

Yoma Strategic partners edotco on its telecom tower business

- **Partnership alongside edotco in the fast growing telecom infrastructure sector**
- **Locks in an estimated US\$19.5million gain in 3Q2016 financial results**
- **Retains upside on the business at a pre-agreed exit multiple**

SINGAPORE, 4 December 2015 – Yoma Strategic Holdings Ltd. (“Yoma Strategic”, together with its subsidiaries, the “Group”) is pleased to announce its partnership with edotco Group Sdn Bhd (“edotco”), a wholly-owned subsidiary of Axiata Group Berhad, for its telecommunication tower business. The Group has signed a definitive agreement with edotco to retain its 25 per cent effective interest in Digicel Asian Holdings Pte Ltd (“Digicel Asian Holdings”), which owns Digicel Myanmar Tower Company Limited (“MTC”). The remaining 75 per cent effective interest in Digicel Asian Holdings will be held by edotco.

edotco has announced that it acquired a 75 per cent effective interest in Digicel Asian Holdings from Digicel Group Limited. MTC was established in January 2014 and is one of the leading player in the Myanmar’s telecommunication tower industry that has completed the construction of 1,250 telecommunication towers to-date.

Mr Suresh Sidhu, CEO of edotco said, “The Myanmar tower market is expected to be one of the largest and fastest growing telecommunication infrastructure service markets in Southeast Asia. We are delighted to partner with Yoma Strategic, who share our vision to establish a leading telecom infrastructure platform in the largely untapped market. Together with Yoma Strategic’s strong local experience and network, we look forward to continue to solidify MTC’s position in the Myanmar tower market.”

According to the Ministry of Communication and Information Technology (“MCIT”) of Myanmar, mobile penetration has grown to 55 per cent as at the end of March 2015 from 33 percent a year ago and 11 per cent in 2013ⁱ. The Industry is expected to continue to grow rapidly as MCIT requires the network operators to expand the country’s network coverage to 70 percent by 2017 and 95 percent by 2020. GSMA estimates that to reach the interim coverage level of 70 per cent, mobile operators would need to deploy a total of 17,300 towers, more than doubled the current 8,000 towers in the countryⁱⁱ.

Mr Melvyn Pun, CEO of Yoma Strategic commented, “We are excited to have edotco as our partner. We believe edotco’s extensive expertise and unparalleled regional footprint will provide a strong platform to accelerate MTC’s growth. The telecom towers industry remains attractive and we are confident the partnership will allow us to capture a meaningful share in this fast growing industry in Myanmar. This deal also reinforces Yoma Strategic’s position as the partner of choice for multinational corporations looking to enter Myanmar.”

Financial Terms

Under the terms of the agreement with edotco, the Group has been granted a 5-year put/call option in relation to its 25 per cent stake. The option can be exercised at the higher of the following:

- (i) US\$40.25 million, which is based on the US\$221 million enterprise valuation agreed between edotco and Digicel for the acquisition of the 75 per cent effective interest in MTC.
- (ii) a future enterprise valuation, which is based on a pre-agreed multiple of EBITDA (between 9.80x-12.40x) and MTC's trailing 12 month actual performance.

The Group is expected to initially reflect an estimated fair value gain of US\$19.5 million as a result of the agreement, which will be recorded in the Group's 3Q2016 (for the three months ended 31 December 2015) financial results.

MTC will continue to expand its foothold in the Myanmar telecom tower industry and the Group is expected to fund any further investment required from a combination of loan facilities and internal resources.

Mr Melvyn Pun concluded, "The agreement lays the foundation for Yoma Strategic to secure a fair exit multiple for the business whilst being given the flexibility to participate in additional investments in the fast growing telecom tower sector. Yoma Strategic is also guaranteed a sales price of not less than US\$40.25 million, assuring us an attractive return on our investment."

End.

Note: This media release should be read in conjunction with the announcement 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 real estate, consumer, automotive, agriculture & logistic and tourism businesses 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 2014 and won the Best Managed Board (Silver) Award at the 10th Singapore Corporate Awards in 2015.

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ⁱ Mobile penetration reaches half the country, Myanmar Times, 23 November 2015

ⁱⁱ Sizing the opportunity: green telecoms in Myanmar, GSMA, 2014 and Axiata's Jamaludin on mission to build telecom 'champion', Nikkei Asian Review, 10 October 2015