

CIRCULAR DATED 8 FEBRUARY 2013

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

IF YOU ARE IN ANY DOUBT AS TO THE ACTION YOU SHOULD TAKE, YOU SHOULD CONSULT YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER PROFESSIONAL ADVISER IMMEDIATELY.

If you have sold or transferred all your ordinary shares (the “**Shares**”) in the capital of Yoma Strategic Holdings Ltd. (the “**Company**”) held through The Central Depository (Pte) Limited (“**CDP**”), you need not forward this Circular to the purchaser or transferee as arrangements will be made by CDP for a separate Circular to be sent to the purchaser or transferee. If you have sold or transferred all your Shares represented by physical share certificate(s), you should immediately forward this Circular and the Proxy Form to the purchaser or to the transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected, for onward transmission to the purchaser or transferee.

The Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) assumes no responsibility for the accuracy of any of the statements made or opinions expressed or reports contained in this Circular.

In deciding whether to approve the Proposed Acquisition (as defined herein), Shareholders are advised to have due regard to the risk factors set out in Appendix D. In addition, Shareholders should also note that investments in frontier markets carry additional uncertainty and risks compared to more developed markets.

Terms appearing on the cover of this Circular have the same meanings as defined in this Circular.



YOMA STRATEGIC HOLDINGS LTD.

(Incorporated in the Republic of Singapore)
(Company Registration No. 196200185E)

CIRCULAR TO SHAREHOLDERS

IN RELATION TO

- 1. THE PROPOSED ACQUISITION OF EIGHTY PER CENT. (80%) INTERESTS IN RESPECT OF THE LANDMARK DEVELOPMENT (AS DEFINED HEREIN) FROM AN INTERESTED PERSON; AND**
- 2. THE PROPOSED WHITEWASH RESOLUTION FOR THE WAIVER OF THE RIGHTS OF INDEPENDENT SHAREHOLDERS (AS DEFINED HEREIN) TO RECEIVE A MANDATORY GENERAL OFFER FROM MR. SERGE PUN AND HIS CONCERT PARTIES (AS DEFINED HEREIN) AS A RESULT OF THEIR ACQUISITION OF RIGHTS SHARES PURSUANT TO THE PROPOSED RIGHTS ISSUE.**

Independent Financial Adviser to the Recommending Directors in respect of the Proposed Acquisition and to Independent Shareholders in respect of the Proposed Whitewash Resolution



KPMG CORPORATE FINANCE PTE LTD
(Incorporated in the Republic of Singapore)
(Company Registration No.: 198500417D)

IMPORTANT DATES AND TIMES

Last date and time for lodgement of Proxy Form : 26 February 2013 at 10 a.m.

Date and time of Extraordinary General Meeting : 28 February 2013 at 10 a.m.

Place of Extraordinary General Meeting : The Straits Room
Level Four, The Fullerton Hotel
1 Fullerton Square
Singapore 049178

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DEFINITIONS

For the purpose of this Circular, the following definitions apply throughout unless the context otherwise requires or unless otherwise stated:

Companies in the Group

- “Company” or “YSH” : Yoma Strategic Holdings Ltd.
- “Group” : The Company and its subsidiaries, collectively
- “YSIL” : Yoma Strategic Investments Ltd., a wholly-owned subsidiary of the Company incorporated in Singapore

Companies in the SPA Group

- “FMI” : First Myanmar Investment Co., Ltd, a subsidiary of SPA as a result of SPA having a contractual right of absolute management control of FMI pursuant to an existing management agreement between SPA and FMI
- “FMI Syndication” : FMI Syndication Ltd.
- “MIHL” : Meeyahta International Hotel Limited, a foreign investment company incorporated in Myanmar
- “SPA” : Serge Pun & Associates (Myanmar) Limited
- “SPA Group” : SPA and its subsidiaries (including FMI and YLC)
- “YLC” : Yangon Land Co., Ltd, a wholly-owned subsidiary of SPA incorporated in Myanmar, whose shares are held on trust for SPA

General

- “Announcement Date” : 19 November 2012, being the date of the Announcement
- “Announcement” : The announcement made by the Company in relation to the Proposed Acquisition
- “Acquisition Opinion Letter” : The IFA’s letter to the Recommending Directors regarding the Proposed Acquisition dated 8 February 2013, annexed to this Circular as Appendix E
- “Acquisition Price” : US\$81.28 million (approximately S\$99.16 million at the exchange rate of US\$1 to S\$1.22), being the acquisition price of the Sale Shares
- “Assignment of Shareholder’s Loan” : The proposed assignment of a shareholder’s loan in MIHL from SPA which is in proportion to the proposed acquisition of eighty per cent. (80%) interests in MIHL
- “Audit Committee” : The audit and risk management committee of the Company as at the date of this Circular comprising Messrs Basil Chan (Chairman), Adrian Chan Pengee, Kyi Aye and Dr. Mohd Amin Liew Abdullah @ Liew Kong Ming
- “Authority” : The Monetary Authority of Singapore

“Balance Sheet Outstanding Outgoings Amount”	: In relation to the Final Consideration to be paid for the Proposed Acquisition, the amount, relating to the outstanding outgoings (including, <i>inter alia</i> , land rent, rates, taxes, assessments and fees) levied and imposed on MIHL and the Sites by the relevant government authorities, that have been outstanding since and as at the date of the Sale and Purchase Agreement which amounts to an aggregate amount of approximately US\$12,000,000, as reflected in the balance sheet of MIHL to be prepared as at the Completion Date
“Board” or “Directors”	: The directors of the Company as at the date of this Circular comprising Messrs Serge Pun @ Theim Wai (Chairman), Andrew Jonathan Rickards, Cyrus Pun Chi Yam, Adrian Chan Pengee, Basil Chan, Kyi Aye, Dr. Amin and Melvyn Pun (alternate Director of Mr. Serge Pun)
“Circular”	: This circular to Shareholders dated 8 February 2013
“Code”	: The Singapore Code on Take-Overs and Mergers
“Companies Act”	: The Companies Act, Chapter 50, of Singapore as amended, supplemented or modified from time to time
“Completion Date”	: The fourteenth (14 th) business day after the date of the EGM or such other date as the parties may mutually agree in writing
“Concert Parties”	: Parties acting in concert with Mr. Serge Pun, as defined in paragraph 1 of the Definitions section of the Code
“Control”	: The capacity to dominate decision-making, directly or indirectly, in relation to the financial and operating policies of a company
“Controlling Shareholder”	: A person who (i) holds directly or indirectly fifteen per cent. (15%) or more of the total number of issued Shares; or (ii) in fact exercises Control over the Company
“CRO”	: Companies Registration Office
“CRO Registration”	: The registration of the Sale Shares with the CRO in the name of the Company or its nominee
“Deed of Assignment”	: The deed of assignment in relation to the Assignment of Shareholder’s Loan to be executed by SPA and delivered on completion of the Proposed Acquisition
“Deed of Indemnity”	: The deed of indemnity given by, each of SPA and Mr. Serge Pun, to be executed and delivered on completion of the Proposed Acquisition, whereby they will agree and undertake to each of the Company and MIHL to indemnify and keep indemnified the Company and MIHL against losses, liabilities and damages suffered by any of the Company or MIHL or any depletion in or reduction in value of their respective assets or increase in their respective liabilities in relation to MIHL in connection with or as a result of, <i>inter alia</i> , any claim for outstanding outgoings in respect of the Sites or any claim as a result of a breach under any tenancy agreements in relation to Sites

“EGM”	:	The Extraordinary General Meeting of the Company to be held on 28 February 2013, notice of which is set out in this Circular
“Existing Mandate”	:	The general mandate obtained by the Company at the Annual General Meeting held on 25 July 2012 pursuant to Rule 806 of the Listing Manual
“Existing Share Capital”	:	The existing issued and paid-up share capital of the Company as at the Latest Practicable Date of 1,157,118,115 Shares (excluding treasury shares)
“Final Consideration”	:	The final consideration to be paid for the Proposed Acquisition which shall be subject to adjustments determined by the Company depending on the items reflected in the balance sheet of MIHL and the retention of any Balance Sheet Outstanding Outgoings Amount
“FRRD”	:	The First Right of Refusal Deed entered into by YSIL and SPA in relation to the acquisition of LDRs in respect of land in Yangon, Myanmar, dated 17 August 2006
“FY”	:	Financial year ending or ended 31 March, as the case may be
“FY2012”	:	Financial year ended 31 March 2012
“Independent Financial Adviser”, “IFA” or “KPMG”	:	The independent financial adviser in relation to the Proposed Acquisition and the Proposed Whitewash Resolution, being KPMG Corporate Finance Pte Ltd (Company Registration No. 198500417D)
“Independent Shareholders”	:	Shareholders other than Mr. Serge Pun and his concert parties for the purpose of the Proposed Whitewash Resolution
“Irrevocable Undertaking”	:	<p>The revised irrevocable undertaking given by Mr. Serge Pun on 6 February 2013 (replacing the undertaking given by Mr. Serge Pun on 19 November 2012) in favour of the Company in relation to the Proposed Rights Issue, that, <i>inter alia</i>:</p> <p>(i) he will subscribe and pay for and/or procure subscriptions and payments in full for his Pro Rata Entitlements; and</p> <p>(ii) he will make and/or procure to be made excess application(s) and payment(s) for such number of the Rights Shares which are not subscribed or applied for by Shareholders other than himself, which together with the Pro Rata Entitlements will amount to S\$84.52 million, being the consideration for the Proposed Acquisition less the Balance Sheet Outstanding Outgoings Amount as at the date of the Sale and Purchase Agreement</p>
“JLLS”	:	Jones Lang La Salle group of companies
“Landmark Development”	:	The proposed development of the Sites into a mixed-use development comprising hotels, a condominium building, a serviced apartment complex, office towers and a retail podium on approximately ten (10) acres of land, the details of which are set out in Appendix B of this Circular

- “Latest Practicable Date” or “LPD”** : 4 February 2013, being the latest practicable date prior to the printing of this Circular
- “LDRs”** : Land development rights acquired from the State
- “Lease Agreement”** : The new lease to be entered into between MIHL and FMI Syndication on or after completion of the Proposed Acquisition whereby MIHL will (i) lease Site 2 to FMI Syndication; and (ii) agree that FMI Syndication may continue to manage the existing tenants or any new tenants on such terms and conditions as may be agreed by the Company
- “Listing Manual”** : The Listing Manual of the SGX-ST
- “Market Day”** : A day on which the SGX-ST is open for trading in securities
- “Master Lease”** : The new leasehold title to be issued by the MIC, the Yangon City Development Committee and the Ministry of Rail Transportation for the benefit and in favour of MIHL and/or its wholly owned subsidiaries whereby the existing leases of Site 1 and Site 2 will be combined, with renewed terms for redevelopment
- “MIC”** : Myanmar Investment Commission
- “MIC Approval”** : The approval by the MIC for the transfer of the Sale Shares to the Company or its nominee
- “Myanmar” or “State”** : Republic of the Union of Myanmar
- “NTA”** : Net tangible assets
- “Proposed Acquisition”** : The proposed acquisition of eighty per cent. (80%) shareholding interests in MIHL (together with the Assignment of Shareholder’s Loan) as a specific interested person transaction and as a major transaction, details of which are set out in this Circular
- “Proposed Rights Issue”** : The proposed renounceable non-underwritten rights issue of up to 289,279,553 Rights Shares announced by the Company on 19 November 2012 and 18 December 2012, on the basis of one (1) Rights Share for every four (4) existing Shares held by Shareholders as at a books closure date to be determined, fractional entitlements to be disregarded, at an issue price of S\$0.38 per Rights Share
- “Proposed Whitewash Resolution”** : The proposed whitewash resolution for the waiver by Independent Shareholders of their rights to receive a mandatory general offer from Mr. Serge Pun and his concert parties for all the issued and paid-up Shares not already owned, controlled or agreed to be acquired by them arising from the subscription of Rights Shares by Mr. Serge Pun pursuant to the Irrevocable Undertaking given in relation to the Proposed Rights Issue
- “Pro Rata Entitlements”** : Mr. Serge Pun’s *pro-rata* entitlement to 120,552,215 Rights Shares (direct and indirect) under the Proposed Rights Issue
- “Proxy Form”** : The proxy form in respect of the EGM as set out in this Circular

“Recommending Directors”	: The Directors who are deemed independent for the purposes of the Proposed Acquisition, namely, Messrs Andrew Jonathan Rickards, Basil Chan, Adrian Chan Pengee, Kyi Aye and Dr. Mohd Amin Liew Abdullah @ Liew Kong Ming
“Rights Share”	: A new Share to be issued under the Proposed Rights Issue, and “Rights Shares” shall be construed accordingly
“RKPL”	: Robert Khan & Co Pte Ltd (Company Registration No. 199305890G)
“Sale and Purchase Agreement”	: The conditional sale and purchase agreement dated 19 November 2012 entered into between SPA, YSH and Mr. Serge Pun in relation to the Proposed Acquisition
“Sale Shares”	: Eighty per cent. (80%) of the issued and paid up share capital of MIHL to be acquired from SPA pursuant to the Proposed Acquisition, details of which are set out in Section 2.5 of this Circular
“SFA”	: The Securities and Futures Act, Chapter 289, of Singapore, as amended or modified from time to time
“SGXNET”	: The SGXNET Corporate Announcement System
“SGX-ST”	: Singapore Exchange Securities Trading Limited
“Share”	: An ordinary share in the capital of the Company and “Shares” shall be construed accordingly
“Shareholders”	: Persons who are registered as holders of the Shares in the Register of Members of the Company, or where CDP is the registered holder, the term “Shareholders” shall, in relation to such Shares, mean the Depositors who have Shares entered against their names in the Depository Register
“SIC”	: The Securities Industry Council of Singapore
“Site 1”	: An area located at 372 Bogyoke Aung San Road, Pabedan Township, Yangon, Myanmar, approximately 9.5 acres of land
“Site 1 Tenancy Agreements”	: The tenancy agreements of Site 1 which are to be terminated on or before 31 October 2013, details of which are set out in Section 4.5 of this Circular
“Site 2”	: An area located at 380 Bogyoke Aung San Road, Pabedan Township, Yangon, Myanmar, approximately 0.5 acres of land
“Sites”	: Collectively, Site 1 and Site 2
“Star City”	: The development located in Thanlyin Township, approximately 6 miles south-east of downtown Yangon, Myanmar alongside the Pun Hlaing Links golf course consisting approximately 10.7 million sq. ft. of residential apartment space and approximately 1.7 million sq. ft. of commercial retail space
“Transactions”	: Collectively, the Proposed Acquisition and the Proposed Rights Issue

- “Valuation Certificates”** : The valuation certificates issued by JLLS and RKPL in relation to the Landmark Development, annexed to this Circular as Appendix G
- “Whitewash Opinion Letter”** : The IFA’s letter to the Recommending Directors dated 8 February 2013 in relation to the Proposed Whitewash Resolution, annexed to this Circular as Appendix F

Currencies, units of measurement and others

- “Kyats” or “Ks.”** : Myanmar Kyats, representing the lawful currency of Myanmar
- “SGD” or “S\$” and “cents”** : Singapore dollars and cents respectively, representing the lawful currency of the Republic of Singapore
- “sq. ft.”** : Square feet
- “US\$”** : United States dollars, representing the lawful currency of the United States of America
- “%” or “per cent.”** : Percentage or per centum

The terms **“Depositor”**, **“Depository Agent”** and **“Depository Register”** shall have the meanings ascribed to them respectively in Section 130A of the Companies Act.

Words importing the singular shall, where applicable, include the plural and vice versa. Words importing the masculine gender shall, where applicable, include the feminine and neuter genders. References to persons shall include corporations.

Any reference in this Circular to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Companies Act or any statutory modification thereof and not otherwise defined in this Circular shall have the same meaning assigned to it under the Companies Act or any statutory modification thereof, as the case may be.

Any reference to a time of day in this Circular is made by reference to Singapore time unless otherwise stated.

Any reference in this Circular to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any term defined under the Companies Act or the Listing Manual or any statutory modification thereof and not otherwise defined in this Circular shall, where applicable, have the same meaning ascribed to it under the Companies Act or the Listing Manual or such modification thereof, as the case may be.

YOMA STRATEGIC HOLDINGS LTD.

(Incorporated in the Republic of Singapore)
(Company Registration No. 196200185E)

LETTER TO SHAREHOLDERS

Board of Directors:

Mr. Serge Pun (Executive Chairman)
Mr. Andrew Rickards (Executive Director and Chief Executive Officer)
Mr. Cyrus Pun (Executive Director)
Mr. Adrian Chan Pengee (Lead Independent Director)
Mr. Basil Chan (Independent Director)
Mr. Kyi Aye (Independent Director)
Dr. Mohd Amin Liew Abdullah (Independent Director)
Mr. Melvyn Pun (Alternate Director to Mr. Serge Pun)

Registered Office:

80 Anson Road
Fuji Xerox Towers
#25-05
Singapore 079907

8 February 2013

To: The Shareholders of Yoma Strategic Holdings Ltd.

Dear Sir/Madam,

- 1. THE PROPOSED ACQUISITION OF EIGHTY PER CENT. (80%) INTERESTS IN RESPECT OF THE LANDMARK DEVELOPMENT (AS DEFINED HEREIN) FROM AN INTERESTED PERSON; AND**
- 2. THE PROPOSED WHITEWASH RESOLUTION FOR THE WAIVER OF THE RIGHTS OF INDEPENDENT SHAREHOLDERS (AS DEFINED HEREIN) TO RECEIVE A MANDATORY GENERAL OFFER FROM MR. SERGE PUN AND HIS CONCERT PARTIES (AS DEFINED HEREIN) AS A RESULT OF THEIR ACQUISITION OF RIGHTS SHARES PURSUANT TO THE PROPOSED RIGHTS ISSUE.**

1. INTRODUCTION

The Directors are convening an extraordinary general meeting ("**EGM**") to be held at The Straits Room, Level Four, The Fullerton Hotel, 1 Fullerton Square, Singapore 049178 on 28 February 2013 at 10 a.m. to seek Shareholders' approvals for the following proposals:

- (i) the proposed acquisition of eighty per cent. (80%) shareholding interests in Meeyahta International Hotel Limited, a foreign investment company incorporated in Myanmar ("**MIHL**") (together with the proposed assignment of a shareholder's loan in MIHL which is in proportion to the proposed acquisition of eighty per cent. (80%) interests in MIHL (the "**Assignment of Shareholder's Loan**")) from Serge Pun & Associates (Myanmar) Limited ("**SPA**") as a specific interested person transaction and as a major transaction (the "**Proposed Acquisition**"); and
- (ii) the proposed whitewash resolution for the waiver by Shareholders other than Mr. Serge Pun and his concert parties (the "**Independent Shareholders**") of their rights to receive a mandatory general offer from Mr. Serge Pun and his concert parties for all the issued and paid-up Shares not already owned, controlled or agreed to be acquired by them (the "**Proposed Whitewash Resolution**") which may arise as a result of the subscription of Rights Shares by Mr. Serge Pun pursuant to the Irrevocable Undertaking given by Mr. Serge Pun in favour of the Company (the "**Irrevocable Undertaking**") in relation to the proposed renounceable non-underwritten rights issue announced by the Company on 19 November 2012 and 18 December 2012, on the basis of one (1) Rights Share for every four (4) existing Shares held by Shareholders as at a books closure date to be determined, fractional entitlements to be disregarded, at an issue price of S\$0.38 per Rights Share (the "**Proposed Rights Issue**"). Assuming the completion of the Proposed Rights Issue, Mr. Serge Pun will hold (directly and indirectly) between 602,761,078 Shares to 704,634,126 Shares depending on his subscriptions under the Irrevocable Undertaking.

The Proposed Acquisition is conditional upon, *inter alia*, the approval of the Proposed Whitewash Resolution by the SIC and the Independent Shareholders' approval of the Proposed Whitewash Resolution at the Extraordinary General Meeting.

Independent Shareholders should also note that following Shareholders' approval for the Proposed Whitewash Resolution, the subscription of Rights Shares by Mr. Serge Pun pursuant to his Irrevocable Undertaking could result in him and his concert parties holding Shares carrying over 49.0% of the voting rights of the Company based on its enlarged issued share capital after the Proposed Rights Issue, and Mr. Serge Pun and his concert parties will thereafter be free to acquire further Shares without incurring any obligation under Rule 14 of the Code to make a mandatory general offer for the Company.

The purpose of this Circular is to provide Shareholders with relevant information pertaining to the Proposed Acquisition and the Proposed Whitewash Resolution and to seek Shareholders' approval for the above proposals at the EGM.

Information regarding the business activities of the Companies and its subsidiaries (collectively, the "Group") is set out in Appendix A.

The SGX-ST assumes no responsibility for the accuracy of any of the statements made, reports contained or opinions expressed in this Circular.

2. OVERVIEW OF THE PROPOSED ACQUISITION

2.1 Background

On 17 August 2006, the Company had, through its wholly-owned subsidiary Yoma Strategic Investments Ltd. ("YSIL"), entered into a first right of refusal deed (the "FRRD") with SPA. Under the terms of the FRRD, the Group has, *inter alia*, the right to purchase or acquire from SPA and its subsidiaries (collectively, the "SPA Group"), in whole or in part, at any time and from time to time, the land development rights ("LDRs") in respect of land in Yangon, Myanmar.

Details of the FRRD have been previously described and disclosed in the circular to Shareholders dated 19 July 2006.

SPA had, on 3 September 2012, by way of a written notice, offered the Group the right to acquire the LDRs of and to participate in the redevelopment of the site located at 372 Bogyoke Aung San Road, Pabedan Township, Yangon, Myanmar, which is approximately 9.5 acres (the "Site 1"). The Group had on 1 October 2012 indicated its affirmative interest to acquire the LDRs of and to participate in the redevelopment of Site 1.

Further, in view of the proposed development, parties also agreed that the LDRs in relation to the site next to Site 1, which is approximately 0.5 acres and located at 380 Bogyoke Aung San Road, Pabedan Township, Yangon, Myanmar (the "Site 2"), currently held by Yangon Land Co., Ltd ("YLC"), a wholly owned subsidiary of SPA, shall also be acquired by the Group.

The LDRs of Site 1 and Site 2 (collectively, the "Sites") are and will be held by MIHL. It was agreed that the Group shall acquire eighty per cent. (80%) of the LDRs of the Sites by way of acquisition of eighty per cent. (80%) of the issued and paid up share capital of MIHL from SPA (the "Sale Shares"). Please refer to Section 2.5 for more information on MIHL.

2.2 Details of the Landmark Development

Based on the application submitted to the authorities, the Sites are proposed to be developed into a mixed-use development comprising hotels, a condominium building, a serviced apartment complex, office towers and a retail podium on approximately ten (10) acres of land (the “**Landmark Development**”). The Sites currently comprise the FMI Centre Tower, the Grand Meeyahta Hotel and the former headquarters of the Burma Railway Company which is a heritage site built in 1877. Under the latest master plan submitted to the authorities, the former headquarters of the Burma Railway Company will be refurbished into a landmark 5-star hotel. Adjacent to this 5-star hotel, a 5-star luxury condominium building, a business hotel and an executive serviced apartment complex will be built. There will also be two (2) Grade-A office towers, a two (2)-level basement car park and a retail podium made up of shops, a department store and a supermarket. The foregoing write-up is based on the latest master plan submitted to the relevant authorities which may be subject to changes, depending on prevailing market conditions as may be determined by MIHL.

Located in the middle of the downtown Yangon business district, the Sites are situated between the Trader’s Hotel, the Sakura Tower and the famous tourist destination of Bogyoke Aung San Market. The immediate neighbourhood largely comprises a mix of restaurants, banks, hotels and mixed-use buildings.

Further information on the Landmark Development is set out in Appendix B of this Circular.

Currently, SPA, on behalf of MIHL, has engaged Aedas Pte. Ltd. as the principal architects of the Landmark Development, the Meinhardt Group as the engineering and mechanical, electrical and plumbing consultant of this project and RHLB (Siam) Ltd. as the quality assurance consultant.

In their respective valuation reports for the Landmark Development, both Jones Lang La Salle group of companies (“**JLLS**”) and Robert Khan & Co Pte Ltd (“**RKPL**”) have each provided an estimate for the total costs of development (not including the Acquisition Price) which ranges from US\$330 million to US\$350 million. In connection with the Landmark Development, the Company and SPA intend to fund the construction of the Landmark Development by way of utilising funds from internal sources, exploring various funding options such as debt and/or equity fund raising from the capital markets, utilising income generated from the pre-sales of the units constructed on the Sites and potentially bringing in other parties. The development is expected to commence after the issue of the new leasehold title to be issued by the Myanmar Investment Commission (the “**MIC**”), the Yangon City Development Committee and the Ministry of Rail Transportation for the benefit and in favour of MIHL and/or its wholly owned subsidiaries whereby the existing leases of Site 1 and Site 2 will be combined, with renewed terms for redevelopment (the “**Master Lease**”) and the completion of the Proposed Acquisition. Based on the application submitted to the authorities and the master plan, it is envisaged that the development will be completed within 5 years. The issue of the Master Lease is one of the conditions precedent to completion of the Proposed Acquisition.

2.3 Acquisition Price

In accordance with the terms of the FRRD, the acquisition price is to be derived from the average of the values attributed to the LDRs for the Landmark Development by two (2) internationally reputable and recognised valuers, separately appointed by the Company and the SPA Group, and discounted by an amount to be agreed between the Company and the SPA Group.

Based on the value of US\$100.00 million arrived at by the independent valuer appointed by the Group, JLLS, and the value of US\$109.50 million arrived at by the independent valuer appointed by the SPA Group, RKPL, the average value of the LDRs attributed to the Landmark Development is US\$104.75 million (approximately S\$127.79 million at the Exchange Rate). The valuation report by JLLS is dated 28 November 2012 and the valuation report by RKPL is dated 31 August 2012.

The SPA Group has also agreed to a discount factor of 3.01% to be applied to the acquisition price. Accordingly, the parties agreed that the acquisition price of the Proposed Acquisition would be US\$81.28 million (approximately S\$99.16 million at the Exchange Rate) (the “**Acquisition Price**”), being eighty per cent. (80%) of the average value of the LDRs attributed to the Landmark Development discounted by a factor of 3.01%.

The discount factor was arrived at commercially after taking into account the valuation reports, meetings with the valuers and negotiations with the SPA Group. The Valuation Certificates issued by JLLS and RKPL are appended herein as Appendix G.

For the purpose of this Section 2.3, “**Exchange Rate**” means US\$1 to S\$1.22, being the exchange rate agreed by the parties.

2.4 Consideration for the Proposed Acquisition

The acquisition of the LDRs for the Landmark Development will be done through the purchase of the Sale Shares. As such, it was agreed that the consideration for the Sale Shares would be the Acquisition Price, being US\$81.28 million. SPA will also be writing off a shareholder’s loan in MIHL in proportion to eighty per cent. (80%) interests in MIHL by way of an assignment to the Company for a nominal consideration of S\$1. One hundred per cent. (100%) of the shareholder’s loan amounts to an aggregate of US\$34,143,122 as at the date of the sale and purchase agreement for the purchase of the Sale Shares and the assignment of the shareholder’s loan (the “**Sale and Purchase Agreement**”) and comprises loans granted by shareholders of MIHL to fund the working capital of MIHL and a construction loan of US\$19.47 million which had been granted by a previous shareholder, Nawarat Patanakarn Public Co., Ltd., an unrelated third party incorporated in Thailand. This shareholder’s loan was fully settled by SPA. There are no repayment terms attached to the outstanding shareholder’s loan. In addition, parties have agreed that any outstanding outgoings amount (including, *inter alia*, land rent, rates taxes, assessments and fees) levied and imposed on MIHL and the Sites by the relevant government authorities that have been outstanding since the date of the Sale and Purchase Agreement (which amounted to an aggregate amount of approximately US\$12,000,000 as at the date of the Sale and Purchase Agreement), as reflected in the balance sheet of MIHL to be prepared as at the completion date of the Sale and Purchase Agreement (the “**Balance Sheet Outstanding Outgoings Amount**”) shall be fully retained by the Company from the consideration amount. The Company will then make payment directly to the relevant government authorities on behalf of MIHL.

The Company intends to fund the Proposed Acquisition using the net proceeds from the Proposed Rights Issue. As such, the Proposed Rights Issue will be conditional upon Shareholders’ approval of the Proposed Acquisition. Further details on the Proposed Rights Issue, including the books closure date, will be announced by the Company in due course.

The Proposed Acquisition shall be paid by the Company fully in cash.

Pursuant to the Sale and Purchase Agreement, SPA agrees that the consideration for the Proposed Acquisition shall be paid to Mr. Serge Pun, as the controlling shareholder of the SPA Group, and that such payment to Mr. Serge Pun shall constitute full and final settlement of the Acquisition Price.

2.5 Information about MIHL

MIHL is a foreign investment company incorporated in Myanmar on 16 February 1994. The principal activities of MIHL are that of (i) investment holding and (ii) property development. Its paid up capital is Kyats 550,000 divided into 55 shares of Kyats 10,000 each.

The SPA Group has one hundred per cent. (100%) interest in MIHL of which 28.57% is currently held by SPA and the remaining 71.43% is in the process of being registered in the name of SPA. The transfer of the legal ownership of 71.43% interest in MIHL including the Sale Shares to SPA is currently in the process of being approved by the MIC. The approval process generally takes a minimum of five (5) weeks to be completed. At completion of the Proposed Acquisition, Yoma Strategic Holdings Ltd. (“**YSH**”) (through one of its subsidiaries) will acquire the Sale Shares from

SPA and take over the rights under the Assignment of Shareholder's Loan. Upon completion of the Proposed Acquisition, the remaining twenty per cent. (20%) of MIHL will be held by any entity within the SPA Group. As such, the Company, being the holder of eighty per cent. (80%) shareholding interests of MIHL, will have effective control and discretion over the operation and management of MIHL.

As at the date of the Sale and Purchase Agreement, the material assets held by MIHL are the LDRs to Site 1. In view of the proposed redevelopment, parties have also agreed that the existing LDRs in relation to Site 2 currently held by YLC shall also be acquired by the Group and is included in the Acquisition Price. The SPA Group has applied to the relevant authorities to combine both the existing leases of Site 1 and Site 2 into the Master Lease which is to be held by MIHL. The issue of the Master Lease on terms acceptable to the parties is one of the conditions precedent to the completion of the Proposed Acquisition. The new leasehold term for the Sites is for an initial fifty (50) years with two (2) extensions of ten (10) years each, amounting to seventy (70) years. In relation to the extension of the leasehold term of the Master Lease, a fee which is to be determined by the relevant authorities, will be payable.

Upon completion of the Proposed Acquisition, MIHL will be considered an eighty per cent. (80%) subsidiary of YSH and representatives of the Company will be appointed to the board of MIHL.

3. RATIONALE FOR, AND BENEFITS OF, THE PROPOSED ACQUISITION

3.1 Relationship with the SPA Group

The SPA Group is a conglomerate with over twenty (20) operating entities primarily engaged in six (6) major business sectors, namely, financial services, real estate, manufacturing & industries, trading & services, automobile and agriculture. The SPA Group was founded in 1991 and has a 20-year track record in Myanmar. More information on the SPA Group including its main investment company, First Myanmar Investment Co., Ltd ("**FMI**"), a subsidiary of SPA as a result of SPA having a contractual right of absolute management control of FMI pursuant to an existing management agreement between SPA and FMI, may be found on <http://www.spa-myanmar.com>.

Mr. Serge Pun is the Chairman and controlling shareholder of the SPA Group as at the Latest Practicable Date. The other directors of SPA are Mr. Kyaw Paing, Mr. Melvyn Pun, Mr. Cyrus Pun, Mr. Lin Myaing and Mr. Tun Tun.

The Group has a strong relationship with the SPA Group due to, *inter alia*, Mr. Serge Pun's common shareholding in both groups and several successful projects between the Group and the SPA Group such as the sales of units in FMI City and Star City and plots of land in Pun Hlaing Golf Estate, all of which were revenue generating as at the period ended 31 December 2012. This allows the Group to leverage on the market position, expertise and experience of the SPA Group in Myanmar. The Company continuously engages in discussions with the SPA Group to explore promising new projects and opportunities in Myanmar, of which the Landmark Development is one. The Company believes that its good and workable relationship with the SPA Group will enable the Group to derive an advantage in the long term over new ventures in Myanmar.

Please see Appendix C for more information on the Group's succession planning.

3.2 Rationale for, and benefits of, the Proposed Acquisition

Following the successful acquisition of the Star City project on 1 June 2012, the Group wishes to continue to expand its property development business.

Further, material developments in Myanmar, such as the new foreign investment law proposing positive developments including acceptable foreign joint venture structures and tax incentives for foreign investments, and the easing of sanctions on Myanmar by the US government, have encouraged the Group to actively look for further business opportunities in Myanmar.

The Company is in an advantageous position by virtue of the FRRD. The Group has held the land development rights of residential projects in Myanmar through the acquisitions of economic interests in such land development rights from the SPA Group since the completion of the reverse takeover in 2006. Such acquisitions and holding of economic interests require a stable and trusting relationship between the parties. The FRRD enables the Company to participate in all LDRs acquired or owned by the SPA Group in relation to land in Yangon. The SPA Group is a reputable and well-known land owner/developer in Yangon. The directors of the Company are of the opinion that it would be beneficial to the Company to capitalize on its rights under the FRRD. As real estate continues to be the Group's biggest revenue driver, the Group feels that it is an appropriate time to maximize potential in the Landmark Development.

Please see Appendix D for some of the risk factors faced by the Group. In addition, Shareholders should also note that investments in frontier markets carry additional uncertainty and risks compared to more developed markets.

4. DETAILS OF THE SALE AND PURCHASE AGREEMENT

4.1 Background

On 19 November 2012, the Company entered into the Sale and Purchase Agreement with SPA and Mr. Serge Pun for the purchase of the Sale Shares and the Assignment of Shareholder's Loan.

It is provided in the Sale and Purchase Agreement that the Company may nominate a nominee to be the holder of the Sale Shares and to be a party to the prescribed agreements to be entered into in connection with the Proposed Acquisition. The Company intends to nominate one of its wholly owned subsidiaries.

4.2 Completion

Completion shall take place on the fourteenth (14th) business day after the date of the EGM or such other date as the parties may mutually agree in writing (the "**Completion Date**"). The Company will make an announcement if the Completion Date is extended.

4.3 Conditions Precedent

The Sale and Purchase Agreement is conditional upon, *inter alia*:

- (i) all licences, authorizations, orders, grants, confirmations, permissions, registrations and other approvals (the "**Approvals**") necessary for or in respect of the Proposed Acquisition and the redevelopment of the Sites having been obtained by SPA from appropriate governments, governmental, supranational or trade agencies, courts or other regulatory bodies on terms reasonably satisfactory to the Company and such Approvals remaining in full force and effect, including but not limited to, the approvals and consents to be obtained from the MIC, the Ministry of Rail Transportation and the Yangon City Development Committee;
- (ii) the approval of the Shareholders being obtained at an extraordinary general meeting for, *inter alia*, the Proposed Acquisition;
- (iii) in relation to the Proposed Rights Issue, the grant of whitewash waiver(s) by the Securities Industry Council in respect of the obligation of Mr. Serge Pun to make a general offer arising from or in connection with his subscription of the excess Rights Shares in accordance with his Irrevocable Undertaking and the Independent Shareholders passing a resolution in favour of such waiver(s), if required;
- (iv) the Company having finalized and completed its fund raising exercises to secure funding to pay for the Proposed Acquisition and the initial funding for the redevelopment of the Sites;

- (v) the issue by the MIC and the Ministry of Rail Transportation of the Master Lease on such terms acceptable to the parties and not withdrawn or amended, on or before the Completion Date and all conditions attaching thereto required to be complied with on or before the Completion Date being complied with on or before the Completion Date; and
- (vi) there being no material adverse change to the business, prospects, results of operations of financial condition of MIHL occurring on or before the Completion Date.

Any waiver of the conditions precedent will be approved by the Recommending Directors and the Company will also make an announcement to inform Shareholders.

4.4 Expiry Date

If any of the conditions precedent are not fulfilled on or before 30 June 2013 or such other date parties shall mutually agree in writing, and the fulfillment of such conditions are not waived by the relevant party to the Sale and Purchase Agreement, the Sale and Purchase Agreement shall *ipso facto* cease and terminate.

4.5 Existing tenancy agreements

In respect of Site 1, there are four (4) existing tenancy agreements with unrelated parties that will only expire after completion of the Proposed Acquisition. As such, each of SPA and Mr. Serge Pun undertakes and warrants to the Company that it shall at its own expense and cost procure the termination of the tenancy agreements of Site 1 ("**Site 1 Tenancy Agreements**") with no liability on MIHL or the Company on or before 31 October 2013. As at the Latest Practicable Date, SPA has represented to the Company that it does not envisage any difficulty in terminating the Site 1 Tenancy Agreements. In respect of Site 2, YLC has given full authority to FMI Syndication Ltd. ("**FMI Syndication**"), a wholly-owned subsidiary within the SPA Group, to manage and operate FMI Centre, situated on Site 2. As FMI Syndication has been managing the existing tenants in the FMI Centre, the parties agreed that, for purposes of continuity and to avoid unnecessary disruptions, upon completion of the Proposed Acquisition, a new lease agreement (the "**Lease Agreement**") will be entered into whereby MIHL will (i) lease Site 2 to FMI Syndication; and (ii) agree that FMI Syndication may continue to manage the existing tenants or any new tenants on such terms and conditions as may be agreed by the Company. The Lease Agreement will be subject to the terms of the shareholders' mandate (for the Group to enter into certain types of transactions with specified classes of the Company's interested persons pursuant to Chapter 9 of the Listing Manual) obtained at the annual general meeting of the Company on 25 July 2012. The Audit & Risk Management Committee as part of its periodic reviews of the shareholders' mandate, will be required to confirm that the methods and procedures for determining the transaction prices of interested person transactions are sufficient to ensure that interested person transactions will be carried out on normal commercial terms and will not be prejudicial to the interests of the Company and its minority shareholders.

The Landmark Development will likely be developed in stages. Based on the current master plan, Site 2 will be developed in the final stage of development. Therefore, the Company intends to continue leasing out FMI Centre until such time when it is necessary for the tenants to vacate the premises. As announced by the Group on 14 August 2012, 5 November 2012, 20 December 2012 and 28 December 2012, Parkson Myanmar Co. Pte. Ltd., the Group and FMI have entered into a joint venture, and a supplemental agreement in relation thereto, to establish and operate departmental stores in Myanmar. The tenancy agreement has been entered into between the joint venture company and FMI Syndication to lease the ground floor, first, second and third floors in FMI Centre to establish the first "Parkson" brand departmental store in FMI Centre.

4.6 Material warranties and undertakings

In addition to the usual warranties in relation to the title of SPA's eighty per cent. (80%) shareholding interests in MIHL and the business, accounts and liabilities of MIHL, each of SPA and Mr. Serge Pun also undertakes to the Company that, *inter alia*,

- (i) In relation to the consideration to be paid for the Proposed Acquisition, save for the Balance Sheet Outstanding Outgoings Amount, MIHL shall (in respect of Site 1) and SPA and Mr. Serge Pun shall (in respect of Site 2) pay and discharge, all outgoings including taxes, assessments, levies, fees and charges imposed in connection with the Sites, and all lawful and valid claims, maintain such reserves as are required under generally accepted accounting principles, standards and practices generally accepted in Myanmar, and that they shall procure that no encumbrance is created on Site 2;
- (ii) MIHL shall obtain the Company's consent for any new tenancy agreements entered into and any amendment of material terms and conditions of Site 1 Tenancy Agreements; and
- (iii) save as disclosed or otherwise agreed, MIHL shall not dispose of, nor create or have outstanding any encumbrance over its assets and properties other than in the ordinary course of business.

4.7 Final Consideration

Upon conclusion of the ongoing financial due diligence on MIHL, a balance sheet of MIHL as at the Completion Date in the format to be determined by the Company shall be finalized and prepared by the Company's auditors. The final consideration to be paid for the Proposed Acquisition shall be subject to adjustments determined by the Company depending on the items reflected in the balance sheet of MIHL and the retention of any Balance Sheet Outstanding Outgoings Amount (the "**Final Consideration**"). SPA agrees that the Company may retain the full Balance Sheet Outstanding Outgoings Amount and the Company shall, as soon as it is practicable to do so, apply the sums towards payment to the relevant government authorities in the interest of MIHL for the purpose of retaining full and unencumbered rights over the Sites. Upon full payment of the Balance Sheet Outstanding Outgoings Amount to the relevant government authorities, SPA and Mr. Serge Pun agree that each of them shall not have any claims whatsoever for the Balance Sheet Outstanding Outgoings Amount against the Company.

4.8 Completion

On the Completion Date, SPA shall deliver the following, *inter alia*, to the Company:

- (i) a deed of assignment in relation to the Assignment of Shareholder's Loan duly executed by SPA (the "**Deed of Assignment**");
- (ii) a deed of indemnity duly executed by SPA and Mr. Serge Pun (the "**Deed of Indemnity**");
- (iii) an original confirmation in writing from SPA that save in respect of the amount owing in relation to the Assignment of Shareholder's Loan, there is no other indebtedness owing as at completion from MIHL to any member of the SPA Group and a certified true copy of the shareholders and board resolutions of SPA giving consent to the payment of the Final Consideration to Mr. Serge Pun as full discharge of the Company's payment obligation under the Sale and Purchase Agreement;
- (iv) the Lease Agreement, in a form to be agreed between SPA and the Company;
- (v) evidence showing the approval by the MIC and registration with the Companies Registration Office (the "**CRO**") of one hundred per cent. (100%) of the shareholding interests in MIHL, of which SPA shall be the legal owner of not less than eighty per cent. (80%) of the shareholding interests in MIHL and the remaining twenty per cent. (20%) shall be held by an entity within the SPA Group;

- (vi) a management agreement, in a form acceptable to the Company in its sole and absolute discretion, duly signed by all the shareholders of MIHL whereby the Company or its nominee shall be granted the right of absolute management control over MIHL from the Completion Date to the date of issue of the approval by the MIC for the transfer of the Sale Shares to the Company or its nominee (the “**MIC Approval**”) and the registration of the Sale Shares with the CRO in the name of the Company or its nominee (the “**CRO Registration**”) whichever is later, on such terms and conditions as may be determined by the Company. The Company has decided that this shall be in the form of a Deed of Management Control; and
- (vii) evidence that the balance sheet of MIHL as at the Completion Date is in the net asset position.

On the Completion Date, the Company shall deliver to SPA, *inter alia*, a letter confirming payment (if applicable under the set-off arrangement as set out in Section 8.2 of the Circular) of the Final Consideration to Mr. Serge Pun by way of telegraphic transfer to a bank account designated by Mr. Serge Pun within thirty (30) days of the closing date of the Proposed Rights Issue.

4.9 Indemnity

Pursuant to the Sale and Purchase Agreement, each of SPA and Mr. Serge Pun has agreed to indemnify the Company in respect of losses, *inter alia*, incurred or suffered in connection with or arising from any breach or inaccuracies of any of the representations, warranties and undertakings given in the Sale and Purchase Agreement and/or any default by each of SPA and Mr. Serge Pun of its/his obligations under the Sale and Purchase Agreement and for the conduct of the business of MIHL prior to completion.

In addition to the indemnity given in the Sale and Purchase Agreement, each of SPA and Mr. Serge Pun will, pursuant to the Deed of Indemnity, agree and undertake to each of the Company and MIHL to indemnify and keep indemnified the Company and MIHL against certain losses, liabilities and damages suffered by any of the Company or MIHL or any depletion in or reduction in value of their respective assets or increase in their respective liabilities in relation to MIHL.

4.10 Further Assurance

After completion of the Proposed Acquisition, each of SPA and Mr. Serge Pun undertakes to use its/his best endeavours to assist the Company in its submission of the MIC Approval and the CRO Registration, and in particular shall furnish such information, supply such documents and do all such acts and things as may be required to enable the Sale Shares to be registered in the name of the Company or its nominee.

SPA will also execute a deed of assignment at completion where it will assign all of its rights and interests in the Sale Shares to the Company and Mr. Serge Pun will also in the same deed of assignment acknowledge and confirm the assignment and undertake that he will take all necessary actions to procure that SPA complies with this deed of assignment.

4.11 Governing law

The Sale and Purchase Agreement shall be governed by, and construed in accordance with, the laws of Myanmar.

- 4.12** At a date closer to the completion of the Proposed Acquisition, the Company will obtain a legal opinion from Myanmar counsel, P & A Asia that the Sale and Purchase Agreement is valid and enforceable in accordance with its terms under the laws of Myanmar and that the obligations expressed to be assumed by each of the respective parties are valid, legally binding and enforceable obligations, subject to certain assumptions and qualifications.

5. THE PROPOSED ACQUISITION AS AN INTERESTED PERSON TRANSACTION

5.1 General information on Chapter 9 of the Listing Manual

5.1.1 Under Chapter 9 of the Listing Manual, where a listed company or any of its subsidiary companies or associated companies (as defined below) which is an “entity at risk” (as defined below) proposes to enter into a transaction, an “interested person transaction” (as defined below) with the listed company’s “interested persons” (as defined below), an immediate announcement, or an immediate announcement and shareholders’ approval, will be required in respect of the transaction if the value of the transaction is equal to or exceeds the thresholds set out in Chapter 9 of the Listing Manual.

In particular, an immediate announcement is required where:

- (i) the transaction is of a value equal to, or more than, three per cent. (3%) of the latest audited consolidated net tangible assets (“NTA”) of the listed company and its subsidiary companies; or
- (ii) the aggregate value of all transactions entered into with the same interested person during the same financial year amounts to three per cent. (3%) or more of the latest audited consolidated NTA of the listed company and its subsidiary companies. An announcement will also have to be made immediately of the latest transaction and all future transactions entered into with the same interested person during the financial year.

5.1.2 Shareholders’ approval (in addition to an immediate announcement) is required where:

- (i) the transaction is of a value equal to, or more than, five per cent. (5%) of the latest audited consolidated NTA of the listed company and its subsidiary companies; or
- (ii) the transaction, when aggregated with other transactions entered into with the same interested person during the same financial year, is of a value equal to, or more than, five per cent. (5%) of the latest audited consolidated NTA of the listed company and its subsidiary companies. The aggregation will exclude any transaction that has been approved by shareholders, or is the subject of aggregation with another transaction that has been approved by shareholders.

5.1.3 For the purposes of aggregation, any interested person transaction which is below S\$100,000 is to be excluded.

For illustration purposes, based on the audited consolidated accounts of the Group for FY2012, the NTA less non-controlling interest of the Group as at 31 March 2012 is S\$123.84 million*. Accordingly, in relation to the Group, for the purposes of Chapter 9 of the Listing Manual in the current financial year, Shareholders’ approval will be required where:

- (i) the transaction is of a value equal to, or more than, S\$6.19 million, being five per cent. (5%) of the latest audited consolidated NTA less non-controlling interest of the Group; or
- (ii) the transaction, when aggregated with other transactions entered into with the same interested person during the same financial year, is of a value equal to, or more than, S\$6.19 million, being five per cent. (5%) of the latest audited consolidated NTA less non-controlling interest of the Group.

*This figure does not take into account the Company’s acquisition of the economic interests in the remaining land development rights of the Star City project which was completed on 1 June 2012 and was thus not included in the audited consolidated accounts of the Group for FY2012.

5.1.4 For the purposes of Chapter 9 of the Listing Manual:

- (i) an “**approved exchange**” means a stock exchange that has rules which safeguard the interests of shareholders against interested person transactions according to similar principles to Chapter 9 of the Listing Manual;

- (ii) an “**associate**” means:
 - (a) in relation to any director, chief executive officer or Controlling Shareholder (being an individual):
 - (1) his immediate family member (that is, the person’s spouse, child, adopted child, step-child, sibling and parent);
 - (2) the trustees of any trust of which he or his immediate family is a beneficiary or, in the case of a discretionary trust, is a discretionary object; and
 - (3) any company in which he and his immediate family together (directly or indirectly) have an interest of thirty per cent. (30%) or more;
 - (b) in relation to a substantial Shareholder or a Controlling Shareholder (being a company), its subsidiary or holding company or a subsidiary company of such holding company or a company in which it and/or they taken together (directly or indirectly) have an interest of thirty per cent. (30%) or more;
- (iii) “**Control**” means the capacity to dominate decision-making, directly or indirectly, in relation to the financial and operating policies of a company;
- (iv) a “**Controlling Shareholder**” in relation to a listed company means a person who:
 - (a) holds directly or indirectly fifteen per cent. (15%) or more of the total number of issued shares excluding treasury shares in the company (unless the SGX-ST has determined such a person not to be a Controlling Shareholder of the company); or
 - (b) in fact exercises Control over the company,
 or such other definition as the SGX-ST may from time to time determine;
- (v) an “**entity at risk**” means:
 - (a) the listed company;
 - (b) a subsidiary company of the listed company that is not listed on the SGX-ST or an approved exchange; or
 - (c) an associated company of the listed company that is not listed on the SGX-ST or an approved exchange, provided that the listed group, or the listed group and its interested person(s), has Control over the associated company;
- (vi) an “**interested person**” means:
 - (a) a director, chief executive officer or Controlling Shareholder of the listed Company; or
 - (b) an associate of such director, chief executive officer or Controlling Shareholder;
- (vii) an “**interested person transaction**” means a transaction between an entity at risk and an interested person; and
- (viii) a “**transaction**” includes the provision or receipt of financial assistance, the acquisition, disposal or leasing of assets, the provision or receipt of services, the issuance or subscription of securities, the granting of or being granted options, and the establishment of joint ventures or joint investments, whether or not in the ordinary course of business, and whether or not entered into directly or indirectly.

5.2 Shareholders' approval of the Proposed Acquisition pursuant to Chapter 9 of the Listing Manual

Based on the latest audited consolidated financial statements of the Group as at 31 March 2012, the NTA less non-controlling interest of the Group is S\$123.84 million*. Pursuant to Rule 906 of the Listing Manual, Shareholders' approval for a transaction is required in the event that the aggregate transaction value exceeds S\$6.19 million, which is five per cent. (5%) of the NTA less non-controlling interest of the Group. As the aggregate transaction value of the Proposed Acquisition is S\$99.16 million (80.07% of the Group's NTA less non-controlling interest as at FY2012), the Company is seeking approval from Shareholders for the Proposed Acquisition as a specific interested person transaction at the EGM.

*This figure does not take into account the Company's acquisition of the economic interests in the remaining land development rights of the Star City project which was completed on 1 June 2012.

5.3 Details of Interested Persons

Mr. Serge Pun is the Executive Chairman and a Controlling Shareholder of the Company, holding approximately forty-two per cent. (41.67%) direct and deemed interests in the Company as at the Latest Practicable Date.

Mr. Serge Pun is also the Chairman and controlling shareholder of the SPA Group as at the Latest Practicable Date. SPA is considered an associate of Mr. Serge Pun and accordingly, an interested person of the Company for the purposes of Chapter 9 of the Listing Manual. The Proposed Acquisition is therefore an interested person transaction under Chapter 9 of the Listing Manual.

After the completion of the Proposed Acquisition, Mr. Serge Pun will hold at least approximately forty-two per cent. (41.67%) direct and deemed interests in the Company.

5.4 Requirements under the circular to Shareholders dated 19 July 2006

In the circular to Shareholders dated 19 July 2006, it was provided that "To ensure Shareholders are not prejudiced, Serge Pun and his associates (if any) will not participate in any decision of the Board on whether to exercise the First Right of Refusal and such board decision must be concurred by all the independent directors with the recommendation of the Audit Committee."

Accordingly, Mr. Serge Pun and his sons, Mr. Cyrus Pun and Mr. Melvyn Pun, were not present when the rest of the Board discussed whether or not to exercise the FRRD to proceed with the Proposed Acquisition.

Having considered the merits, benefits and rationale of the Proposed Acquisition as set out in Section 3.2 above, management reports and the valuation reports by the independent valuers, the Recommending Directors concurred with the decision to proceed with the Proposed Acquisition.

6. RELATIVE FIGURES UNDER RULE 1014 OF THE LISTING MANUAL

6.1 General information on Chapter 10 of the Listing Manual

Pursuant to Rule 1014 of the Listing Manual, in the event that any of the relative figures as computed on the bases set out in Rule 1006 exceeds twenty per cent. (20%), the transaction in question will constitute a "major transaction" under Chapter 10 of the Listing Manual and is conditional upon the approval of shareholders in a general meeting.

As the relative figure computed on the basis of Rule 1006(b) of the Listing Manual for the Proposed Acquisition exceeds twenty per cent. (20%), the Proposed Acquisition is a major transaction under Rule 1014(1) of the Listing Manual and is conditional upon receipt of the approval of Shareholders in a general meeting.

Please see Section 6.2 below for the computation of the relative figures computed on the basis set out in Rule 1006 of the Listing Manual for the Proposed Acquisition.

6.2 Relative figures under Rule 1006 of the Listing Manual

The relative figures computed on the bases set out in Rule 1006 of the SGX- ST Listing Manual in relation to the Proposed Acquisition are as follows:-

(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 loss attributable to the eighty per cent. (80%) interest in MIHL compared with the Group's net loss. ⁽¹⁾	38.79%
(c)	The aggregate consideration given for the eighty per cent. (80%) interest in MIHL compared with the Company's market capitalisation ⁽²⁾⁽³⁾ based on the total number of issued shares excluding treasury shares.	18.36%
(d)	The number of equity securities issued by the Company as consideration for the Proposed Acquisition, compared with the number of equity securities previously in issue.	Not Applicable

Notes:-

- (1) 80% of MIHL's loss for the six-month period ended 30 September 2012 is S\$818,000 and the Group's loss for the same period is S\$2,110,000.
- (2) The Company's market capitalisation of approximately S\$539.99 million is based on its total number of issued Shares of 964,265,215 and the closing price of S\$0.56 per Share on 16 November 2012, the market day preceding the date of the Sale and Purchase Agreement.
- (3) This figure does not take into account 192,853,000 new Shares that were allotted and issued pursuant to a private placement exercise completed by the Company in end November 2012.

The Proposed Acquisition is therefore treated as a "major acquisition" under the Listing Manual. In compliance with the Listing Manual, the Company is seeking Shareholders' approval for the Proposed Acquisition.

Pursuant to Rule 1010(5) of the Listing Manual, the value of the assets being acquired by the Company is the valuation of the LDRs of Site 1 and Site 2. By way of acquisition of eighty per cent. (80%) interests in MIHL, the purpose of the Proposed Acquisition is to acquire eighty per cent. (80%) of the LDRs of Site 1 (which is currently held by MIHL) and Site 2 (which is to be held by MIHL). Further details on the LDRs are disclosed at Section 2.3.

Pursuant to Rule 1010(7) of the Listing Manual, there is no profit attributable to the assets being acquired. The Proposed Acquisition is for the LDRs of Site 1 and Site 2, in order to redevelop the said lands. Thus, there is no profit attributable to the LDRs being acquired.

Pursuant to Rule 1010(12) of the Listing Manual, there is no director proposed to be appointed to the Company in connection with the Proposed Acquisition.

7. FINANCIAL EFFECTS

7.1 Assumptions

The financial effects of the Proposed Acquisition and the Proposed Rights Issue (collectively, the "Transactions") set out below are purely for illustrative purposes and do not reflect the future actual financial results or positions of the Group after the completion of the Transactions. The financial effects of the Proposed Acquisition are prepared based on the most recently completed financial year ended 31 March 2012 and the latest announced financial information of the Group for the nine-month period ended 31 December 2012 (as the case may be) and on the basis that the Proposed Rights Issue will be fully subscribed for and paid by Shareholders.

The results of MIHL for the nine-month period do not include results relating to the Landmark Development as it is a new development with no relevant historical financial results.

7.2 Share Capital

FY2012

Assuming that the Transactions had been completed on 31 March 2012, the effect of the Transactions on the share capital of the Company as at 31 March 2012 would have been as follows:

	Before the Transactions	After the Transactions ⁽¹⁾
Issued and paid up Share capital (S\$'000)	120,810	329,450
Number of Shares ('000)	527,647	1,009,780

Nine months ended 31 December 2012

Assuming that the Transactions had been completed on 31 December 2012, the effect of the Transactions on the share capital of the Company as at 31 December 2012 would have been as follows:

	Before the Transactions	After the Transactions ⁽¹⁾
Issued and paid up Share capital (S\$'000)	327,204	437,130
Number of Shares ('000)	1,157,118	1,446,398

Note:-

- (1) The financial effects as set out above are presented before taking into account fees and expenses to be incurred in relation to the Proposed Acquisition and Proposed Rights Issue.

7.3 Net Tangible Assets

FY2012

Assuming that the Transactions had been completed on 31 March 2012, the effect of the Transactions on the NTA of the Group as at 31 March 2012 would have been as follows:

	Before the Transactions	After the Transactions ⁽¹⁾
NTA (S\$'000)	123,470	341,750
Number of Shares ('000)	527,647	1,009,780
NTA per Share (cents)	23.40	33.84

Nine months ended 31 December 2012

Assuming that the Transactions had been completed on 31 December 2012, the effect of the Transactions on the NTA of the Group as at 31 December 2012 would have been as follows:

	Before the Transactions	After the Transactions ⁽¹⁾
NTA (S\$'000)	332,238	446,241
Number of Shares ('000)	1,157,118	1,446,398
NTA per Share (cents)	28.71	30.85

Note:-

- (1) The financial effects as set out above are presented before taking into account fees and expenses to be incurred in relation to the Proposed Acquisition and Proposed Rights Issue.

7.4 Earnings Per Share

FY2012

Assuming that the Transactions had been completed on 1 April 2011, the effect of the Transactions on the EPS of the Group as at 31 March 2012 would have been as follows:

	Before the Transactions	After the Transactions ⁽¹⁾
Net profit after tax (S\$'000)	6,040	3,525
Weighted average number of Shares ('000)	527,647	1,009,780
EPS per Share (cents)	1.14	0.35

Nine months ended 31 December 2012

Assuming that the Transactions had been completed on 1 April 2012, the effect of the Transactions on the EPS of the Group for the nine month period ended 31 December 2012 would have been as follows:

	Before the Transactions	After the Transactions ⁽¹⁾
Net profit after tax (S\$'000)	1,922	1,145
Weighted average number of Shares ('000)	919,964	1,209,243
EPS per Share (cents)	0.21	0.09

Note:-

- (1) The financial effects as set out above are presented before taking into account fees and expenses to be incurred in relation to the Proposed Acquisition and Proposed Rights Issue.

Due to the uncertainty for the funding of the Landmark Development, it is unclear whether there will be substantial changes in the gearing of the Company.

8. PROPOSED WHITEWASH RESOLUTION

8.1 Proposed Rights Issue

As stated in the Announcement, for the purposes of funding the Proposed Acquisition, and conditional upon approval of the Proposed Acquisition, the Company intends to undertake the Proposed Rights Issue.

The Proposed Rights Issue entails a renounceable non-underwritten rights issue of up to 289,279,553 Rights Shares at the issue price of S\$0.38 per Rights Share on the basis of one (1) Rights Share for every four (4) existing Shares held by Shareholders as at a time and date to be determined by the Directors for the purpose of determining provisional allotments of Shareholders under the Rights Issue, fractional entitlements to be disregarded.

The issue price of S\$0.38 per Rights Share represents a discount of approximately 32.1% to the closing price of S\$0.56 per Share as at 16 November 2012, being the last trading day of the Shares on the SGX-ST preceding the date of the Announcement and approximately 44.5% to the last transacted price of S\$0.685 per Share on 17 December 2012, being the last trading day of the Shares on the SGX-ST preceding the date of announcement of the issue price. The terms and conditions of the Rights Issue are subject to such changes as the Directors may deem fit.

The Proposed Rights Issue is conditional upon the approval of the Proposed Acquisition and the Proposed Whitewash Resolution being obtained at the EGM. Shareholders are to note that the final terms and conditions of the Proposed Rights Issue will be contained in the offer information statement (including the accompanying application forms) to be despatched by the Company to entitled Shareholders in due course.

8.2 Irrevocable Undertaking

As at the Latest Practicable Date, Mr. Serge Pun holds 482,208,863 Shares in the capital of the Company, representing approximately forty-two per cent. (41.67%) of the issued and paid-up share capital of the Company.

As an indication of support and commitment to the Company, Mr. Serge Pun had given the Irrevocable Undertaking in favour of the Company that, *inter alia*:

- (i) he will subscribe and pay for and/or procure subscriptions and payments in full for his *pro-rata* entitlement to 120,552,215 Rights Shares (direct and indirect) under the Proposed Rights Issue (the “**Pro Rata Entitlements**”); and
- (ii) he will make and/or procure to be made excess application(s) and payment(s) for such number of the Rights Shares which are not subscribed or applied for by Shareholders other than himself, which together with the Pro Rata Entitlements will amount to S\$84.52 million, being the consideration for the Proposed Acquisition less the Balance Sheet Outstanding Outgoings Amount as at the date of the Sale and Purchase Agreement (being US\$12 million or approximately S\$14.64 million at the exchange rate of US\$1 to S\$1.22).

In view of the consideration payable to Mr. Serge Pun under the Proposed Acquisition, the Company has also granted to Mr. Serge Pun the right to set-off his maximum liability of S\$84.52 million under the Irrevocable Undertaking against the Final Consideration payable by the Company to him. In the event that the Company need not withhold any monies from the Acquisition Price (see Section 4.7 for more details) and Mr. Serge Pun is not required to subscribe and pay for any excess Rights Shares under the Proposed Rights Issue, the Company will need to pay S\$14.64 million (being Balance Sheet Outstanding Outgoings Amount as at the date of the Sale and Purchase Agreement of US\$12 million at the exchange rate of US\$1 to S\$1.22) in cash to Mr. Serge Pun. The Company intends to fund this amount from its internal sources.

8.3 Mandatory general offer requirement under the Code

Rule 14.1 of the Code provides that, *inter alia*, except with the consent of The Securities Industry Council of Singapore (the “**SIC**”):-

- (i) any person who acquires whether by a series of transactions over a period of time or not, shares which (taken together with shares held or acquired by persons acting in concert with him) carry thirty per cent. (30%) or more of the voting rights of the company; or
- (ii) any person who, together with persons acting in concert with him, holds not less than thirty per cent. (30%) but not more than fifty per cent. (50%) of the voting rights and such person, or any person acting in concert with him, acquires in any period of six (6) months additional shares carrying more than one per cent. (1%) of the voting rights,

is required to make a mandatory general offer for all shares in the company which he and parties acting in concert with him do not own or control. For this purpose, control of a company is defined as ownership of twenty per cent. (20%) or more of the voting rights of the company.

As at the Latest Practicable Date, Mr. Serge Pun holds 482,208,863 Shares in the capital of the Company, representing approximately 41.67% of the issued and paid-up share capital of the Company.

Assuming that:-

- (i) none of the other Shareholders subscribe for their entitlements under the Proposed Rights Issue;
- (ii) Mr. Serge Pun subscribes for his Pro Rata Entitlements; and

- (iii) Mr. Serge Pun applies and pays for and is allocated and issued such number of Rights Shares which are not subscribed or applied for by Shareholders other than himself, which together with the Pro Rata Entitlements amounts to S\$84.52 million pursuant to the Irrevocable Undertaking.

Mr. Serge Pun will hold 704,634,126 Shares in the capital of the Company, representing approximately 51.08% of the issued and paid-up share capital of the Company upon the completion of the Proposed Rights Issue.

Pursuant to Rule 14.1, Mr. Serge Pun and his concert parties will be obliged to make a mandatory general offer to the Independent Shareholders to acquire all their Shares under Rule 14 of the Code, unless such obligation to make a mandatory general offer is waived by the SIC.

Accordingly, an application was made to the SIC for a waiver (the “**Whitewash Waiver**”) of the obligation of Mr. Serge Pun and his concert parties to make a mandatory general offer to the Independent Shareholders to acquire all their Shares under Rule 14 of the Code. On 5 February 2013, the SIC granted the Whitewash Waiver subject to the satisfaction for the conditions stated in Section 8.4 below.

The Proposed Acquisition is conditional upon, *inter alia*, the approval of the Proposed Whitewash Resolution by the SIC and the Independent Shareholders’ approval of the Proposed Whitewash Resolution at the Extraordinary General Meeting.

8.4 Conditional Whitewash Waiver of the mandatory general offer requirement by SIC

The SIC had, on 5 February 2013, waived the requirement for Mr. Serge Pun and his concert parties to make a mandatory general offer to the Independent Shareholders to acquire all their Shares under Rule 14 of the Code as a result of the subscription of Rights Shares by Mr. Serge Pun pursuant to his Irrevocable Undertaking, subject to, *inter alia*, the following conditions:-

- (i) a majority of holders of voting rights of the Company present and voting at a general meeting, held before the Proposed Rights Issue, approve by way of a poll, the Proposed Whitewash Resolution to waive their rights to receive a general offer from Mr. Serge Pun and his concert parties;
- (ii) the Proposed Whitewash Resolution is separate from other resolutions;
- (iii) Mr. Serge Pun, his concert parties and parties not independent of them abstain from voting on the Proposed Whitewash Resolution;
- (iv) Mr. Serge Pun and his concert parties did not acquire or are not to acquire any Shares or instruments convertible into and options in respect of Shares (other than subscriptions for, rights to subscribe for, instruments convertible into or options in respect of new Shares disclosed in this Circular):-
 - (a) during the period between the date of the announcement of the Proposed Rights Issue and the date Shareholders’ approval is obtained for the Proposed Whitewash Resolution; and
 - (b) in the six (6) months prior to date of the announcement of the Proposed Rights Issue, but subsequent to negotiations, discussions or the reaching of understandings or agreements with the directors of the Company in relation to the Proposed Rights Issue;
- (v) the Company appoints an independent financial adviser to advise the Independent Shareholders of the Proposed Whitewash Resolution;

- (vi) the Company sets out clearly in this Circular:-
 - (a) details of the Proposed Rights Issue including the Irrevocable Undertaking;
 - (b) the possible dilution effect to existing holders of voting rights of the subscription of Rights Shares by Mr. Serge Pun pursuant to the Irrevocable Undertaking;
 - (c) the number and percentage of voting rights in the Company as well as the number of instruments convertible into, rights to subscribe for and options in respect of Shares held by Mr. Serge Pun and his concert parties as at the Latest Practicable Date;
 - (d) the number and percentage of voting rights to be issued to Mr. Serge Pun and his concert parties as a result of Mr. Serge Pun's subscription of Rights Shares pursuant to his Irrevocable Undertaking;
 - (e) specific and prominent reference to the fact that the subscription of Rights Shares by Mr. Serge Pun pursuant to his Irrevocable Undertaking could result in him and his concert parties holding Shares carrying over 49.0% of the voting rights of the Company based on its enlarged issued share capital after the Proposed Rights Issue, and Mr. Serge Pun and his concert parties will thereafter be free to acquire further the Shares without incurring any obligation under Rule 14 of the Code to make a general offer for the Company;
 - (f) that Shareholders, by voting for the Proposed Whitewash Resolution, are waiving their rights to a general offer from Mr. Serge Pun and his concert parties at the highest price paid by Mr. Serge Pun and his concert parties for Shares in the past six (6) months preceding the commencement of the offer;
- (vii) the Circular states that the waiver granted by the SIC to Mr. Serge Pun and his concert parties from the requirement to make a general offer under Rule 14 of the Code is subject to the conditions stated at paragraphs (i) to (vi) above;
- (viii) Mr. Serge Pun and his concert parties obtain the SIC's approval in advance for those parts of this Circular that refer to the Proposed Whitewash Resolution; and
- (ix) to rely on the Proposed Whitewash Resolution, the subscription of Rights Shares by Mr. Serge Pun pursuant to his Irrevocable Undertaking must be completed within three (3) months of the date of approval of the Proposed Whitewash Resolution.

As at the Latest Practicable Date, save for conditions (i), (iii) and (ix), all the above conditions imposed by the SIC have been satisfied.

8.5 Dilution

The dilutive effect to the shareholdings of existing Shareholders upon the completion of Proposed Rights Issue will be as follows:

	Shareholding as at the LPD		After Proposed Rights Issue			
	No. of Shares	%	Minimum subscription scenario (assuming that all Shareholders take up their pro rata entitlements under the Proposed Rights Issue)		Maximum subscription scenario (assuming that (a) Mr. Serge Pun takes up his Pro Rata Entitlements and he is allotted and issued such number of Rights Shares which are not subscribed or applied for by Shareholders other than himself which together with the Pro Rata Entitlements amounts to S\$84.52 million and (b) no other Shareholder takes up their entitlements under the Proposed Rights Issue)	
	No. of Shares	%	No. of Shares	%	No. of Shares	%
Mr. Serge Pun and his concert parties	482,208,863	41.67	602,761,078	41.67	704,634,126	51.08
Other shareholders	674,909,352	58.33	843,636,690	58.33	674,909,352	48.92
Total	1,157,118,215	100	1,446,397,768	100	1,379,543,478	100

8.6 Proposed Whitewash Resolution

Independent Shareholders are requested to vote by way of a poll, on the Proposed Whitewash Resolution set out as an ordinary resolution in the Notice of EGM in this Circular.

By voting in favour of the Proposed Whitewash Resolution, Independent Shareholders should note that they are waiving their rights to receive a mandatory general offer under Rule 14 of the Code from Mr. Serge Pun and his concert parties, which Mr. Serge Pun and his concert parties would otherwise have been obliged to make at the highest price paid or agreed to be paid by them for the Shares in the past six (6) months preceding the commencement of the Proposed Rights Issue.

Independent Shareholders should also note that following Shareholders' approval for the Proposed Whitewash Resolution, the subscription of Rights Shares by Mr. Serge Pun pursuant to his Irrevocable Undertaking could result in him and his concert parties holding Shares carrying over 49.0% of the voting rights of the Company based on its enlarged issued share capital after the Proposed Rights Issue, and Mr. Serge Pun and his concert parties will thereafter be free to acquire further Shares without incurring any obligation under Rule 14 of the Code to make a mandatory general offer for the Company.

Shareholders should also note that the Proposed Acquisition is conditional upon, inter alia, the Proposed Whitewash Resolution being passed. In view of this, in the event that the Proposed Whitewash Resolution is not passed by Independent Shareholders, the Proposed Acquisition, and consequently, the Proposed Rights Issue, will not take place.

The Company has appointed KPMG as the IFA to the Independent Shareholders for the Proposed Whitewash Resolution. The Whitewash Opinion Letter containing the IFA's advice on the Proposed Whitewash Resolution is set out in Appendix F of this Circular.

9. INTERESTS OF THE DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

The interests of the Directors and the Substantial Shareholder of the Company as at the Latest Practicable Date, as recorded in the Register of Directors' Shareholdings and the Register of Substantial Shareholders maintained under the provisions of the Companies Act are as follows:

	Direct Interest		Deemed Interest	
	No. of Shares	% of total issued Shares (%)	No. of Shares	% of total issued Shares (%)
Directors				
Mr. Serge Pun ⁽¹⁾	446,536,270	38.59	35,672,593	3.08
	–	–	2,000,000 ⁽²⁾	–
Mr. Cyrus Pun	–	–	2,000,000 ⁽²⁾	–
Mr. Andrew Rickards	14,500,000	1.25	4,000,000 ⁽²⁾	–
Mr. Adrian Chan Pengee	–	–	500,000 ⁽²⁾	–
Mr. Basil Chan	–	–	500,000 ⁽²⁾	–
Mr. Kyi Aye	–	–	500,000 ⁽²⁾	–
Dr. Mohd Amin Liew Abdullah	–	–	500,000 ⁽²⁾	–
Mr. Melvyn Pun	–	–	–	–
Substantial Shareholder				
Mr. Serge Pun ⁽¹⁾	446,536,270	38.59	35,672,593	3.08

Notes:

- (1) Mr. Serge Pun is deemed to be interested in the 35,672,593 Shares are held by Pun Holdings Pte Ltd which is 100% owned by Mr. Serge Pun.
- (2) Based on number of Shares comprised in the options granted pursuant to the Yoma Strategic Holdings Employees Share Option Scheme 2012.

10. OPINIONS OF THE IFA

Interested Person Transaction

KPMG, in accordance with Chapter 9 of the Listing Manual, have been appointed as the independent financial adviser to advise the Recommending Directors on whether the terms of the Proposed Acquisition are on normal commercial terms and are not prejudicial to the interests of the Company and its minority Shareholders.

Based on their considerations and subject to the qualifications and assumptions set out in the Acquisition Opinion Letter, the IFA is of the opinion that the terms of the Proposed Acquisition is on normal commercial terms and are not prejudicial to the interests of the Company and its minority Shareholders. Accordingly, the IFA has advised the Recommending Directors to recommend to the Independent Shareholders to vote in favour of the Proposed Acquisition.

The Acquisition Opinion Letter dated 8 February 2013 is reproduced and appended as Appendix E of this Circular. Shareholders are advised to read the Acquisition Opinion Letter carefully.

Proposed Whitewash Resolution

Pursuant to the conditions imposed by the SIC, the Directors have appointed KPMG as the IFA to advise the Independent Shareholders on the Proposed Whitewash Resolution.

Based on their considerations and subject to the qualifications and assumptions set out in the Whitewash Opinion Letter, the IFA is of the opinion that the terms of the Proposed Whitewash Resolution, in the context of the Proposed Rights Issue, is not prejudicial to the interests of the Independent Shareholders. Accordingly, the IFA has advised the Independent Directors to recommend to the Independent Shareholders to vote in favour of the Proposed Whitewash Resolution.

The Whitewash Opinion Letter dated 8 February 2013 is reproduced and appended as Appendix F of this Circular. Shareholders are advised to read the Whitewash Opinion Letter carefully.

11. ABSTENTION FROM VOTING

Proposed Acquisition

Rule 919 of the Listing Manual requires that the Interested Person and any associates of such Interested Person must not vote on the resolution relating to the Interested Person Transaction.

Mr. Serge Pun and his sons, Mr. Cyrus Pun and Mr. Melvyn Pun are deemed to be interested in the Proposed Acquisition. Mr. Serge Pun and (if applicable) both Mr. Cyrus Pun and Mr. Melvyn Pun will abstain and have undertaken that their associates will abstain, from voting at the EGM in relation to the Proposed Acquisition and will not accept nominations as proxy or otherwise for voting at the EGM in respect of the said ordinary resolution unless the Independent Shareholders appointing them as proxies give specific instructions in the relevant proxy form in the manner in which they wish their votes to be cast for the ordinary resolution.

Proposed Whitewash Resolution

Mr. Serge Pun and his sons, Mr. Cyrus Pun and Mr. Melvyn Pun, are deemed to be interested in the Proposed Whitewash Resolution. Mr. Serge Pun and (if applicable) both Mr. Cyrus Pun and Mr. Melvyn Pun will abstain and have undertaken that their associates will abstain, from voting at the EGM in relation to the Proposed Whitewash Resolution and will not accept nominations as proxy or otherwise for voting at the EGM in respect of the Proposed Whitewash Resolution unless the Independent Shareholders appointing them as proxies give specific instructions in the relevant proxy form in the manner in which they wish their votes to be cast for the Proposed Whitewash Resolution.

12. STATEMENT OF THE AUDIT COMMITTEE

It is noted that upon the completion of the Proposed Acquisition, the Company will be submitting the duly executed share transfer forms to MIC for approval of the transfer and to the CRO for registration of the Sale Shares in the name of the Company. This procedure takes a minimum of 5 weeks and therefore, it is possible that the Proposed Rights Issue may be completed (and the consideration for the Sale Shares may be paid) before the Sale Shares have been registered in the name of the Company. Please refer to Appendix D on some of the risk factors faced by the Group. The Audit Committee has considered this term of the Proposed Acquisition (the “**Term**”).

The following matters were taken into consideration by the Audit Committee:-

1. All share transfers in Myanmar companies requiring large scale investments (the “**MIC Companies**”) have to be approved by MIC and registered with the CRO. It is a standard procedure and is not peculiar to the Proposed Acquisition. Thus, barring unforeseen circumstances, the transfer of the Sale Shares should be approved by MIC and registered by the CRO upon submission of the duly executed, sealed and stamped share transfer forms.

2. MIHL was incorporated as a foreign MIC Company. Its shareholders can be foreigners. Therefore, there is no additional approval (in addition to those set out above) required for the transfer of the Sale Shares in MIHL to the Company, a foreign shareholder.
3. SPA will execute a Deed of Management Control (with accompanying power of attorney) at completion of the Proposed Acquisition whereby SPA will grant the right of absolute management control of MIHL to the Company from the Completion Date to the date of registration of the Sale Shares in the name of the Company. Myanmar counsel, P & A Asia, has advised that this Deed of Management Control if executed by the sole legal and beneficial owner of MIHL at completion (being SPA) is valid and binding on SPA. As at the Completion Date, SPA has to provide evidence to the Company that it has obtained MIC Approval and CRO Registration for one hundred per cent. (100%) interest in MIHL.
4. SPA will also execute a deed of assignment at completion, of the Proposed Acquisition that it has assigned all of its rights and interests in the Sale Shares to the Company, thereby entitling the Company to all dividends, rights or other distributions that SPA shall receive or is entitled to for the Sale Shares and that it will not in any way enforce or take any action in relation to any rights and interests that accompany the Sale Shares without the written consent or instructions of the Company. Mr. Serge Pun will also in the same deed of assignment acknowledge and confirm the assignment and undertake that he will take all necessary actions to procure that SPA complies with the deed of assignment. As such, the Company is confident that such an assignment will provide the Company with the necessary rights and interests associated with the Sale Shares. Myanmar counsel, P & A Asia, has advised that this deed of assignment is valid and binding on SPA.
5. The Group's independent auditor, Nexia TS Public Accounting Corporation has also confirmed that upon signing of the Deed of Management Control and the deed of assignment, MIHL will be treated as a special purpose entity of the Company and be consolidated in the financial statements of the Group as it is a 80% subsidiary of the Company.

The Audit Committee has considered, *inter alia*, the terms (including the abovementioned Term), rationale and benefits of the Proposed Acquisition and the Acquisition Opinion Letter in relation to the Proposed Acquisition and is of the view that the Proposed Acquisition is on normal commercial terms and is not prejudicial to the interests of the Company and its minority Shareholders.

13. EXTRAORDINARY GENERAL MEETING

The EGM will be held at The Straits Room, Level Four, The Fullerton Hotel, 1 Fullerton Square, Singapore 049178 on 28 February 2013 at 10 a.m. for the purpose of considering and, if thought fit, passing, with or without modifications, the resolutions set out in the Notice of EGM relating to the Proposed Acquisition and Proposed Whitewash Resolution.

14. ACTION TO BE TAKEN BY SHAREHOLDERS

14.1 Appointment of proxies

Shareholders who are unable to attend the EGM and who wish to appoint a proxy to attend and vote at the EGM on their behalf will find attached to this Circular, a Proxy Form which they are requested to complete, sign and return in accordance with the instructions printed thereon as soon as possible and in any event so as to arrive at the registered office of the Company not less than forty-eight (48) hours before the time fixed for the EGM. The completion and lodgment of the Proxy Form by a Shareholder does not preclude him from attending and voting in person at the EGM if he finds that he is able to do so.

14.2 When Depositor regarded as Shareholder

A Depositor will not be regarded as a member of the Company entitled to attend the EGM and to speak and vote thereat unless his name appears on the Depository Register as at forty-eight (48) hours before the EGM.

15. CONSENT OF THE IFA

The IFA has given and has not withdrawn its written consent to the issue of this Circular with the inclusion of its name, the Acquisition Opinion Letter reproduced in Appendix E and the Whitewash Opinion Letter reproduced in Appendix F and all references thereto in the form and context in which they appear in this Circular.

16. CONSENTS OF JLLS AND RKPL

JLLS and RKPL have given and have not withdrawn their written consents to the issue of this Circular with the inclusion of their names, the Valuation Certificates reproduced in Appendix G and all references thereto in the form and context in which they appear in this Circular, and the availability of their respective valuation reports as documents for inspection.

17. CONSENT OF P & A ASIA

P & A Asia has given and has not withdrawn its written consent to the issue of this Circular with the inclusion of its name and all references thereto in the form and context in which they appear in this Circular.

18. CONSENT OF NEXIA TS PUBLIC ACCOUNTING CORPORATION

Nexia TS Public Accounting Corporation has given and has not withdrawn its written consent to the issue of this Circular with the inclusion of its name and all references thereto in the form and context in which they appear in this Circular.

19. DIRECTORS' RECOMMENDATION

19.1 Proposed Acquisition

After having considered, *inter alia*, the terms, rationale for and benefits of the Proposed Acquisition, the Acquisition Opinion Letter and the statement of the Audit Committee, the Directors (except for Mr. Serge Pun, Mr. Cyrus Pun and Mr. Melvyn Pun who are interested in, and who will abstain from making any recommendation in respect of the Proposed Acquisition) are of the opinion that the Proposed Acquisition is in the interest of the Company and is not prejudicial to the interests of its minority Shareholders. Accordingly, they recommend that Shareholders vote in favour of Ordinary Resolution 1 relating to the Proposed Acquisition as set out in the Notice of EGM.

19.2 Proposed Whitewash Resolution

After having considered, *inter alia*, the terms, rationale for and benefits of the Proposed Rights Issue, the Proposed Whitewash Resolution and the Whitewash Opinion Letter, the Directors (except for Mr. Serge Pun, Mr. Cyrus Pun and Mr. Melvyn Pun who are interested in, and who will abstain from making any recommendation in respect of the Proposed Whitewash Resolution) are of the opinion that the Proposed Whitewash Resolution is in the interest of the Company and Independent Shareholders. Accordingly, they recommend that Independent Shareholders vote in favour of the Ordinary Resolution 2 relating to the Proposed Whitewash Resolution as set out in the Notice of EGM.

20. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Circular and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the Proposed Acquisition and the Proposed Whitewash Resolution, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Circular misleading. Where information in the Circular has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in the Circular in its proper form and context.

21. DOCUMENTS FOR INSPECTION

Copies of the following documents may be inspected at the registered office of the Company at 80 Anson Road Fuji Xerox Towers #25-05 Singapore 079907 during normal business hours from the Announcement Date for a period of three (3) months:

- (i) memorandum and articles of association of the Company;
- (ii) annual report of the Company for FY2012;
- (iii) Sale and Purchase Agreement;
- (iv) Acquisition Opinion Letter of the IFA;
- (v) Whitewash Opinion Letter of the IFA;
- (vi) letter of consent from the IFA;
- (vii) valuation report by JLLS;
- (viii) valuation report by RKPL
- (ix) letter of consent from JLLS;
- (x) letter of consent from RKPL;
- (xi) letter of consent from P & A Asia; and
- (xii) letter of consent from Nexia TS Public Accounting Corporation.

Yours faithfully

Andrew Rickards
Chief Executive Officer

For and on behalf of the Board of Directors of
Yoma Strategic Holdings Ltd.

8 February 2013

DESCRIPTION OF BUSINESS ACTIVITIES OF THE GROUP

The principal activity of Yoma Strategic Holdings Ltd. (“YSH”) is investment holding while its subsidiaries are engaged in the development of land, agricultural activities, sale of private residential properties, automobile dealership, construction, as well as design and project management for real estate developments in Myanmar and the PRC.

OPERATIONS IN MYANMAR

Real Estate

The Group’s portfolio of development properties includes apartments, condominiums and bungalows. All property development projects initiated by the Group are managed by its property management arm, which provides detailed budgeting and resource allocation, costing and planning, design and project management. YSH also has a team of architects, engineers and project managers to supervise the progress of development projects.

The property development process in Myanmar typically starts with the identification of potential sites for development, taking into account, *inter alia*, the property market outlook, target group of buyers, type of property to be developed, acquisition price and payment terms for the LDRs, approvals from the relevant authorities and the time required to complete the project. Upon the successful identification of potential sites, the Group will approach the land owners to negotiate the terms for the acquisition of the relevant land development rights, including entering into joint ventures with the land owners.

The following are some of the notable projects in the Group’s portfolio:

Pun Hlaing Golf Estate (“PHGE”)

Located in the north-west of Yangon, PHGE is an integrated development project with residential units, a Gary Player designed 18-hole championship golf course (Pun Hlaing Golf Course), a clubhouse, a hospital (Pun Hlaing International Hospital), a sports complex and other facilities. PHGE is built on a 637-acre peninsula between the Hlaing River and the Pan Hlaing River in Hlaing Tharyar Township, approximately 8 miles from downtown Yangon.

PHGE offers a full range of independent utilities, infrastructure and estate management services which differentiate it from other competing developments in Myanmar. These facilities include 24-hour underground electricity supply to all properties on the estate and potable water supplies delivered to each property under controlled pressure. The surrounding environment of PHGE is protected with the installation of bio-filter effluent treatment units in every property. The Pun Hlaing Country Club comes with a swimming pool, two grass tennis courts, a spa and foot massage parlour, a gym and a beauty parlour. The Early Childhood Centre of the Yangon International School (YIS) commenced operations in August 2010, adding another important feature to this community.

All bungalows, apartments and condominiums at PHGE face either the Pun Hlaing Golf Course, or have views over PHGE’s many lakes, canals or riverside. With two-thirds of its estate perimeter bordered by rivers, PHGE provides one of the best living environments in Myanmar in an exclusive and secure environment for quality living and recreation in mansions, landed villas and condominiums — a lifestyle that would rival any prime real estate development internationally.

The Group has the economic benefit of seventy per cent. (70%) of the sales of LDRs in PHGE.

Ivory Court Residences I and II

Located at the heart of PHGE, each unit of the Ivory Court Residences is set on a land area ranging from 4,761 square feet to 7,349 square feet. Each of the two phases of Ivory Court Residences comprises 10 units- totaling 20 units- of modern, 3-bedroom townhouses, each with a built up area of 317.11 square metres (3,412.11 sq. ft.) with prime views over the 17th and 18th fairway of the Pun Hlaing Golf Course.

Lakeview Apartments

Lakeview Apartments is a self-contained low rise condominium development that creates a comfortable environment for residents within PHGE. Situated on a prime 9.24 acre plot of land in the North-East corner of the PHGE, Lakeview Apartments overlooks the 11th fairway and green of the Pun Hlaing Golf Course.

Lakeview Apartments was designed by the SPA Design division to international standards and developed by the SPA PM Development division.

FMI City

FMI City is Myanmar's first gated community, with its own security and estate management services. Targeted at Myanmar's emerging middle income buyers, FMI City consists of more than 1,600 properties, consisting of single and double-storey bungalows and four-storey condominiums. Situated on 465 acres of land, FMI City is located to the north-west of Yangon, Myanmar and approximately 9 miles from the centre of Yangon and approximately 2 miles from Yangon International Airport. A township within itself, FMI City has its own recreation centre, shopping arcade, bank, wet market as well as bus and ferry service to downtown Yangon. Over the last decade FMI City has become an archetype for mass-market housing in Myanmar.

Orchid Garden

The 552-unit Orchid Garden is the sixth phase of the FMI City development. A typical house in Orchid Garden occupies a land plot of 6,400 sq. ft. with a two-storey bungalow of 2,500 sq. ft. built-up area comprising 3-bedrooms, living room, dining room, study and maid's quarters. Since its launch in 2001 as the most upmarket section of the FMI City development, sales of LDR and houses in Orchid Garden have been on the rise. YSH's wholly owned subsidiary, Lion Century Properties Ltd, has an economic benefit of 52.5% of the sales value of the LDRs of Orchid Garden, with the remaining 47.5% held by FMI, a wholly owned subsidiary of the SPA Group.

Fontana Garden

On 21 November 2011, YSH announced the Fontana Garden project, a property development project involving the development of over 130 houses, being the seventh phase of development in FMI City. Fontana Garden is modeled on the Orchid Farden concept but with some noticeable improvements in design.

Star City

The Star City project is located in Thanlyin Township, in the south-eastern sector of Yangon, near the intersection of the Yangon River and the Bago River and it is adjacent to an area which is expected to be designated as a Special Economic Zone under a new law in Myanmar. The distance from downtown Yangon to Star City is approximately 6 miles. The subject development is situated to the east of the Pun Hlaing Golf Links.

Within the vicinity of Thanlyn Township, there are also port facilities including the Myanmar International Terminals Thilawa, a multi-purpose container terminal owned and operated by Hutchison Port Holdings located approximately 8 km to the southeast. Other prominent developments in the Thanlyin Township include the East Yangon University, Myanmar Maritime University and the Technological University.

The master-plan currently consists of approximately 9,000 units which should provide housing for 25,000 to 30,000 residents, retail complexes, restaurants and café areas, clubhouses and other recreational facilities. Since the acquisition, the Group has been marketing units in buildings 3 and 4 (buildings 1 and 2 were sold by SPA and the economic benefits do not accrue to the Group) and sales have continued to be strong.

Project Management & Design

Project Management

The Project Management division is responsible for all project and construction management within the Group and administers the execution of the group's real estate development activities. With a strong belief in quality, SPA Project Management Ltd., a wholly-owned subsidiary of the Company incorporated in Myanmar, whose shares are held on trust for YSH, undertook the development of PHGE, which was subsequently crowned the title "The Pride of Myanmar".

The Group also takes on the role of a developer for certain projects within PHGE and is committed to adding value to land or properties in niche markets, such as in the case of Lakeview Apartments and Ivory Court Residences. Its services range from overall design to construction, interior setup and the final sale. The Project Management division leverages on the capabilities of the other divisions within the Group and has an unparalleled competitive advantage in the market.

Design

SPA Design Pte Ltd ("**SPA Design**"), a wholly-owned indirect subsidiary of YSH, is a full service architectural, structural engineering, planning and interior design firm. SPA Design has a distinguished reputation for innovative designs on numerous noteworthy projects and provides clients with expertise in project planning, design, construction documentation, bidding and administration. In addition, the support services of mechanical, electrical, civil engineering, landscape architecture and construction have also provided for many long and established consultancy relationships.

Agriculture

The Group's wholly owned subsidiary, Plantation Resources Pte Ltd ("**PRPL**") is involved in the business of plantation development. PRPL possesses the rights to develop 100,000 acres of contiguous agricultural land on the Maw Tin estate located in the Ayerwaddy Division of Myanmar.

Currently *Jatropha Curcas*, which is planted on approximately 2,000 acres of the plantation, is the main produce of the estate. *Jatropha* oil is a biodiesel component required in diesel usage as stipulated by international pacts concerning environmental issues.

In addition, the Group has embarked on a review of the various options which will maximise the returns on the Group's investments in PRPL, which includes developing other plantations, including the commencement of planting of pepper. A number of other crops are being experimented with to determine if they are viable to be planted in the existing terrain at Maw Tin Estate. The Group will also look into opportunities to plant other revenue generating agricultural products such as rubber, eucalyptus and spices.

Automobile distribution

In 2010, the Group entered into a 10-year tripartite strategic cooperation agreement (the "**Tripartite Agreement**") with Dongfeng Automobile Co., Ltd and Guangdong Machinery Imp. & Exp. Co., Ltd. to market, establish and develop the sales and distribution of Dongfeng light trucks in Myanmar, with the intention to ultimately progress to assembly and manufacturing.

Under the Tripartite Agreement, the Group has the exclusive distribution rights for all Dongfeng light trucks in Myanmar and will procure the necessary import permits from the relevant Myanmar authorities, establish sales and post sales service centres as well as promote the Dongfeng brand in the Myanmar automobile market.

Moving forward, the Group will be looking into setting up facilities to support the sales, spare parts and after-sales service for the distribution of Dongfeng light trucks as well as to accelerate the plan to implement assembly and manufacturing of trucks in Myanmar in the future.

OPERATIONS IN THE PEOPLE'S REPUBLIC OF CHINA

Real Estate

The Grand Central – Dalian

The Group has an interest in the Grand Central, a 110,000 square meters composite use building situated in the Dalian Economic & Technological Development Zone, Dalian, Liaoning Province. It comprises of a shopping mall, the Grand Central International Lifestyle Centre, an office tower, Yoma International Finance Centre and a serviced apartment, Shama Luxe Serviced Apartments.

The Group has completed the restructuring of its interest in the Grand Central. The Group is in the process of finalising the registration of its one hundred per cent. (100%) interest in Grand Central International Lifestyle Centre. The Grand Central International Lifestyle Centre has anchor tenants which includes Korea's largest bank — Woori Bank.

DESCRIPTION OF THE LANDMARK DEVELOPMENT

Description

The proposed Landmark Development will be an iconic mixed-use development of residential, retail, hospitality and commercial property of approximately 2 million square feet gross floor area (“GFA”), on approximately 10 acres of land located in the middle of the downtown Yangon business district in Myanmar. The site is situated between Trader’s Hotel, the Sakura Tower and the famous tourist destination of Bogyoke Aung San Market, and is within close walking distance from the Sule Pagoda. The site currently hosts the FMI Centre Tower, the Grand Meeyahta Hotel and one of Yangon’s most famous heritage buildings, the former headquarters of the Burma Railway Company built in 1877.

Under the latest master-plan the Victorian-era headquarters of the Burma Railway Company will be restored to its original grandeur and converted into a landmark 5-star hotel and is planned to rival the greatest historic hotels of the region such as Raffles Hotel in Singapore. Adjacent to the 5-star hotel, it is proposed to build a 5-star luxurious condominium building. There will also be a business hotel and an executive serviced apartment tower.

For business use, two (2) Grade-A office towers will be constructed totaling over 700,000 square feet of GFA. A five-floor retail podium made up of shops, department store and supermarket will also be built comprising approximately over 400,000 square feet of GFA. There will also be a two (2)-level basement car-park.

Note:

The above figures and write-up are based on the latest master plan submitted to the relevant authorities which may be subject to changes, depending on prevailing market conditions as may be determined by MIHL.

Artist’s impression of the proposed Landmark Development



SUCCESSION PLANNING

The Group has a history of strong relations with the SPA Group due to the common shareholding of Mr. Serge Pun in both groups. In light of future business plans, further opportunities and continuity of such relations, the Group has taken steps to ensure that adequate succession planning is in place.

The Group had on 21 November 2011 appointed Mr. Andrew Rickards as its new Chief Executive Officer who is responsible for the management and conduct of the business of the Group. On 20 September 2012, it was announced that Mr. Melvyn Pun, son of Mr. Serge Pun, who is also the Chief Executive Officer of the SPA Group, was appointed as an alternate director to Mr. Serge Pun.

Further, the Group had also on 30 November 2012 announced several new appointments as follows:

- (a) Mr. Jerry Westmore as Group General Manager. He resides Yangon and oversees certain areas of the Group's non-real estate businesses;
- (b) Mr. David Whitting as Project Director of SPA Project Management Pte Ltd, a subsidiary of the Company. He has oversight over both the Star City project and (upon completing the Proposed Acquisition) the Landmark Development project in downtown Yangon; and
- (c) Mr. Peter Francis as General Manager of Thanlyin Estate Development Ltd., a subsidiary of the Company. He is responsible for overall direction, planning, implementation, sales and operational management of the Star City development.

The Group believes that the current management has a good working relationship with the SPA Group and that it will continue to work closely with the SPA Group.

RISK FACTORS OF THE PROPOSED ACQUISITION

To the best of the Directors' knowledge and belief, as at the Latest Practicable Date, risks that (i) are material to Shareholders in making an informed judgment; and (ii) upon developing into actual events would have a material adverse impact on the Group's businesses, results, operations or financial condition, are set out below. The risks set forth below are not an exhaustive list of the challenges currently facing the Group or that may develop in the future.

Specific Risks relating to the Landmark Development

There is no certainty in relation to the costs required to complete the construction of Landmark Development or whether the Group will be able to secure additional funding

Although an amount has been budgeted by the Group towards the construction of the Landmark Development, there is no assurance that the actual construction cost of the Landmark Development will not exceed the budgeted amount or that in the event the actual construction cost exceeds the budgeted amount, the Group will have sufficient financial resources to meet the overrun in construction cost. Further, in the event of any shortfall in funding, or inability to obtain adequate funding, construction will not be able to complete and the Group may be required to reduce the scope of its development, forfeit its interests in some or all of the project, incur financial penalties and reduce or terminate its operations, which could adversely affect the Group's business, financial condition and results of operations.

The Landmark Development is still under development

The Landmark Development will be under development. The Group's decision to invest in the Landmark Development is based upon the Group's assessment of the potential market demand for residential space, retail space and office space. There is no guarantee that there will be a demand for Landmark Development when completed, whether due to depressed market conditions or other factors. There is a risk that upon its completion, the Landmark Development will be unable to yield the anticipated income.

The Group may face increased competition from residential, retail and commercial developments in Myanmar

The Landmark Development is currently located in an area that has other competing retail and commercial developments and may also face competition from other projects in Myanmar in general that may be developed in the future. An increase in the number of competitive developments in Myanmar, particularly in the areas where the Landmark Development is located, could have a material adverse effect on the revenue and/or occupancy rates of the Landmark Development, as such increased competition may adversely impact the tenants and consequently affect their ability to make rental payments.

The estimated GFA of the Landmark Development is based on architectural plans on which construction is based, and may differ from the actual GFA of the Landmark Development

The estimated GFA of the Landmark Development which were adopted by the independent valuer was based on architectural plans, and may differ from the actual GFA of the completed Landmark Development. The GFA will only be finalised when the relevant certificate is issued.

Performance of the Group's properties may be dependent on the performance of the other components in an integrated development

As each of the properties within the Landmark Development forms part of an integrated development, the performance of each property may be dependent on the performance of the other components within the integrated development, for example, whether the developments of the residential or office components within the integrated development can be completed on schedule and according to the overall expected planning specifications. Should there be a delay in the completion, or failure to complete, of the other components or if such components are not completed with the expected standards, there may be an adverse effect on the performance of the Group.

The market value of the Landmark Development when completed may differ from the values obtained by the independent valuer

The valuation was conducted using the discounted cashflow method of valuation. Property valuations generally include a subjective determination of certain factors relating to the relevant properties, such as their relative market positions, competitive strengths and their physical conditions. In addition, the basis of the valuation of the Landmark Development under development were on an “as if complete and fully leased” basis, based on the current market conditions. There can be no assurance that the Landmark Development can be leased out or sold at the same or higher market rates once completed.

The Group may be affected by the non-registration of its ownership of the Sale Shares

Upon completion of the Sale and Purchase Agreement, the Group will have to apply to the MIC and the CRO for the transfer of the Sale Shares to the Group to be approved and to have the Sale Shares registered in its name. Such approval and registration may take a minimum of five (5) weeks to process and the Group has no control over when it will obtain valid title to the Sale Shares. In order to minimise this risk, the SPA Group shall on completion, deliver, *inter alia*, a duly executed deed of management control granting the right of absolute management control over MIHL to the Group and a deed of assignment to assign all of its rights and interests in the Sale Shares to the Company, in the interim. There is no guarantee that the Group will be able to enforce its rights under the Sale and Purchase Agreement.

For further information on the deed of management control and the deed of assignment to be issued in the interim, please refer to Sections 4.8 and 4.10 of the Circular.

The due diligence exercise on Landmark Development may not have identified all material defects, breaches of laws and regulations and other deficiencies

There is no assurance that the Landmark Development will not have defects or deficiencies requiring repair or maintenance (including design, construction or other latent property or equipment defects in Site 1 and Site 2 which may require additional capital expenditure, special repair or maintenance expenses). Such undisclosed defects or deficiencies may require significant capital expenditures or obligations to third parties and involve significant and unpredictable patterns and levels of expenditure which may have a material adverse effect on the Group’s earnings and cash flows.

The experts’ reports that the Group relies upon as part of its due diligence investigations of the Landmark Development may be subject to inaccuracies and deficiencies. This may be because certain building defects and deficiencies are difficult or impossible to ascertain due to limitations inherent in the scope of the inspections, the technologies or techniques used and other factors.

General Market and Business Risks relating to the Group’s property development operations

Enforceability of the LDRs in respect of the Sites

The Company is proposing to acquire eighty per cent. (80%) of the the LDRs in respect of the Sites. In Myanmar, all lands are owned by the State and foreigners are not allowed to own land. Further, the title to all the Landmark Development is held under a limited term of LDRs granted by the government authorities subject to a number of specific conditions which may include the completion of the relevant development projects according to a specified schedule and attaining a certain threshold of construction.

There is no assurance that there may be different interpretation or enforcement or the exercise of the government’s discretion that could cause the imposing of penalties or modification of the terms of the LDRs granted or, in extreme cases, revoking the LDRs without compensation. This may affect the business, financial condition and the results of operations of the Group.

Working relationships with and cooperation from Myanmar government entities

The Group, together with the SPA Group, works in cooperation with Myanmar government authorities and their related entities. Although the Group believes that it (through the SPA Group) currently has good constructive working relationships with all of the governmental authorities relevant to the Group's property development business in Myanmar, its business, financial condition and results of operations could be adversely affected if the SPA Group is unable to maintain the relationships with those government authorities. The Group's business, financial condition and results of operation could also be materially adversely affected if the government officials which the SPA Group has relationships with are replaced or removed from their posts.

Changes in business environment factors in relation to property development

Changes in the business environment during the tenure of the project may affect the revenue and cost of the development which could directly impact the profit margin of the project. Factors which affect the profitability of a project may include but are not limited to (a) delays encountered in procuring the necessary approvals from the relevant regulatory authorities and government bodies; (b) fluctuations in demand of residential properties; and (c) delays encountered in construction schedules due to poor weather conditions, labour disputes and any other unforeseen circumstances. As such, the Group may incur unexpected expenses and liabilities, resulting in losses for the Group. This may adversely affect the business, financial condition and the results of operations of the Group.

Risks inherent in potential joint ventures

The Group may rely on its potential joint venture partners in the successful development of the Landmark Development. The potential joint venture partners will be economic entities with their own assets and liabilities beyond the scope of the Group's knowledge. In the event any of the Group's potential joint venture partners are unable to fulfill their respective contractual obligations under the Proposed Acquisition, the completion of the Landmark Development may be adversely affected.

Fluctuations in raw material prices

Prices of raw material used in the property development and construction businesses, such as ready-mixed concrete, steel reinforcement bars, precast components, tiles, concreting sand, cement, steel welded mesh, steel strands, mild steel, stainless steel, aluminium, glass, plywood and paint, will fluctuate according to the varying levels of supply and demand of these materials. As it is envisaged that the development of the Landmark Development will be completed within five (5) years and it is difficult to predict the pricing patterns of such raw materials, the costs incurred may exceed the Group's initial projections and this may result in an adverse impact on the financial performance and financial condition of the Group.

Change in government legislation, regulations and policies

Any change in government legislation, regulations or policies directly or indirectly affecting the property development and construction industries in countries in which the Group operates could have a negative effect on the demand for its services. Furthermore, any change in the application and treatment of such legislation, regulations or policies to the Group may adversely affect the business and operations of the Group. Either of these circumstances could, in turn, have a material adverse impact on the financial performance and financial condition of the Group.

Unsold units may be illiquid.

In respect of the properties of the Landmark Development that the Group intends to sell, the Group generally commences construction of a development project after a majority of the units in that project have been sold and paid for. There is no assurance that the Group will be able to sell the remaining units, even after completion of the project. Such unsold units are relatively illiquid and cannot be converted into cash on short notice. Such illiquidity may also exert a downward pressure on the selling prices of unsold units in the event the Group requires a quick sale of these assets to raise funds.

Uninsured loss to property developments

In Myanmar, the Group does not maintain any insurance policies covering its residential property development projects. This reduces the Group's costs of development and is in conformity with market practice in Myanmar. In addition, certain types of losses such as acts of God, terrorism, war and civil disorder are generally very costly to insure and it may not be cost-effective for the Group to obtain such insurance coverage for its property development projects in these respects. Should there be any loss arising out of damage to its properties, its profitability would be adversely affected.

Excessive warranty claims

The Group generally provides warranties for its property development projects in Myanmar for a period of up to one (1) year. These warranties cover defects and any premature wear and tear of the materials used in the projects. Rectification and repair works to be carried out by the Group that are covered under the warranties would not be chargeable to the customers. Excessive warranty claims for rectification and repair works could have an adverse effect on the Group's financial performance.

ACQUISITION OPINION LETTER

The Recommending Directors
Yoma Strategic Holdings Ltd
80 Anson Road
Fuji Xerox Towers #25-05
Singapore 079907

8 February 2013

Dear Sirs

INDEPENDENT FINANCIAL ADVISER'S OPINION LETTER IN RESPECT OF THE PROPOSED ACQUISITION OF 80 PERCENT INTERESTS IN RESPECT OF THE LANDMARK DEVELOPMENT FROM AN INTERESTED PERSON

*For the purpose of this opinion letter ("**Acquisition Opinion Letter**"), capitalised terms not otherwise defined herein shall have the same meaning as given to them in the circular dated 8 February 2013 to the shareholders of Yoma Strategic Holdings Ltd (the "**Circular**").*

1. INTRODUCTION

1.1 General overview

On 19 November 2012 (the "**Announcement Date**"), Yoma Strategic Holdings Ltd ("**Yoma Strategic**" or the "**Company**", and together with its subsidiaries, the "**Group**") announced that the Company had entered into a sale and purchase agreement with Serge Pun & Associates (Myanmar) Limited ("**Sale and Purchase Agreement**") to, *inter alia*, acquire 80 percent of the issued and paid up share capital (the "**Sale Shares**") of Meeyahta International Hotel Limited ("**MIHL**") (the "**Proposed Acquisition**").

MIHL holds the land development rights ("**LDRs**") in respect of site 1 situated at 372 Bogyoke Aung San Road, Pabedan Township, Yangon, Myanmar, which is approximately 9.5 acres (the "**Site 1**"). Further, in view of the proposed development, parties have also agreed that the LDRs in relation to the site next to Site 1, which is approximately 0.5 acres and located at 380 Bogyoke Aung San Road, Pabedan Township, Yangon, Myanmar (the "**Site 2**") currently held by Yangon Land Co. Ltd ("**YLC**"), a wholly-owned subsidiary of SPA, shall also be acquired by the Group and is included in the Acquisition Price. The LDRs of Site 1 and Site 2 (collectively, the "**Sites**") are and will be held by MIHL. Based on the application submitted to the authorities, the Sites are proposed to be developed into a mixed-use development comprising hotels, a condominium building, a serviced apartment complex, office towers and a retail podium on approximately ten acres of land (the "**Landmark Development**").

The acquisition of LDRs for the Landmark Development will be done through the purchase of the Sale Shares.

For the purposes of funding the Proposed Acquisition, the Company is proposing to undertake a renounceable non-underwritten rights issue ("**Proposed Rights Issue**") of up to 289,279,553 new Shares (the "**Rights Shares**") on the basis of one Rights Share for every four existing Shares held by the shareholders of the Company (the "**Shareholders**") at an issue price of S\$0.380 per Rights Share (the "**Rights Issue Price**"). The Proposed Acquisition is conditional upon, *inter alia*, the approval of the Proposed Whitewash Resolution by the SIC and the Shareholders' approval of the Proposed Whitewash Resolution at the EGM.

1.2 Regulatory regime

Interested person transaction

Serge Pun & Associates (Myanmar) Limited (“**SPA**”, and together with its subsidiaries, the “**SPA Group**”), the ultimate vendor of the Sale Shares, is majority owned by Mr. Serge Pun, the Executive Chairman and Controlling Shareholder of Yoma Strategic, holding approximately 41.67 percent direct and deemed interests in the Company as at the Latest Practicable Date. Accordingly, the Proposed Acquisition constitutes an ‘interested person transaction’ under Chapter 9 of the Listing Manual of the SGX-ST (the “**Listing Manual**”).

In accordance with the abovementioned regulatory implications stated in the Circular, KPMG Corporate Finance Pte Ltd (“**KPMG Corporate Finance**”) has been appointed as the independent financial adviser (“**Independent Financial Adviser**” or “**IFA**”) to advise the Recommending Directors of Yoma Strategic (the “**Recommending Directors**”) as to whether the Proposed Acquisition is (a) on normal commercial terms and (b) not prejudicial to the interests of Yoma Strategic and its minority Shareholders.

This Acquisition Opinion Letter to be included in the Circular to Shareholders sets out, *inter alia*, our evaluation of the Proposed Acquisition and our advice to the Recommending Directors in relation to their recommendation to the minority Shareholders on the resolution concerning the Proposed Acquisition.

2. TERMS OF REFERENCE

KPMG Corporate Finance was appointed by the Recommending Directors to advise them on the Proposed Acquisition. We were neither a party to the negotiations in relation to the Proposed Acquisition, nor were we involved in the deliberations leading up to the decision by the Board of Yoma Strategic (the “**Board**”) to enter into the Proposed Acquisition and its subsequent actions relating thereof. We do not, by this Acquisition Opinion Letter, warrant the merits of the Proposed Acquisition other than to form an opinion for the Recommending Directors with respect to the Proposed Acquisition.

It is not within our terms of reference to evaluate or comment on the legal, strategic, and/or commercial merits and risks of the Proposed Acquisition, or on the future growth prospects or earnings potential of Yoma Strategic should the Proposed Acquisition be completed or not completed. We are not addressing the relative merits of the Proposed Acquisition vis-a-vis any alternative transaction previously considered by Yoma Strategic or transactions that Yoma Strategic may consider in the future, and as such, we do not express a view thereon. Such evaluations or comments are and remain the sole responsibility of the Board and the management of Yoma Strategic although we may draw upon their views or make such comments in respect thereof (to the extent deemed necessary or appropriate by us) in arriving at our opinion.

We have not conducted a comprehensive independent review of the business, operations or financial condition of Yoma Strategic. Further, the scope of our appointment does not require us to express an opinion on the future growth prospects of Yoma Strategic following the Proposed Acquisition, should it ultimately occur. We are therefore not expressing any opinion herein as to the prices at which the ordinary shares of Yoma Strategic (the “**Shares**”) may trade upon completion of the Proposed Acquisition should this occur, or the future performance of Yoma Strategic.

In formulating our opinion, we have relied to a considerable extent on the information set out in the Circular, other public information collated by us and the information, opinions and facts provided to us by Yoma Strategic, and its other professional advisers. We have also relied on the information contained in the various announcements made by Yoma Strategic, as well as other public announcements, in relation to the Proposed Acquisition. Whilst care has been exercised in reviewing the information we have relied upon, we have not independently verified the information. We have made such enquiries and judgment as we deemed necessary and have found no reason to doubt the accuracy or reliability of such information. We have undertaken a site visit and have made such enquiries and judgment as we deemed necessary and have found no reason to doubt the accuracy or reliability of such information.

We have also relied on the responsibility statement of the directors of Yoma Strategic (the “**Directors**”) that the Circular and all documents relating to the Circular have been seen and approved by them and they collectively and individually accept responsibility for the information given, and confirm that, having made all reasonable enquiries, to the best of their knowledge and belief, the facts stated and opinions expressed in the Circular are fair and accurate and that there is no other material fact the omission of which would make any statement in the Circular misleading.

We have not made any independent evaluation or appraisal of the assets and liabilities of Yoma Strategic, nor for that matter have we made an independent evaluation or appraisal of the LDRs / Site 1 proposed to be acquired.

We have been provided with the following valuation reports which appraise the market value of the LDRs for the Landmark Development:

- (a) valuation report from Jones Lang LaSalle PLC (“**JLLS**”) dated 28 November 2012; and
- (b) valuation report from Robert Khan & Co Pte Ltd (“**RKPL**”) dated 31 August 2012,

(each a “**Valuation Report**” and “**Valuation Expert**”, and collectively the “**Valuation Reports**” and the “**Valuation Experts**”).

With respect to the Valuation Reports, we are not experts in the evaluation or appraisal of assets and liabilities, especially in the property sector, and have accordingly relied solely upon the aforesaid Valuation Reports.

This Acquisition Opinion Letter is addressed to the Recommending Directors for their benefit in connection with and for the purposes of their consideration of the Proposed Acquisition, and the recommendations made by them shall remain the responsibility of the Recommending Directors.

In rendering our advice and giving our opinion, we did not have regard to the specific investment objectives, financial situation or unique needs and constraints of any Shareholder or any specific group of Shareholders. As different Shareholders would have different investment profiles and objectives, we recommend that any individual Shareholder or group of Shareholders who may require specific advice in relation to their investment portfolio(s) consult their stockbroker, bank manager, solicitor, accountant, tax adviser or other professional advisers.

This Acquisition Opinion Letter is governed by, and construed in accordance with, the laws of Singapore, and is strictly limited to the matters stated herein and does not apply by implication to any other matter. No other person may reproduce, disseminate or quote this Acquisition Opinion Letter (or any part thereof) for any other purpose at any time and in any manner except with the prior written consent of KPMG Corporate Finance in each specific case.

Our opinion is based upon market, economic, industry, monetary, and other conditions in effect on, and the information made available to us as at 4 February 2013, being the “**Latest Practicable Date**”. Such conditions can change significantly over a relatively short period of time. We assume no responsibility to update, revise or reaffirm our opinion in the light of any subsequent development after the date of this Acquisition Opinion Letter even if it might affect our opinion contained herein.

Our opinion in relation to the Proposed Acquisition should be considered in the context of the entirety of our Acquisition Opinion Letter and the Circular.

3. THE PROPOSED ACQUISITION AND THE LISTING MANUAL

As previously stated in this Acquisition Opinion Letter, and in Section 5 of the Circular, the Proposed Acquisition constitutes an ‘interested person transaction’ under Chapter 9 of the Listing Manual. As the aggregate value of the Proposed Acquisition is more than 5.0 percent of the latest audited net tangible assets of the Group, Rule 906(1) of the Listing Manual requires that the Proposed Acquisition be subject to Shareholder approval.

4. DETAILS CONCERNING THE PROPOSED ACQUISITION OF 80 PERCENT INTERESTS IN RESPECT OF THE LANDMARK DEVELOPMENT

Details of the Landmark Development

Based on the application submitted to the authorities, the Landmark Development will be a mixed-use development comprising hotels, a condominium building, a serviced apartment complex, office towers and a retail podium on approximately ten acres of land. The Sites currently comprise the FMI Centre Tower, the Grand Meeyahta Hotel and the former headquarters of the Burma Railway Company which is a heritage site built in 1877. Under the latest master plan submitted to the authorities, the former headquarters of the Burma Railway Company will be refurbished into a landmark 5-star hotel. Adjacent to this 5-star hotel, a 5-star luxury condominium building, a business hotel and an executive serviced apartment complex will be built. There will also be two Grade-A office towers, a two-level basement car park and a retail podium made up of shops, a department store and a supermarket. The above figures and write-up are based on the latest master plan submitted to the relevant authorities which may be subject to changes, depending on prevailing market conditions as may be determined by MIHL.

Located in the middle of the downtown Yangon business district, the Sites are situated between the Trader's Hotel, the Sakura Tower and the famous tourist destination of Bogyoke Aung San Market. The immediate neighbourhood largely comprises of a mix of restaurants, banks, hotels and mixed-use buildings.

Further information about the area where the Landmark Development is located is set out in Appendix B of the Circular.

Acquisition price

In accordance with the terms of the First Right of Refusal Deed (“**FRRD**”), the acquisition price is to be derived from the average of the values attributed to the LDRs for the Landmark Development by two internationally reputable and recognised valuers, separately appointed by the Company and the SPA Group, and discounted by an amount to be agreed between the Company and the SPA Group.

Based on the value of US\$100.00 million arrived at by the Valuation Expert appointed by the Company, JLLS, and the value of US\$109.50 million arrived at by the Valuation Expert appointed by the SPA Group, RKPL, the average value of the LDRs attributed to the Landmark Development is US\$104.75 million (approximately S\$127.79 million¹). The SPA Group has also agreed to a discount factor of 3.01 percent to be applied to the acquisition price. Accordingly, the parties agreed that the acquisition price for the Sale Shares shall be US\$81.28 million (approximately S\$99.16 million¹) (the “**Acquisition Price**”), being 80 percent of the average value of the LDRs attributed to the Landmark Development discounted by a factor of approximately 3.01 percent.

The discount factor was arrived at commercially after taking into account the Valuation Reports, meetings with the Valuation Experts and negotiations with the SPA Group.

Consideration for the Proposed Acquisition

The Proposed Acquisition relates to the acquisition of the LDRs for the Landmark Development which will be done through the purchase of the Sale Shares. As such, it was agreed that the consideration for the Sale Shares would be the Acquisition Price, being US\$81.28 million (the “**Consideration**”). SPA will also be writing off a shareholder's loan in MIHL in proportion to the Sale Shares by way of assignment to the Company for a nominal consideration of S\$1. 100 percent of the shareholders' loan amounts to an aggregate of US\$34,143,122 as at the date of the sale and purchase agreement for the purchase of the Sale Shares and the Assignment of the Shareholders' Loan (the “**Sale and Purchase Agreement**”) and comprises loans granted by shareholders of MIHL to fund the working capital of MIHL and a construction loan of US\$19.47

¹ Based on the Exchange Rate of US\$1 to S\$1.22

million which had been granted by a previous shareholder, Nawarat Patanakarn Public Co., Ltd., an unrelated third party incorporated in Thailand and which was fully settled by SPA. There are no repayment terms attached to the outstanding shareholder's loan. In addition, parties have agreed that any outstanding outgoings amount (including, *inter alia*, land rent, rates taxes, assessments and fees) levied and imposed on MIHL and the Sites by the relevant government authorities that have been outstanding since the date of the Sale and Purchase Agreement (which amounted to an aggregate amount of approximately US\$12,000,000 as at the date of the Sale and Purchase Agreement), as reflected in the balance sheet of MIHL to be prepared as at the completion date of the Sale and Purchase Agreement (the "**Balance Sheet Outstanding Outgoings Amount**") shall be retained by the Company from the consideration amount. The Company will then make payment directly to the relevant government authorities on behalf of MIHL.

The Company intends to fund the Proposed Acquisition using the net proceeds from the Proposed Rights Issue. As such, the Proposed Rights Issue will be conditional upon Shareholders' approval of the Proposed Acquisition.

The Proposed Acquisition shall be paid by the Company fully in cash.

Pursuant to the Sale and Purchase Agreement, SPA agrees that the Consideration for the Proposed Acquisition shall be paid to Mr. Serge Pun, as the Controlling Shareholder of the SPA Group, and that such payment to Mr. Serge Pun shall constitute full and final settlement of the Acquisition Price.

Details of the Sale and Purchase Agreement

Under the terms of the Sale and Purchase Agreement, Yoma Strategic shall acquire the Sale Shares from SPA and take assignment of an outstanding proportionate shareholders' loan which MIHL owes to SPA (the "**Assignment of Shareholder's Loan**"). Upon completion of the Proposed Acquisition, the remaining 20 percent of MIHL will be held by any entity within the SPA Group.

Further details of the Sale and Purchase Agreement are set out in section 4 of the Circular.

5. EVALUATION OF THE PROPOSED ACQUISITION

In our analysis and evaluation of the Proposed Acquisition, we have taken into consideration, *inter alia*, the following:

5.1 The rationale for the Proposed Acquisition

The Directors believe, and state within Section 3 of the Circular that the following rationale supports the decision of Yoma Strategic to enter into the Proposed Acquisition:

"3.1 Relationship with the SPA Group

*The SPA Group is a conglomerate with over 20 operating entities primarily engaged in six major business sectors, namely, financial services, real estate, manufacturing & industries, trading & services, automobile and agriculture. The SPA Group was founded in 1991 and has a 20-year track record in Myanmar. More information on the SPA Group including its main investment company, First Myanmar Investment Co., Ltd ("**FMI**"), a subsidiary of SPA as a result of SPA having contractual right of absolute management control of FMI pursuant to an existing management agreement between SPA and FMI, may be found on <http://www.spa-myanmar.com>.*

Mr. Serge Pun is the Chairman and controlling shareholder of the SPA Group as at the Latest Practicable Date. The other directors of SPA are Mr. Kyaw Paing, Mr. Melvyn Pun, Mr. Cyrus Pun, Mr. Lin Myaing and Mr. Tun Tun.

The Group has a strong relationship with the SPA Group by virtue of, inter alia, Mr. Serge Pun's common shareholding in both groups and several successful joint venture projects between the Group and the SPA Group such as the sales of units in FMI City and Star City and plots of land in Pun Hlaing Golf Estate, all of which were revenue generating as at the period ended 30 December 2012. This allows the Group to leverage on the market position, expertise and experience of the SPA Group in Myanmar. The Company continuously engages in discussions with the SPA Group to explore promising new projects and opportunities in Myanmar, of which the Landmark Development is one. The Company believes that its good and workable relationship with the SPA Group will enable the Group to derive an advantage in the long term over new ventures in Myanmar.

Please see Appendix C for more information on the Group's succession planning.

3.2 Rationale for, and benefits of, the Proposed Acquisition

Following the successful acquisition of the Star City project on 1 June 2012, the Group wishes to continue to expand its property development business.

Further, material developments in Myanmar, such as the new foreign investment law proposing positive developments including acceptable foreign joint venture structures and tax incentives for foreign investments, and the easing of sanctions on Myanmar by the US government, have encouraged the Group to actively look to Myanmar for further business opportunities.

The Company is in an advantageous position by virtue of the FRRD. The Group has held the land development rights of residential projects in Myanmar through the acquisitions of economic interests in such land development rights from the SPA Group since the completion of the reverse takeover in 2006. Such acquisitions and holding of economic interests require a stable and trusting relationship between the parties. The FRRD enables the Company to participate in all LDRs acquired or owned by the SPA Group in relation to land in Yangon. The SPA Group is a reputable and well-known land owner/developer in Yangon. The directors of the Company are of the opinion that it would be beneficial to the Company to capitalise on its rights under the FRRD. As real estate continues to be the Group's biggest revenue driver, the Group feels that it is an appropriate time to maximise the potential in the Landmark Development.

Please see Appendix D for some of the risk factors faced by the Group. In addition, Shareholders should note that investments in frontier markets carry additional uncertainty and risks compared to more developed markets."

5.2 The financial assessment of the Proposed Acquisition

In undertaking the financial assessment of the Proposed Acquisition, we have considered the basis for arriving at the Acquisition Price, and the consideration for transfer.

Basis for arriving at the Acquisition Price

Yoma Strategic entered into the FRRD on 17 August 2006, pursuant to which the Group has, *inter alia*, the right to purchase or acquire from the SPA Group, in whole or in part, at any time and from time to time, the rights associated with the LDRs in respect of Site 1.

We note that the Acquisition Price was agreed in accordance with the terms of the FRRD, derived from the average of the values attributed to the LDRs for the Landmark Development by the Valuation Experts, and discounted by an amount to be agreed between the Company and the SPA Group.

The Valuation Experts were appointed for the purpose of determining the market value of the LDRs for the Landmark Development, with the following determinations made:

- JLLS concluded the market value of the LDRs for the Landmark Development was approximately US\$ 100.00 million for a 70 years lease.

- RKPL concluded the market value of the LDRs for the Landmark Development was approximately US\$ 109.50 million for a 70 years lease.

We note that the development is expected to commence after the issue of the new leasehold title to be issued by the Myanmar Investment Council (the “**MIC**”) and the Ministry of Rail Transportation for the benefit and in favour of MIHL and/or its wholly-owned subsidiaries whereby the existing leases of Site 1 and Site 2 will be combined with renewed terms for redevelopment (“**Master Lease**”). The issue of the Master Lease on terms acceptable to the parties is one of the conditions precedent to the completion of the Proposed Acquisition. The new leasehold term for the Sites is for an initial 50 years with two extensions of ten years each, amounting to seventy years. We thus note that in accordance with communications between each Valuation Expert and their respective client, the Valuation Experts were given the new lease assumption in their respective Valuation Reports to be 70 years.

Summarised information from the Valuation Reports is contained in Appendix G of the Circular.

Our observations in relation to the Valuation Reports are as follows:

- The Valuation Experts have stated that their Valuation Reports were undertaken in accordance with the ‘SISV Valuation Standards’ published by The Singapore Institute of Surveyors and Valuers (“**SISV**”), and the ‘RICS Appraisal and Valuation Standards’ published by the Royal Institution of Chartered Surveyors (“**RICS**”) and the ‘International Valuation Standards Committee’ (“**IVSC**”).
- The Valuation Reports assess the market value of the LDRs for the Landmark Development. The JLLS market value determination is made as at 31 October 2012, while the RKPL market value determination is made as at 11 August 2012, both of which are sufficiently close to the intended date of settlement of the Proposed Acquisition.

The ‘market value’, as defined in the respective Valuation Reports is the estimated amount for which an asset/property should exchange on the date of valuation between a willing buyer and a willing seller in an arm’s-length transaction after proper marketing wherein the transacting parties have each acted knowledgeably, prudently and without compulsion.

- In arriving at opinions on market value, and having regard to the nature of the Landmark Development, the Valuation Experts utilised the following approaches:
- *Discounted cash flow method.* Pursuant to this method, the Valuation Experts performed a cash flow of the estimated revenue potential and estimated development costs of the proposed development, taking into consideration the time value of money and development risks.

The cash inflows include the sum of the gross operating revenues for each of the different components within the proposed development. The cash outflows include each component’s operating expenses, site preparation and infrastructure costs, construction costs, and other associated costs such as professional fees and contingencies.

- *Residual value method.* Under the residual value method, which is normally used to determine the development land rights value, the land value and related costs are derived by deducting from the gross development value the total development costs for creating the development, including, *inter alia*, site preparation, infrastructure, construction costs, professional advisor’s and management’s fees, marketing costs, and finance costs on funds used for carrying out the construction. The land value and related costs is then appropriately discounted for the period of the development to arrive at a present value for the land value plus transaction costs of the property.

- *Direct comparison approach.* Under the direct comparison approach, market value is arrived at based on an analysis of transacted and asking prices of comparable properties in the vicinity. Adjustments are made to these prices to reflect the differences in, *inter alia*, location, size, existing condition and degree of site improvements. Market information was obtained from various sources such as interviews with marketing agents and research from media sources, with JLLS noting that they were unable to verify all of the information due to the opaque nature of the local market place.

Consideration for the Proposed Acquisition

The Acquisition Price shall be fully paid by the Company in cash. The Company intends to fund the Proposed Acquisition using the proceeds from the Proposed Rights Issue.

We note that the Acquisition Price for the Sale Shares is US\$81.28 million (approximately S\$99.16 million²), being 80 percent of the average value of the LDRs attributed to the Landmark Development by the Valuation Experts, discounted by a factor of approximately 3.01 percent. This is illustrated below:

Consideration for the Proposed Acquisition		
	US\$ million	S\$ million ⁽¹⁾
JLLS market value of the LDRs	100.00	122.00
RKPL market value of the LDRs	109.50	133.59
Average of the value attributed to the LDRs by the Valuation Experts	104.75	127.80
Less: 3.01% discount	(3.15)	(3.85)
Acquisition Price of 100% of the LDRs	101.60	123.95
Acquisition Price of 80% of the LDRs	81.28	99.16

Note:

(1) Based on the Exchange Rate of US\$1 to S\$1.22

5.3 The financial effects of the Proposed Acquisition

The financial effects of the Proposed Acquisition and the Proposed Rights Issue (collectively, the “**Transactions**”) set out below are purely for illustrative purposes and do not reflect the future actual financial results or positions of the Group after the completion of the Transactions.

The following should be noted in connection with the preparation of the financial effects below:

- The financial effects of the Transactions are prepared based on the most recently completed financial year ended 31 March 2012 and the latest announced financial information of the Group for the nine month period ended 31 December 2012.
- The financial effects are prepared on the basis that the Proposed Rights Issue will be fully subscribed for and paid by Shareholders.
- The financial effects of the Transactions are prepared based on the assumption that the issue price of the Rights Shares is S\$0.380, being a discount of approximately 27.48 percent to the theoretical ex-rights trading price (“**TERP**”) of S\$0.524 per Share as at 16 November 2012, being the last trading day preceding the Announcement Date, and a discount of approximately 39.10 percent to the TERP of approximately S\$0.624 per Share as at 17 December 2012, being the last trading day preceding the announcement of the issue price (“**Issue Price Announcement**”).

2 Based on the Exchange Rate of US\$1 to S\$1.22

- The results of MIHL for the nine months period do not include results relating to the Landmark Development as it is a new development with no relevant historical financial results.

Impact on the share capital

FY2012

Assuming that the Transactions had been completed on 31 March 2012, the effect of the Transaction on the share capital of the Company as at 31 March 2012 would have been as follows:

	Before the Transactions	After the Transactions ⁽¹⁾
Issued and paid up Share capital (S\$'000)	120,810	329,450
Number of Shares ('000)	527,647	1,009,780

Note:

- (1) The financial effects as set out above are presented before taking into account fees and expenses to be incurred in relation to the Proposed Acquisition and Proposed Rights Issue.

Based on the figures above, we note that, assuming the completion of the Transactions, the issued and paid up share capital will increase from 120,810,000 to 329,450,000 and the number of Shares will increase from 527,647,000 to 1,009,780,000.

Nine months ended 31 December 2012

Assuming that the Transactions had been completed on 31 December 2012, the effect of the Transactions on the share capital of the Company as at 31 December 2012 would have been:

	Before the Transactions	After the Transactions ⁽¹⁾
Issued and paid up Share capital (S\$'000)	327,204	437,130
Number of Shares ('000)	1,157,118	1,446,398

Note:

- (1) The financial effects as set out above are presented before taking into account fees and expenses to be incurred in relation to the Proposed Acquisition and Proposed Rights Issue.

Based on the figures above, we note that, assuming the completion of the Transactions, the issued and paid up share capital will increase from 327,204,000 to 437,130,000 and the number of Shares will increase from 1,157,118,000 to 1,446,398,000.

Impact on the net tangible assets

FY2012

Assuming that the Transactions had been completed on 31 March 2012, the effect of the Transactions on the NTA of the Group as at 31 March 2012 would have been as follows:

	Before the Transactions	After the Transactions ⁽¹⁾
NTA (S\$'000)	123,470	341,750
Number of Shares ('000)	527,647	1,009,780
NTA per Share (cents)	23.40	33.84

Note:

- (1) The financial effects as set out above are presented before taking into account fees and expenses to be incurred in relation to the Proposed Acquisition and Proposed Rights Issue.

Based on the figures above, we note that, assuming the completion of the Transactions, the NTA per Share will increase from 23.40 Singapore cents to 33.84 Singapore cents.

Nine months ended 31 December 2012

Assuming that the Transactions had been completed on 31 December 2012, the effect of the Transactions on the net tangible assets (“NTA”) of the Group as at 31 December 2012 would have been:

	Before the Transactions	After the Transactions ⁽¹⁾
NTA (S\$'000)	332,238	446,241
Number of Shares ('000)	1,157,118	1,446,398
NTA per Share (cents)	28.71	30.85

Note:

- (1) The financial effects as set out above are presented before taking into account fees and expenses to be incurred in relation to the Proposed Acquisition and Proposed Rights Issue.

Based on the figures above, we note that, assuming the completion of the Transactions, the NTA per Share will increase from 28.71 Singapore cents to 30.85 Singapore cents.

Impact on the earnings per Share

FY2012

Assuming that the Transactions had been completed on 1 April 2011, the effect of the Transactions on the EPS of the Group as at 31 March 2012 would have been as follows:

	Before the Transactions	After the Transactions ⁽¹⁾
Net profit after tax and non-controlling interest(S\$'000)	6,040	3,525
Weighted average number of Shares ('000)	527,647	1,009,780
EPS (cents)	1.14	0.35

Note:

- (1) The financial effects as set out above are presented before taking into account fees and expenses to be incurred in relation to the Proposed Acquisition and Proposed Rights Issue.

Based on the figures above, we note that, assuming the completion of the Transactions, the EPS will decrease from 1.14 Singapore cents to 0.35 Singapore cents.

Nine months ended 31 December 2012

Assuming that the Transactions had been completed on 1 April 2012, the effect of the Transactions on the earnings per Share (“EPS”) of the Group for the period ended 31 December 2012 would have been:

	Before the Transactions	After the Transactions ⁽¹⁾
Net profit after tax and non-controlling interest(S\$'000)	1,922	1,145
Weighted average number of Shares ('000)	919,964	1,209,243
EPS (cents)	0.21	0.09

Note:

- (1) The financial effects as set out above are presented before taking into account fees and expenses to be incurred in relation to the Proposed Acquisition and Proposed Rights Issue.

Based on the figures above, we note that, assuming the completion of the Transactions, the EPS will decrease from 0.21 Singapore cents to 0.09 Singapore cents.

Impact on gearing

Due to the uncertainty for the funding of the Landmark Development, it is unclear whether there will be substantial changes in the gearing of the Company.

Other relevant factors

Associated risks

Within Appendix D of the Circular, Yoma Strategic has highlighted certain risks relating to the Group and its operations. We recommend that Shareholders have regard to the risks identified and, in particular, we highlight the following risks:

- The Myanmar legal system is still maturing and the interpretation and application of Myanmar laws and regulations involve uncertainty;
- Foreign exchange control risks;
- Enforceability of the LDRs in respect of Site 1; and
- Dependence on adequate financing.

Dispute resolution

The terms of the Sale and Purchase Agreement are governed by and construed in accordance with the laws of Myanmar, with any disputes, controversies or conflicts finally resolved by arbitration in Myanmar.

In a recent rule of law index analysing 197 countries, risk analysis and mapping firm, Maplecroft, rated Myanmar's legal system as the worst in the world for foreign companies and investors, noting that the country's government continues to dictate policy direction and judicial decisions.

Having regard to the above, Shareholders should be cognisant that the Group may face difficulties in enforcing its rights in Myanmar.

Application for the Master Lease

We note that the Company is to acquire 80 percent interest in MIHL, who currently holds the LDRs to Site 1. We further note that, in view of the Proposed Development of the Sites, the SPA Group has applied to the relevant authorities to have both of the existing leases of Site 1 and Site 2 combined into a Master Lease and to be held by MIHL. The issue of the Master Lease on terms acceptable to the parties including a new leasehold term for the Sites of not less than 70 years (being an initial 50 years with two extensions of ten years each) is one of the conditions precedent to the completion of the Proposed Acquisition.

Conditions precedent in the Sale and Purchase Agreement

We note that the Sale and Purchase Agreement is conditional on, *inter alia*, all licences, authorizations, orders, grants, confirmations, permissions, registrations and other approvals (the "**Approvals**") necessary for or in respect of the Proposed Acquisition and the redevelopment of the Sites having been obtained by SPA from the relevant authorities on terms reasonably satisfactory to the Company and such Approvals remaining in full force and effect.

Funding assumption by the Valuation Experts

We note that both Valuation Experts have assumed that 100 percent of the development costs of the Landmark Development will be funded through debt. While the Company may not necessarily use debt to fund the entire development, the interest cost on the funding is directly factored into the Valuation Reports.

6. OUR OPINION

In arriving at our opinion in respect of the Proposed Acquisition, we have reviewed and examined all factors which we consider to be pertinent in our assessment, including the following key considerations:

Rationale of the Proposed Acquisition

We have reviewed the rationale for the Proposed Acquisition and are of the view that the Proposed Acquisition is in line with the Company's continuing intentions to capitalise on the growth of Myanmar, and its belief that the real estate sector in Myanmar will continue to be buoyant.

Financial assessment of the Proposed Acquisition

In reviewing the Acquisition Price paid by Yoma Strategic for the Proposed Acquisition, we have reviewed, *inter alia*, the Valuation Reports compiled by JLLS and RKPL. We note that the Acquisition Price for the Sale Shares is at a discount of 3.01 percent to the average value as determined by the Valuation Experts.

Financial effects of the Transactions

Assuming the completion of the Transactions, we note that based on FY2012 financial information:

- The issued and paid up share capital increases from S\$120,810,000 to S\$329,450,000;
- The NTA per share increases from 23.40 Singapore cents to 33.84 Singapore cents; and
- The earnings per share of 1.14 Singapore cents decreases to 0.35 Singapore cents.

Assuming the completion of the Transactions, we note that based on the latest announced financial information of the Group for the nine months ended 31 December 2012:

- The issued and paid up share capital increases from S\$327,204,000 to S\$437,130,000;
- The NTA per share increases from 28.71 Singapore cents to 30.85 Singapore cents; and
- The earnings per share of 0.21 Singapore cents decreases to 0.09 Singapore cents.

Other relevant factors

We have reviewed and note the other relevant factors, namely:

- The Myanmar legal system is still maturing and the interpretation and application of Myanmar
- laws and regulations involve uncertainty;
- Foreign exchange control risks;
- Enforceability of the LDRs in respect of Site 1;
- Dependence on adequate financing;
- Dispute resolution;
- Application for Master Lease;
- Conditions precedent in the Sale and Purchase Agreement; and
- Funding assumption by the Valuation Experts.

We are of the view that the abovementioned factors could significantly influence the outcome of the Proposed Acquisition.

After carefully considering the information available to us as at the Latest Practicable Date, and based upon the monetary, industry, market, economic and other relevant conditions subsisting as at the Latest Practicable Date and based on our considerations above, we are of the opinion that the Proposed Acquisition is on normal commercial terms and is not prejudicial to the interests of Yoma Strategic and its minority Shareholders.

In rendering the above opinion, we have not taken into consideration the specific investment objectives, financial situation, tax position or unique needs and constraints of any individual Shareholder. Accordingly, any individual Shareholder who may require specific advice in relation to their investment portfolio including their investment in Yoma Strategic should consult their stockbroker, bank manager, solicitor, accountant, tax adviser, or other professional adviser immediately.

This opinion is governed by, and construed in accordance with, the laws of Singapore, and is strictly limited to the matters stated herein and does not apply by implication to any other matter.

Yours faithfully
For and on behalf of
KPMG Corporate Finance Pte Ltd

Vishal Sharma
Executive Director

Wong Kok Min
Manager

WHITEWASH OPINION LETTER

The Independent Directors
Yoma Strategic Holdings Ltd
80 Anson Road
Fuji Xerox Towers #25-05
Singapore 079907

8 February 2013

Dear Sirs

INDEPENDENT FINANCIAL ADVISER'S OPINION LETTER IN RESPECT OF THE PROPOSED WHITEWASH RESOLUTION

*For the purpose of this opinion letter ("**Whitewash Opinion Letter**"), capitalised terms not otherwise defined herein shall have the same meaning as given to them in the circular dated 8 February 2013 to the shareholders of Yoma Strategic Holdings Ltd (the "**Circular**") or in the Acquisition Opinion Letter.*

1. INTRODUCTION

1.1 General overview

On 19 November 2012 (the "**Announcement Date**"), Yoma Strategic Holdings Ltd ("**Yoma Strategic**" or the "**Company**", and together with its subsidiaries, the "**Group**") announced that the Company had entered into a sale and purchase agreement with SPA ("**Sale and Purchase Agreement**") to, *inter alia*, acquire 80 percent of the issued and paid up share capital (the "**Sale Shares**") of Meeyahta International Hotel Limited ("**MIHL**") (the "**Proposed Acquisition**").

The consideration for the Proposed Acquisition is US\$81.28 million (approximately S\$99.16 million¹) (the "**Consideration**"). The Proposed Acquisition shall be paid by the Company fully in cash.

For the purposes of funding the Proposed Acquisition, the Company also announced on the Announcement Date, with further details announced on the 18 December 2012, that it is proposing to undertake a renounceable non-underwritten rights issue ("**Proposed Rights Issue**") of up to 289,279,553 new Shares (the "**Rights Shares**") on the basis of one Rights Share for every four existing Shares held by the shareholders of the Company (the "**Shareholders**") at an issue price of S\$0.380 per Rights Share (the "**Rights Issue Price**"). The Proposed Rights Issue is conditional upon the approval by Shareholders of the Proposed Acquisition at the EGM.

1.2 Regulatory regime

Whitewash waiver

As at the Latest Practicable Date, Mr. Serge Pun holds 482,208,863 Shares in the capital of the Company, representing approximately 41.67 percent of the issued and paid-up share capital of the Company.

¹ Based on the Exchange Rate of US\$1 to S\$1.22

Pursuant to Rule 14.1 (b) of the Singapore Code on Take-overs and Mergers (the “**Code**”), any person who, together with persons acting in concert with him, holds not less than 30 percent but not more than 50 percent of the voting rights and such person, or any person acting in concert with him, acquires in any period of six months additional shares carrying more than one percent of the voting rights, such person would be required to make a mandatory general offer. As such, in connection with the Proposed Rights Issue, Mr. Serge Pun may acquire additional Rights Shares and in doing so increase his shareholding in excess of that permitted under Rule 14.1 (b) of the Code, therefore requiring him to make a mandatory general offer.

On 5 February 2013, the Securities Industry Council (“**SIC**”) granted a waiver (“**Whitewash Waiver**”) of the abovementioned requirement subject to, *inter alia*, the Shareholders passing a resolution waiving their right to receive a mandatory general offer from Mr. Serge Pun and his concert parties for all the remaining issued Shares not already owned, controlled or agreed to be acquired by them (“**Proposed Whitewash Resolution**”).

In accordance with the abovementioned regulatory implication stated in the Circular, KPMG Corporate Finance Pte Ltd (“**KPMG Corporate Finance**”) has been appointed as the independent financial adviser (“**Independent Financial Adviser**” or “**IFA**”) to advise Messrs Basil Chan, Adrian Chan Pengee, Kyi Aye and Dr. Mohd Amin Liew Abdullah @ Liew Kong Ming, being the directors of Yoma Strategic who, as at the date of the Circular, are considered independent (the “**Independent Directors**”), as to whether the Proposed Whitewash Resolution is (a) on normal commercial terms and (b) not prejudicial to the interests of Yoma Strategic and its Independent Shareholders.

This Whitewash Opinion Letter to be included in the Circular to Shareholders sets out, *inter alia*, our evaluation of the Proposed Whitewash Resolution and our advice to the Independent Directors in relation to their recommendation to the Independent Shareholders on the resolution concerning the Proposed Whitewash Resolution.

2. TERMS OF REFERENCE

KPMG Corporate Finance was appointed by the Independent Directors of the Company to advise them on the Proposed Whitewash Resolution. We were neither a party to the negotiations in relation to the Proposed Rights Issue highlighted above, nor were we involved in the deliberations leading up to the decision by the board of directors (“**Board**”) to enter into the Proposed Rights Issue and its subsequent actions relating thereof. We do not, by this letter, warrant the merits of the Proposed Rights Issue other than to form an opinion for the Independent Directors with respect to the Proposed Whitewash Resolution.

It is not within our terms of reference to evaluate or comment on the legal, strategic, and/ or commercial merits and risks of the Proposed Rights Issue or on the future growth prospects or earnings potential of Yoma Strategic should the Proposed Rights Issue be completed or not completed. We are not addressing the relative merits of the Proposed Rights Issue vis-à-vis any alternative transaction previously considered by the Company or transactions that the Company may consider in the future, and as such, we do not express a view thereon. Such evaluations or comments are and remain the sole responsibility of the Board of Directors and the management of the Company although we may draw upon their views or make such comments in respect thereof (to the extent deemed necessary or appropriate by us) in arriving at our opinion.

We have not conducted a comprehensive independent review of the business, operations or financial condition of the Company. Further, the scope of our appointment does not require us to express an opinion on the future prospects of the Company following the Proposed Rights Issue. We are therefore not expressing any opinion herein as to the prices at which the ordinary shares of Yoma Strategic (the “**Shares**”) may trade upon completion of the Proposed Rights Issue, should this occur, or the future performance of the Company.

In formulating our opinion and recommendation, we have relied to a considerable extent on the information set out in the Circular, other public information collated by us and the information, opinions and facts provided to us by the Company, and its other professional advisers. We have also relied on the information contained in the various announcements made by Yoma Strategic in relation to the Proposed Rights Issue. Whilst care has been exercised in reviewing the information we have relied upon, we have not independently verified the information. Nevertheless, we have made such enquiries and judgment as we deemed necessary and have found no reason to doubt the accuracy or reliability of such information.

We have also relied on the responsibility statement of the directors of Yoma Strategic (the “**Directors**”) that the Circular and all documents relating to the Circular have been seen and approved by them and they collectively and individually accept responsibility for the information given, and confirm that, having made all reasonable enquiries, to the best of their knowledge and belief, the facts stated and opinions expressed in the Circular are fair and accurate and that there is no other material fact the omission of which would make any statement in the Circular misleading.

This Whitewash Opinion Letter is addressed to the Independent Directors for their benefit in connection with and for the purposes of their consideration of the Proposed Whitewash Resolution, and the recommendations made by them shall remain the responsibility of the Independent Directors. Our opinion should not be relied on as a recommendation to any Shareholder as to how the Shareholders should vote on the resolutions in relation to the Proposed Rights Issue / Proposed Whitewash Resolution or any matters related thereto.

In rendering our advice and giving our recommendation, we did not have regard to the specific investment objectives, financial situation or unique needs and constraints of any Shareholder or any specific group of Shareholders. We recommend that any individual Shareholder or group of Shareholders who may require specific advice in relation to his or their investment portfolio(s) consult his or their stockbroker, bank manager, solicitor, accountant, tax adviser or other professional advisers.

This Whitewash Opinion Letter is governed by, and construed in accordance with, the laws of Singapore, and is strictly limited to the matters stated herein and does not apply by implication to any other matter. No other person may reproduce, disseminate or quote this Whitewash Opinion Letter (or any part thereof) for any other purpose at any time and in any manner except with KPMG Corporate Finance’s prior written consent in each specific case.

Our opinion is based upon market, economic, industry, monetary, and other conditions in effect on, and the information made available to us as at 4 February 2013, being the “**Latest Practicable Date**”. Such conditions can change significantly over a relatively short period of time. We assume no responsibility to update, revise or reaffirm our opinion in the light of any subsequent development after the date of this Whitewash Opinion Letter even if it might affect our opinion contained herein.

Our opinion in relation to the Proposed Whitewash Resolution should be considered in the context of the entirety of our Whitewash Opinion Letter and the Circular.

3. THE PROPOSED WHITEWASH RESOLUTION

Overview of the Proposed Rights Issue

Conditional upon approval of the Proposed Acquisition at the EGM, the Company is proposing to undertake the Proposed Rights Issue for the purposes of funding the Consideration for the Proposed Acquisition. The salient details of the Proposed Rights Issue are as follows:

- The Company is proposing to undertake the renounceable, non-underwritten Proposed Rights Issue of up to 289,279,553 Rights Shares on the basis of one Rights Share for every four existing Shares held by the Shareholders of the Company.

- The Rights Shares, if fully allotted and issued, represent approximately 20.00 percent of the total number of enlarged issued and paid-up share capital of 1,446,397,768 Shares after completion of the Proposed Rights Issue.
- The Rights Shares are priced at the Rights Issue Price of S\$0.380, which represents a discount of 32.14 percent and 27.48 percent, respectively, to the closing price of S\$0.560² per Share on the SGX-ST and the theoretical ex-rights trading price (the “**TERP**”) of S\$0.524 per Share, calculated as at 16 November 2012, being the last trading day preceding the Announcement Date.
- The Rights Issue Price of S\$0.380 which represents a discount of 44.52 percent and 39.10 percent, respectively, to the closing price of S\$0.685² per Share on the SGX-ST and the TERP of S\$0.624 per Share, calculated as at 17 December 2012, being the last trading day preceding the announcement of the Rights Issue Price (“**Issue Price Announcement**”).
- Assuming that the Proposed Rights Issue is fully subscribed, the Company intends to use the proceeds from the Proposed Rights Issue (less expenses associated with the Proposed Rights Issue, the “**Net Rights Issue Proceeds**”) for the purposes of funding the Consideration for the Proposed Acquisition and the balance of the Net Rights Issue Proceeds (if any) will be utilised for working capital purposes.
- Mr. Serge Pun has given an irrevocable undertaking (the “**Irrevocable Undertaking**”) in favour of the Company that, *inter alia*, he will:
 - Subscribe and pay for and/or procure subscriptions and payments in full for his pro-rata entitlement to 120,552,215 Rights Shares (direct and indirect) under the Proposed Rights Issue (the “**Pro Rata Entitlements**”); and
 - Make and/or procure to be made excess application(s) and payment(s) for such number of the Rights Shares which are not subscribed or applied for by Shareholders other than himself, which together with the Pro Rata Entitlements will amount to S\$84.52 million, being the Consideration for the Proposed Acquisition less the Balance Sheet Outstanding Outgoings Amount as at the date of the Sale and Purchase Agreement (being US\$12 million or approximately S\$14.64 million³).

In light of the Consideration for the Proposed Acquisition being payable directly to Mr. Serge Pun, the Company has also granted to Mr. Serge Pun the right to set-off his maximum liability of S\$84.52 million under the Irrevocable Undertaking against the Final Consideration for the Proposed Acquisition payable by the Company to him (“**Setting-off Arrangement**”).

Rule 14 of the Code

As at the Latest Practicable Date, Mr. Serge Pun holds directly and indirectly 482,208,863 Shares in the capital of the Company, representing approximately 41.67 percent of the issued and paid-up share capital of the Company.

Assuming that:

- (i) None of the other Shareholders subscribe for their entitlements under the Proposed Rights Issue;
- (ii) Mr. Serge Pun subscribes for his Pro Rata Entitlements; and

² Source: Capital IQ

³ Based on the Exchange Rate of US\$1 to S\$1.22

- (iii) Mr. Serge Pun applies and pays for and is allotted and issued such number of Rights Shares which are not subscribed or applied for by Shareholders other than himself, which together with the Pro Rata Entitlements amounts to S\$84.52 million pursuant to the Irrevocable Undertaking,

Mr. Serge Pun will hold 704,634,126 Shares in the Company, representing approximately 51.56 percent of the issued and paid-up share capital of the Company upon completion of the Proposed Rights Issue. As at the Latest Practicable Date, Mr. Serge Pun holds 482,208,863 Shares in the capital of the Company, representing approximately forty-two per cent. 41.67% of the issued and paid-up share capital of the Company.

Pursuant to Rule 14.1 (b) of the Code and Section 139 of the SFA, any person who, together with persons acting in concert with him, holds not less than 30 percent but not more than 50 percent of the voting rights and such person, or any person acting in concert with him, acquires in any period of six months additional shares carrying more than one percent of the voting rights, such person would be required to make a mandatory general offer. As such, Mr. Serge Pun and his concert parties will be required to make a mandatory general offer for the remaining Shares in issue, not already owned, controlled or agreed to be acquired by them at the highest price paid or agreed to be paid by them for the Shares in the past six months preceding the commencement of the offer, unless such obligation to make a mandatory general offer is waived by the SIC.

On 5 February 2013, the SIC granted the Whitewash Waiver subject to the fulfillment of certain conditions set out in section 8.4 of the Circular, including, *inter alia*, the Proposed Whitewash Resolution being approved by the Shareholders at the EGM.

Further details concerning the Proposed Rights Issue and the Proposed Whitewash Resolution can be found in section 8 of the Circular.

4. EVALUATION OF THE PROPOSED WHITEWASH RESOLUTION

In arriving at our opinion in relation to the Proposed Whitewash Resolution, we have taken into account the following key factors:

4.1 Rationale for the Proposed Whitewash Resolution

As stated in section 8 of the Circular, the Company intends to undertake the Proposed Rights Issues for the purposes of funding the Proposed Acquisition. Further information of the Proposed Whitewash Resolution can be found in the aforementioned section.

4.2 Pricing assessment of the Proposed Rights Issue

For the purposes of funding the Proposed Acquisition the Company will be undertaking the Proposed Rights Issue.

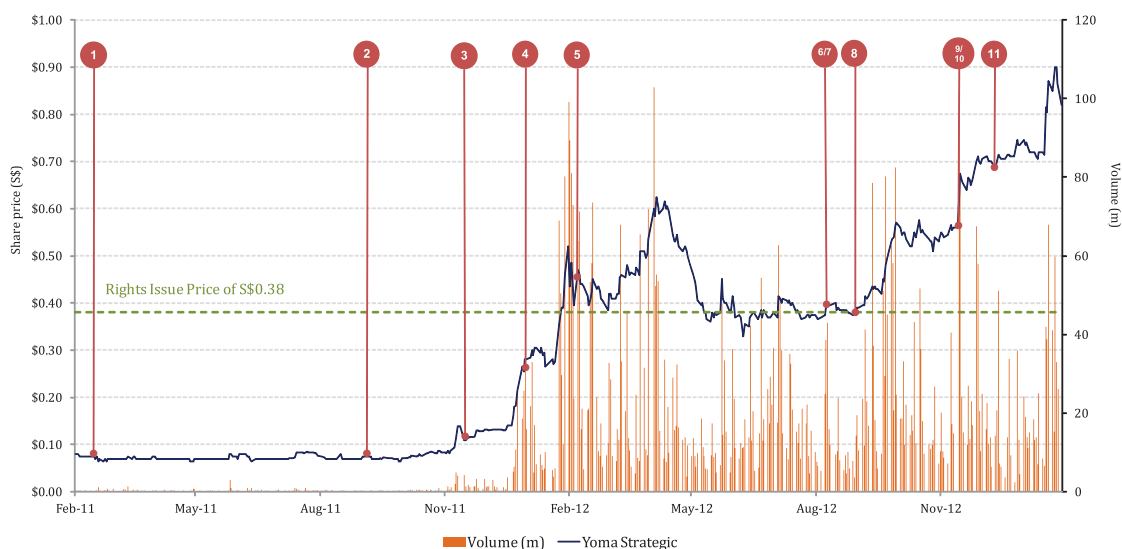
The Rights Issue Price of S\$0.380 per Rights Share, represents a discount of:

- Approximately 32.14 percent to the closing price of S\$0.560 per Share on the SGX-ST on 16 November 2012, being the last trading day preceding the Announcement Date.
- Approximately 44.52 percent to the closing price of S\$0.685 per share on the SGX-ST on 17 December 2012, being the last trading day preceding the Issue Price Announcement.
- Approximately 27.48 percent to the TERP of S\$0.524 per Share, calculated as at 16 November 2012.
- Approximately 39.10 percent to the TERP of S\$0.624 per Share, calculated as at 17 December 2012.

Historical price performance of the Shares

We have considered the historical price performance of the Shares.

The following chart shows the price performance of the Shares for the two year period preceding the Latest Practicable Date.



No.	Date	Announcement
1	21-Feb-11	Announced the appointment of Mr. Cyrus Pun, son of Mr. Serge Pun, as the executive director
2	09-Sep-11	Announced extension of loan facility from Gifted Champion
3	21-Nov-11	Announced the appointment of Mr. Andrew J. Rickards as New CEO and executive director of the board; and entering into Fountana project
4	04-Jan-12	Announced proposed acquisition of "Star City" under first right of refusal deed
5	13-Feb-12	Entered into conditional deed of assignment and conditional joint development deed to acquire 70% interest in the LDRs of Star City
6	14-Aug-12	Entered into a memorandum of agreement with Parkson Retail Asia to establish a joint venture company to operate department stores in Myanmar
7	14-Aug-12	SPA informed the Company of its proposed acquisition of ten acres of land in central Yangon
8	03-Sep-12	Announced the formal notice from SPA Group offering the acquisition of "Site 1" under the first right of refusal deed.
9	19-Nov-12	Entered into the Sale and Purchase Agreement in relation to the Proposed Acquisition
10	20-Nov-12	Announced the Proposed Private Placement exercise of which some of the gross proceeds of S\$101.25m may be allocated towards partial funding of the development costs for the Landmark Development.
11	18-Dec-12	Announced the issue price of S\$0.38 for the Proposed Rights Issue

Source: Capital IQ, Company filings

The volume weighted average prices (“**VWAP**”) for various periods beginning up to 12 months prior to the Announcement Date and prior to the Issue Price Announcement are set out below:

Analysis of the Rights Issue Price against the VWAP of the Shares		
Reference period	VWAP (S\$)	Discount of Rights Issue Price to VWAP (%)
<u>Prior to the Announcement Date</u>		
One market day prior	0.560	32.14%
1 month prior	0.551	31.03%
3 month prior	0.495	23.23%
6 month prior	0.445	14.61%
One year prior	0.447	14.99%
<u>Prior to the Issue Price Announcement</u>		
One market day prior	0.685	44.53%
1 month prior	0.676	43.79%
3 month prior	0.577	34.14%
6 month prior	0.496	23.39%
One year prior	0.472	19.49%
Latest Practicable Date	0.820	53.66%
Rights Issue Price	0.380	

Source: Capital IQ, Company filings

During the 12-month period prior to the Announcement Date, the Shares had traded within a range of S\$0.113 and S\$0.675. The VWAP of the Shares over the reference period was approximately S\$0.447.

During the 12-month period prior to the Issue Price Announcement, the Shares traded within a range of S\$0.130 and S\$0.710. The VWAP of the Shares over the reference period was approximately S\$0.472.

We note that the Rights Issue Price represents a discount of approximately 31.03 percent, 23.23 percent, 14.61 percent and 14.99 percent to the VWAP per Share for the 1, 3, 6 and 12 month periods prior to the Announcement Date.

We note that the Rights Issue Price represents a discount of approximately 43.79 percent, 34.14 percent, 23.39 percent and 19.49 percent to the VWAP per Share for the 1, 3, 6 and 12 month periods prior to the Issue Price Announcement.

We further note that the Rights Issue Price represents a discount of approximately 53.66 percent to the VWAP per Share as at the Latest Practicable Date.

Comparison of selected precedent rights issues

To ascertain the reasonableness of the Issue Price, we have reviewed completed precedent rights issues announced by companies listed on SGX-ST from 1 January 2011 to the Latest Practicable Date.

For each completed precedent rights issue, we have considered the discount implied by the issue price to the last traded price prior to the announcement of the issue price and to its respective TERP.

Selected precedent rights issues					
Company Name	Date of announcement	Terms of rights issue	Rights issue price	Discount of rights issue price to LTP ⁽¹⁾	Discount of rights issue price to TERP ⁽²⁾
Annica Holdings Limited	28 Sep 2012	1 for 1	S\$0.015	40.00%	25.00%
KTL Global Limited	28 Sep 2012	2 for 5	S\$0.082	45.33%	37.20%
Sing Investments & Finance Limited	17 Sep 2012	1 for 2	S\$1.200	22.58%	16.28%
Raffles Education Corporation Ltd	27 Aug 2012	1 for 5	S\$0.140	61.64%	56.42%
Oxley Holdings Limited	24 Aug 2012	1 for 10	S\$0.170	22.53%	20.91%
Koon Holdings Limited	01 Aug 2012	3 for 5	S\$0.190	5.00%	3.18%
ICP Ltd. ⁽³⁾	28 Jun 2012	1 for 1	S\$0.002	50.00%	33.33%
Interra Resources Limited	27 Jun 2012	1 for 2	S\$0.150	63.41%	53.61%
Lantrovision Ltd	12 Jun 2012	12 for 1	S\$0.090	97.19%	72.66%
IPC Corporation Limited	25 May 2012	1 for 2	S\$0.080	42.86%	29.47%
Equation Corp Limited	16 May 2012	1 for 2	S\$0.012	45.45%	33.49%
Asti Holdings Limited	14 May 2012	1 for 5	S\$0.050	26.47%	23.08%
China Paper Holdings Limited	30 Mar 2012	1 for 1	S\$0.036	42.86%	27.27%
Otto Marine Limited	28 Mar 2012	1 for 2	S\$0.080	44.44%	34.78%
Pacific Andes Resources Development Limited	06 Mar 2012	2 for 1	S\$0.140	39.13%	30.00%
Yoma Strategic Holdings Ltd. ⁽⁴⁾	13 Feb 2012	4 for 5	S\$0.240	39.24%	26.38%
Global Investments Ltd	07 Feb 2012	1 for 2	S\$0.128	19.50%	13.90%
Tiong Woon Corporation Holding Ltd	29 Dec 2011	1 for 4	S\$0.110	48.84%	43.30%
Hengyang Petrochemical Logistics Limited	22 Dec 2011	2 for 5	S\$0.300	40.00%	32.26%
HLH Group Limited	12 Dec 2011	1 for 2	S\$0.012	29.41%	21.74%
GSH Corporation Limited.	08 Nov 2011	4 for 1	S\$0.004	68.18%	30.00%
GMG Global Ltd.	26 Oct 2011	1 for 1	S\$0.091	61.28%	44.17%
Keppel REIT Management Limited	17 Oct 2011	17 for 20	S\$0.850	17.48%	10.27%
Teledata (Singapore) Limited	30 Sep 2011	1 for 2	S\$0.005	37.50%	28.57%
Digiland International Limited	31 Aug 2011	2 for 1	S\$0.001	50.00%	25.00%
Tiger Airways Holdings Limited	25 Aug 2011	1 for 2	S\$0.580	39.27%	30.02%
Cogent Holdings Limited	12 Aug 2011	1 for 2	S\$0.110	8.33%	5.71%
Plastoform Holdings Limited	30 Jun 2011	3 for 1	S\$0.015	25.00%	7.69%
Cityspring Infrastructure Trust	30 Jun 2011	11 for 20	S\$0.390	27.10%	19.35%
Scintronic Corporation Ltd	29 Jun 2011	1 for 1	S\$0.025	61.54%	44.44%
Uni-Asia Finance Corporation	13 May 2011	1 for 2	S\$0.200	20.00%	14.29%
Advanced Systems Automation Limited	31 Mar 2011	11 for 1	S\$0.025	66.63%	14.29%
Ace Achieve Infocom Limited	21 Mar 2011	1 for 1	S\$0.040	33.33%	20.00%
Cambridge Industrial Trust	10 Mar 2011	1 for 8	S\$0.429	15.05%	13.60%
Eastgate Technology Ltd ⁽⁵⁾	28 Jan 2011	11 for 1	S\$0.015	97.00%	72.93%
Willis-Array Electronics (Holdings) Limited	27 Jan 2011	1 for 5	S\$0.120	35.14%	31.10%
Si2i Limited ⁽⁶⁾	25 Jan 2011	1 for 1	S\$0.055	52.17%	35.29%
			Min	5.00%	3.18%
			Mean	41.65%	29.22%
			Median	40.00%	28.57%
			Max	97.19%	72.93%
Yoma Strategic Holdings Ltd.	19 Nov 2012⁽⁷⁾	1 for 4	S\$0.380	32.14%	27.48%
	18 Dec 2012⁽⁸⁾			44.52%	39.10%

Source: Capital IQ, company filings

Notes:

- (1) Last traded price prior to the announcement date of the rights issue price.
- (2) TERP = (Market capitalisation prior to the announcement date of the rights issue price + gross proceeds from the rights issue) / total shares/units outstanding after the rights issue.
- (3) Formerly known as Goldtron Limited.

- (4) This rights issue by the Company relates to the acquisition of economic interests in the LDRs in respect of the Star City Project.
- (5) The last traded price for Eastgate Technology Limited was computed after taking into account of the share consolidation of 100 shares to 1 share.
- (6) Formerly known as Spice i2i Limited.
- (7) This is the Announcement Date, which included the announcement of the Proposed Rights Issue.
- (8) This is the Issue Price Announcement, which included the announcement of the Rights Issue Price.

Based on the Rights Issue Price of S\$0.380 and the information above, we note that:

- The discount of approximately 32.14 percent of the Rights Issue Price to the closing price of S\$0.560 prior to the Announcement Date is below the mean and median discount of 41.65 percent and 40.00 percent, respectively of the selected precedent rights issues;
- The discount of approximately 32.14 percent of the Rights Issue Price to the closing price of S\$0.560 prior to the Announcement Date is within the range of 5.00 percent to 97.19 percent of the selected precedent rights issues;
- The discount of approximately 44.52 percent of the Rights Issue Price to the closing price of S\$0.685 prior to the Issue Price Announcement is above the mean and median discount of 41.65 percent and 40.00 percent, respectively of the selected precedent rights issues;
- The discount of approximately 44.52 percent of the Rights Issue Price to the closing price of S\$0.685 prior to the Issue Price Announcement is within the range of 5.00 percent to 97.19 percent of the selected precedent rights issues;
- The discount of approximately 27.48 percent of the Rights Issue Price to the TERP of S\$0.524 prior to the Announcement Date is below the mean and median discount of 29.22 percent and 28.57 percent, respectively of the selected precedent rights issues;
- The discount of approximately 27.48 percent of the Rights Issue Price to the TERP of S\$0.524 prior to the Announcement Date is within the range of 3.18 percent to 72.93 percent of the selected precedent rights issues;
- The discount of approximately 39.10 percent of the Rights Issue Price to the TERP of S\$0.624 prior to the Issue Price Announcement is above the mean and median discount of 29.22 percent and 28.57 percent, respectively of the selected precedent rights issues; and
- The discount of approximately 39.10 percent of the Rights Issue Price to the TERP of S\$0.624 prior to the Issue Price Announcement is within the range of 3.18 percent to 72.93 percent of the selected precedent rights issues.

The Independent Directors should note that certain circumstances and terms relating to the selected precedent rights issues are unique and might not be identical to the Proposed Rights Issue, and are largely dependent on the market sentiments prevailing at the time of such precedent rights issues.

The companies which had carried out the selected precedent rights issues might be different from the Company in terms of composition of business activities, scale of operations, risk profile, geographical spread of activities, track record, future prospects and other relevant criteria. In addition, the list of selected precedent rights issues is by no means exhaustive and information relating to the selected companies was compiled from publicly available information.

Consequently, the Independent Directors should note that the above comparison is merely for illustrative purposes and serves as a general guide only.

4.3 Financial effects of the Proposed Rights Issue

The financial effects of the Proposed Acquisition and the Proposed Rights Issue (collectively, the “**Transactions**”) are set out in section 7 of the Circular and are reproduced with applicable commentary in section 5.3 of the Acquisition Opinion Letter.

4.4 Dilution effects

The dilution effect to the shareholdings of existing Shareholders upon completion of the Proposed Rights Issue will be as follows:

Dilution effects						
	Current shareholding ⁽¹⁾		After Proposed Rights Issue			
	No. of Shares	%	Minimum subscription scenario ⁽²⁾		Maximum subscription scenario ⁽³⁾	
			No. of Shares	%	No. of Shares	%
Mr. Serge Pun and his concert parties	482,208,863	41.67%	602,761,078	41.67%	704,634,126	51.08%
Other Shareholders	674,909,352	58.33%	843,636,690	58.33%	674,909,352	48.92%
Total	1,157,118,215	100.00%	1,446,397,768	100.00%	1,379,543,478	100.00%

Notes:

- (1) As at the Latest Practicable Date
- (2) This scenario assumes that all Shareholders take up their pro rata entitlements under the Proposed Rights Issue
- (3) This scenario assumes that (a) Mr. Serge Pun takes up his Pro Rata Entitlements and he is allotted and issued such number of Rights Shares which are not subscribed or applied for by Shareholders other than himself which together with the Pro Rata Entitlements amounts to S\$84.52 million and (b) no other Shareholder takes up their entitlements under the Proposed Rights Issue.

It is important to note that the Proposed Rights Issue is being offered on a pro-rata basis to Shareholders based on their shareholdings as at a books closure date. Hence, Shareholders are not being prejudiced in the allocation of the Proposed Rights Issue. This is indicated in the minimum subscription scenario above.

However, as Mr. Serge Pun has given the Irrevocable Undertaking, he will make and/or procure to be made excess application(s) and payment(s) for such number of the Rights Shares which are not subscribed or applied for by Shareholders other than himself, which together with the Pro Rata Entitlements will amount to S\$84.52 million. The table above indicates that in the maximum subscription scenario, which assumes that (a) Mr. Serge Pun takes up his Pro Rata Entitlements and he is allotted and issued such number of Rights Shares which are not subscribed or applied for by Shareholders other than himself which together with the Pro Rata Entitlements amounts to S\$84.52 million and (b) no other Shareholder takes up their entitlements under the Proposed Rights Issue, Mr. Serge Pun’s shareholding in the Company will increase from 41.67 percent to 51.08 percent, and the shareholdings of other Shareholders will be diluted from 58.33 percent to 48.92 percent.

4.5 Offering of the Proposed Rights Issue on a renounceable basis

Entitled Shareholders will be at liberty to accept, decline, renounce or trade (during the provisional allotment trading period prescribed by the SGX-ST their provisional allotments of Rights Shares and will be eligible to apply for additional Rights Shares in excess of their provisional allotments under the Proposed Rights Issue (“**Excess Rights Shares**”).

4.6 Other relevant factors

Proposed Whitewash Resolution being a condition precedent for the completion of the Proposed Acquisition

We note that the completion of the Proposed Acquisition is conditional on the passing of the Proposed Whitewash Resolution. In the event that the Whitewash Waiver and the Proposed Whitewash Resolution from the SIC and the Shareholders, respectively, is not obtained, the Proposed Acquisition will not take place.

5. OUR OPINION

In arriving at our opinion in respect of the Proposed Whitewash Resolution, we have reviewed and examined all factors which we consider to be pertinent in our assessment, including the following key considerations:

Rationale of the Proposed Whitewash Resolution

The company intends to undertake the Proposed Rights Issue for the purposes of funding the Proposed Acquisition, which may result in the triggering of Rule 14.1 (b) of the Code.

Pricing assessment of the Proposed Rights Issue

- The discount of approximately 32.14 percent of the Rights Issue Price to the closing price of S\$0.560 prior to the Announcement Date is below the mean and median discount of 41.65 percent and 40.00 percent, respectively of the selected precedent rights issues;
- The discount of approximately 32.14 percent of the Rights Issue Price to the closing price of S\$0.560 prior to the Announcement Date is within the range of 5.00 percent to 97.19 percent of the selected precedent rights issues;
- The discount of approximately 44.52 percent of the Rights Issue Price to the closing price of S\$0.685 prior to the Issue Price Announcement is above the mean and median discount of 41.65 percent and 40.00 percent, respectively of the selected precedent rights issues;
- The discount of approximately 44.52 percent of the Rights Issue Price to the closing price of S\$0.685 prior to the Issue Price Announcement is within the range of 5.00 percent to 97.19 percent of the selected precedent rights issues;
- The discount of approximately 27.48 percent of the Rights Issue Price to the TERP of S\$0.524 prior to the Announcement Date is below the mean and median discount of 29.22 percent and 28.57 percent, respectively of the selected precedent rights issues;
- The discount of approximately 27.48 percent of the Rights Issue Price to the TERP of S\$0.524 prior to the Announcement Date is within the range of 3.18 percent to 72.93 percent of the selected precedent rights issues;
- The discount of approximately 39.10 percent of the Rights Issue Price to the TERP of S\$0.624 prior to the Issue Price Announcement is above the mean and median discount of 29.22 percent and 28.57 percent, respectively of the selected precedent rights issues; and
- The discount of approximately 39.10 percent of the Rights Issue Price to the TERP of S\$0.624 prior to the Issue Price Announcement is within the range of 3.18 percent to 72.93 percent of the selected precedent rights issues.

Financial effects of the Transactions

Assuming the completion of the Transactions, we note that based on FY2012 financial information:

- The issued and paid up share capital increases from S\$120,810,000 to S\$329,450,000;
- The NTA per share increases from 23.40 Singapore cents to 33.84 Singapore cents; and
- The earnings per share of 1.14 Singapore cents decreases to 0.35 Singapore cents.

Assuming the completion of the Transactions, we note that based on the latest announced financial information of the Group for the nine months ended 31 December 2012:

- The issued and paid up share capital increases from S\$327,204,000 to S\$437,130,000;
- The NTA per share increases from 28.71 Singapore cents to 30.85 Singapore cents; and
- The earnings per share of 0.21 Singapore cents decreases to 0.09 Singapore cents.

Dilution effects

We note that if not all Shareholders subscribe for the Rights Shares under the Proposed Rights Issue, the shareholdings of existing Shareholders would potentially be diluted.

Nature of the Proposed Rights Issue

The Proposed Rights Issue is being offered on a pro rata and renounceable basis.

Other relevant factors

We note that the Proposed Acquisition is conditional on the approval by Shareholders of the Proposed Whitewash Resolution.

After carefully considering the information available to us as at the Latest Practicable Date, and based upon the monetary, industry, market, economic and other relevant conditions subsisting as at the Latest Practicable Date and based on our considerations above, we are of the opinion that the Proposed Whitewash Resolution is on normal commercial terms and is not prejudicial to the Independent Shareholders.

In rendering the above opinion, we have not taken into consideration the specific investment objectives, financial situation, tax position or unique needs and constraints of any individual Shareholder. Accordingly, any individual Shareholder who may require specific advice in relation to their investment portfolio including their investment in Yoma Strategic should consult their stockbroker, bank manager, solicitor, accountant, tax adviser, or other professional adviser immediately.

This opinion is governed by, and construed in accordance with, the laws of Singapore, and is strictly limited to the matters stated herein and does not apply by implication to any other matter.

Yours faithfully
For and on behalf of
KPMG Corporate Finance Pte Ltd

Vishal Sharma
Executive Director

Wong Kok Min
Manager

VALUATION CERTIFICATES



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Our Ref : TKC.IY:ih.120475

Yoma Strategic Holdings Ltd
80 Anson Road #25 05
Fuji Xerox Towers
Singapore 079907

Attention: Mr Andrew Rickards

28 November 2012

Dear Sirs,

**VALUATION OF A DEVELOPMENT SITE LOCATED AT 372 BOGYOKE AUNG
SAN ROAD, PABEDAN TOWNSHIP, YANGON, UNION OF MYANMAR (THE
"PROPERTY")**

In accordance with Yoma Strategic Holdings Ltd's (the "Client") instructions to determine the development right value of the Property as at 31 October 2012 (the "Valuation Date") for the purpose of a potential acquisition. We, Jones Lang LaSalle, have prepared a summary report and a full formal report in accordance with our "General Principles Adopted in the Preparation of Valuations and Reports", a copy of which is attached.

Our valuation is prepared in accordance with International Valuation Standards (IVS) definition of Market Value and adopted by the Royal Institution of Chartered Surveyors, which is:

"The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion".

Our valuation is made on the assumption that the owner sells the Property in the market without the benefit of a deferred terms contract, lease back, joint venture, management agreement or any similar agreement which could serve to affect the value of the Property.

No allowances are made for any expenses or taxation which might arise in the event of a disposal. The Property is considered as if free and clear of all mortgages, encumbrances and other outstanding premiums, charges and liabilities except for those described within this report.

This valuation is based on information available to us and our assessment of market conditions for properties of this nature at the date of valuation. Market conditions can change rapidly and we are therefore unable to provide assurance that this assessment will remain valid into the future. We recommend that market value assessments be reviewed periodically if required.

.../Page 2



Valuation (Land & Building)



Yoma Strategic Holdings Ltd

**A Development Site Located At 372 Bogyoke Aung San Road
Pabedan Township, Yangon, Union of Myanmar**

28 November 2012

In arriving at our opinion of value, we have relied to a considerable extent on information provided by Yoma Strategic Holdings Ltd in relation to such matters as gross, net and saleable areas, title, site area, tenure, development parameters and other relevant information. We reserve the right to review our valuation should subsequent formal planning approval prove otherwise.

A summary of our valuation and details relating to the Property is set out in the following pages and should be read in conjunction with the valuation report.

No allowance has been made in our valuation for any charges, mortgages or amounts owing on the Property, nor for any expenses or taxation which may be incurred in effecting a sale. It is assumed that the Property is free and clear of all encumbrances, restrictions, land premium fully paid and impediments of an onerous nature which could affect its value.

We have not carried out investigations on site in order to determine the suitability of ground conditions and services for the existing and proposed developments, nor have we undertaken archaeological, ecological or environmental surveys. Our valuation is on the basis that these aspects are satisfactory.

Neither the whole nor any part of this report nor any reference thereto may be included in any document, circular or statement without our written approval of the form and context in which it will appear.

Finally and in accordance with our standard practice, we must state that this valuation is for the use only of Yoma Strategic Holdings Ltd. No responsibility is accepted to any other third party for the whole or any part of its contents.

Faithfully,

Tan Keng Chiam
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Regional Director
JONES LANG LASALLE

Yee Yeh Shuan
B.Sc. (Hons.) Land Management, MSISV
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National Director
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Ed Fitch
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JONES LANG LASALLE HOTELS
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Jonathan Ottevaere
Vice President
JONES LANG LASALLE HOTELS
JONES LANG LASALLE PROPERTY
CONSULTANTS PTE LTD

Enc

JLC:YY:in:120475
28 November 2012



VALUATION SUMMARY

Property The Property is located at 372 Bogyoke Aung San Road, Patheingyi Township, Yangon, Union of Myanmar.

Site Area Approximately 39,254.18 sq.m. (422,528 sq.ft.) - subject to survey.

Legal Description and Tenure : The Property currently comprises 2 parcels of land known as the Grand Meeyahla Site ('GMS') and the FMC Centre Site ('FCS').

According to the information provided by our Client, the GMS is currently held by way of a lease for a term of 20 years with an extension of 10 years from the date on which Meeyahla International Hotel commenced its operation or four years after the Lease Agreement was signed on 14 August 1993, whichever is earlier.

The FCS is currently held by way of a lease for a term of 30 years from the date of completion of the building and with extension of 5 years for 3 times upon expiry according to the Land Lease Agreement dated 18 May 1995.

We have been informed that the 2 abovementioned land parcels will be amalgamated into a single site for the proposed development.

According to our Client, the existing leases will be replaced by a fresh lease with new terms and conditions which are currently under negotiation with the relevant authorities.

For the purpose of this valuation, we have been informed to adopt the Special Assumptions that the Land Development Right has been granted in conjunction with a new:-

- i) 60 year lease
- ii) 70 year lease

In both scenarios, assumptions have been made that the lease commences from the date of valuation, taking into consideration the proposed development parameters and assuming that all necessary approval from the relevant competent authorities have been received.

Further assumptions have been made that a fixed annual land rent of US\$15 per sq.m. on the land area, in addition to 2% of the annual gross receipt or turnover of the proposed development is payable to the relevant authorities for the remaining land lease tenure from the date of completion. All land rental payments will commence upon completion of the proposed development.



VALUATION SUMMARY (CONT'D)

Brief Description of Property : The Property is an almost rectangular shaped plot of land slightly above the road access level and has a depth of approximately 270m with a frontage of approximately 240m to the south along Bogyoke Aung San Road. It is bounded on the east by Alan Pya Pagoda Street and on the west by Bogyoke Aung San Market. Open air car parking lots are also provided within the Property.

There are four principal buildings on the Property, namely:-

- The Grand Mee Ya Hta Executive Residences
- FMI Centre
- A unadorned 3-storey Victorian Building (Former Railway Headquarters Building)
- A single storey building with a mezzanine level currently used as a restaurant

Proposed Development : The proposed development, upon completion, will comprise 2 office towers, a retail podium, a high-end 5-star hotel to be developed within the existing Victorian Building, a 4-star rated hotel, a 4-star rated serviced apartment complex, a 5-star serviced residences available for strata sale and a 2-level basement car park.

It will be constructed of reinforced concrete framed construction with infill brick walls, reinforced concrete floors, reinforced concrete staircases and reinforced concrete flat roofs. The proposed façade will be of aluminium and glass curtain walls for the office, retail, hotel and serviced apartments.

Internal finishes are assumed to be of good quality finishes, typically comprises marble/granite/ceramic tiled floors, painted walls and suspended ceiling boards incorporating light fittings, air conditioning diffusers and fire sprinklers for the retail and office components.

Modern building services will be available within the mixed-use complex. These would typically include centralized air-conditioning system, fire protection system, elevators and escalators for the office/retail/hotel/serviced apartment components. Additionally, full emergency power backup and comprehensive security services will be standard features in the complex.

Master Zoning Plan : We understand that the planning consent for the proposed development has yet to be granted. For the purpose of the valuation, special assumptions on the planning consent for the proposed development scheme as described in this report is assumed to be granted and that the proposed uses are lawful uses under the local planning legislation.



VALUATION SUMMARY (CONT'D)

The following table summarizes the current proposed development parameters:

Proposed Development Parameters	Proposed Gross Floor Area (sqm)	Net Floor Area (sqm)
5-Star Hotel (restoration of Victoria Building)	11,280	-
5-Star Serviced Apartments (for strata sale)	27,255	-
4-Star Hotel	18,295	-
4-Star Serviced Apartments	20,315	-
A 5-storey with 1 Basement level Retail Mall	40,002	26,001
A 19 floor Office Tower (Tower 2)	32,650	27,426
A 20 floor Office Tower (Tower 4)	34,650	29,453
Total Gross Floor Area (sqm)	184,447	-
Mechanical & Electrical Plant	15,574	-
2 level Basement Car Parking (including Common FOH and BOH)	67,130	-
Total Non Gross Floor Area (sqm)	82,704	-

Source: Client

- Currency : The market exchange rate as at the material date of valuation is the equivalent of 844 Myanmar Kyat to USD \$1/-.
- Exchange Rate
- Land : Assuming it to be on a 60 year lease assumption, estimated at
Development **US\$96,000,000/- (United States Dollars Ninety-Six Million)**
Right Value as at
31 October 2012 Assuming it to be on a 70 year lease assumption, estimated at
US\$100,000,000/- (United States Dollars One Hundred Million)

For and on behalf of

Tan Keng Chiam
B.Sc. (Est. Mgt.) MSISV
AD041-2004796D
Regional Director
JONES LANG LASALLE

Yee Yeh Shiunn
B.Sc. (Hons) Land Management, MSISV
AD041-2006553D
National Director
JONES LANG LASALLE

Ed Fitch
Executive Vice President
JONES LANG LASALLE HOTELS
JONES LANG LASALLE PROPERTY
CONSULTANTS PTE LTD

Jonathan Ottevaere
Vice President
JONES LANG LASALLE HOTELS
JONES LANG LASALLE PROPERTY
CONSULTANTS PTE LTD

TKC:JY:ih:120475
28 November 2012



GENERAL PRINCIPLES ADOPTED IN THE PREPARATION OF VALUATIONS AND REPORTS

Where the general principles upon which our Valuations and Reports are normally prepared, they apply unless we have specifically mentioned otherwise in the body of the report.

1) VALUATION STANDARDS

All work we carried out is accordance with the Singapore Institute of Surveyors and Valuers (SISV) Valuation Standards and Guidelines and International Valuation Standards (IVS), subject to variations to meet local laws, customs, practices and market conditions.

2) VALUATION BASIS

Our valuations are made on the basis of Market Value defined by the SIVM as follows:

Market Value is the estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing in the open market and without compulsion.

3) CONFIDENTIALITY

Our Valuations and Reports are confidential to the party to whom they are addressed, it being their professional accounts for the specific purposes to which they refer. No responsibility is accepted to any other parties and neither the whole, or a any part, nor reference thereto may be included in any published documents, in written or oral form, or published in any way, nor in any communication with third parties, without our prior written approval of the form and content in which they will appear.

4) SOURCE OF INFORMATION

Where it is stated in the report that information has been supplied by the sources listed, the information is believed to be reliable and we are not responsible for its accuracy nor make any warranty or representation of the accuracy of the information. All other information used without being attributed directly to another party is obtained from our searches of records, a summation of discussions or enquiries with the relevant authorities.

5) DISCLOSURE

We do not normally read leases or documents of title and, where appropriate, we recommend that lawyer's advice on these aspects should be obtained. We assume, unless advised to the contrary, that all documents are satisfactorily given and that no risks can be shown and there are no encumbrances, mortgages, agreements or other arrangements of any nature or type which would have an effect on the value of the interest under consideration.

6) TOWN PLANNING AND OTHER STATUTORY REGULATIONS

Information on Town Planning is obtained from the set of Master Plans, Development Guide Plan (DGP) and Master Structure published by the competent authority. Unless otherwise indicated, we do not normally carry out requirements with the various public authorities to confirm that the property is not adversely affected by any public schemes such as road and drainage improvements. If insurance is required, we recommend that enquiries be obtained from your insurer.

Our valuations are prepared on the basis that the property and any improvements thereon comply with all relevant statutory regulations. It is assumed that they have been, or will be found, with a Certificate of Statutory Compliance by the competent authority.

7) TENANTS

Enquiries as to the financial standing of actual or prospective tenants are not normally made unless specifically requested. Where properties are valued with the benefit of leases, it is therefore assumed that the tenants are capable of meeting their obligations under the lease and that there are no areas of rent or unfulfilled breaches of covenant.

8) STRUCTURAL SURVEYS

We have not carried out a building survey, nor any testing of services, nor have we inspected those parts of the property which are inaccessible. We advise clients to question those or to use other qualified persons or specialist parts and this Report should not be taken as making any form of representation or otherwise about such parts. Where any defects or items of disrepair are noted during the course of inspection, we are not liable to give any assurance or opinion on structural or other information or other hidden defects.

9) SITE CONSTRAINTS

We do not normally carry out investigations on site in order to determine the suitability of the ground conditions and services for the existing or any new development, nor have we undertaken any archaeological, ecological or environmental surveys. Unless we are otherwise informed, our valuations are on the basis that these aspects are satisfactory and that where development is proposed, no unusual site expenses or delays will be encountered during the construction period.

10) OUTSTANDING DEBTS

In the case of buildings where works are in hand or have recently been completed, we do not normally make allowance for any liability already incurred, but not yet discharged, in respect of completed works, or obligations in favour of contractors, subcontractors or any members of the professional or design team.

11) INSURANCE VALUE

The figure of the insurance value is our assessment of the reconstruction cost for insurance purposes and it comprises the replacement cost of the property to be insured, together with allowances for inflation, demolition and debris removal, professional fees, for providing C.S.T. (cost and services tax) and, if applicable, compliance with current regulations and by-laws.

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Year 2009



VALUATION CERTIFICATE ON THE VALUATION OF THE DEVELOPMENT LAND RIGHTS OF A PROPOSED MIXED-USE (RETAIL-OFFICE-HOTEL-SERVICE APARTMENT) DEVELOPMENT LOCATED WITHIN THE PABEDAN TOWNSHIP, YANGON, UNION OF MYANMAR

- Chartered Surveyors
- Valuers of
 - Plant & Machinery
 - Real Estate
 - Businesses
 - Fine Arts
- Auctioneers & Agents
- Facilities & Project Managers
- Capital Allowance Claims Consultants

VALUATION CERTIFICATE

Our Ref: PV/6381/SPA/1208/RK/EM/YKS/OSJ

Date : 30 November 2012

Mr Serge Pun
c/o Serge Pun & Associates (Myanmar) Ltd
FMI Centre, Level 9, Rm-910,
380, Bogyoke Aung San Road,
Pabedan Township,
Yangon, Myanmar

Dear Sir

RE: VALUATION CERTIFICATE ON THE VALUATION OF THE DEVELOPMENT LAND RIGHTS OF A PROPOSED MIXED-USE (RETAIL-OFFICE-HOTEL-SERVICE APARTMENT) DEVELOPMENT LOCATED WITHIN THE PABEDAN TOWNSHIP, YANGON, UNION OF MYANMAR ("SUBJECT PROPERTY")

This Valuation Certificate has been prepared for the purpose of inclusion into Yoma Strategic Holdings Ltd shareholders' circular.

In accordance with your instructions, we have inspected the abovementioned property on 11 August 2012 and assessed the Market Value of the Development Land Rights of the Subject Property for the purpose of Possible Sale.

2/...

Robert Khan & Co Pte Ltd 有限公司国际商业资产及机械咨询公司 Registration No. 198802802

261 Waterloo Street, #04-24, Waterloo Centre, Singapore 180261

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Australia • China • Hong Kong • India • Malaysia • Philippines • South Africa • South Korea • Taiwan • United Kingdom • USA

INTERNATIONAL BUSINESS ASSETS CONSULTANTS

PV/6381/SPA/1208/RK/EM/YKS/OSJ
30 November 2012
Page 2

We have valued on vacant development land basis, the abovementioned subject property with all buildings thereon including the existing FMI Centre and the Grand Mee Ya Hta Executive Residences, save for the former Myanmar Railways Headquarters building façade to be retained for conservation.

In arriving at our opinion of the market value of the interest in the subject land, we have relied on the Discounted Cashflow Method to arrive at the value of the completed development and followed by the Residual Value Method to arrive at the Development Land Rights value of the subject land, as at 11 August 2012.

Our valuation certificate is as attached. This valuation certificate is to be read in conjunction with our full valuation report (Ref: PV/6381/SPA/1208/RK/EM/YKS/OSJ), which is available for examination at our office.

Yours faithfully
on behalf of **ROBERT KHAN & CO PTE LTD**



PV/6381/SPA/1208/RK/EM/YKS/OSJ

International Business Assets Consultants since 1997

VALUATION CERTIFICATE

<u>Property</u>	<u>Description and tenure</u>	<u>Market Value (Net Present Value) of the Development Land Rights of the Property as at 11 August 2012</u>
<p>A plot of land measuring approximately 9.68 acres bordered by the Sule Pagoda Road / Yangon Railway Station on the east, railway lines on the north, Bogyoke Aung San Market on the west and Bogyoke Aung San Road on the south, in Pabedan Township, Yangon Division, Union of Myanmar. The land includes the existing FMI Centre and Grand Mee Ya Hta Executive Residences.</p>	<p>The property is a near-rectangular plot of development land measuring approximately 9.68 acres (approximately 39,173 square meters or 421,661 square feet), fronting the thoroughfare Bogyoke Aung San Road in Pabedan Township, downtown prime central business district (CBD) of Yangon city, the former capital of Union of Myanmar.</p> <p>Prominent developments within its vicinity are Sakura Office Tower, Traders Hotel, Thamada Hotel, Parkroyal Hotel, the popular-with-tourists Bogyoke Aung San Market and the Center Point Shopping Centre.</p> <p>The new land lease agreement is yet to be formalised by the Client and the relevant Myanmar Authority. We are instructed to value based on the land lease term of 70 years to commence from the completion of the whole proposed development with an option to renew.</p> <p>At the time of our inspection, the existing buildings on site are as follows:-</p> <ol style="list-style-type: none"> (1) A 12-storey office tower named FMI Centre (2) A 12-storey hotel-cum-serviced apartments known as Grand Mee Ya Hta Executive Residences (3) A vacant 3-storey heritage building on the eastern part of the subject land which was formerly occupied as the Myanmar Railways (MR) Headquarters (4) A building fronting Bogyoke Aung San Road leased to Zawgyi Café/Restaurant (5) A building formerly occupied as MR's staff building (6) An electric sub-station <p>All these buildings will be demolished for the proposed development except for the electric sub-station and the former MR Headquarters.</p> <p>The electric sub-station will be upgraded whilst the former MR Headquarters will be refurbished into a 5-star hotel with its existing façade conserved.</p>	<p>Market Value: US\$109,530,000</p>

Property

Description and tenure

Market Value (Net Present Value)
of the Development Land Rights of
the Property as at 11 August 2012

According to the development scheme provided by the Client, the proposed development will be a mixed-use type with a total gross development area of approximately 237,227 square meters (2,553,511 square feet), having the following inter-connected components:

- (1) A 6-level retail podium including a basement level
- (2) An 81-room 5-star Hotel in a conserved 3-level heritage building
- (3) A 25-level 5-star Serviced Apartment Block housing 106 unit known as Tower 1.
- (4) Two Office Towers known as Tower 2 – a 13-level block on top of the retail podium & Tower 4 – a 15-level block on top of the retail podium.
- (5) A 20-level Building on top of the retail podium accommodating 4-star Hotel (340-room) and 4-star Serviced Apartments (204-unit) known as Tower 3
- (6) A 3-level basement car park connecting all the buildings with about 1,400 parking bays

In consideration of the scale and the various uses in the proposed mixed development, we have assumed the commencement dates of the operation of the various component uses to be phased over a period of 3 years.

YOMA STRATEGIC HOLDINGS LTD.

(Incorporated in the Republic of Singapore)
(Company Registration No. 196200185E)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting of the Company will be held at The Straits Room, Level Four, The Fullerton Hotel, 1 Fullerton Square, Singapore 049178 on 28 February 2013 at 10 a.m. for the purpose of considering and, if thought fit, passing with or without modifications the following Ordinary Resolutions.

All capitalised terms in this Notice which are not defined herein shall have the same meanings ascribed to them in the Circular to Shareholders of the Company dated 8 February 2013 (the “**Circular**”).

ORDINARY RESOLUTION 1 – THE PROPOSED ACQUISITION OF EIGHTY PER CENT. (80%) INTERESTS IN RESPECT OF THE LANDMARK DEVELOPMENT

THAT approval be and is hereby given:

- (a) for the Proposed Acquisition on the terms and subject to the conditions set out in the Sale and Purchase Agreement;
- (b) for the entry into a Deed of Indemnity with SPA, Mr. Serge Pun and MIHL pursuant to the Sale and Purchase Agreement, where each of SPA and Mr. Serge Pun will indemnify the Company and MIHL against, *inter alia*, any losses, liabilities and damages suffered by any of the Company or MIHL in connection with the Sale and Purchase Agreement;
- (c) for entry into a Deed of Assignment with SPA pursuant to the Sale of Purchase Agreement, where SPA shall assign to the Company the benefit of an existing loan (on a pro rata basis) owing from MIHL to SPA; and
- (d) for the Directors of the Company and each of them to be authorised to take such steps, enter into all such transactions, arrangements and agreements and execute all such documents as may be necessary or expedient for the purpose of completing the Proposed Acquisition and/or the transactions contemplated by this Resolution.

ORDINARY RESOLUTION 2 – THE PROPOSED WHITEWASH RESOLUTION

THAT CONTINGENT ON THE PASSING OF ORDINARY RESOLUTION 1, the Proposed Whitewash Resolution for the waiver by Independent Shareholders of their right to receive a mandatory general offer in accordance with Rule 14 of the Singapore Code on Take-overs and Mergers from Mr. Serge Pun and his concert parties for all the issued and paid-up Shares of the Company following the Proposed Rights Issue be and is hereby (on a poll taken) approved by the Independent Shareholders subject to the satisfaction of all the conditions set out in the SIC letter dated 5 February 2013.

By Order of the Board

ANDREW RICKARDS
Chief Executive Officer and Director
Yoma Strategic Holdings Ltd.

8 February 2013

Notes:

- (1) A member entitled to attend and vote at the Extraordinary General Meeting is entitled to appoint no more than two (2) proxies to attend and vote on his behalf and such proxy need not be a member of the Company.
- (2) A member of the Company which is a corporation is entitled to appoint its authorised representative or proxy to vote on its behalf.
- (3) The instrument appointing a proxy or proxies must be under the hand of the appointer or his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its common seal or under the hand of its attorney or a duly authorised officer.
- (4) The instrument appointing a proxy must be deposited at the registered office of the Company at 80 Anson Road, Fuji Xerox Towers #25-05, Singapore 079907, not less than forty-eight (48) hours before the time appointed for the Extraordinary General Meeting or any postponement or adjournment thereof.

YOMA STRATEGIC HOLDINGS LTD.

(Incorporated in the Republic of Singapore)
(Company Registration No. 196200185E)

EXTRAORDINARY GENERAL MEETING PROXY FORM

(You are advised to read the notes below before completing this form.)

IMPORTANT:

1. For investors who have used their CPF monies to buy Shares, this Circular to Shareholders is forwarded to them at the request of their CPF Approved Nominees and is sent solely FOR INFORMATION ONLY.
2. This Proxy Form is not valid for use by CPF investors and shall be ineffective for all intents and purposes if used or purported to be used by them.
3. CPF Investors who wish to attend the Meeting as an observer must submit their requests through their CPF Approved Nominees within the time frame specified. If they also wish to vote, they must submit their voting instructions to the CPF Approved Nominees within the time frame specified to enable them to vote on their behalf.

I/We _____ (Name)

of _____ (Address)

being a member/members of YOMA STRATEGIC HOLDINGS LTD. (the "Company") hereby appoint:

Name	Address	NRIC / Passport No.	Proportion of shareholdings (%)

and/or (delete as appropriate)

Name	Address	NRIC / Passport No.	Proportion of shareholdings (%)

as my/our* proxy/proxies* to attend and to vote for me/us* on my/our* behalf at the Extraordinary General Meeting of the Company, to be held at The Straits Room, Level Four, The Fullerton Hotel, 1 Fullerton Square, Singapore 049178 on 28 February 2013 at 10 a.m. and at any adjournment thereof. I/We* direct my/our* proxy/proxies* to vote for or against the Resolutions to be proposed at the Extraordinary General Meeting as indicated hereunder. If no specific direction as to voting is given, the proxy/proxies* will vote or abstain from voting at his/their* discretion, as he/they* will on any other matter arising at the Extraordinary General Meeting. The authority herein includes the right to demand or to join in demanding a poll and to vote on a poll.

Ordinary Resolutions	For	Against
(1) To approve the Proposed Acquisition		
(2) Contingent upon the passing of Ordinary Resolution 1, to approve the Proposed Whitewash Resolution		

Dated this _____ day of _____ 2013

Total number of Shares in:	Number of Shares
(a) CDP Register	
(b) Register of Members	

Signature(s) of Shareholder(s) / Common Seal

* Delete accordingly

IMPORTANT: PLEASE READ NOTES TO PROXY FORM



NOTES:-

1. A member entitled to attend and vote at the Extraordinary General Meeting is entitled to appoint no more than two (2) proxies to attend and vote on his behalf and such proxy need not be a member of the Company.
2. Where a member appoints more than one (1) proxy, the appointments shall be invalid unless he specifies the proportion of his holding (expressed as a percentage of the whole) to be represented by each proxy.
3. Completion and return of this instrument appointing a proxy shall not preclude a member from attending and voting at the Extraordinary General Meeting. Any appointment of a proxy or proxies shall be deemed to be revoked if a member attends the Extraordinary General Meeting in person, and in such event, the Company reserves the right to refuse to admit any person or persons appointed under the instrument of proxy, to the Extraordinary General Meeting.
4. A member should insert the total number of shares held. If the member has shares entered against his name in the Depository Register (as defined in Section 130A of the Companies Act, Cap.50 of Singapore), he should insert that number of shares. If the member has shares registered in his name in the Register of Members of the Company, he should insert that number of shares. If the member has shares entered against his name in the Depository Register and registered in his name in the Register of Members, he should insert the aggregate number of shares. If no number is inserted, this form of proxy will be deemed to relate to all the shares held by the member.
5. The instrument appointing a proxy or proxies must be deposited at the registered office of the Company at 80 Anson Road, Fuji Xerox Towers #25-05, Singapore 079907, not less than forty-eight (48) hours before the time appointed for the Extraordinary General Meeting or any postponement or adjournment thereof.
6. The instrument appointing a proxy or proxies must be under the hand of the appointer or his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its common seal or under the hand of its attorney or a duly authorised officer.
7. Where an instrument appointing a proxy is signed on behalf of the appointer by an attorney, the letter or power of attorney or a duly certified copy thereof must (falling previous registration with the Company) be lodged with the instrument of proxy, failing which the instrument may be treated as invalid.
8. The Company shall be entitled to reject the instrument appointing a proxy or proxies which is incomplete, improperly completed, illegible or where the true intentions of the appointer are not ascertainable from the instructions of the appointer specified on the instrument. In addition, in the case of shares entered in the Depository Register, the Company may reject the instrument appointing a proxy or proxies if the member, being the appointer, is not shown to have shares entered against his name in the Depository Register as at forty-eight (48) hours before the time appointed for holding the Extraordinary General Meeting, as certified by The Central Depository (Pte) Limited to the Company.