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- **RESPONSES TO SGX QUERIES ON THE COMPANY'S ANNOUNCEMENTS DATED 18 MAY 2020 AND 24 JUNE 2020**
  - **CLARIFICATION TO THE ANNOUNCEMENT DATED 24 JUNE 2020**
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*Where capitalised terms are used in this announcement and not otherwise defined, such capitalised terms shall bear the same meanings as ascribed to them in the 18 May 2020 Announcement and the 24 June 2020 Announcement (as hereinafter defined).*

The Board of Directors of Yoma Strategic Holdings Ltd. (the "**Company**", and together with its subsidiaries, the "**Group**") refers to the following queries raised by the Singapore Exchange Securities Trading Limited ("**SGX**") and the Company's responses are set out below:

The SGX referred to the following:

- (a) the SGXNet announcement dated 18 May 2020, entitled "Wave Money and Ant Financial Services Group forms strategic partnership to promote financial inclusion for the unbanked in Myanmar" (the "**18 May 2020 Announcement**"); and
- (b) the SGXNet announcement dated 24 June 2020, entitled "Proposed acquisition of controlling interest in Digital Money Myanmar Limited" (the "**24 June 2020 Announcement**").

**Query 1:**

*We note that the Company has stated in footnote 2 of the 18 May 2020 Announcement that Yoma Strategic and Yoma Bank will hold 29.5% and 3.4% of Wave Money respectively following completion of the transaction. Please disclose the stakes held by Telenor and the Ant Group respectively following completion of the transaction.*

**Company's response:**

Please refer to Paragraph 2.4 of the 24 June 2020 Announcement for information on the interests held by the shareholders of Wave Money post the investment by the Ant Group.

**Query 2: With regard to the 24 June 2020 Announcement:-**

- (i) *please clarify if the redeemable preference shares in Wave Money are voting shares and disclose the rights under these shares;*

**Company's response:**

The redeemable preference shares and ordinary shares in Wave Money rank pari passu in respect of voting, right to income and right to capital of Wave Money. Each of the shareholder of Wave Money holds such number of redeemable preference shares that is pro rata to number of ordinary shares held by each of them respectively.

- (ii) *please disclose whether the Proposed Acquisition is conditional upon the successful completion of: (i) investment by the consortium members; and (ii) the Ant Investment. If not, what are the thresholds based on Listing Rule 1006;*

**Company's response:**

The Proposed Acquisition is conditional upon the successful completion of the Ant Investment but not the investment by the consortium members. Based on discussions to date, the Company is confident to raise the funds for the Proposed Acquisition, and hence, the thresholds under Listing Rule 1006 were based on the assumption that the said transactions were completed at the same time.

- (iii) *Please clarify if the Vendors held a 34.2% stake prior to the SPA on 23 June 2020;*

**Company's response:**

As at the date of the 24 June 2020 Announcement, the Vendors collectively hold 51% interest in Wave Money which would represent 34.2% interest in Wave Money post the Ant Investment.

- (iv) *please clarify if there is a binding agreement between Ant Group and Wave Money in relation to the proposed strategic partnership;*

There is a definitive share subscription agreement executed in relation to the proposed strategic partnership between the Ant Group and Wave Money which is subject to certain conditions including regulatory approval.

(v) *please disclose the thresholds under Listing Rule 1006 for the Proposed Acquisition and 10% Acquisition on a cumulative basis;*

**Company's response:**

**Relative Figures**

(a) The net asset value of the assets to be disposed of, compared with the Group's net asset value. This basis is not applicable to an acquisition of assets.	Not applicable
(b) The net profit attributable to the 10% Acquisition and the Proposed Acquisition compared with the Group's net loss. <sup>(1)</sup>	(4.40%)
(c) The aggregate consideration <sup>(2)</sup> given for the 10% Acquisition and the Proposed Acquisition compared with the Company's market capitalisation <sup>(3)</sup> based on the total number of issued shares excluding treasury shares.	7.71%
(d) The number of equity securities issued by the Company as consideration for the Wave Money Transactions, compared with the number of equity securities previously in issue.	Not applicable

**Notes:-**

- (1) The net profit of Wave Money for the twelve-month period ended 31 March 2020 is approximately US\$18.05 million and the Group's share of the net profit is approximately US\$6.14 million. The Group's net loss for the same period is approximately US\$73.42 million. The net profit of Wave Money attributable to only the 10% Acquisition and the Proposed Acquisition post-Ant Investment is approximately US\$3.23 million.
- (2) The aggregate consideration to be paid by the Group for the 10% Acquisition and the Proposed Acquisition is US\$32.80 million.
- (3) The Company's market capitalisation of approximately S\$591.3 million is based on its total number of issued Shares of 2,231,220,416 and the closing price of S\$0.265 per Share on 22 June 2020 (being the market day immediately preceding the date of the SPA).

(vi) *please state the certainty for the completion of the Wave Money Transactions on the same day;*

**Company's response:**

It is the intention of the parties to the 10% Acquisition and the Proposed Acquisition to complete on the same day barring unforeseen circumstances not within the control of the parties. It is also noted that it is the intention of the Company to complete the investments from the consortium of investors in Wave Holdco on the same day.

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*(vii) please show the breakdown for the computation of the additional 11.2% effective interest in Wave Money. Please also clarify if the additional investment of US\$25 million is fixed and whether the additional 11.2% effective interest and additional investment amount are dependent on the investment in Wave Holdco and the terms of the Ant Investment;*

**Company's response:**

The 11.2% effective interest is the difference between the effective interest in Wave Money of 40.7% (post the Wave Money Transactions and assuming that the Company invests up to a further US\$25 million in Wave Holdco) and the Company's interest in Wave Money of 29.5% post the investment by the Ant Group only. The purchase consideration for the Vendors' interest in Wave Money (post the Ant Investment being 34.2%) is US\$76.5 million. The investment of up to US\$25 million by the Company equates to 32.7% of the Vendors' post Ant Investment (being US\$25 million / US\$76.5 million) and will result in the Company having an additional 11.2% effective interest in Wave Money.

Discussions with the consortium of investors are on-going and final allocations are yet to be determined and hence, the computations are made on the assumption that the Company would invest up to a further US\$25 million in Wave Holdco. The terms of the Ant Investment have been finalised. However, the final effective interest in Wave Money to be held by the Company would depend on the final amount that the consortium of investors invests in Wave Holdco.

*(viii) please disclose the information required under Listing Rules 1010(5) and 1010(12), namely (a) the value (book value, net tangible asset value and the latest available open market value) of the assets being acquired or disposed of, and in respect of the latest available valuation, the value placed on the assets, the party who commissioned the valuation and the basis and date of such valuation; (b) details of any service contracts of the directors proposed to be appointed to the issuer in connection with the transaction; and*

**Company's response:**

Based on the pro forma unaudited financial statements on Wave Money as at 31 March 2020 (assuming the completion of Ant Investment), the net asset value of Wave Money is approximately US\$102 million.

No person will be appointed as a director of the Company in connection with the Proposed Acquisition. Accordingly, no service contract is proposed to be entered into between the Company and any such person in connection with the Proposed Acquisition.

*(ix) please clarify how Wave Money will be accounted for after the Proposed Acquisition.*

**Company's response:**

The Company intends to consolidate Wave Money as a subsidiary company post the Wave Money Transactions.

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**CLARIFICATION TO THE COMPANY'S ANNOUNCEMENT DATED 24 JUNE 2020**

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Reference is made to Paragraph 6.2 of the Company's announcement dated 24 June 2020. The Company would like to inform shareholders that the computation for the relative figures under Rule 1006 of the Listing Manual should be as follows:-

Based on Paragraph 6.1 and the assumption that the Company would invest up to US\$25.0 million in Wave Holdco, the Company would be acquiring up to an additional 11.2% effective interest in Wave Money. Please see below for the computation of the relative figures under Rule 1006 of the Listing Manual using the latest announced unaudited financial information of the Group for the twelve-month period ended 31 March 2020 on these bases.

(a) The net asset value of the assets to be disposed of, compared with the Group's net asset value. This basis is not applicable to an acquisition of assets.	Not applicable
(b) The net profit attributable to the Wave Money Transactions compared with the Group's net loss. <sup>(1)</sup>	(2.75%)
(c) The aggregate consideration <sup>(2)</sup> given for the Wave Money Transactions compared with the Company's market capitalisation <sup>(3)</sup> based on the total number of issued shares excluding treasury shares.	5.88%
(d) The number of equity securities issued by the Company as consideration for the Wave Money Transactions, compared with the number of equity securities previously in issue.	Not applicable

**Notes:-**

- (1) The net profit of Wave Money for the twelve-month period ended 31 March 2020 is approximately US\$18.05 million and the Group's share of the net profit is approximately US\$6.14 million. The Group's net loss for the same period is approximately US\$73.42 million. The net profit of Wave Money attributable to the Wave Transactions post-Ant Investment is US\$2.02 million.
- (2) The aggregate consideration paid by the Group is US\$25.0 million.
- (3) The Company's market capitalisation of approximately S\$591.3 million is based on its total number of issued Shares of 2,231,220,416 and the closing price of S\$0.265 per Share on 22 June 2020 (being the market day immediately preceding the date of the SPA).

**BY ORDER OF THE BOARD**

Melvyn Pun  
Chief Executive Officer  
1 July 2020

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