

## Yoma moves into luxury tourism with acquisitions

- Proposed Acquisition to acquire luxury balloon services company
- Includes 75% interest in 21 acre riverfront land in Bagan for hotel development
- Establishes Chindwin Holdings Pte. Ltd., a joint venture with First Myanmar Investment Co., Ltd.
- Proposed appointments of Mr Brett Melzer and Ms Khin Omar Win as co-heads of luxury travel and tourism division



*Balloons over Bagan, Myanmar*

**Singapore, 18 March 2013** – Yoma Strategic Holdings Ltd. (“Yoma”, “祐玛战略控股有限公司”, or the “Company” or collectively with its subsidiaries, the “Group”) announced today the establishment of a new joint venture company and the proposed acquisitions of several luxury tourism assets in Myanmar (“Proposed Acquisitions”).

### **New JV company for tourism division**

The Group has established a joint venture company, Chindwin Holdings Pte. Ltd. (“Chindwin”) with First Myanmar Investment Co., Ltd (“FMI”), a subsidiary of Serge Pun & Associates (Myanmar) Limited (“SPA”). The Group will hold 70% of the share capital of Chindwin while FMI will hold the remaining 30%. The purpose of Chindwin is as an investment holding company for tourism assets jointly invested in by the Group and FMI. Mr. Serge Pun is the Executive Chairman and controlling shareholder of the Group and is also the Chairman and controlling shareholder of SPA and its group of companies (the “SPA Group”).

### **Proposed Acquisitions**

The Group and FMI have entered into a Heads of Agreement to use Chindwin, or its nominee, to acquire several connected tourism assets, subject to the terms of conditional final agreements to be entered into between the relevant parties.

### **Luxury balloon tours in Bagan**

Chindwin intends to purchase 75% of the share capital of Shwe Lay Ta Gun Travels and Tours Company Limited (“SLTG”) from Ms Khin Omar Win and Ms Khin San Win for a total consideration of US\$10.7 million. SLTG operates the “Balloons over Bagan” (“BoB”) luxury tour business in Bagan, Myanmar. BoB is the only service<sup>1</sup> that offers visitors an unparalleled aerial view of the region’s stunning landscape from a hot air balloon. It has been rated as the top activity for visitors to Bagan on travel website Tripadvisor and has been featured in numerous international travel publications, including the Weekend Journal of The Wall Street Journal. Being the only hot air balloon operator in Myanmar, BoB a profitable track record as well as an impeccable safety record since its inception 13 years ago.

BoB’s pilots and technicians have undergone rigorous training and are certified by the Civil Aviation Authority in the United Kingdom as competent hot air balloon operators. In addition, BoB’s balloons are built to the highest standards of the British aerospace industry by Cameron Balloons and Lindstrand Balloons, the world’s largest manufacturer of high quality balloons. To ensure that its operations are well covered, BoB has also insured each balloon for US\$3.0 million, which includes third party and passenger liability. Through its flawless safety track record in over a decade of operations and the many positive reviews from

<sup>1</sup> Ministry of Tourism and Hotels, Union of Myanmar.  
[http://www.myanmartourism.org/journals/Myanmar%20Tourism%20Statistics%202012\(1\).pdf](http://www.myanmartourism.org/journals/Myanmar%20Tourism%20Statistics%202012(1).pdf)

customers, BoB has established itself as a symbol of the exotic travel experience in Myanmar, as ridership numbers continue to grow annually.

### **Hotel development site in Bagan**

Chindwin also intends to purchase a 75% interest in 21.16 acres of land located in Bagan. This is conditional upon the present owner converting the existing land-use rights to permit the construction and operation of a hotel business. The total consideration to be paid will be US\$3.75 million.

This riverside plot is situated approximately 5 kilometres from the archeology zone of ancient Bagan and offers picturesque views of the Irrawady river with the Yoma mountain range in the background. The Group believes the plot is ideal for the development of a luxury boutique resort hotel.

### **Luxury adventure tours**

Chindwin also intends to purchase 75% of the share capital of Eastern Safaris Pte. Ltd for a total consideration of US\$0.1 million. ESPL is a management company that offers exclusive and luxurious adventure tours in Myanmar and Bhutan. Mr Brett Melzer, the 100% owner of ESPL, agrees to assign and transfer the brand name and logo “Eastern Safaris” and other related domain names and all intellectual property rights associated with them, to ESPL at a nominal consideration prior to the completion of the acquisition.

The Group’s investment in Chindwin and the Proposed Acquisitions will be funded through internal resources and is not expected to have any material financial impact on the consolidated net tangible assets and the earnings per share of the Company for the current financial year ending 31 March 2013.

Mr Andrew Rickards, CEO of Yoma commented, ***“We are thrilled about this new venture as it follows closely behind our recently announced Landmark Development plans to establish a luxury 5 star hotel in the Old Railway Headquarters of Yangon. With a booming tourism sector and a lack of quality hotel rooms, or luxury tour companies, we believe there are great opportunities in this market. The acquisition of Balloons over Bagan, as well as the 21.16 acre hotel development site in Bagan and the brand rights of Eastern Safaris are further steps for Yoma into this growing market.”***

***“Tourism arrivals to Myanmar are increasing at a formidable rate; there were some 1.1 million international arrivals in 2012, and that figure is expected to grow by 30% in***

**2013<sup>2</sup> alone. The ancient temples of Bagan are one of Asia's most remarkable, but currently least visited destinations and will be at the forefront of Myanmar's tourism growth,"** he added.

#### **Appointments for tourism division**

With their years of experience and success in the region's luxury tourism sector, Mr Brett Melzer and Ms Khin Omar Win will be appointed to head the Group's luxury travel and tourism division when the acquisitions are completed. They will be in charge of seeking additional opportunities for the division whilst ensuring the smooth operation of its existing businesses.

Mr Rickards commented, ***"We're very pleased to welcome Brett and Omar to the Group. With their fantastic success with Balloons over Bagan and Eastern Safaris we know that they have the vision to capitalise on the huge opportunities present in the luxury tourism industry. I look forward to working with them as we expand this business to become a leader in the sector in Myanmar."***

-End-

**Note to media: This media release is to be read in conjunction with the Group's announcement dated 18 March 2013 released on the SGXnet.**

<sup>2</sup> H.E. U Htay Aung, Union Minister for Hotels and Tourism, Ministry of Hotels and Tourism of the Union of Myanmar.  
<http://www.sphereconferences.com/news.asp?articleid=23>



*The temples of Bagan at dusk*

**About Yoma Strategic Holdings Ltd. ([www.yomastrategic.com](http://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 and automobile dealership 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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