Statements

41. FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) *Credit risk* (continued)

Trade receivables, contract assets and finance lease receivables (continued)

Expected credit loss assessment as at 1 April 2018, 31 March 2019 and 30 September 2020 (continued)

The following table provides information about the Group's exposure to credit risk and the ECLs for trade receivables (excluding these with significant financing component), contract assets and finance lease liabilities as at 30 September 2020, 31 March 2019 and 1 April 2018:

	Group					
	Current US$'000	Within 90 days US$'000	91-180 days US$'000	181 days to 365 days US$'000	More than one year US$'000	Total US$'000
30 September 2020						
Real estate development						
Gross carrying amounts	12,761	938	936	853	2,409	17,897
Loss allowance	–	(216)	(24)	(20)	(155)	(415)
Real estate services						
Gross carrying amounts	191	682	480	480	656	2,489
Loss allowance	–	(165)	(30)	(49)	–	(244)
Automotive and heavy equipment						
Gross carrying amounts	–	883	436	156	819	2,294
Loss allowance	–	–	(49)	(4)	(103)	(156)
Financial services						
Gross carrying amounts	16,872	32	32	–	–	16,936
Loss allowance	–	–	–	–	–	–

Notes to the Financial Statements

41. FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) *Credit risk* (continued)

Trade receivables, contract assets and finance lease receivables (continued)

Expected credit loss assessment as at 1 April 2018, 31 March 2019 and 30 September 2020 (continued)

The following table provides information about the Group's exposure to credit risk and the ECLs for trade receivables, contract assets and finance lease liabilities as at 30 September 2020, 31 March 2019 and 1 April 2018:

	Group					
	Current US$'000	Within 90 days US$'000	91-180 days US$'000	181 days to 365 days US$'000	More than one year US$'000	Total US$'000
31 March 2019						
Real estate development						
Gross carrying amounts	4,962	4,134	238	959	1,156	11,449
Loss allowance	–	–	(66)	(119)	(27)	(212)
Real estate services						
Gross carrying amounts	–	338	161	650	556	1,705
Loss allowance	–	–	–	–	(254)	(254)
Automotive and heavy equipment						
Gross carrying amounts	59	2,378	133	2,652	209	5,431
Loss allowance	–	–	–	(25)	(72)	(97)
Financial services						
Gross carrying amounts	8,486	1,086	777	1,217	–	11,566
Loss allowance	–	–	*	(57)	–	(57)

* Amount less than US$1,000

Notes to the Financial Statements

41. FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) *Credit risk* (continued)

Trade receivables, contract assets and finance lease receivables (continued)

Expected credit loss assessment as at 1 April 2018, 31 March 2019 and 30 September 2020 (continued)

The following table provides information about the Group's exposure to credit risk and the ECLs for trade receivables, contract assets and finance lease liabilities as at 30 September 2020, 31 March 2019 and 1 April 2018:

	Group					
	Current US$'000	Within 90 days US$'000	91-180 days US$'000	181 days to 365 days US$'000	More than one year US$'000	Total US$'000
1 April 2018						
Real estate development						
Gross carrying amounts	8,527	546	939	1,027	1,919	12,958
Loss allowance	–	(23)	(16)	(24)	(24)	(87)
Real estate services						
Gross carrying amounts	204	614	288	213	150	1,469
Loss allowance	–	–	–	–	(132)	(132)
Automotive and heavy equipment						
Gross carrying amounts	1,714	1,577	197	179	37	3,704
Loss allowance	–	–	–	(31)	(31)	(62)
Financial services						
Gross carrying amounts	6,112	326	77	14	2	6,531
Loss allowance	–	(2)	(17)	(6)	(2)	(27)

Notes to the Financial Statements

41. FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) *Credit risk* (continued)

Trade receivables, contract assets and finance lease receivables (continued)

Expected credit loss assessment as at 30 September 2020 and 31 March 2019 (continued)

The movement in credit loss allowance are as follows:

	Trade Receivables		Other Receivables	
	30 September 2020 US$'000	31 March 2019 US$'000	**30 September 2020 US$'000**	31 March 2019 US$'000
Beginning of financial period/year	**2,116**	1,370	**–**	–
Loss allowance recognised in profit or loss	**811**	746	**250**	–
Reversal of loss allowance recognised in profit or loss	**(364)**	–	**–**	–
	447	746	**250**	–
Write-off	**(57)**	–	**–**	–
End of financial year	**2,506**	2,116	**250**	–

Cash and cash equivalents

As at 30 September 2020, the Group and the Company held cash and bank balances of US$46,418,000 and US$11,788,000 (31 March 2019: US$29,877,000 and US$14,906,000; 1 April 2018: US$25,455,000 and US$14,008,000), respectively. Cash and bank balances are held with bank and financial institution counterparties with sound credit ratings. The impairment on cash and bank balances has been measured on the 12-month expected loss 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$75,003,000 and US$10,827,000 (31 March 2019: US$53,724,000 and US$8,710,000; 1 April 2018: US$40,846,000 and US$5,559,000) respectively at 30 September 2020. 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 a loss allowance as at 30 September 2020 has been recognised based on 12-month expected credit losses which amounted to US$250,000 (31 March 2019: Nil; 1 April 2018: Nil) with a loss allowance of US$250,000 (31 March 2019: Nil) recognised in profit or loss during the financial period ended 30 September 2020.

Notes to the Financial Statements

41. FINANCIAL RISK MANAGEMENT (CONTINUED)

(c) Liquidity risk

Liquidity risk is the risk that the Group and the Company will encounter difficulty in meeting their obligations associated with financial liabilities. The Group manages liquidity risks by monitoring its liquidity position through 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 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.

Group	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
30 September 2020				
Trade and other payables	**68,434**	**2,000**	**–**	**–**
Borrowings	**84,544**	**235,409**	**88,024**	**57,449**
Put options to non-controlling interest	**–**	**–**	**–**	**33,026**
Financial guarantee contracts	**23,376**	**–**	**–**	**–**
	176,354	**237,409**	**88,024**	**90,475**
31 March 2019				
Trade and other payables	63,489	11,837	–	–
Borrowings	121,013	165,599	138,363	46,707
Put options to non-controlling interest	–	–	–	30,134
Financial guarantee contracts	26,722	–	–	–
	211,224	177,436	138,363	76,841
1 April 2018				
Trade and other payables	99,820	896	12,106	–
Borrowings	79,071	58,521	61,318	51,866
Put options to non-controlling interest	–	–	–	28,348
Financial guarantee contracts	24,781	–	–	–
	203,672	59,417	73,424	80,214

Notes to the Financial Statements

41. FINANCIAL RISK MANAGEMENT (CONTINUED)

(c) *Liquidity risk* (continued)

Company	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
30 September 2020				
Trade and other payables	**4,595**	**–**	**–**	**–**
Borrowings	**47,687**	**95,531**	**58,140**	**1,204**
Put options to non-controlling interest	**–**	**–**	**–**	**33,026**
Financial guarantee contracts	**38,298**	**–**	**–**	**–**
	90,580	**95,531**	**58,140**	**34,230**
31 March 2019				
Trade and other payables	5,627	–	–	–
Borrowings	89,781	114,046	127,067	–
Put options to non-controlling interest	–	–	–	30,134
Financial guarantee contracts	39,151	–	–	–
	134,559	114,046	127,067	30,134
1 April 2018				
Trade and other payables	8,252	–	–	–
Borrowings	66,569	46,349	49,948	7,078
Put options to non-controlling interest	–	–	–	28,348
Financial guarantee contracts	42,689	–	–	–
	117,510	46,349	49,948	35,426

(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 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 gearing ratio. The Group's and the Company's strategies remained unchanged during the financial period ended 30 September 2020 and the financial year ended 31 March 2019 and are to maintain a financial gearing ratio not exceeding 40%. The Group is also required by certain financial institutions to maintain certain level of consolidated net worth and certain leverage ratios.

Notes to the Financial Statements

41. FINANCIAL RISK MANAGEMENT (CONTINUED)

(d) *Capital risk* (continued)

The financial 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) less cash and bank balances. Total capital is calculated as total equity plus net debt.

	Group			Company		
	30 September 2020 US$'000	31 March 2019 US$'000	1 April 2018 US$'000	**30 September 2020 US$'000**	31 March 2019 US$'000	1 April 2018 US$'000
Net debt	**305,395**	304,772	160,032	**163,448**	232,953	131,269
Total equity	**793,934**	701,589	663,888	**529,760**	458,246	464,467
Total capital	**1,099,329**	1,006,361	823,920	**693,208**	691,199	595,736
Financial gearing ratio	**27.78%**	30.28%	19.42%	**23.58%**	33.70%	22.03%

The Group and the Company are in compliance with all externally imposed levels of consolidated network and leverage ratios requirements for the financial period ended 30 September 2020 and the financial year ended 31 March 2019.

(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

41. 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:

Group	Level 1 US$'000	Level 2 US$'000	Level 3 US$'000	Total US$'000
30 September 2020				
Assets				
Financial assets at fair value through profit or loss	**–**	**–**	**12,231**	**12,231**
Liabilities				
Financial liabilities at fair value through profit or loss	**–**	**–**	**1,510**	**1,510**
31 March 2019				
Assets				
Financial assets at fair value through profit or loss	–	–	60,248	60,248
Liabilities				
Financial liabilities at fair value through profit or loss	–	–	1,616	1,616
1 April 2018				
Assets				
Financial assets at fair value through profit or loss	–	–	49,240	49,240

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 equity 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 30 September 2020 and the financial year ended 31 March 2019.

See Note 22 for disclosures of the investment properties that are measured at fair value.

Notes to the Financial Statements

41. 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 transaction	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
- 12.5% equity interest in Edotco Investments	Market comparable approach/ recent transaction	Price/EBITDA multiples	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 P/B multiple and risk-free rate, the higher the fair value

(f) *Fair value measurements by category*

The carrying amounts of the different categories of financial instruments are as disclosed on the face of the statement of financial position and in Note 18 and Note 32, except for the following:

	Group			Company		
	30 September 2020 US$'000	31 March 2019 US$'000	1 April 2018 US$'000	**30 September 2020 US$'000**	31 March 2019 US$'000	1 April 2018 US$'000
Financial assets at amortised cost	**178,789**	130,687	101,314	**22,736**	24,019	20,658
Financial liabilities at amortised cost	**521,704**	479,664	355,199	**216,465**	283,620	181,877

Notes to the Financial Statements

42. 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	
	30 September 2020 US$'000	31 March 2019 US$'000
With entities related by a common controlling shareholder		
Sales	**1,913**	1,329
Purchases	**501**	1,106
Treasury transactions*	**14,297**	3,639
Land development rights transactions#	**136**	2
Financial guarantee to Yoma Bank^	**12,196**	4,984
Prepayment for supply of crops	**369**	418
Advance payment for investment in associated company	**7,800**	–
With joint ventures		
Sales	**1,930**	1,676
Purchases	**3,982**	2,548
Construction costs	**59,802**	51,111
Other service income	**1,379**	946
With associated companies		
Sales	**3,308**	369
Purchases	**55**	–
With other related party		
Professional fee paid/payable	**71**	76

* 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.

\# Land development rights transactions comprise the receipt of the sale proceeds of land development rights on behalf of the Group by entities related by a common controlling shareholder and the payment of marketing commissions by the Group to entities related by a common shareholder.

^ Financial guarantee relates to Convenience Prosperity Company Limited ("CPCL") where CPCL has taken up the financial obligation of a customer. CPCL will be responsible for any credit losses incurred by Yoma Bank when the customer defaults a payment.

Other related party refers to a firm of which a director is a member.

Outstanding balances at 30 September 2020, 31 March 2019 and 1 April 2018 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 13 and Note 28 respectively.

Notes to the Financial Statements

42. RELATED PARTY TRANSACTIONS (CONTINUED)

(b) Key management personnel compensation

	Group	
	30 September 2020 US$'000	31 March 2019 US$'000
Wages and salaries	**5,035**	3,291
Directors' fees	**378**	233
Share options expenses	**181**	122
Share awards expenses	**241**	1,292
Other short-term benefits	**477**	366
Employer's contribution to defined contribution plans, including CPF	**29**	21
	6,341	5,325

Included in the above is total compensation to directors of the Company amounting to US$1,851,000 (31 March 2019: US$1,628,000).

Notes to the Financial Statements

43. SEGMENT INFORMATION

Management has determined the operating segments based on the reports reviewed by the Key Management Team that are used to make strategic decisions. The Key Management Team comprises the Executive Chairman, the CEO, the CFO, the Group Financial Controller and the heads of each business unit within each primary geographical segment that are involved in making strategic decisions.

The Key Management Team considers the business from both a geographic and business segment perspective. Geographically, management manages and monitors the business in three primary geographic areas: Singapore, Myanmar 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 Singapore and Myanmar.

For management purposes, the Group is organised into business units based on their products and services and has seven reportable segments as follows:

(i) Real estate development is in the business of property development and the sale of land development rights and development properties (the "Yoma Land Development").

(ii) Real estate services is in the business of providing project management, design, estate management and golf estate operator as well as property leasing in Myanmar (the "Yoma Land Services"). This reportable segment has been formed by aggregating the relevant operating entities, which are regarded by management to exhibit similar economic characteristics.

(iii) The automotive & heavy equipment segment is in the business of supplying and selling agriculture and construction equipment, passenger and commercial vehicles and related parts, including the provision of maintenance services (the "Yoma Motors"). This reportable segment has been formed by aggregating the relevant operating entities involved in supplying and selling of agriculture equipment, construction equipment and motor vehicles, including the provision of maintenance services, which are regarded by management to exhibit similar economic characteristics.

(iv) The consumer segment is in the business of operating restaurants, bottling and distributing beverages and developing food wholesale, transportation, distribution and logistics services (the "Yoma F&B"). This reportable segment has been formed by aggregating the relevant operating entities which are regarded by management to exhibit similar economic characteristics.

(v) The financial services segment is in the business of providing non-bank financing (i.e. leasing of motor vehicles under both operating and finance leases and related financing options) and investing in mobile financial services ("Yoma Financial Services"). This reportable segment has been formed by aggregating the relevant operating entities, which are regarded by management to exhibit similar economic characteristics.

(vi) The investments segment relates to the Group's investments in the infrastructure, tourism, solar power, agriculture and other sectors in Myanmar and the leasing of an investment property in PRC.

(vii) 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

43. SEGMENT INFORMATION (CONTINUED)

The segment information provided to the Key Management Team for the reportable segments and reconciliation to the consolidated statements of comprehensive income are as follows:

	Myanmar					Myanmar/ PRC	Myanmar/ Singapore	
30 September 2020	**Yoma Land Development US$'000**	**Yoma Land Services US$'000**	**Yoma Motors US$'000**	**Yoma Financial Services US$'000**	**Yoma F&B US$'000**	**Investments US$'000**	**Others US$'000**	**Total US$'000**
Revenue								
Total segment sales	40,270	14,810	33,718	11,161	47,091	3,436	–	150,486
Less: Inter-segment sales	–	(2,176)	(795)	(465)	(593)	(2,265)	–	(6,294)
Sales to external parties	40,270	12,634	32,923	10,696	46,498	1,171	–	144,192
Cost of sales	(30,565)	(6,759)	(27,145)	(5,998)	(25,230)	(212)	–	(95,909)
Gross profit	9,705	5,875	5,778	4,698	21,268	959	–	48,283
Other losses or gains	(1,026)	(9,426)	1,106	646	1,668	(29,292)	1,126	(35,198)
Expenses: -								
- Administrative	(14,047)	(4,279)	(10,188)	(3,383)	(30,169)	(2,960)	(18,037)	(83,063)
- Finance	(7,379)	(245)	(379)	(966)	(1,936)	(884)	(28,324)	(40,113)
Share of (losses)/profits of joint ventures	–	(1,096)	666	–	825	(2,034)	–	(1,639)
Share of (losses)/profits of associated companies	(5)	–	17	8,005	(3,387)	(11,956)	–	(7,326)
(Loss)/profit before income tax	(12,752)	(9,171)	(3,000)	9,000	(11,731)	(46,167)	(45,235)	(119,056)
Income tax expense	(1,607)	(795)	(989)	(396)	(126)	–	(473)	(4,386)
Net (loss)/profit	(14,359)	(9,966)	(3,989)	8,604	(11,857)	(46,167)	(45,708)	(123,442)
Interest expense	7,022	1,895	311	941	1,947	996	25,042	38,154
Income tax expense	1,607	795	989	396	126	–	473	4,386
Depreciation and amortisation	2,818	1,949	2,786	5,363	12,201	642	355	26,114
Share of losses/(profits) of joint ventures	–	1,096	(666)	–	(825)	2,034	–	1,639
Share of losses/(profits) of associated companies	5	–	(17)	(8,005)	3,387	11,956	–	7,326
Currency translation (gains)/ losses, net	(824)	(3,832)	(898)	(291)	(655)	931	366	(5,203)
Yoma Central Project	3,998	–	–	–	–	–	–	3,998
Core Operating EBITDA	267	(8,063)	(1,484)	7,008	4,324	(29,608)	(19,472)	(47,028)

Notes to the Financial Statements

43. SEGMENT INFORMATION (CONTINUED)

The segment information provided to the Key Management Team for the reportable segments and reconciliation to the consolidated statements of comprehensive income are as follows: (continued)

	Myanmar					Myanmar/ PRC	Myanmar/ Singapore	
30 September 2020	Yoma Land Development US$'000	Yoma Land Services US$'000	Yoma Motors US$'000	Yoma Financial Services US$'000	Yoma F&B US$'000	Investments US$'000	Others US$'000	Total US$'000
Net loss include:								
- Net fair value losses on investment properties	–	(12,108)	–	–	–	–	–	(12,108)
- Fair value gains on financial assets at fair value through profit or loss	–	–	–	–	–	5,235	–	5,235
- Fair value gain on financial liabilities at fair value through profit or loss	–	–	–	–	–	–	106	106
- Fair value loss on assets of disposal group classified as held-for-sale	–	–	–	–	–	(32,243)	–	(32,243)
- Gain on disposal of financial assets at fair value through profit or loss	–	–	–	–	–	3,638	–	3,638
- Gain on measurement of previously held interest in a joint venture as a result of change in control	–	–	–	–	241	–	–	241
- Deemed gain on dilution of investment in joint ventures	–	–	–	–	989	267	–	1,256
- Gain on deemed divestment of associated company	–	–	–	–	359	–	–	359
- Impairment loss of agriculture operating rights	–	–	–	–	–	(1,316)	–	(1,316)
- Impairment loss of prepayment – crop and supply agreement	–	–	–	–	–	(4,310)	–	(4,310)
Segment assets	**661,075**	**318,954**	**38,211**	**44,830**	**73,288**	**44,739**	**161,020**	**1,342,117**
Segment assets includes:								
Investments in associated companies	28,158	–	–	30,005	–	24,791	–	82,954
Investments in joint ventures	–	–	3,771	–	88	6,741	–	10,600
Additions to non-current assets	33,960	4,678	4,132	12,982	37,482	38	1,269	94,541
Segment liabilities	**227,618**	**25,390**	**10,062**	**8,792**	**31,448**	**2,072**	**242,801**	**548,183**

Notes to the Financial Statements

43. SEGMENT INFORMATION (CONTINUED)

The segment information provided to the Key Management Team for the reportable segments and reconciliation to the consolidated statements of comprehensive income are as follows: (continued)

	Myanmar					Myanmar/ PRC	Myanmar/ Singapore	
31 March 2019	**Yoma Land Development US$'000**	**Yoma Land Services US$'000**	**Yoma Motors US$'000**	**Yoma Financial Services US$'000**	**Yoma F&B US$'000**	**Investments US$'000**	**Others US$'000**	**Total US$'000**
Revenue								
Total segment sales	33,338	25,631	22,752	6,315	14,569	5,106	–	107,711
Less: Inter-segment sales	(1,498)	(1,231)	(16)	(58)	–	(4,210)	–	(7,013)
Sales to external parties	31,840	24,400	22,736	6,257	14,569	896	–	100,698
Cost of sales	(18,017)	(3,795)	(19,878)	(3,580)	(7,284)	(305)	–	(52,859)
Gross profit	13,823	20,605	2,858	2,677	7,285	591	–	47,839
Other losses or gains	(4,122)	70,861	(796)	(73)	206	11,367	(761)	76,682
Expenses: -								
- Administrative	(9,687)	(3,174)	(6,510)	(1,735)	(10,936)	(2,337)	(11,579)	(45,958)
- Finance	(1,798)	(3,047)	(286)	(905)	(8)	(1,700)	(15,049)	(22,793)
Share of profits/(losses) of joint ventures	–	627	(979)	–	(1,359)	(1,172)	–	(2,883)
Share of (losses)/profits of associated companies	(5)	–	(68)	211	(5,341)	(4,282)	–	(9,485)
(Loss)/profit before income tax	(1,789)	85,872	(5,781)	175	(10,153)	2,467	(27,389)	43,402
Income tax expense	(794)	(211)	(165)	(311)	(93)	–	(158)	(1,732)
Net (loss)/profit	**(2,583)**	**85,661**	**(5,946)**	**(136)**	**(10,246)**	**2,467**	**(27,547)**	**41,670**
Interest expense	1,505	1,406	110	888	13	807	13,603	18,332
Income tax expense	794	211	165	311	93	–	158	1,732
Depreciation and amortisation	1,526	1,828	1,221	2,989	2,160	451	71	10,246
Share of (profits)/losses of joint ventures	–	(627)	979	–	1,359	1,172	–	2,883
Share of losses/(profits) of associated companies	5	–	68	(211)	5,341	4,282	–	9,485
Currency translation losses/ (gains), net	2,618	1,783	1,145	178	211	897	(736)	6,096
Yoma Central Project	5,329	–	–	–	–	–	–	5,329
Core Operating EBITDA	**9,194**	**90,262**	**(2,258)**	**4,019**	**(1,069)**	**10,076**	**(14,451)**	**95,773**

Notes to the Financial Statements

43. SEGMENT INFORMATION (CONTINUED)

The segment information provided to the Key Management Team for the reportable segments and reconciliation to the consolidated statements of comprehensive income are as follows: (continued)

	Myanmar					Myanmar/ PRC	Myanmar/ Singapore	
31 March 2019	**Yoma Land Development US$'000**	**Yoma Land Services US$'000**	**Yoma Motors US$'000**	**Yoma Financial Services US$'000**	**Yoma F&B US$'000**	**Investments US$'000**	**Others US$'000**	**Total US$'000**
Net profit includes:								
- Fair value gains on investment properties	–	69,412	–	–	–	–	–	69,412
- Fair value gains on financial assets at fair value through profit or loss	–	–	–	–	–	11,124	–	11,124
- Fair value loss on financial liabilities at fair value through profit or loss	–	–	–	–	–	–	(1,616)	(1,616)
- Deemed loss on dilution of investment in joint ventures	–	–	(119)	–	–	–	–	(119)
- Deemed loss on dilution of investment in associated companies	–	–	–	–	–	(4,469)	–	(4,469)
Segment assets	**566,620**	**267,995**	**35,479**	**55,827**	**66,441**	**180,439**	**29,077**	**1,201,878**
Segment assets includes:								
Investments in associated companies	14,482	–	–	20,669	15,520	30,679	–	81,350
Investments in joint ventures	–	1,147	2,647	–	2,548	5,030	–	11,372
Additions to non-current assets	4,384	15,024	1,746	14,346	22,661	1	158	58,320
Segment liabilities	**138,178**	**28,087**	**9,387**	**11,906**	**14,516**	**10,926**	**287,289**	**500,289**

Notes to the Financial Statements

43. SEGMENT INFORMATION (CONTINUED)

The revenue from external parties reported to the Key Management Team 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.

The Key Management team 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 expenses which are 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 seven business segments operate in three main geographical areas: Singapore, Myanmar and the People's Republic of China.

- Singapore/Myanmar – the Company is headquartered in Singapore and has operations in Singapore and Myanmar. The operations in this area are principally corporate services, treasury functions and investment activities.

- 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, the provision of project management, design services and estate management; the sale of automotive & heavy equipment products; the operation of restaurants, the bottling and distribution of beverages and the development of food wholesales and logistics services; and the leasing of motor vehicles and mobile financial services.

- People's Republic of China – the operations in this area are principally the leasing of investment properties.

Revenue and non-current assets information based on the geographical location of customers and assets respectively are as follows:

	Group	
	30 September 2020 US$'000	31 March 2019 US$'000
Revenue		
Myanmar	**143,057**	99,801
People's Republic of China	**1,135**	897
	144,192	100,698
Non-current assets		
Singapore	**208,937**	214,850
Myanmar	**549,027**	396,175
People's Republic of China	**–**	66,102
	757,964	677,127

There is no revenue derived from major external customer during the financial period 30 September 2020. In the financial year ended 31 March 2019, revenue of US$11,222,000 was derived from two external customers of real estate development segment in Myanmar.

Notes to the Financial Statements

43. SEGMENT INFORMATION (CONTINUED)

(b) Revenue from major products and services

Revenues from external customers are derived mainly from the automotive & heavy equipment segment, the sale of land development rights and development properties, the sale of food & beverages, the provision of project management, design, estate management and golf estate operator (collectively "real estate services"), the leasing of investment properties, the leasing of motor vehicles, finance lease income, logistic and distribution and agriculture activities. The breakdown of revenue is as follows:

	Group	
	30 September 2020 US$'000	31 March 2019 US$'000
Development properties	**40,134**	28,855
Land development rights	**136**	2,985
Automotive & heavy equipment	**32,923**	22,736
Real estate services	**5,764**	18,253
Food & beverages	**37,917**	14,569
Finance lease income	**3,006**	1,341
Leasing of motor vehicles	**7,690**	4,916
Leasing of investment properties	**8,005**	7,043
Logistic and distribution	**8,581**	–
Agricultural activities	**36**	–
	144,192	100,698

44. BUSINESS COMBINATION

30 September 2020

On 15 July 2019, the Group through its wholly-owned subsidiary corporations, Yoma Strategic Investments Ltd. and Yoma Nominee Limited, completed the acquisition of 50% of the issued shares of KOSPA Limited ("KOSPA") for a total consideration of US$5,108,000. KOSPA Limited, a Myanmar-based third-party logistics (3PL) company, is the premier provider of Myanmar logistics services, including transportation and distribution. KOSPA provides an end-to-end logistics solution for agricultural, pharmaceutical, fast-moving consumer goods, and other clients throughout Myanmar. KOSPA focuses on providing best practice in logistics management for temperature-sensitive and ambient products using the latest technology and time-tested quality standards.

31 March 2019

On 18 March 2019, the Group through its wholly-owned subsidiary corporations, Yoma F&B Pte. Ltd. and Popa Myanmar Company Limited, completed the acquisition of 65% and 60% of the issued shares of Yankin Kyay Oh Group of Companies Limited ("YKKO") and YKKO Trademarks Company Ltd ("Brandco") (collectively, the "YKKO Group"), respectively, for a total consideration of US$12,887,000. YKKO is one of Myanmar's largest restaurant chains with 37 outlets as at 31 March 2019 throughout the country and BrandCo is a company that holds the licenses to the intellectual property used by YKKO.

The acquisition of YKKO and Brandco is accounted for as a single business combination as both entities derived income from the same source, being the operations of YKKO restaurants, and both entities were acquired to achieve an overall commercial effect and purpose.

Notes to the Financial Statements

44. BUSINESS COMBINATION (CONTINUED)

The acquisition of KOSPA and YKKO Group is 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 of the purchase consideration over the fair value of the identifiable assets and liabilities, as goodwill.

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*

	30 September 2020 US$'000	31 March 2019 US$'000
Fair value of previously held interest (Note 19)	**3,264**	–
Cash payable/paid	**1,844**	12,887
Total purchase consideration	**5,108**	12,887

(b) *Effect on cash flows of the Group*

	30 September 2020 US$'000	31 March 2019 US$'000
Cash paid (as above)	**–**	12,887
Less: Cash and cash equivalents in subsidiary corporations acquired	**(4,344)**	(451)
Cash (inflow)/outflow on acquisition	**(4,344)**	12,436

Notes to the Financial Statements

44. BUSINESS COMBINATION (CONTINUED)

(c) Identifiable assets acquired and liabilities assumed

	30 September 2020 US$'000	31 March 2019 US$'000
Cash and cash equivalents	**4,344**	451
Property, plant and equipment (Note 23)	**8,555**[1]	6,032
Trade and other receivables	**1,697**	868
Trademark (included in intangible assets) [Note 26(d)]	**–**	1,766
Inventories	**–**	270
Investments in joint venture (Note 19)	**–**	84
Total assets	**14,596**	9,471
Trade and other payables	**(1,261)**	(609)
Lease liabilities	**(4,409)**	–
Current income tax liabilities [Note 9(b)]	**–**	(155)
Deferred income tax liabilities (Note 30)	**(222)**	(993)
Total liabilities	**(5,892)**	(1,757)
Total identifiable net assets	**8,704**	7,714
Less: Non-controlling interest measured at the non-controlling interest's proportionate share of net identifiable assets	**(4,352)**	(2,859)
Add: Goodwill [Note 26(e)]	**756**	8,032
Consideration transferred for the business	**5,108**	12,887

[1] Fair value of leasehold land and buildings included in property, plant and equipment of KOSPA is determined by an independent valuer based on depreciated replacement cost method.

(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$756,000 and US$8,032,000 arising from the acquisition is attributable to the synergies expected to arise from the future economic benefit from operating the KOSPA and YKKO business in Myanmar (i.e. the consumer segment) respectively.

Notes to the Financial Statements

44. BUSINESS COMBINATION (CONTINUED)

(f) Revenue and profit contribution

The acquired business contributed revenue of US$8,581,000 and net loss of US$763,000 to the Group from the period from 15 July 2019 to 30 September 2020. Had the KOSPA been consolidated from 1 April 2019, the Group's consolidated revenue and total loss for the financial period ended 30 September 2020 would have been US$145,996,000 and US$123,703,000 respectively.

The acquisition of the YKKO Group did not have any material impact on the Group's profit or loss for the period from 18 March 2019 to 31 March 2019. Had the YKKO Group been consolidated from 1 April 2018, the Group's consolidated revenue and total profit for the financial year ended 31 March 2019 would have been US$110,808,000 and US$43,126,000 respectively.

45. 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 January 2021 and which the Group has not early adopted.

Amendments to SFRS(I) 3 Business Combination : (effective for annual periods beginning on or after 1 January 2020).

The amendments provide new guidance on the assessment of whether an acquisition meets the definition of a business under SFRS(I) 3. To be considered a business, an acquisition would have to include an output and a substantive process that together significantly contribute to the ability to create outputs. A framework is introduced to evaluate when an input and substantive process are present. To be a business without outputs, there will now need to be an organised workforce.

The definition of the term 'outputs' is narrowed to focus on goods and services provided to customers, generating investment income and other income, and it excludes returns in the form of lower costs and other economic benefits.

It is also no longer necessary to assess whether market participants are capable of replacing missing elements or integrating the acquired activities and assets.

Entities can apply a concentration test' that, if met, eliminates the need for further assessment. Under this optional test, where substantially all of the fair value of gross assets acquired is concentrated in a single asset (or a group of similar assets), the assets acquired would not represent a business.

These amendments are applied to business combinations and asset acquisitions with acquisition date on or after 1 January 2020. Early application is permitted. The Group does not expect any significant impact arising from applying these amendments.

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 waver 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.

Notes to the Financial Statements

45. NEW ACCOUNTING STANDARDS AND INTERPRETATION (CONTINUED)

Amendments to SFRS(I) 1-16 Property, Plant and Equipment: Proceeds before Intended Use (effective for annual periods beginning on or after 1 January 2022)

The amendment to SFRS(I) 1-16 Property, Plant and Equipment (PPE) prohibits an entity from deducting from the cost of an item of PPE any proceeds received from selling items produced while the entity is preparing the asset for its intended use. It also clarifies that an entity is 'testing whether the asset is functioning properly' when it assesses the technical and physical performance of the asset. The financial performance of the asset is not relevant to this assessment.

Entities must disclose separately the amounts of proceeds and costs relating to items produced that are not an output of the entity's ordinary activities.

The Group does not expect any significant impact arising from applying these amendments.

Amendments to SFRS(I) 1-37 Provisions, Contingent Liabilities and Contingent Assets: Onerous Contracts – Cost of Fulfilling a Contract (effective for annual periods beginning on or after 1 January 2022)

An onerous contract is a contract in which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it. The unavoidable costs under a contract reflect the least net cost of exiting from the contract, which is the lower of the costs of fulfilling it and any compensation or penalties arising from failure to fulfil it. The amendment to SFRS(I) 1-37 clarifies that the direct costs of fulfilling a contract include both the incremental costs of fulfilling the contract and an allocation of other costs directly related to fulfilling contracts.

The Group does not expect any significant impact arising from applying these amendments.

Statistics of Shareholdings

As at 22 December 2020

No. of issued and fully-paid shares	:	2,237,469,260
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	1.84	3,930	0.00
100 - 1,000	457	5.97	258,399	0.01
1,001 - 10,000	2,562	33.49	16,726,296	0.75
10,001 - 1,000,000	4,447	58.11	281,555,204	12.58
1,000,001 & ABOVE	45	0.59	1,938,925,431	86.66
TOTAL	**7,652**	**100.00**	**2,237,469,260**	**100.00**

TWENTY LARGEST SHAREHOLDERS

(as shown in the Register of Members and Depository Agent)

		NO. OF SHARES	%
1	DBS NOMINEES PTE LTD	441,653,327	19.74
2	RAFFLES NOMINEES (PTE) LIMITED	363,283,836	16.24
3	VIP INSFRASTRUCTURE HOLDINGS PTE. LTD.	332,500,000	14.86
4	CITIBANK NOMINEES SINGAPORE PTE LTD	282,694,112	12.63
5	DBSN SERVICES PTE LTD	107,772,030	4.82
6	BPSS NOMINEES SINGAPORE (PTE.) LTD.	102,244,104	4.57
7	SERGE PUN @ THEIM WAI	100,063,025	4.47
8	HSBC (SINGAPORE) NOMINEES PTE LTD	33,128,652	1.48
9	PHILLIP SECURITIES PTE LTD	22,940,809	1.02
10	AAH INVESTMENT PTE LTD	19,000,000	0.85
11	MAYBANK KIM ENG SECURITIES PTE. LTD.	16,265,974	0.73
12	MORGAN STANLEY ASIA (S) SECURITIES PTE LTD	13,713,498	0.61
13	UOB KAY HIAN PTE LTD	12,450,506	0.56
14	CHONG YEAN FONG	10,131,000	0.45
15	UNITED OVERSEAS BANK NOMINEES PTE LTD	9,701,213	0.43
16	OCBC SECURITIES PRIVATE LTD	8,806,283	0.39
17	OCBC NOMINEES SINGAPORE PTE LTD	7,370,935	0.33
18	CGS-CIMB SECURITIES (SINGAPORE) PTE LTD	5,679,831	0.25
19	LIM AND TAN SECURITIES PTE LTD	5,298,516	0.24
20	SUMMIT NOMINEES SDN BHD	4,000,000	0.18
		1,898,697,651	**84.85**

Statistics of Shareholdings

As at 22 December 2020

SUBSTANTIAL SHAREHOLDERS

(as shown in the Register of Substantial Shareholders)

Based on the Register of Substantial Shareholders maintained by the Company as at 22 December 2020, the direct and deemed interests of each Substantial Shareholder are as follows:-

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 @ Theim Wai	426,636,358[2]	19.06	202,896,790[3]	9.07
Mr. Fernando Miranda Zobel de Ayala ("**Mr. Fernando Ayala**") [4]	–	–	332,500,000	14.86
Mr. Jaime Augusto Zobel de Ayala[4]	–	–	332,500,000	14.86
Mermac Inc. [4]	–	–	332,500,000	14.86
Ayala Corporation[4]	–	–	332,500,000	14.86
Bestfull Holdings Limited[4]	–	–	332,500,000	14.86
AG Holdings Limited[4]	–	–	332,500,000	14.86
VIP Infrastructure Holdings Pte. Ltd[4]	332,500,000	14.86	–	–
Standard Life Aberdeen PLC [5]	–	–	156,140,360	6.98
Aberdeen Asset Management PLC[5]	–	–	156,140,360	6.98
Aberdeen Standard Investments (Asia) Limited[5]	–	–	156,140,360	6.98
Eaton Vance Corp.[6]	–	–	141,693,165	6.33
Eaton Vance Management[6]	–	–	141,693,165	6.33
Boston Management and Research[6]	–	–	134,898,299	6.03

Notes:-

(1) Percentage calculated based on the total number of issued Shares as at 22 December 2020, comprising 2,237,469,260 Shares.

(2) 326,573,333 Shares are held through nominee companies.

(3) Mr. Serge Pun is deemed interested in (a) 896,790 Shares held by Pun Holdings Pte. Ltd.; and (b) 202,000,000 Shares held by Pun Holdings Investments Limited. Pun Holdings Pte. Ltd. is 100% owned by Mr. Serge Pun and Pun Holdings Investments Limited is a 100% subsidiary of Pun Holdings Pte. Ltd.

(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 47.28% interest in AC. Mr. Jaime Augusto Zobel de Ayala holds a 30.25% interest in MI and Mr. Fernando Ayala holds a 30.25% interest in MI and thus, both have deemed interests in the Shares of the Company held by VIP.

(5) Standard Life Aberdeen PLC ("**SLA PLC**") is the parent company of Aberdeen Asset Management PLC ("**AAMPLC**"). Aberdeen Standard Investments (Asia) Limited ("**ASIAL**") is a wholly owned subsidiary of AAMPLC. ASIAL acts as an investment manager for various clients/funds and has the power to exercise, or control the exercise of, a right to vote attached to the securities and has the power to dispose of, or control the disposal of, the securities. The registered holder(s) of the securities is the client's or fund's custodian. SLA PLC is able to exercise or control the exercise of 5.8287% of the total votes attached to the Shares in the Company.

(6) Eaton Vance Corp. ("**EVC**") is the parent company of multiple fund managers, including Eaton Vance Management ("**EVM**") and Boston Management and Research ("**BMR**"). EVM is a wholly owned subsidiary of EVC. BMR is a 99.9% owned subsidiary of EVM. EVM and BMR are managers of certain funds that own in the aggregate more than 5% of the securities of the Company. EVC, through the funds managed by its subsidiaries, has the power to exercise, or control the exercise of, a right to vote attached to the securities and has the power to dispose of, or control the disposal of, the securities.

Based on the information available to the Company as at 22 December 2020, approximately 42.66% 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 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 by way of electronic means on Friday, 29 January 2021 at 10.00 a.m. (Singapore time) 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 30 September 2020 together with the Independent Auditor's Report thereon.

   (Resolution 1)

2. To approve the payment of Directors' fees of up to S$160,000 payable by the Company for the 6-month period from 1 April 2020 to 30 September 2020.

   (Resolution 2)

3. To approve the payment of Directors' fees of up to S$400,000 payable by the Company for the financial year ending 30 September 2021.

   (Resolution 3)

4. To approve the award of ordinary shares of the Company (the "**PSP Shares**") under the Yoma Performance Share Plan (the "**Yoma PSP**") to the following Non-Executive Independent Directors, and the Directors be and are hereby authorised to issue and allot the PSP Shares, to the account of:-

   (a) Mr. Chan Pengee Adrian in respect of 250,000 PSP Shares;
   (b) Ms. Wong Su Yen in respect of 250,000 PSP Shares;
   (c) Dato Timothy Ong Teck Mong in respect of 250,000 PSP Shares;
   (d) Mr. Thia Peng Heok George in respect of 250,000 PSP Shares; and
   (e) Professor Annie Koh in respect of 250,000 PSP Shares, and

   any Director and/or the Company Secretary be authorised to do all things necessary or desirable to give effect to the above.
   (See Explanatory Note 1) **(Resolution 4)**

5. To re-elect Mr. Serge Pun @ Theim Wai 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 2) **(Resolution 5)**

6. To re-elect Mr. Pun Chi Yam Cyrus 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 3) **(Resolution 6)**

7. 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 4)* **(Resolution 7)**

8. To re-elect Mr. Fernando Miranda 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 5)* **(Resolution 8)**

9. To re-elect Professor Annie Koh 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 herself for re-election.
   (*See Explanatory Note 6)* **(Resolution 9)**

10. To re-appoint Nexia TS Public Accounting Corporation as Independent Auditor of the Company for the financial year ending 30 September 2021 and to authorise the Directors to fix their remuneration.

(Resolution 10)

B. SPECIAL BUSINESS

To consider and if thought fit, to pass the following Ordinary Resolutions, with or without any modifications:

11. That pursuant to Section 161 of the Companies Act (Cap. 50) and the rules, guidelines and measures issued by the Singapore Exchange Securities Trading Limited (the "**SGX-ST**"), the Directors be and are hereby authorised and empowered to issue:

(i) shares in the capital of the Company ("**shares**"); or

(ii) convertible securities; or

(iii) additional convertible securities issued pursuant to adjustments; or

(iv) shares arising from the conversion of the securities in (ii) and (iii) above,

(whether by way of rights, bonus or otherwise or in pursuance of any offer, agreement or option made or granted by the Directors during the continuance of this authority or thereafter) 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 (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 convertible securities 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 convertible securities 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) (where applicable) 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 of the SGX-ST (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 7) **(Resolution 11)**

12. That pursuant to Section 161 of the Companies Act (Cap. 50), 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 approval 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 new shares to be issued pursuant to YSH ESOS 2012 when aggregated with the aggregate number of shares which may be awarded 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 8) **(Resolution 12)**

13. That pursuant to Section 161 of the Companies Act (Cap. 50), the Directors of the Company be and are hereby authorised 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 provided that the aggregate number of shares to be allotted and issued 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 8) **(Resolution 13)**

14. That for the purposes of Chapter 9 of the Listing Manual:

    (i) approval be and is hereby given for the Company and its subsidiary companies (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 Company's addendum to shareholders dated 13 January 2021 (the "**Addendum**"), 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 "**Shareholders' Mandate**");

    (ii) the Shareholders' 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;

    (iii) 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 procedures 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

    (iv) the Directors 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 Shareholders' Mandate and/or this Resolution.

    (See Explanatory Note 9) **(Resolution 14)**

To transact such other business which can be transacted at the Annual General Meeting of the Company.

Notice of Annual General Meeting

BY ORDER OF THE BOARD

Loo Hwee Fang
Lun Chee Leong
Joint Company Secretaries

Singapore
13 January 2021

EXPLANATORY NOTES:-

1. Ordinary Resolution 4 proposed above will authorise the Directors to issue ordinary shares of the Company to the Non-Executive Independent Directors pursuant to the Yoma PSP which was approved by shareholders on 27 July 2015. The awards will consist of the grant of fully-paid shares with no performance conditions attached but with vesting periods imposed and will be released in three (3) tranches. The awards will only be granted upon approval by the shareholders at the Annual General Meeting.

2. Mr. Serge Pun @ Theim Wai, the Executive Chairman, when re-elected, will be considered an Executive Director.

3. Mr. Pun Chi Yam Cyrus, when re-elected, will be considered a Non-Executive Non-Independent Director.

4. Ms. Wong Su Yen, when re-elected, will be considered a Non-Executive Independent Director for the purpose of Rule 704 (8) of Listing Manual. She will remain as a member of the Audit and Risk Management Committee and the Chairman of the Remuneration Committee.

5. Mr. Fernando Miranda Zobel de Ayala, when re-elected, will be considered a Non-Executive Non-Independent Director. The appointment of Mr. Paolo Maximo Francisco Borromeo as the Alternate Director to Mr. Fernando Miranda Zobel de Ayala shall continue upon re-election of Mr. Fernando Miranda Zobel de Ayala as a Director of the Company.

6. Professor Annie Koh, when re-elected, will be considered a Non-Executive Independent Director.

7. Ordinary Resolution 11 proposed above, if passed, will empower the Directors, from the date of the above Annual General Meeting until the next Annual General Meeting, to issue shares in the capital of the Company and to make or grant convertible securities, and to issue shares in pursuance of such convertible securities, 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.

8. Ordinary Resolutions 12 and 13 proposed above, if passed, will authorise the Directors to (a) offer and grant options and to issue and allot shares pursuant to the exercise of options under the YSH ESOS 2012; and (b) to grant awards under the Yoma PSP and to issue and allot shares pursuant to the release of such awards 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.

9. Ordinary Resolution 14 proposed above, if passed, will renew the existing Shareholders' Mandate (as defined in the Addendum) that was approved by shareholders on 24 July 2019. If passed, the Shareholders' 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 to do all acts necessary to give effect to the Shareholders' Mandate.

Notice of Annual General Meeting

MEETING NOTES

General

1. The annual general meeting of the Company (the "**AGM**") is being convened, and will be held, by way of 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, and as amended by COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) (Amendment No. 2) Order 2020. Printed copies of this Notice will not be sent to members. Instead, this Notice will be sent to members by electronic means via publication on the Company's corporate website at URL https://www.yomastrategic.com/. This Notice will also be made available on the SGX website at URL https://www.sgx.com/securities/company-announcements. The Notice will not be advertised in the national newspaper.

2. To minimise physical interactions and COVID-19 transmission risks, a member of the Company will not be able to attend the AGM in person. Alternative arrangements are instead put in place to allow shareholders to participate in the AGM by:

   (a) watching and/or listening to the AGM proceedings via a Live Webcast (as defined below). Shareholders who wish to participate as such will have to pre-register in the manner outlined in Note 3 below;

   (b) submitting questions ahead of the AGM. Please refer to Notes 7 to 8 below for further details; and

   (c) voting by proxy at the AGM. Please refer to Notes 9 to 16 below for further details.

Participation in the AGM via live webcast or live audio feed

3. A shareholder of the Company or their corporate representatives (in the case of a member which is a legal entity) will be able to watch and/or listen to the proceedings of the AGM through a "live" audio-visual webcast via mobile phone, tablet or computer or through a "live" audio-only stream via mobile phone ("**Live Webcast**"). In order to do so, the member must pre-register by 10.00 a.m. on 26 January 2021 ("**Registration Deadline**"), at the Company's pre-registration website at URL https://online.meetings.vision/yoma-agm-registration.

4. Following authentication of his/her/its status as a shareholder of the Company, such shareholder will receive an email on their authentication status and will be able to access the Live Webcast using the account created.

5. Shareholders who have registered by the Registration Deadline in accordance with Note 3 above but do not receive an email response by 5.00 p.m. on 27 January 2021 may contact the Company for assistance at the following email address: info@yoma.com.mm, with the following details included: (1) the member's full name; and (2) his/her/its identification/ registration number.

6. Non-SRS holders whose shares are registered under Depository Agents ("**DAs**") must also contact their respective DAs to indicate their interest in order for their respective DAs to make the necessary arrangements for them to participate in the Live Webcast of the AGM proceeding.

Submission of questions prior to the AGM

7. A shareholder of the Company may also submit questions relating to the resolutions to be tabled for approval at the AGM. Please note that shareholders will not be able to ask questions at the AGM "live" during the Live Webcast. The Company shall address relevant and substantial questions (as may be determined by the Company in its sole discretion) prior to, or at, the AGM. The Company will publish the minutes of the AGM on SGXNET and the Company's corporate website within one month after the date of AGM.

8. To do so, all questions must be submitted no later than the Registration Deadline either (i) via electronic means to the Company, through the Company's pre-registration website at URL https://online.meetings.vision/yoma-agm-registration; or (ii) by post lodged with the Company's Registered Office, at 63 Mohamed Sultan Road, #02-14 Sultan-Link, Singapore 239002; or (iii) by email to info@yoma.com.mm.

Proxy Voting

9. Shareholders may only exercise their voting rights at the AGM via proxy voting. The accompanying proxy form for the AGM may be accessed via (i) the pre-registration website at URL https://online.meetings.vision/yoma-agm-registration; or (ii) the Company's corporate website at URL https://www.yomastrategic.com/, and will also be made available on the SGX website at URL https://www.sgx.com/securities/companyannouncements.

10. Shareholders (including Relevant Intermediaries*) who wish to vote on any or all of the resolutions at the AGM must submit a proxy form to appoint the Chairman of the Meeting as their proxy to do so on their behalf.

    * *Relevant Intermediary(ies) has the meaning ascribed to it in Section 181 of the Companies Act, (Cap 50).*

11. The instrument appointing the Chairman of the Meeting as proxy must be submitted to the Company in the following manner: (a) if submitted by post, be lodged at the office of the Company at 63 Mohamed Sultan Road, #02-14 Sultan-Link, Singapore 239002; or (b) if submitted electronically, be submitted via (i) the Company's pre-registration website at URL https://online.meetings.vision/yoma-agm-registration; or (ii) by email to the Company at info@yoma.com.mm, in either case by no later than 10.00 a.m. on 27 January 2021, being 48 hours before the time appointed for the AGM. A member who wishes to submit an instrument of proxy must first download, 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. **In view of the current COVID-19 situation, members are strongly encouraged to submit completed proxy forms electronically.**

12. The instrument appointing the Chairman of the Meeting as proxy must be under the hand of the appointor or on his/her attorney duly authorised in writing. Where the instrument appointing the Chairman of the Meeting as proxy is executed by a corporation, it must be executed either under its common seal or signed on its behalf by its attorney duly authorised in writing or by an authorised officer of the corporation, failing which the instrument of proxy may be treated as invalid.

13. CPF and SRS Investors who wish to vote should approach their respective CPF Agent Banks or SRS Operators to submit their votes at least seven (7) working days before the AGM (i.e. by 10.00 a.m. on 19 January 2021) in order to allow sufficient time for their respective CPF Agent Banks or SRS Operators to in turn submit a proxy form to appoint the Chairman of the Meeting to vote on their behalf by the cut-off date.

14. The Chairman of the Meeting, as proxy, need not be a member of the Company.

15. A Depositor's name must appear on the Depository Register maintained by The Central Depositor (Pte) Limited as at 72 hours before the time fixed for holding the AGM in order for the Depositor to be entitled to vote at the AGM.

16. Please note that shareholders will not be able to vote through the Live Webcast and can only vote via their proxy forms which are required to be submitted in accordance with the foregoing paragraphs.

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, 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.

Disclosure information on Directors seeking re-election

Name of Persons	Serge Pun @ Theim Wai ("Mr. Serge Pun")	Pun Chi Yam Cyrus ("Mr. Cyrus Pun")	Wong Su Yen ("Ms. Wong")
Age	67	41	50
Country of principal residence	Myanmar	Myanmar	Singapore
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	The re-election of Mr. Serge Pun as the Executive Chairman was recommended by the Nominating and Governance Committee and the Board has accepted the recommendation, after taking into consideration Mr. Serge Pun's qualifications, expertise, past experiences and overall contribution since he was appointed the Executive Chairman of the Company.	The re-election of Mr. Cyrus Pun as a 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. Cyrus Pun's qualifications, expertise, past experiences and overall contribution since he was appointed the Non-Executive Non-Independent Director of the Company.	The re-election of Ms. Wong as a Non-Executive 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 the Non-Executive Independent Director of the Company.
Whether appointment is executive, and if so, the area of responsibility	Executive	Non-Executive	Non-Executive
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Executive Chairman	Non-Executive Non-Independent Director	Non-Executive Independent Director
Working experience and occupation(s) during the past 10 years	• 1983 - Present Executive Chairman of Serge Pun & Associates Myanmar Limited • 1991 - Present Executive Chairman of Serge Pun & Associates (Myanmar) Limited • 1992 - Present Executive Chairman of First Myanmar Investment Public Company Limited • 2006 - Present Executive Chairman of Yoma Strategic Holdings Ltd.	• 1 February - Present Chief Executive Officer and Executive Director of Memories Group Limited • 2012 – 31 January 2019 Executive Director and Head of Real Estate of Yoma Strategic Holdings Ltd. • 2007 - 2012 Director, Development and Project Coordinator of SPA (Dalian) Development Co., Ltd., China (a subsidiary of Yoma Strategic Holdings Ltd.)	• 2010-2015 Chairman Singapore, Marsh & McLennan Companies • 2015 - 2017 CEO, Human Capital Leadership Institute • 2018 - present CEO, Bronze Phoenix Pte Ltd
Shareholding interest in the listed issuer and its subsidiaries	Direct interest: 628,636,358 shares Deemed interest: 896,790 shares	880,000 shares	150,000 shares
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	A substantial shareholder of the Company. Father of Mr. Pun Chi Tung Melvyn, Chief Executive Officer and Executive Director, and Mr. Pun Chi Yam Cyrus, Non-Executive Non-Independent Director, of the Company.	Son of Mr. Serge Pun, Executive Chairman and a substantial shareholder of the Company.	–

Disclosure information on Directors seeking re-election

Name of Persons	Serge Pun @ Theim Wai ("Mr. Serge Pun")	Pun Chi Yam Cyrus ("Mr. Cyrus Pun")	Wong Su Yen ("Ms. Wong")
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#			
Past (for the last 5 years)	• Access Myanmar Distribution Company Limited • Asian Tower Holdings Pte. Limited • Delight Result Limited • Eastern Safaris Pte Ltd • Edotco Investments Singapore Pte. Ltd. • Glory Merit Investments Ltd. • Jebsen & Jessen (South East Asia) Pte Ltd • JJ-Pun Trading Company Limited • Myanmar Coffee Company Pte. Ltd. • Pandaw Myanmar Company Limited • Pridetop Ltd. • Pun Hlaing International Hospital Limited • SGG Motor Services Limited • Tol & SPA Design Pte. Ltd. • Vehicle Lease Management Limited • Yoma Leasing Company Limited • Yoma Siloam Hospital Pun Hlaing Limited • Yoma Telecom Company Limited	• Genlab Holdings Pte. Ltd. • Meeyahta Development Limited • Peninsula Yangon Holdings Pte. Limited • Peninsula Yangon Limited • Thanlyin Estate Development (Singapore) Pte. Ltd. • Yoma Development Group Pte. Ltd. • Yoma Strategic Investments Ltd.	• CEO, Human Capital Leadership Institute • Chairman Singapore, Marsh & McLennan Companies

Disclosure information on Directors seeking re-election

Name of Persons	Serge Pun @ Theim Wai ("Mr. Serge Pun")	Pun Chi Yam Cyrus ("Mr. Cyrus Pun")	Wong Su Yen ("Ms. Wong")
Present	• Yoma Strategic Holdings Ltd. • Memories Group Limited • First Myanmar Investment Public Company Limited • Myanmar Thilawa SEZ Holdings Public Co. Ltd. • Chindwin Holdings Pte. Ltd. • Chindwin Bagan Company Limited • Chindwin Pindaya Company Limited • Elite Matrix International Limited • Lion Century Properties Limited • MC-Jalux Airport Services Company Limited • Meeyahta Development Limited • Meeyahta International Hotel Limited • Myfood Industries Myanmar Company Limited • Peninsula Yangon Holdings Pte. Limited • Peninsula Yangon Limited • Plantation Resources Pte. Ltd. • SPA Design Pte. Ltd. • SPA Project Management Pte. Ltd. • SPA Design & Project Services Limited • Star City International School Company Limited • Summit Brands Restaurant Group Company Limited • Thanlyin Estate Development Limited • Wayville Investments Limited • Wyndale International Limited • XunXiang (Dalian) Enterprise Co., Ltd. • Yoma Agriculture Company Limited • Yoma Development Group Limited • Yoma Development Group Pte. Ltd. • Yoma Fleet Limited	• Yoma Strategic Holdings Ltd. • Memories Group Limited • BYMA Myanmar Limited • BYMA Pte. Ltd. • MC Elevator (Myanmar) Limited • Meeyahta International Hotel Limited • XunXiang (Dalian) Enterprise Co., Ltd • China Band Investments Limited • JJ-Pun (S) Pte. Ltd. • JJ-Pun Tiostone Company Limited • New Business Holdings Limited • Next Lead Holdings Limited • Pinnacle Trade Holdings Limited • Pun Holdings Investments Limited • Pun Holdings Pte. Ltd. • Rich Terrain Investments Limited • Serge Pun & Associates (Myanmar) Limited • Vanson Development Limited • Asia Holidays Travels & Tours Company Limited • Burma Boating Pte. Ltd. • Burma Boating Company Limited • Chindwin Investments Limited • Hpa An Traditional Lodge Limited • Keinara Loikaw Company Limited • Memories Myanmar International Travel Service (Dalian) Co., Ltd • Memories Myanmar F&B Management Company Limited • Memories Myanmar Hotel Management Company Limited • MM (BL) Pte. Ltd. • MM (BOB) Pte. Ltd. • MM (DMC) Pte. Ltd. • MM (HAL) Pte. Ltd.	• Yoma Strategic Holdings Ltd. • CSE Global Ltd • First Resources Ltd • Nera Teelcommunications Ltd • Kemin Industries, Inc. • PeopleStrong HR Services Pvt. Ltd. • PeopleStrong Pte Ltd • Bronze Phoenix Pte Ltd • NTUC First Campus • Fermin Diez & Associates • CPA Australia Ltd • The Teng Ensemble Ltd • National Kidney Foundation • Linfield College • Singapore Institute of Directors

Disclosure information on Directors seeking re-election

Name of Persons	Serge Pun @ Theim Wai ("Mr. Serge Pun")	Pun Chi Yam Cyrus ("Mr. Cyrus Pun")	Wong Su Yen ("Ms. Wong")
	• Yoma Nominee Limited • Yoma Strategic Investments Ltd. • Yoma Venture Company Limited • YL Holdings (Myanmar) Company Limited • 7-Focus Investment Limited • Allied Win Group Ltd. • Billionmate Limited • Brilliant Vision Ltd. • Brother's Investment Limited • China Band Investments Limited • Classic Delight Holdings Limited • Craneforth Ltd. • Emerald Lion Ltd. • FMI Air Limited • F.M.I Syndication Limited • F.M.I Garden Development Limited • FMI Riverside Development Limited • Good Advice Service Limited • Hlaing River Golf And Country Club Company Limited • JJ-Pun Limited • JJ-Pun (S) Pte. Ltd. • Kawthaung Hill Investment Limited • Kawthaung Water Investment Company Limited • Le Planteur Company Limited • Le Planteur Inya Lake Company Limited • Mount Davis Properties Limited	• MM (PHL) Pte. Ltd. • MM Myanmar Pte. Ltd. • Mokan (S) Pte. Ltd. • Mokan Cruises Limited • Mokan International Company Limited • Pun Hlaing Lodge Hotel Management Limited • Riverside Bagan Limited • Shwe Lay Ta Gun Travels & Tours Company Limited • SM Asset Holdings Pte. Ltd. • SM Mawlamyaing Pte. Ltd. • Southern Myanmar Capital Limited • SM Mawlamyaing Hotel Limited • Traditional Lodge Hotel Company Limited • Mergui International Co., Ltd. • Mergui Memories International Co., Ltd. • Memories Myanmar Travel Limited • Rokon Group Limited • Myanmar Hong Kong Chamber of Commerce and Industry Incorporated	

Disclosure information on Directors seeking re-election

Name of Persons	Serge Pun @ Theim Wai ("Mr. Serge Pun")	Pun Chi Yam Cyrus ("Mr. Cyrus Pun")	Wong Su Yen ("Ms. Wong")
	• Myanmar Agri-Tech Limited • Myanmar Outlook Investment Company Limited • New Business Holdings Limited • Next Lead Holdings Limited • Pinnacle Trade Holdings Limited • Power East Investments Limited • SBA Company Limited • SPA Aviation Holdings Limited • Prime Estate Developments Ltd. • Pun Holdings Investments Ltd. • Pun Holdings Pte. Ltd. • Pun Plus Projects Limited • Pun Hlaing Capital Company Limited • Pun Hlaing Links Services Company Limited • Rich Terrain Investments Ltd. • Serge Pun & Associates (Hong Kong) Limited • Serge Pun & Associates (Myanmar) Limited • Serge Pun & Associates Investment Company Limited • Serge Pun and Associates Limited • Silverfair Development Limited • Slatford Company Limited • SPA Assets Management Limited • SPA International Ltd. • SPA Management Consultants Ltd. • SPA Project Management (Hong Kong) Limited • SPA Syndication Management Limited		

Disclosure information on Directors seeking re-election

Name of Persons	Serge Pun @ Theim Wai ("Mr. Serge Pun")	Pun Chi Yam Cyrus ("Mr. Cyrus Pun")	Wong Su Yen ("Ms. Wong")
	• SPAL (Nominees) Limited • SPAL Management Limited • Superpart Ltd. • Top Luck Capital Investment Limited • Vanson Development Limited • Vasting Limited • Village Gardens (Management) Limited • Yangon Nominees Limited • Yangon Land Company Limited • YGL Investment Company Limited • Yoma Myittar Development Company Limited • FMI Industrial Investment Company Limited • FMI Development Group Limited • Taunggyi Hospital Asset Limited • Yoma Bank Limited • Yoma Myittar Development Company Limited • Pun Hlaing Siloam (Taunggyi) Hospital Limited • FMI Pearl City Development Limited • Myanmar Agri-Tech Carbon Capital Ltd • Myanmar Dairy Nutrition Company Limited • Myanmar Milk Farm Company Limited • Yoma Thitsar Commercial Company Limited • Burma Boating Pte. Ltd. • Burma Boating Company Limited • Chindwin Investments Limited		

Disclosure information on Directors seeking re-election

Name of Persons	Serge Pun @ Theim Wai ("Mr. Serge Pun")	Pun Chi Yam Cyrus ("Mr. Cyrus Pun")	Wong Su Yen ("Ms. Wong")
	• MM (BL) Pte. Ltd. • MM (BOB) Pte. Ltd. • MM (DMC) Pte. Ltd. • MM (HAL) Pte. Ltd. • MM (PHL) Pte. Ltd. • MM Myanmar Pte. Ltd. • Mokan (S) Pte. Ltd. • Pun Hlaing Lodge Hotel Management Limited • Shwe Lay Ta Gun Travels &Tours Company Limited • SM Asset Holdings Pte. Ltd • SMM Mawlamyaing Pte. Ltd. • Traditional Lodge Hotel Company Limited • New Yangon Development Company Limited • FMI Air Leasing Company Pte. Ltd. (f.k.a. – Hasdeen Pte. Ltd.)		
Disclosures as set out in paragraphs (a) to (k) of the Appendix 7.4.1 of the Listing Manual :			
(a) Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No	No	No

Disclosure information on Directors seeking re-election

Name of Persons	Serge Pun @ Theim Wai ("Mr. Serge Pun")	Pun Chi Yam Cyrus ("Mr. Cyrus Pun")	Wong Su Yen ("Ms. Wong")
(b) Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No	No	No
(c) Whether there is any unsatisfied judgment against him?	No	No	No
(d) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No	No	No

Disclosure information on Directors seeking re-election

Name of Persons	Serge Pun @ Theim Wai ("Mr. Serge Pun")	Pun Chi Yam Cyrus ("Mr. Cyrus Pun")	Wong Su Yen ("Ms. Wong")
(e) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No	No	No
(f) Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No	No	No
(g) Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No	No	No

Disclosure information on Directors seeking re-election

Name of Persons	Serge Pun @ Theim Wai ("Mr. Serge Pun")	Pun Chi Yam Cyrus ("Mr. Cyrus Pun")	Wong Su Yen ("Ms. Wong")
(h) Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No	No	No
(i) Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No	No	No
(j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:			
(i) any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or	Please refer to the Circular of SHC Capital Asia Limited (nka Memories Group Limited) dated 20 November 2017 (http://www.sgx.com) in relation to a public censure issued by the Committee on Takeovers and Mergers of Hong Kong SAR and the Listing Committee of Hong Kong Stock Exchange (the "Disclosure in RTO Circular").	No	No
(ii) any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or	No	No	No

Disclosure information on Directors seeking re-election

Name of Persons	Serge Pun @ Theim Wai ("Mr. Serge Pun")	Pun Chi Yam Cyrus ("Mr. Cyrus Pun")	Wong Su Yen ("Ms. Wong")
(iii) any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or	No	No	No
(iv) any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?	Please refer to the Disclosure in RTO Circular.	No	No
(k) Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	Please refer to the Disclosure in RTO Circular.	No	No
Key information on these directors, including their dates of first appointment, dates of last re-election, academic/ professional qualification and principal commitment, can be found in the "Board of Directors" section and "Corporate Information" section in the Company's Annual Report 2020.			

Disclosure information on Directors seeking re-election

Name of Persons	Fernando Miranda Zobel de Ayala ("Mr. Fernando")	Professor Annie Koh ("Professor Annie")
Age	60	67
Country of principal residence	Philippines	Singapore
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	The re-election of Mr. Fernando 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. Fernando's qualifications, expertise, past experiences and overall contribution since he was appointed as a Director of the Company.	The re-election of Professor Annie as the Non-Executive Independent Director was recommended by the Nominating and Governance Committee and the Board has accepted the recommendation, after taking into consideration Professor Annie's qualifications, expertise, past experiences and overall contribution since she was appointed as a Director of the Company.
Whether appointment is executive, and if so, the area of responsibility	Non-Executive	Non-Executive
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Non-Executive Non-Independent Director	Non-Executive Independent Director

Disclosure information on Directors seeking re-election

Name of Persons	Fernando Miranda Zobel de Ayala ("Mr. Fernando")	Professor Annie Koh ("Professor Annie")
Working experience and occupation(s) during the past 10 years	Apart from being the President, Chief Operating Officer and Director of Ayala, Mr. Fernando Zobel de Ayala holds the following positions in Philippine-publicly listed companies: Chairman of Ayala Land, Inc., Manila Water Company, Inc., and AC Energy Philippines, Inc.; and Director of Bank of the Philippine Islands, Globe Telecom, Inc. and Integrated Micro-Electronics, Inc.; and Independent Director of Pilipinas Shell Petroleum Corporation. He is the Chairman of AC International Finance Limited, ALI Eton Property Development Corporation, Liontide Holdings, Inc., AC Energy, Inc., Ayala Healthcare Holdings, Inc., Automobile Central Enterprise, Inc., Alabang Commercial Corporation, Accendo Commercial Corp. and Hero Foundation, Inc.; Co-Chairman of Ayala Foundation, Inc. and Ayala Group Club, Inc.; Vice-Chairman of AC Industrial Technology Holdings, Inc., Aurora Properties Incorporated, Vesta Property Holdings, Inc., Ceci Realty Inc., Fort Bonifacio Development Corporation, Bonifacio Land Corporation, Emerging City Holdings, Inc., Columbus Holdings, Inc., Berkshires Holdings, Inc., AKL Properties, Inc., AC Ventures Holdings Corp., and Bonifacio Art Foundation, Inc.; Director of LiveIt Investments, Ltd., AG Holdings Ltd., AC Infrastructure Holdings Corporation, Asiacom Philippines, Inc., Ayala Retirement Fund Holdings, Inc., Honda Cars Philippines, Inc., Isuzu Philippines Corporation, and Manila Peninsula; Member of the Board of INSEAD and Georgetown University; Member of the International Advisory Board of Tikehau Capital; Vice Chairman of the Philippine-Singapore Business Council, member of the World Presidents' Organization and Chief Executives Organization; Chairman of Habitat for Humanity International's Asia-Pacific Capital Campaign Steering Committee; and Member of the Board of Trustees of Caritas Manila, Pilipinas Shell Foundation, and the National Museum.	• From 1990 to 2000 National University of Singapore, Kent Ridge (Assistant Professor to Associate Professor) • From 2000 to Current Singapore Management University, Victoria Street (Vice President of Business Development, V3 Group Professor of Family Entrepreneurship and Practice Professor of Finance)

Disclosure information on Directors seeking re-election

Name of Persons	Fernando Miranda Zobel de Ayala ("Mr. Fernando")	Professor Annie Koh ("Professor Annie")
Shareholding interest in the listed issuer and its subsidiaries	Deemed interest: 332,500,000 shares	–
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	A substantial shareholder of the Company.	–
Conflict of interest (including any competing business)	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
Other Principal Commitments* Including Directorships#		
Past (for the last 5 years)	Livelt Investments Ltd.	• Government Technology Agency of Singapore (Board Member) • Central Provident Fund Singapore (Board Member) • Health Management International Ltd (Lead Independent Director) • K1 Ventures Limited (Non-Executive Independent Director)
Present	• Yoma Strategic Holdings Ltd. • Ayala Corporation • AC Energy Inc. • AC Energy Philippines, Inc. • AC Infrastructure Holdings Corporation • Accendo Commercial Corporation • AKL Properties Inc • Alabang Commercial Corporation • Asiacom Philippines, Inc. • Automobile Central Enterprises, Inc. • AC Industrial Technology Holdings Inc. • Liontide Holdings, Inc. (formerly Ayala DBS Holdings, Inc.) • Ayala Foundation, Inc. • Ayala Group Club, Inc. • Ayala Retirement Fund Holdings, Inc. • AC International Finance Limited • AG Holdings Limited • Ayala Healthcare Holdings, Inc. • Ayala International Holdings Limited	• Yoma Strategic Holdings Ltd. • Prudential Assurance Company Singapore (Pte) Ltd • KBS US Prime Property Management Pte. Ltd • AMTD International Inc. • AMTD Digital Inc. • PBA International Pte. Ltd.

Disclosure information on Directors seeking re-election

Name of Persons	Fernando Miranda Zobel de Ayala ("Mr. Fernando")	Professor Annie Koh ("Professor Annie")
	• Ayala International Pte Ltd • AC Ventures Holding Corp. • Ayala Land, Inc. • ALI ETON Property Development Corporation • Bank of the Philippine Islands • BPI Asset Management and Trust Corporation • BPI Foundation Inc. • Ceci Realty, Inc. • Globe Telecom, Inc. • Hero Foundation, Inc. • Honda Cars Philippines, Inc. • Integrated Micro-Electronics, Inc. • Isuzu Philippines Corp. • LiveIt Investments, Ltd. • Manila Water Company, Inc. • Mermac, Inc. • Sonoma Services, Inc. • Columbus Holdings, Inc. • Emerging City Holdings, Inc. • Fort Bonifacio Development Corporation • Bonifacio Land Corporation • Bonifacio Art Foundation, Inc. • Berkshires Holdings, Inc. • Caritas Manila • The Manila Peninsula • Habitat for Humanity Asia Pacific Capital Campaign • INSEAD Business School • Pilipinas Shell Petroleum Corporation • Pilipinas Shell Foundation, Inc. • National Museum • The Asia Society • Asia Philanthropy Circle • The Metropolitan Museum • The Tate Museum • World Presidents Organization/Young Presidents Organization • Chief Executives Organization • Philippine-Singapore Business Club • Georgetown University • Hispanic Society Museum & Library	

Disclosure information on Directors seeking re-election

Name of Persons	Fernando Miranda Zobel de Ayala ("Mr. Fernando")	Professor Annie Koh ("Professor Annie")
Disclosures as set out in paragraphs (a) to (k) of the Appendix 7.4.1 of the Listing Manual :		
(a) Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No	No
(b) Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No	No
(c) Whether there is any unsatisfied judgment against him?	No	No
(d) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No	No

Disclosure information on Directors seeking re-election

Name of Persons	Fernando Miranda Zobel de Ayala ("Mr. Fernando")	Professor Annie Koh ("Professor Annie")
(e) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No	No
(f) Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No	No
(g) Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No	No
(h) Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No	No

Disclosure information on Directors seeking re-election

Name of Persons			Fernando Miranda Zobel de Ayala ("Mr. Fernando")	Professor Annie Koh ("Professor Annie")
(i)	Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?		No	No
(j)	Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:			
	(i)	any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or	No	No
	(ii)	any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or	No	No
	(iii)	any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or	No	No
	(iv)	any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?	No	No

Disclosure information on Directors seeking re-election

<table>
<tr><td colspan="2">Name of Persons</td><td>Fernando Miranda Zobel de Ayala
("Mr. Fernando")</td><td>Professor Annie Koh
("Professor Annie")</td></tr>
<tr><td>(k)</td><td>Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?</td><td>No</td><td>No</td></tr>
<tr><td colspan="4">Key information on these directors, including their dates of first appointment, dates of last re-election, academic/ professional qualification and principal commitment, can be found in the "Board of Directors" section and "Corporate Information" section in the Company's Annual Report 2020.</td></tr>
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YOMA STRATEGIC HOLDINGS LTD.

(Incorporated in the Republic of Singapore)
(Company Registration No. 196200185E)

PROXY FORM
ANNUAL GENERAL MEETING

IMPORTANT

1. The annual general meeting of the Company (the "**AGM**") is being convened, and will be held, by way of 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.
2. **To minimise physical interactions and COVID-19 transmission risks, a member will not be able to attend the AGM in person**. A member (whether individual or corporate and including a Relevant Intermediary*) must appoint the Chairman of the Meeting as his/her/its proxy to vote on his/her/its behalf at the AGM if such member wishes to exercise his/her/its voting rights at the AGM.
3. This Proxy Form is not valid for use by CPF investors and shall be ineffective for all intents and purposes if used or purported to be used by them.
4. CPF or SRS investors who wish to vote should approach their respective CPF Agent Banks or SRS Operators to submit their votes at least seven (7) working days before the AGM in order to allow sufficient time for their respective CPF Agent Banks or SRS Operators to in turn submit a proxy form to appoint the Chairman of the Meeting to vote on their behalf by the cut-off date.
5. For investors who have used their CPF monies to buy Yoma Strategic Holdings Ltd.'s shares, this Proxy Form is forwarded to them at the request of the CPF Approved Nominees and is sent solely FOR INFORMATION ONLY.
6. By submitting an instrument appointing the Chairman of the Meeting as his/her/its proxy, the member accepts and agrees to the personal data privacy terms set out in the Notice of AGM dated 13 January 2021.

I/We, ________________________________ (Name)______________________________ (NRIC/Passport/UEN Number)

of ____ (Address)

being a member/members of YOMA STRATEGIC HOLDINGS LTD. (the "**Company**"), hereby appoint the Chairman of the Meeting as *my/our proxy to vote on *my/our behalf at the annual general meeting of the Company (the "**AGM**") to be held by way of electronic means on 29 January 2021 at 10.00 a.m., and at any adjournment thereof in the following manner as specified below. If no specific direction as to voting is given or in the event of any other matter arising at the AGM and at any adjournment thereof, the appointment of the Chairman of the Meeting as *my/our proxy will be treated as invalid.

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, 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. In the absence of specific directions in respect of a resolution, the appointment of the Chairman of the Meeting as your proxy for that resolution will be treated as invalid.

Ordinary Resolutions		**For**	**Against**	**Abstain**
1	Adoption of Directors' Statement and Audited Financial Statements for financial period ended 30 September 2020 and the Independent Auditor's Report			
2	Approval of Directors' fees for the 6-month period from 1 April 2020 to 30 September 2020			
3	Approval of Directors' fees for the financial year ending 30 September 2021			
4	Approval of issue and allotment of PSP Shares to Non-Executive Independent Directors			
5	Re-election of Mr. Serge Pun @ Theim Wai as a Director			
6	Re-election of Mr. Pun Chi Yam Cyrus as a Director			
7	Re-election of Ms. Wong Su Yen as a Director			
8	Re-election of Mr. Fernando Miranda Zobel de Ayala as a Director			
9	Re-election of Professor Annie Koh as a Director			
10	Re-appointment of Nexia TS Public Accounting Corporation as Independent Auditor			
11	Authority to issue shares pursuant to the share issue mandate			
12	Authority to offer and grant options and issue shares pursuant to the YSH ESOS 2012			
13	Authority to issue and allot shares pursuant to the Yoma PSP			
14	Renewal of Shareholders' Mandate for Interested Person Transactions			

Dated this ____________ day of ________________ 2021

Total Number of Shares held in:	**Number of Shares**
CDP Register	
Register of Members	

____

Signature(s) of Member(s)/Common Seal

IMPORTANT: PLEASE READ NOTES OVERLEAF BEFORE COMPLETING THIS PROXY FORM.

Notes:

1 Please insert the total number of shares held by you. If you have entered against your name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act, (Cap 289)), 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 proxy form will be deemed to relate to all shares held by you.

2 To minimise physical interactions and COVID-19 transmission risks, a member of the Company will not be able to attend the AGM in person. A member of the Company (whether individual or corporate and including a Relevant Intermediary*) must appoint the Chairman of the Meeting as his/her/its proxy to vote on his/her/its behalf at the AGM if such member wishes to exercise his/her/its voting rights at the AGM.

In appointing the Chairman of the Meeting as proxy, a member of the Company (whether individual or corporate and including a Relevant Intermediary*) must give specific instructions as to voting, or abstentions from voting, in respect of a resolution in the proxy form, failing which the appointment of the Chairman of the Meeting as proxy for that resolution will be treated as invalid.

**Relevant Intermediary(ies) has the meaning ascribed to it in Section 181 of the Companies Act, (Cap 50).*

CPF or SRS investors who wish to vote should approach their respective CPF Agent Banks or SRS Operators to submit their votes at least seven (7) working days before the AGM (i.e. by 10:00 a.m. on 19 January 2021) in order to allow sufficient time for their respective CPF Agent Banks or SRS Operators to in turn submit a proxy form to appoint the Chairman of the Meeting to vote on their behalf by the cut-off date.

Fold along dotted line

Affix
Postage
Stamp

The Company Secretary
YOMA STRATEGIC HOLDINGS LTD.
63 Mohamed Sultan Road
#02-14 Sultan-Link
Singapore 239002

Fold along dotted line

3 The Chairman of the Meeting, as proxy, need not be a member of the Company.

4 This proxy form must be signed by the appointor or his attorney duly authorized in writing. Where the proxy form is executed by a corporation, it must be executed either under its common seal or under the hand of its attorney or a duly authorized officer. The power of attorney or other authority, if any, under which it is signed or a notarially certified copy of such power or authority shall be lodged with the proxy form, failing which, the person so named shall not be entitled to vote in respect thereof.

5 This proxy form must be submitted to the Company not less than 48 hours before the time set for the AGM (i.e. by 10.00 a.m. on 27 January 2021) in the following manner:-

(a) if submitted by post, be lodged at the office of the Company at 63 Mohamed Sultan Road, #02-14 Sultan-Link, Singapore 239002; or

(b) if submitted electronically, be submitted via (i) the Company's pre-registration website at URL https://online.meetings.vision/yoma-agm-registration; or (ii) by email to the Company at info@yoma.com.mm.

6 **In view of the current Covid-19 situation, members are strongly encouraged to submit completed proxy forms electronically.**

7 The Company shall be entitled to reject the proxy form 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 proxy form (including any related attachment). In addition, in the case of shares entered in the Depository Register, the Company may reject any proxy form 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.

Please glue and seal along this edge

Please glue and seal along this edge

Fold along dotted line

YOMA STRATEGIC HOLDINGS LTD.

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

WWW.YOMASTRATEGIC.COM