
RESPONSE TO SGX-ST'S QUERIES REGARDING THE ANNOUNCEMENT MADE BY THE COMPANY ON 19 AUGUST 2013 RELATING TO THE USE OF PROCEEDS FROM RIGHTS ISSUE COMPLETED IN JUNE 2012 AND PLACEMENT COMPLETED IN NOVEMBER 2012

Unless otherwise defined, all terms used or referred to in this announcement have the meanings as assigned to them in the announcements made by the Company on 1 June 2012, 3 July 2012, 20 November 2012, 26 November 2012, 28 November 2012, 3 June 2013, 26 June 2013 and 19 August 2013 in relation to the Rights Issue and the Placement (together, the "Announcements").

Further to the announcement dated 19 August 2013, in response to the e-mail queries received from the Singapore Exchange Securities Trading Limited ("**SGX-ST**") of 26 August 2013, the Board of Directors of the Company provides the information as set out below:

Query 1

It was disclosed that S\$5 million was used for working capital purposes. To provide breakdown and details on the use of proceeds.

Reply

As disclosed in the Company's announcement on its financial statements for the period ended 30 June 2013 dated 29 July 2013 (announcement no. 195), the majority of trade receivables of the Group as at 30 June 2013 are not yet due. Further, a higher working capital was required to support the Group's increasing operations. As a result, the S\$5 million was mainly used to fund the construction of on-going property development undertaken by the Group.

Query 2

It was disclosed that S\$6.4 million was used towards general investments relating to opportunities in Myanmar. To provide breakdown and details on the use of proceeds.

Reply

The Company had committed to investing an aggregate amount of S\$6.4 million in an investment fund that is jointly managed by Simon Murray & Company ("**SMC**") and Serge Pun & Associates (Myanmar) Limited ("**SPA**"). The fund will invest in businesses with significant operations in and/or exposure to Myanmar. The principal investment objective of the fund is to achieve above



average, risk adjusted capital appreciation through direct investment in a diversified portfolio of equity and equity-related investments in Myanmar. In general, the fund will not invest in real estate, agricultural or automotive industries so as to avoid conflicts with current interests of the Group provided that the fund may invest in industries for which real estate is ancillary and incidental to the main business and operations of such industries. Further, the fund will focus on investment opportunities with an investment size of up to US\$10 million.

SMC is part of the Simon Murray Group (“**SMG**”), founded in 1997 by Mr. Simon Murray, the former Group Managing Director of Hutchison Whampoa Ltd and Executive Chairman Asia Pacific of Deutsche Bank Group. SMG has managed over US\$1 billion in various funds.
(source: <http://www.simonmurrayco.com.hk>)

Although the investment in the fund was an interested person transaction, at the point of commitment, the aggregate value of all transactions entered into with the SPA Group (including this investment of S\$6.4 million but excluding transactions under the shareholders’ mandate) since the financial year commencing 1 April 2013 was less than 3% of the latest audited net tangible assets of the Group.

BY ORDER OF THE BOARD

Andrew Rickards
Chief Executive Officer
27 August 2013

YOMA Strategic Holdings Ltd
Company Registration No. 196200185E
#25-05 Fuji Xerox Towers
80 Anson Road
Singapore 079907
Tel: (65) 6223-2262
Fax: (65) 6220-7939
Website: www.yomastrategic.com