

Media Release

Yoma Strategic intends to spin off tourism businesses into the first Myanmar tourism platform to be listed on SGX

- Yoma Strategic entered into an agreement to spin off its tourism businesses through an RTO
- Tourism businesses comprising Balloons over Bagan, Pun Hlaing Lodge and Bagan Land would be injected into a new tourism platform
- The platform intends to be the first SGX-listed Myanmar-focused tourism company following the proposed RTO of SHC Capital Asia Limited
- Yoma Strategic is expected to hold 53.48% of the proposed SGX-listed Myanmar-focused tourism company before any compliance placement

Singapore, 24 October 2016 – Yoma Strategic Holdings Ltd. (“Yoma Strategic” or the “Company” together with its subsidiaries, the “Group”) is pleased to announce it will be spinning off its tourism-related business as part of a Reverse Take-Over (“RTO”) of SHC Capital Asia Limited (“SHC”).

On 2 September 2016, the Company announced its intention to partner with other players to establish a new tourism platform engaged in various tourism-related businesses focused on Myanmar, and its acquisition of the remaining 25% interest in “Balloons over Bagan” through its 70%-owned subsidiary, Chindwin Holdings Pte Ltd.

Yoma Strategic’s wholly-owned subsidiary Yoma Strategic Investments Ltd. (“YSIL”) has signed a conditional sale and purchase agreement (“SPA”) for the proposed sale of its tourism-related businesses (“Proposed Sale”), with SHC. These tourism-related businesses comprise the “Balloons over Bagan” business; Pun Hlaing Lodge¹, a proposed hotel development in Hlaing Tharyar Township, Yangon, Myanmar currently under construction; and a parcel of land in Nyaung U (“Bagan Land”), which is 4km away from Old Bagan in Myanmar intended for the construction of a proposed commercial and tourism-related hospitality development (collectively, the “Transferred Businesses”). First Myanmar Investment Company Limited (“FMI”) which holds a 30%-interest in both the “Balloons over Bagan” business and the Bagan Land is also a party to the SPA and it will participate in the proposed RTO by way of sale of its 30%-interest in these tourism-related businesses to SHC. The completion of the Proposed Sale is subject to, amongst others, the fulfilment of conditions precedent in the SPA including but not limited to the approval of the SGX-ST for the proposed RTO and other requisite regulatory approvals.

¹ Pun Hlaing Lodge shall be owned, operated, managed and/or held by Pun Hlaing Lodge Hotel Management Limited (“PHL MIC Co”). YSIL, through its wholly-owned subsidiaries, holds an effective interest of 100% in PHL MIC Co.

Mr. Serge Pun, Yoma Strategic's Executive Chairman, commented, "Tourism is a significant economic driver in Myanmar, and we believe the divestment of our tourism-related assets into a dedicated platform in partnership with other tourism players in Myanmar will unlock better value for our shareholders in the long run. Our participation in SHC will allow us to crystallise the value in Balloons over Bagan, Bagan Land and Pun Hlaing Lodge and realise synergies while gaining access to a wider capital base to participate in the strong growth of the Myanmar tourism market."

SHC, which is listed on the Catalist Board of the Singapore Exchange Securities Trading Limited ("SGX-ST"), will also simultaneously acquire additional tourism-related businesses which comprise "Hpa-An Lodge", a hotel/lodge business and "Asia Holidays", a Myanmar-based destination management company.

Following the proposed RTO, SHC will transform into a Myanmar-focused tourism company which will be uniquely positioned to acquire, develop and operate new tourism-related assets in Myanmar. A new CEO, Mr. Michel Novatin, has been identified to lead the management team of this tourism platform. Mr. Novatin is an industry veteran with over 40 years of extensive experience in managing luxury hotels including leading roles in Kempinski Hotels, Steigenberger Hotels and Resorts, and the Danone Group. Overall, the proposed RTO of SHC will facilitate fund-raising and provide investors with an opportunity to participate in the growth of the tourism industry in Myanmar.

Under the SPA, the Transferred Businesses and the additional tourism-related businesses will be injected into a target company which is to be subsequently acquired by SHC at an aggregate consideration of S\$70,675,130. The said consideration is to be satisfied by the issue and allotment of new consolidated SHC shares at an issue price of S\$0.263 ("Consideration Shares").

Upon completion of the Proposed Sale in accordance with the terms and conditions of the SPA, YSIL will be issued 167,078,848 Consideration Shares valued at an aggregate of S\$43,941,737, giving it a shareholding of 53.48% in SHC before taking into account the shareholding effects arising from any proposed compliance placement of SHC.

The Transferred Businesses

1. Balloons over Bagan ("BoB")

BoB is a hot-air balloon business operating in the Bagan and Inle area, Myanmar. BoB business comprises the assets and operation of a full commercial hot air balloon business in Bagan (12 balloons) and Inle Lake area (2 balloons). The company has full Air Operator Certification as the largest hot air balloon operation in Bagan as the number of licenses in Bagan is limited to 20 balloons. Inle Lake operation has started in 2015, another growing tourist attraction in Upper Myanmar.

2. Pun Hlaing Lodge (“PHL”)

PHL is a 46-key resort on 2.192 acres of land on Pun Hlaing Estate. It is currently under construction and SHC, upon the completion of the proposed RTO, shall finance the remaining construction costs up to US\$12 million.

3. Bagan Land

Bagan Land is a 4.3-acre parcel of land in the city of Nyaung U, Myanmar that will be developed into a proposed commercial and tourism-related hospitality development.

Other Tourism Businesses

The following additional tourism-related businesses shall be acquired by the new target company through the issue and allotment of new target company shares:

1. “Hpa-An Lodge”, which is a 19-key lodge business located on a parcel of land in Hpa An Township, Karen State, Myanmar; and
2. “Asia Holidays”, which is a tourism and destination management company.

Collectively, the Transferred Businesses and the Other Tourism Businesses are referred to as the “Target Businesses”.

The new target company shall also further acquire a new management company (“Management Co”), to be incorporated by YSIL and FMI, which shall be used to consolidate the management and financial services to be provided to the Target Businesses.

End

Note: This media release should be read in conjunction with the announcement it 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 a diversified portfolio of businesses in Real Estate, Consumer, Automotive & Equipment, and Investments 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 for three consecutive years (2014 – 2016), 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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