

Yoma to develop iconic Landmark Development in Yangon



- **Landmark 2 million square feet GFA mixed-use development in downtown Yangon**
- **Luxury 5-star hotel and condominium, 4-star hotel and serviced apartment, two Grade-A office towers and a retail mall**
- **5-star hotel to rival grandeur and heritage of Raffles Hotel**
- **1 for 4 rights issue supported by Chairman/ major shareholder**

Singapore, 19 November 2012 – Yoma Strategic Holdings Ltd. (“Yoma”, “祐玛战略控股有限公司”, or collectively with its subsidiaries, the “Group”) is pleased to announce that the Group has entered into a Sale and Purchase Agreement with Serge Pun & Associates (Myanmar) Limited (“SPA”) to acquire rights to participate in the development of approximately 10 acres of land in downtown Yangon at 372 to 380 Bogyoke Aung San Road through the acquisition of 80% of the issued and paid up share capital of Meeyahta International Hotel Limited (“MIHL”) (the “Proposed Acquisition”).

Myanmar's landmark real estate development

The proposed landmark development will be an iconic 2 million square feet GFA (Gross Floor Area) mixed-use development of residential, retail, hospitality and commercial property on approximately 10 acres of land located in the middle of the downtown Yangon business district. The site is situated between Trader's Hotel, the Sakura Tower and the famous tourist destination of Bogyoke Aung San Market. The site currently hosts the FMI Centre Tower, the Grand Mee Ya Hta Hotel and one of Yangon's most famous heritage buildings, the former Railway Headquarters built in 1877.

Under the current master-plan the Victorian-era Railway Headquarters will be restored to its original grandeur and converted into a landmark 5-star hotel to rival the greatest historic hotels of the region such as Raffles Hotel in Singapore. Adjoining the 5-star hotel it is proposed to build a 5-star luxurious condominium building. There will also be a 4-star hotel and a 4-star serviced apartment complex.

For business use, two Grade-A office towers will be constructed totalling over 700,000 square feet of GFA. A five floor retail podium made up of shops, department store and supermarket will also be built comprising over 400,000 square feet of GFA.



The site before and after the proposed landmark development

Yoma's Chief Executive Officer, Mr Andrew Rickards commented: ***"This landmark development will be an iconic destination which will lead the way in Myanmar. We believe the converted Railway Headquarters will become a unique landmark which will signify the transformation of Yangon into an international, cosmopolitan capital. The provision of first-class hotel rooms, offices, apartments and retail is badly needed in the capital to cope with the dramatic increase of interest in the country. The***

availability of land in central Yangon is extremely limited and the right of refusal for this 10 acre site from the SPA Group presented a stunning opportunity for Yoma. ”

Terms of the acquisition

The Group has agreed to purchase an 80% interest in the 10 acre site for a consideration of US\$81.28 million (S\$99.16 million at the exchange rate of US\$1 to S\$1.22). This price represents a 3% discount to the mid-point of two independent valuation experts, Jones Lang LaSalle (“JLLS”), appointed by the Company, and Robert Khan & Co. (“RKPL”), appointed by the vendor, both using a 70-year leasehold term for the site. The Group will be seeking shareholders’ approval for the Proposed Acquisition, which is an Interested Person Transaction and a Major Transaction, at an extraordinary general meeting expected to be held in the first quarter of 2013.



Artist's impression of the view from the retail podium overlooking the heritage Railway Headquarters

Rights issue

Under the existing share issue mandate obtained from shareholders at the last annual general meeting (the “Existing Mandate”), the Group will also undertake a renounceable, non-underwritten, 1 for 4 rights issue (the “Rights Issue”) of up to 241,066,303 new Shares

(the “Rights Shares”) to be issued at a discount of between 25% - 35% to the closing price as at a date to be determined. The timing of the Rights Issue is dependent upon the timing of approval from shareholders for the Proposed Acquisition but is expected to be in the first quarter of 2013. The proceeds from the Rights Issue will be used to fund the consideration of the Proposed Acquisition and for working capital purposes.

Mr Serge Pun, the Chairman and controlling shareholder of the Group, has agreed to give an irrevocable undertaking that he will subscribe and pay for, in full, his pro-rata entitlement to Rights Shares and any Rights Shares that are not subscribed for by Shareholders other than himself, in total up to the acquisition price of S\$99.16 million for the Proposed Acquisition.

Development Costs

In their respective valuation reports for the proposed landmark development JLLS and RKPL have each provided estimates of the total costs of development which range from US\$330 million to US\$350 million.

Post the Proposed Acquisition, development of the site will be carried out in phases. The Group and its partner, SPA, intend to fund the construction from internal sources, including sales and pre-sales of units, and by potentially bringing in other parties to share the development. The Group is also exploring debt or equity fund raising from the capital markets including an intended Private Placement, details of which will be announced in due course.

Mr Rickards commented: ***“With our Chairman and major shareholder, Mr Serge Pun, giving his backing to the rights issue we believe that other shareholders will support the proposed Rights Issue and the Proposed Acquisition. This landmark development in downtown Yangon, along with our existing developments at Pun Hlaing Golf Estate and Star City, is another important step in cementing Yoma’s position as a leading real estate developer in Myanmar and an investment proxy in one of the most exciting emerging countries in Asia today.”***



*Artist's impression of the interior of the 5-star hotel which
will occupy the heritage Railway Headquarters*

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Note to media: This media release is to be read in conjunction with the Group's announcement dated 19 November 2012 released on the SGXnet.

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 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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