

# YOMA STRATEGIC HOLDINGS LTD.

No. 215/2024  
20 November 2024

## CORPORATES

### Issue Ratings:

Guaranteed	AAA
Outlook:	Stable

Last Review Date: 21/11/23

### Issue Rating History:

Date	Rating	Outlook/Alert
09/01/19	AAA	Stable

### Contacts:

Jantana Taveeratanasilp  
jantana@trisrating.com

Sithakarn Tongphiphat, CFA, FRM  
sithakarn@trisrating.com

Annop Supachayanont, CFA  
annop@trisrating.com



WWW.TRISRATING.COM

## RATIONALE

TRIS Rating affirms the ratings on guaranteed bonds of Yoma Strategic Holdings Ltd. (YSH) at “AAA” with a “stable” outlook. The bonds are guaranteed by Credit Guarantee and Investment Facility (CGIF, rated “AAA/Stable”), a trust fund of the Asian Development Bank (ADB). The issue ratings reflect the creditworthiness of CGIF as the guarantor of the bonds.

## KEY RATING CONSIDERATIONS

The ratings on YSH’s guaranteed bonds reflect the rating on CGIF. Under the terms of the guarantee, CGIF provides an irrevocable and unconditional guarantee to cover 100% of the principal and interest payments for the guaranteed bonds. The guaranteed obligations rank at least pari passu with all other present and future unsecured and unsubordinated indebtedness of the guarantor.

The ratings on the guaranteed bonds also take into account the following conditions:

- CGIF is entitled to determine whether to make the payment in full (accelerated basis) after the occurrence of an Issuer Event of Default (as defined in the Guarantee Agreement) or the receipt of a Demand for payment (as defined in the Guarantee Agreement) in respect of a tranche of the guaranteed bonds. However, CGIF will no longer have obligations to make payments, amongst other terms and conditions of the bonds, under the following conditions: 1) the bondholders’ representative accelerates the bonds other than pursuant to a CGIF Non-Payment Event; or 2) the bondholders’ representative does not deliver the Demand for payment within a pre-specified period.
- In a Non-Payment Event, under the Guarantee Agreement, the Guaranteed Party may make a Demand for payment of a Guaranteed Amount in respect of a tranche of the guaranteed bonds within the Demand Period of 10 business days for any scheduled interest or bondholders’ representative expenses and within the Demand Period of 20 business days for the principal amount. CGIF will have 10 business days after the receipt by CGIF of a Demand to make payment to bondholders’ representative.
- The bondholders might not receive the payment in Thai baht if CGIF determines that it is impossible or impracticable or it is unable on commercially reasonable terms and in accordance with its policy for CGIF to obtain Thai baht. In such an event, CGIF may make an equivalent payment in US dollars or such other currencies as it may determine. However, TRIS Rating views the likelihood of such risk as very low.

## RATING OUTLOOK

The ratings and outlook on YSH’s guaranteed bonds solely reflect the creditworthiness of its guarantor, CGIF.

## RATING SENSITIVITIES

The ratings on YSH’s guaranteed bonds may change if the rating on its guarantor, CGIF, changes.

## COMPANY OVERVIEW

YSH was listed on the Mainboard of the Singapore Exchange in 2006. Initially a real-estate developer, the company has expanded through organic growth, joint ventures, and strategic partnerships into a diversified conglomerate in Myanmar. Non-real estate businesses include consumer, automotive and heavy equipment, and financial service businesses. Since 2014, YSH has set its new strategic focus on consolidating its position in these sectors and will continue to build dominant nationwide platforms in each of its core business units. On 7 December 2022, the Group completed a step acquisition by acquiring an additional 21% effective interest in Digital Money Myanmar Ltd. (“Wave Money”) through its 72.2% subsidiary corporation, Yoma MFS Holdings Pte. Ltd (“Yoma MFS”), for a consideration of USD16.47 million. As a result of the acquisition, the Group holds a 65% effective interest in Wave Money through Yoma MFS.

CGIF was founded in November 2010 by the governments of the ASEAN+3 countries (10 ASEAN countries plus China, Japan, and Korea) and ADB, together referred to as “contributors”. CGIF’s main objective is to provide credit guarantees which allow eligible issuers to access local currency bond markets. Issuers can thus avoid currency and maturity mismatches by issuing bonds within the region. The establishment of CGIF was a continual development process following the Asian Bond Markets Initiative (ABMI) introduced in 2003 by the ASEAN+3 countries. The aims of ABMI are to develop and strengthen local currencies and regional bond markets to promote economic growth and financial development, and to prevent disruptions to the international financial order so as to enable savings in the region to be used within the region.

In a typical guarantee contract, CGIF’s credit guarantee services will provide coverage only when an issuer breaches the non-payment event clause. In addition, when a non-payment event occurs, CGIF retains the sole right to decide whether it will early redeem the bonds or continue to pay bondholders according to the original bond schedule. Upon payment by CGIF of all or any part of the guaranteed amounts, CGIF will be entitled to all the rights, powers, and security that bondholders had against the issuers and co-indemnity providers to an amount equal to the paid guaranteed amount.

CGIF finances its operations solely from capital contributions. CGIF is not allowed to borrow from any source, except for cash management purposes.

## FINANCIAL STATISTICS AND KEY FINANCIAL RATIOS

### The Guarantor Credit Guarantee and Investment Facility (CGIF), A Trust Fund of the Asian Development Bank (ADB)

Unit: Mil. USD

	Jan-Jun 2024	-----Year Ended 31 December -----			
		2023	2022	2021	2020
Interest income	21.0	37.5	28.5	27.3	28.9
Guarantee income	11.0	20.5	20.0	19.4	17.4
Other revenue**	1.1	0.5	2.6	4.4	3.4
Total revenue	33.1	58.5	51.1	51.1	49.6
Net income from operations	22.4	44.9	15.2	32.0	23.7
Total assets	1,398.1	1,387.4	1,305.0	1,372.8	1,351.7
Total liabilities	85.4	84.9	81.8	80.4	87.1
Shareholders’ equity	1,312.6	1,302.5	1,223.2	1,292.4	1,264.5

\* Unaudited and not annualised

\*\* Including realised gain (loss) from securities, fair value changes from derivatives, commission from reinsurance, and miscellaneous income

## RELATED CRITERIA

- Corporate Rating Methodology, 15 July 2022
- Issue Rating Criteria, 15 June 2021

---

**Yoma Strategic Holdings Ltd. (YSH)**

---

**Issue Ratings:**

YSH26NA: THB1,275 million guaranteed bonds due 2026	AAA
YSH28NA: THB425 million guaranteed bonds due 2028	AAA

---

<b>Rating Outlook:</b>	Stable
------------------------	--------

---

**TRIS Rating Co., Ltd.**

Silom Complex Building, 24th Floor, 191 Silom Road, Bangkok 10500, Thailand Tel: +66 2 098 3000

© Copyright 2024, TRIS Rating Co., Ltd. All rights reserved. Any unauthorized use, disclosure, copying, republication, further transmission, dissemination, redistribution or storing for subsequent use for any purpose, in whole or Any unauthorized use, disclosure, copying, republication, further transmission, dissemination, redistribution, or storing for subsequent use for any purpose, in whole or in part, in any form or manner or by any means whatsoever, by any person, of the credit rating reports or information is prohibited, without the prior written permission of TRIS Rating Co., Ltd. The credit rating is not a statement of fact or a recommendation to buy, sell or hold any debt instruments. It is an expression of opinion regarding credit risks for that instrument or particular company. The opinion expressed in the credit rating does not represent investment or other advice and should therefore not be construed as such. Any rating and information contained in any report written or published by TRIS Rating has been prepared without taking into account any recipient's particular financial needs, circumstances, knowledge and objectives. Therefore, a recipient should assess the appropriateness of such information before making an investment decision based on this information. Information used for the rating has been obtained by TRIS Rating from the company and other sources believed to be reliable. Therefore, TRIS Rating does not guarantee the accuracy, adequacy, or completeness of any such information and will accept no liability for any loss or damage arising from any inaccuracy, inadequacy or incompleteness. Also, TRIS Rating is not responsible for any errors or omissions, the result obtained from, or any actions taken in reliance upon such information. All methodologies used can be found at [www.trisrating.com/rating-information/rating-criteria](http://www.trisrating.com/rating-information/rating-criteria)