



PRESS RELEASE

Yoma Strategic Acquires Majority Stake in YKKO

- The acquisition of one of Myanmar's largest restaurant chains doubles Yoma F&B's store count and creates the country's dominant F&B platform
- YKKO is expected to immediately contribute to earnings and offer further opportunities for organic expansion of the brand



Yangon, 11 February 2019 – Yoma Strategic Holdings Ltd. ("Yoma Strategic") today announced it will acquire a 65% stake in Yankin Kyay Oh Group of Companies Limited ("YKKO") subject to the satisfaction of certain conditions¹. YKKO was founded in Yangon in 1988 and has since grown to become one of Myanmar's largest restaurant chains with 37 outlets in Yangon, Mandalay, Nay Pyi Taw, Bago and Mawlamyine.

The total cash consideration to be paid is approximately MMK19.4 billion (US\$12.6 million) which was arrived at on a willing-buyer willing-seller basis, taking into consideration, amongst others, the current and projected earnings of YKKO. The net tangible asset value of YKKO was approximately MMK6.22 billion (US\$4.09 million) as at 30 September 2018. The consideration will be funded by internal resources and recent financing activities and upon completion, YKKO will become a 65%-owned subsidiary of Yoma Strategic.

YKKO is famous for its "Kyay-Oh", a popular vermicelli and flat rice noodle-based dish in Myanmar. While Kyay-Oh contributes the majority of YKKO's sales, the restaurant also offers a diversified menu ranging from Myanmar-style barbeque to Chinese and Thai dishes.

Mr. Melvyn Pun, CEO, Yoma Strategic stated, "YKKO is a much-loved brand in Myanmar and its Kyay-Oh has become a household name over the last 30 years. From humble beginnings as a family run restaurant to one of the country's most popular local F&B brands, YKKO is a true Myanmar success story and we are honoured to help further its success going forward."

Daw Yu Yu Lwin, Chairwoman, YKKO stated, "The company will continue to build on YKKO's core values of quality, cleanliness and service and our vision remains the same – to establish YKKO as a Myanmar brand that people will recognise, love and feel proud of. We are glad to partner with Yoma Strategic who share these same values and vision. My family started this business more than 30 years ago with a small humble shop in Yangon's Yankin township. Thanks to our amazing team who have been with us throughout the journey, YKKO now has a presence of over 30 stores across five cities. We look forward to further expanding our footprint across the country in partnership with Yoma Strategic."

¹ As the relative figures computed on the bases set out under Rule 1006 of the listing manual (the "Listing Manual") of the Singapore Exchange Securities Trading Limited ("SGX-ST") do not exceed 5%, this proposed acquisition is considered a non-discloseable transaction under Chapter 10 of the Listing Manual.



“This acquisition doubles the footprint of our Yoma F&B store count and complements the international concepts we have already brought to Myanmar. YKKO will immediately be earnings accretive and will provide a tried and tested offering with a healthy cash flow.” **added Pun.**

About YKKO (www.ykko.com.mm)

YKKO began as a small, family-run restaurant in Yangon, Myanmar. First opened in 1988, YKKO now has 37 branches across the country. YKKO’s goal is to deliver quality Kyay-Oh and to share its dishes with as many people as possible. Inspired by the simplicity of the dish, YKKO began making Kyay-Oh in Yangon’s Yankin Township, where the first restaurant, Yankin Kyay-Oh was opened. Later, a second shop opened on Saya San road. Since then, YKKO has sought to accentuate the Kyay-Oh dining experience by placing an emphasis on quality, cleanliness and service. YKKO aims to establish a Myanmar brand that people will recognise, love and feel proud of.

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 & Heavy Equipment, and Investments in Myanmar. Together with its Yoma Group partners, Yoma Strategic is taking a conglomerate approach to build a diversified portfolio of businesses in Myanmar. The Company was ranked in the top 5% of the Governance and Transparency Index 2017, 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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