
JOINT VENTURE AGREEMENT WITH SUMITOMO CORPORATION AND FIRST MYANMAR INVESTMENT CO., LTD

The Board of Directors (the “**Board**”) of Yoma Strategic Holdings Ltd. (the “**Company**” and together with its subsidiaries, the “**Group**”) is pleased to announce that the Company has entered into a joint venture agreement with Sumitomo Corporation (“**Sumitomo**”) and First Myanmar Investment Co., Ltd (“**FMI**”) for the purposes of establishing a joint venture company (“**JVCo**”) to operate authorized service stations for, and to distribute, Hino trucks and buses in the Republic of the Union of Myanmar.

Hino Motors, a Toyota Motor Corporation company, is the largest manufacturer of heavy- and medium-duty trucks in Japan. With sizeable market shares in Southeast Asia and Australia, Hino brand vehicles are renowned for their quality, durability and reliability with worldwide sales amount to 130,000 vehicles annually¹.

The parties will establish the JVCo in Myanmar upon the satisfaction of certain conditions precedent. The initial issued and paid-up capital of the JVCo will be US\$3 million comprising 3 million ordinary shares. The Company will subscribe for 20% of the issued share capital of the JVCo for a total cash consideration of US\$600,000 using its internal resources. Sumitomo will hold 60% and FMI will hold 20% of the issued share capital of the JVCo.

The investment is not expected to have any material financial impact on the consolidated net tangible assets and the earnings per share of the Group for the current financial year ending 31 March 2014.

The Board views the proposed joint venture with Sumitomo and FMI as an opportunity to strengthen its exposure to the automotive sector in Myanmar at a time when the demand of trucks and buses is expected to rise in tandem with increased economic and tourism activities.

FMI is a subsidiary of Serge Pun & Associates (Myanmar) Limited (“**SPA**”). Mr. Serge Pun is the Executive Chairman and a controlling shareholder of the Company and he is also the Chairman and a controlling shareholder of SPA. The joint venture agreement is an interested person transaction for the purposes of Chapter 9 of the Listing Manual of the Singapore Exchange Securities Trading Limited.

¹ Source: http://www.hino-global.com/pdf/corporate_profile/2012_corporate_profile_E.pdf

The Audit and Risk Management Committee is of the view that the risks and rewards of the joint venture are in proportion to the equity of each joint venture partner and the terms of the joint venture are not prejudicial to the interests of the Company and its minority shareholders.

ON BEHALF OF THE BOARD

Andrew Rickards
Chief Executive Officer
19 December 2013