

Media Release

Yoma Strategic restructures tourism assets to create a new exciting tourism platform

- Streamlines its interest in Balloons over Bagan business
- Intends to spin-off tourism assets into a new company
- Plans to partner with other tourism players to create a portfolio of tourism assets

Singapore, 2 September 2016 – Yoma Strategic Holdings Ltd. (“Yoma Strategic” or the “Company” together with its subsidiaries, the “Group”) is pleased to announce its intention to restructure its tourism businesses. The Group plans to spin off its tourism assets into a new company with dedicated management, and intends to partner with other tourism players in Myanmar including but are not limited to hotels and travel agencies (“Tourism Restructuring”). The Group expects the restructuring to drive commercial and costs synergies while improving development capabilities.

Mr Melvyn Pun, CEO of Yoma Strategic, commented, “We are excited by the opportunity to partner with strong players in Myanmar to form a unique tourism platform. A dedicated management team with extensive tourism experience has been put in place to lead this initiative, and we are confident that the set up will facilitate the scaling up of tourism businesses while attracting new investors to fund its future growth.”

Further, the Group has completed the purchase of the remaining interests in its “Balloons over Bagan” (“BoB”) business (“BoB Acquisition”) through its 70%-owned subsidiary Chindwin Holdings Pte. Ltd. (“Chindwin Holdings”). The BoB Acquisition is part of the Tourism Restructuring, and allows the Group to streamline its shareholding in the BoB business. The transaction will be funded through Chindwin Holdings’ internal resources. Yoma Strategic’s effective interest in BoB has now increased from 52.5% to 70%.

BoB, which is one of the country’s most iconic tourist attractions, will be a key asset in the new tourism platform. In June 2013, Chindwin Holdings purchased 75% of BoB and a call option to acquire a 75%-interest in 21.2 acres of land in Bagan with the intention to development a hotel (“Bagan Land Call Option”) from its original owner, with the remaining 25% of BoB held by the original owner. In exchange for the acquisition of the remaining 25% interest of BoB and related entities, Chindwin Holdings will pay US\$1.5 million, transfer its 75% interest in Eastern Safaris Pte Ltd, terminate the Bagan Land Call Option, write-off all expenses incurred in relation to the proposed development of the hotel in Bagan¹.

¹ The consideration was arrived at after arm’s length negotiations and on a willing buyer and willing seller basis after taking into account the parties’ assessment of the value of the interests in the entities to be acquired/transferred including but not limited to the value of the licenses, expected future earnings and current retained earnings of the BoB business.

BoB currently operates 12 balloons in Bagan and has expanded its service to Inle Lake in 2015. Balloons over Inle currently has 2 balloons that provide a premium service carrying up to 6 passengers over the floating gardens and villages on the lake. Over the last decade, BoB has built such a strong brand reputation in the Myanmar tourism market that it is rated as a top activity for visitors to Myanmar on travel websites. The annual revenue from the BoB business has grown by 58.5% from S\$5.3 million in FY2014 to S\$8.4 million in FY2016.

Mr Serge Pun, Chairman of Yoma Strategic, remarked, "Tourism is one of the big economic drivers in Myanmar and is only set to grow in leaps and bounds. The country is blessed with an interesting geography, a rich cultural history and an unspoilt natural environment that lends itself to beautiful attractions and places to visit. We already have one of the best tourist attractions in Myanmar in Balloons over Bagan and it makes sense for us to build on it and work in partnership with others to ensure that we have a firm foothold in this fast growing tourism market."

End

Note: This media release should be read in conjunction with the announcement it released on the SGXNet on the same date.

About Yoma Strategic Holdings Ltd. (www.yomastrategic.com)

Listed on the Main Board of the Singapore Securities Exchange Trading Limited (SGX-ST), Yoma Strategic Holdings Ltd. is a leading business corporation with a diversified portfolio of businesses in Real Estate, Consumer, Automotive & Equipment, and Investments in Myanmar. Together with its partner, the SPA Group, the Group is taking a conglomerate approach to build a diversified portfolio of businesses in Myanmar. The Company was ranked in the top 10% of the Governance and Transparency Index for three consecutive years (2014 – 2016), ranked 17th out of top 100 largest Singapore companies in the Asean Corporate Governance Scorecard 2015 and won the Best Managed Board (Gold) Award at the Singapore Corporate Awards in 2016.

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