
CIRCULAR TO SHAREHOLDERS IN RELATION TO THE PROPOSED DISPOSAL OF ONE HUNDRED PER CENT. (100%) INTEREST IN LAND AND BUILDINGS DATED 19 FEBRUARY 2023 TO BE TABLED AT EXTRAORDINARY GENERAL MEETING ON 6 MARCH 2023

Yoma Strategic Holdings Ltd. (the “**Company**”, or collectively with its subsidiaries, the “**Group**”) would like to thank all shareholders for submitting their questions in advance of its Extraordinary General Meeting (“**EGM**”) which will be convened and held by way of electronic means on 6 March 2023 at 10.00 a.m. (Singapore time).

The Company has consolidated the substantial and relevant questions received, made editorial amendments to, or rephrased, some of the questions to ensure that the context of these questions is clearer.

Please refer to **Annex A** for the list of substantial and relevant questions and the Company’s responses to these questions.

It is important to note that these questions and responses should be read in conjunction with the Company’s Circular to Shareholders dated 19 February 2023.

BY ORDER OF THE BOARD

Melvyn Pun
Chief Executive Officer
2 March 2023

YOMA STRATEGIC HOLDINGS LTD.

Company Registration No. 196200185E
63 Mohamed Sultan Road
#02-14 Sultan-Link
Singapore 239002
Tel: (65) 6223 2262
Fax: (65) 6223 1990
www.yomastrategic.com

ANNEX A: QUESTION FROM SHAREHOLDERS AND THE COMPANY'S RESPONSE

Question 1:

What will be the impact on the group's operations and businesses from this sale?

Company's response:

With reference to Paragraph 5.4 of the Circular, the Company does not expect the Proposed Disposal to have a material impact on the Group's operations and businesses given that:

- one of the main businesses of the Group is to develop residential and commercial properties for sale and leasing purposes;
- the carrying value of the Sale Land was less than 5% of the Group's net assets as at 30 September 2022; and
- the leasing revenue generated by the Sale Land was less than 5% of the Group's total revenue for 12M-Sept 2022.

Question 2:

- (a) How are capital/currency controls affecting the business overall and also, specifically, in the property development business? Recent residential Unit sales looked good. Is that due in part to a short-term rush to buy property when the forced currency conversion was announced and should we expect sales in the future to be more difficult when controls are actually implemented?
- (b) What is company's capital return plan or philosophy? What additional exits can be expected based on company's stated strategy to de-leverage through asset sales.
- (c) What is status of Ayala's remaining 5.1% investment obligation at S\$ 0.45 a share?

Company's response:

- (a) As stated in the Company's trading update dated 10 February 2023, since April 2022, the Central Bank of Myanmar has announced a number of foreign currency regulations, including the mandatory conversion of USD into MMK, approval processes for the purchase and remittance of USD, and regulations relating to offshore loan repayments. The development of these regulations remains fluid and the Group continues to monitor any additional announcements or clarifications from the Central Bank of Myanmar. Furthermore, as stated in the Company's half yearly results announcements dated 13 May 2022 and 13 November 2022, the Group is proactively managing its currency exposure, and notwithstanding the strong trends seen in terms of customer demand and sales, the general availability of USD and the volatility of MMK have the potential to pose significant challenges to the overall business environment and the Group's financial performance.

YOMA STRATEGIC HOLDINGS LTD.

Company Registration No. 196200185E
63 Mohamed Sultan Road
#02-14 Sultan-Link
Singapore 239002
Tel: (65) 6223 2262
Fax: (65) 6223 1990
www.yomastrategic.com

As stated in the Company's trading update dated 10 February 2023, real estate sales across all projects remained healthy driven by the demand for hard assets and the competitive positioning of the Group's estates and product offerings. Furthermore, as stated in the Company's half-yearly results announcement dated 13 November 2022, given the recent trends in the market, the Group is cautiously optimistic about its business prospects for the next 6-12 months.

- (b) One of the Group's strategies to deleverage its balance sheet is to generate positive cashflow through the sale of assets that do not materially affect the Group's ongoing core operations. For instance, as previously announced on 8 November 2019, the Group is looking to dispose of one of its investment properties, the retail shopping mall in Dalian, China, and has classified that non-core asset as assets of disposal group classified as held-for-sale.
- (c) As announced in December 2021, the Group restructured the Ayala shareholder loan (whose principal amount was equivalent to the aggregate subscription price for the Second Tranche Placement Shares) into a perpetual loan that may only be redeemed through the issuance of shares at a price of S\$0.45 per share. Please refer to the Company's announcement dated 29 December 2021.

YOMA STRATEGIC HOLDINGS LTD.

Company Registration No. 196200185E
63 Mohamed Sultan Road
#02-14 Sultan-Link
Singapore 239002
Tel: (65) 6223 2262
Fax: (65) 6223 1990
www.yomastrategic.com