

PRESS RELEASE

Yoma Strategic Enters Myanmar's Heavy Equipment Rental Sector

- Announces partnership with MSP CAT, the authorized dealer of Caterpillar branded Heavy Equipment in Myanmar
- Targeting the expected upturn in the resource and construction industry as well as Myanmar's massive infrastructure build-out
- Potential for sizeable additions to Yoma Fleet's existing portfolio

Yangon, 24 September 2018 - Yoma Strategic Holdings Ltd. ("Yoma Strategic") today announced that Yoma Fleet, the automotive and heavy equipment financing platform which is a wholly-owned deemed subsidiary of Yoma Strategic, has entered into a framework agreement establishing an exclusive partnership with Myan Shwe Pyi Tractors Limited ("MSP CAT"). MSP CAT is the authorized dealer for Caterpillar branded Heavy Equipment in Myanmar and the partnership will support its retail and rental business as well as provide funding for its customers.

Myanmar has a substantial need for infrastructure development. In line with government policy, a number of large-scale infrastructure projects are currently in the pipeline or in progress. These projects include power stations, ports, special industrial zones, and upgrades to existing transportation networks. Under its National Transport Master Plan, the Myanmar Government is planning to allocate US\$21.4 billion to rail, road, port and aviation projects by 2030¹.

In addition, the recent resource industry reforms aimed at encouraging investment in the sector are expected to lead to a period of growth as the industry returns to full production during the coming years².

The partnership aims to capture meaningful opportunities to provide finance in support of this expected growth. Yoma Fleet will initially finance MSP CAT's existing rental portfolio for an amount of approximately US\$7 million, which includes 71 pieces of Heavy Equipment of which 63 are Caterpillar machines. In addition, Yoma Fleet will become the preferred financing partner for customers of MSP CAT.

Mr. Melvyn Pun, CEO, Yoma Strategic said, "Our partnership with MSP CAT represents a unique opportunity to access MSP CAT's wide distribution network to support the infrastructure and construction sectors, especially in relation to their dealership rights for Caterpillar. At a time when we are anticipating a huge pick-up in infrastructure build-out as well as a resurgent mining sector, we expect this partnership to provide scalable financial returns for our Yoma Financial Services division in the years to come."

"This deal marks us out as a first mover in the financing of construction equipment and heavy machinery in Myanmar. In both the infrastructure and construction sectors, the lack of financing for mechanisation has historically been a major bottleneck to growth," **added Mr. Pun.**

¹ <https://oxfordbusinessgroup.com/overview/here-there-major-road-rail-and-port-investments-bode-well-logistics-trade-and-development-potential>

² <https://oxfordbusinessgroup.com/news/myanmar%E2%80%99s-mining-sector-reopens-investors>

Mr. Khin Maung Win, Chairman and CEO, MSP CAT said, “This partnership could not have come at a better time when Myanmar is poised for substantial growth in rental demand in the coming years. We are now well positioned to serve our customers better through our combined strengths in the areas of competitive financial offerings and the highest levels of equipment rental solutions. This is our response to the voice of our customers – Yoma Strategic and MSP CAT’s strategic partnership to help grow their businesses.”

About Myan Shwe Pyi Tractors Limited. (www.mspscat.com.mm)

With 13 branches across the country, MSP CAT is a leading supplier of quality power systems, machines and services to the agriculture, construction, forestry and mining industries. MSP CAT is the authorised independent dealer of Caterpillar branded equipment in Myanmar.

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, Financial Services 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 5% of the Governance and Transparency Index 2018, ranked 26th out of top 100 largest Singapore companies in the ASEAN Corporate Governance Scorecard 2017 and won the Best Managed Board (Gold) Award at the Singapore Corporate Awards in 2016.

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