

Yoma Strategic Gaining Momentum in Myanmar's Agriculture and Logistics Sectors

Singapore, 11 March, 2014 – Yoma Strategic Holdings Ltd. (the “Company”, together with its subsidiaries, the “Group”) has made several key moves in Myanmar's agriculture and logistics sectors. These strategic developments are in line with the long-term vision and planning of the Company as it leverages on its solid foundation to develop sectors of Myanmar's economy with strong potential for future growth.

IFC

The Company has signed a mandate with the International Finance Corporation (“IFC”), the member of the World Bank Group focused on private sector development in emerging markets¹, to provide a debt and equity financing package to the Company for its venture into the agriculture and logistics sectors in Myanmar (the “Agriculture & Logistics Businesses”) subject to completion of IFC’s appraisal, environmental and social impact assessment, investment committee and board decisions, and other approvals. The Company has formed a new investment holding company, Yoma Agricultural & Logistics Holding Pte. Ltd. (“YALH”)², which is intended to hold the Group’s interests in the four businesses described below.

Subject to the appraisal and approvals above, IFC will invest up to 20 percent equity in YALH with the remaining eighty percent held by Yoma Strategic Investment Ltd, a wholly-owned subsidiary of the Company, and IFC will make its global network and expertise in agriculture investments in developing countries available to the Group to supplement its local strength and expertise.

¹ More information on IFC may be found on <http://www.ifc.org>.

² Please refer to the Company’s separate announcement containing the prescribed information on this subsidiary dated 11 March 2014.

Coffee

The Company has signed a conditional joint-venture agreement with ED&F Man Holdings Ltd. (“EDFM”), a global specialist merchant of agricultural commodities, to plant and produce lowland Robusta coffee (the “Coffee Business”) within the Group’s plantation land at the Maw Tin Estate in the Ayeyarwaddy Division of Myanmar. The Company and EDFM will respectively hold 85 percent and 15 percent of the Coffee Business which is expected to require up to US\$20 million of investment over four years with the aim of planting a total of approximately 3,700 acres of coffee by the end of the fourth year. EDFM, through its global trading network and expertise, intends to guarantee the off-take of the whole coffee crop under an off-take agreement to be entered into. It is intended that the Group’s interests in the Coffee Business will be transferred to YALH.

Dairy

The Company has signed a Memorandum of Understanding (“MOU”) to form a joint-venture with First Myanmar Investment Co., Ltd. (“FMI”) and PMM Partners Limited (“PMM”)³ to supply UHT dairy products to the local consumer market in Myanmar (the “Dairy Business”). The Company will hold 40 percent of the Dairy Business with FMI holding 50 percent and PMM holding the remaining 10 percent. It is intended that the Group’s interests in the Dairy Business will be transferred to YALH.

The Dairy Business is expected to require an investment of up to US\$46 million over the next five (5) years, part of which will be used to purchase modern world-class UHT processing equipment. Serge Pun & Associates (Myanmar) Limited (“SPA”), the Group’s affiliated company, has signed a Letter of Agreement (“LOA”) with the Ministry of Livestock, Fisheries and Rural Development of the Government of the Union of Myanmar

³ As disclosed on 27th August 2013 and 27th January 2014, PMM Partners Limited is an investment company that is jointly managed by Simon Murray & Company (“SMC”) and Serge Pun & Associates (Myanmar) Limited (“SPA”). The investment company will invest in businesses with significant operations in and/or exposure to Myanmar. Yoma Strategic has committed to invest an amount of S\$6.4 million in the fund.

(“MOLFRD”) with the intention to become a major supplier to MOLFRD and the Myanmar Government’s school milk programme, supplying UHT milk to Myanmar school children.

Cold Storage and Logistics

The Company has signed a MOU with Kokubu & Co., Ltd (“Kokubu”) and FMI to enter the cold storage and logistics business in Myanmar (“Cold Chain Business”). The Cold Chain Business intends to enable farmers to better store and transport their produce in the vast agriculture industry in Myanmar.

The Cold Chain Business will initially build two (2) key distribution centres in Myanmar and distribute agricultural, seafood and processed products via high-specification vehicles with chill and refrigeration capacity between the distribution centres and other principal cities and industrial parks within Myanmar. Kokubu will hold 50 percent of the Cold Chain Business, the Company will hold 30 percent and FMI will hold the remaining 20 percent. The initial capital investment for the Cold Chain Business is expected to be US\$12 million. It is intended that the Group’s interests in the Cold Chain Business will be transferred to YALH.

Commercial Vehicle Leasing

With reference to the announcement made on 28 January 2014 regarding the establishment of Yoma Fleet Limited (“Yoma Fleet”), the Group’s vehicle operating lease and rental business has signed its first three contracts in February, with an aggregate order value of more than US\$1.5 million placed for trucks, buses and tractors. It is intended that the Group’s interests in Yoma Fleet will be transferred to YALH.

Commenting on today’s announcement, Mr Andrew Rickards, CEO of Yoma Strategic, said, “The Group is confident that the partnerships with IFC, ED&F Man, Kokubu and, in Dairy, the Government of Myanmar, will provide a strong impetus for our agriculture and logistic businesses to the benefit of the Company and the country.”



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About ED&F Man

Established in 1783, ED&F Man, is one of the world's leading coffee and agricultural suppliers and traders. Its wholly-owned subsidiary, Volcafe, supplies mainstream Arabica and Robusta coffees to most of the top international coffee-roasting companies, including Nestle, Folgers, Starbucks and Kraft, and sources and supplies speciality gourmet coffees from a number of origins. With operations in 14 of the top 20 global coffee plantations and sales offices in all the major consuming regions, Volcafe has access to 92% of the world's coffee producers and 80% of the world's coffee consumers.

About Kokubu

Established in 1712, Kokubu is one of the largest companies in Japan engaging in the food distribution business. With over US\$15 billion of sales annually, Kokubu is engaged in wholesaling (liquor products, processing foods, perishable foods, confection, related consumer goods and material), import/export, food manufacturing. Kokubu has about 600,000 product assortment and distributes to 35,000 outlets. In addition to Japan, Kokubu currently operate their logistics and wholesale businesses in China and Vietnam.

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, agriculture, automotive and luxury tourism businesses in Myanmar and the People's Republic of China. Together with its partner, the SPA Group, the Group is taking a conglomerate approach to build a diversified portfolio of businesses in Myanmar.



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