
ACQUISITION OF REMAINING INTERESTS IN TOURISM JOINT VENTURES BY THE GROUP'S 70%-OWNED SUBSIDIARY

The Board of Directors of Yoma Strategic Holdings Ltd. (the “**Company**” and together with its subsidiaries, the “**Group**”) wishes to inform shareholders of its acquisition of the remaining interests in its tourism joint ventures in Myanmar including the “Balloons Over Bagan” business (the “**BoB Business**”) by its 70%-owned subsidiary (together, the “**Acquisition**”).

RATIONALE

1. The Group intends to restructure and strengthen its tourism assets by partnering with other tourism players in Myanmar, such as but not limited to hotels and travel agencies. A dedicated management team with extensive tourism experience has been put in place, and the Group expects the partnerships and restructuring to drive commercial and costs synergies while improving development capabilities. The purchase of the remaining interest of the BoB Business is part of this restructuring process. The Acquisition allows the Group to streamline its shareholding in the BoB Business to facilitate the intended restructuring. The Acquisition will be funded by internal cash flows generated in the BoB Business.
2. The Group is in discussions with other potential partners in this business sector and will make relevant announcements as and when appropriate.

THE ACQUISITION

3. The Company holds a seventy per cent. (70%) interest in Chindwin Holdings Pte. Ltd. (“**CHPL**”). First Myanmar Investment Company Limited (“**FMI**”) holds the remaining thirty per cent. (30%) interest.
4. Prior to the completion of the Acquisition, CHPL holds an effective seventy-five per cent. (75%) interest in (a) Shwe Lay Ta Gun Travels and Tours Company Limited (“**SLTG**”) which owns and operates the BoB Business in Myanmar; (b) Chindwin Bagan Company Limited (“**Chindwin Bagan**”) which is to engage in the luxury tourism business in Bagan; (c) Chindwin Pindaya Company Limited (“**Chindwin Pindaya**”) which is to explore investment opportunities in Myanmar; and (d) Eastern Safaris Pte. Ltd. (“**ESPL**”) which offers exclusive and luxurious adventure products in Myanmar. The remaining twenty-five per cent. (25%) interest in each of SLTG, Chindwin Bagan and Chindwin Pindaya is held by Ms Khin Omar Win, and her husband, Mr. Brett Melzer, holds the remaining twenty-five per cent. (25%) interest in ESPL. Both Ms Khin Omar Win and Mr. Brett Melzer are co-founders of the BoB Business.

5. Pursuant to the completion of the Acquisition on the date of this Announcement (the “**Completion Date**”), SLTG, Chindwin Bagan and Chindwin Pindaya are now wholly-owned subsidiaries of CHPL and CHPL no longer holds any interest in ESPL. As at the date of this Announcement, the Company holds an effective interest of seventy per cent. (70%) in each of SLTG, Chindwin Bagan and Chindwin Pindaya.

CONSIDERATION

In exchange for the acquisition of the remaining twenty-five per cent. (25%) interests in SLTG, Chindwin Bagan and Chindwin Pindaya, CHPL has agreed to pay Ms Khin Omar Win and Mr. Brett Melzer United States Dollars One Million Five Hundred Thousand (US\$1,500,000), terminate the call option over a plot of land in Bagan to develop a hotel, write-off all expenses incurred in relation to the proposed development of the hotel in Bagan and transfer to them its seventy-five per cent. (75%) interest in ESPL (together, the “**Consideration**”). In relation to the cash consideration of United States Dollars One Million Five Hundred Thousand (US\$1,500,000), United States Dollars One Million (US\$1,000,000) will be paid after completion and the remaining United States Dollars Five Hundred Thousand (US\$500,000) is to be paid on the date falling twelve (12) months after completion.

The Consideration was arrived at after arm’s length negotiations and on a willing buyer and willing seller basis after taking into account the parties’ assessment of the value of the interests in the entities to be acquired/transferred including by not limited to the value of the licenses, expected future earnings and current retained earnings of the BoB Business.

The Consideration will be funded by internal resources and is not expected to have any material impact on the net tangible assets per share or earnings per share of the Company for the current financial year ending 31 March 2017.

BY ORDER OF THE BOARD

Mr. Melvyn Pun
Chief Executive Officer
2 September 2016