
PROPOSED PRIVATE PLACEMENT PURSUANT TO EXISTING MANDATE

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- 1.1 The Board of Directors (the “**Board**”) of Yoma Strategic Holdings Ltd. (the “**Company**”) and together with its subsidiaries, the “**Group**”) wishes to announce that the Company has undertaken a private placement exercise (the “**Private Placement**”) subject to, *inter alia*, the approval-in-principle being granted by the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) for the listing and quotation of the Placement Shares (as defined below) on the SGX-ST.
- 1.2 At the Company’s annual general meeting held on 25 July 2012 (“**AGM**”), shareholders’ approval for the issuance of shares and convertible securities was obtained pursuant to Rule 806 of the Listing Manual (the “**Existing Mandate**”). Under the Existing Mandate, Directors may issue up to fifty per cent. (50%) of the total number of issued shares (excluding treasury shares) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below) (the “**Issued Shares**”), provided that the aggregate number of shares to be issued other than on a pro-rata basis to shareholders of the Company does not exceed twenty per cent. (20%) of the total number of Issued Shares.
- 1.3 As at the date of this Announcement, the Company has not yet utilised any part of the Existing Mandate. Accordingly, the Company intends to issue the Placement Shares (as defined below) under the Existing Mandate.
- 1.4 The Board refers to the announcement dated 19 November 2012 (the “**Proposed Acquisition Announcement**”) in relation to the proposed acquisition of 80% of the issued and paid up share capital (the “**Sale Shares**”) of Meeyahta International Hotel Limited (“**MIHL**”) (the “**Proposed Acquisition**”) whereby it was disclosed that the Company will be undertaking a rights issue exercise (the “**Rights Issue**”) to fund the Proposed Acquisition. The Company intends to utilise the balance of the Existing Mandate to issue the Rights Shares (as defined in the Proposed Acquisition Announcement).

2 PRIVATE PLACEMENT UNDER EXISTING MANDATE

2.1 Maximum Number of Placement Shares

Based on 964,265,215 Issued Shares (excluding treasury shares) at the date of the AGM, up to 192,853,043 new ordinary shares in the capital of the Company may be issued by way of a private placement. As at the date of this announcement, the Company does not have any treasury shares.

- 2.2 The Company is proposing to raise capital by issuing 192,853,000 new ordinary shares in the capital of the Company (the “**Placement Shares**”) in reliance on the Existing Mandate by way of the Private Placement pursuant to Section 272B of the Securities and Futures Act (Cap. 289) of Singapore (the “**SFA**”). As such, no prospectus or offer information statement will be lodged by the Company with the Monetary Authority of Singapore in connection with the Private Placement. The Placement Shares have not been and will not be registered under the United States Securities Act of 1933, as amended (the “**Securities Act**”) or the securities laws of any state or jurisdiction of the United States and may not be offered or sold within the United States except pursuant to an applicable exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. The Placement Shares are being offered and sold outside the United States in reliance on Regulation S under the Securities Act. The Company and the Joint Bookrunners (as

hereinafter defined) reserve absolute discretion (subject to applicable laws and any regulations) in determining which investors will be allowed to participate in the Private Placement.

- 2.3 The Placement Shares, if fully allotted and issued, represent approximately 16.67% of the enlarged issued and paid-up share capital (excluding treasury shares) of the Company after the completion of the Private Placement.

Placement Price

- 2.4 The Placement Shares are priced at S\$0.525 per Placement Share ("**Placement Price**") which represents a discount of approximately 6.94% to the volume weighted average market price of S\$0.564 for each ordinary share in the capital of the Company (the "Share") for trades done on the Shares on the main board of the SGX-ST on 16 November 2012, being the full market day on which the Shares were traded preceding the date of signing of the Placement Agreements (as hereinafter defined).

Placement Agreements

- 2.5 In relation thereto, the Company entered into the following agreements (collectively, the "**Placement Agreements**"):-
- (a) Subscription letter from the Anchor Investor (as defined below) accepted by the Company on 20 November 2012, pursuant to which the Anchor Investor was allocated 82,000,000 Placement Shares at the Placement Price; and
 - (b) Placement Agreement dated 20 November 2012 with DBS Bank Ltd., the sole global coordinator and joint bookrunner and UBS AG, Singapore Branch ("**UBS**") as the joint bookrunner (together with DBS Bank Ltd., the "**Joint Bookrunners**") pursuant to which the Joint Bookrunners agreed to use their best efforts to procure the subscription and payment for up to 110,853,000 Placement Shares.

The Placement Shares will not be placed to any restricted persons under Rule 812(1) of the SGX-ST Listing Manual.

- 2.6 The Placement Shares, when issued and delivered, shall rank *pari passu* with and shall carry all rights similar to the existing Shares and they will rank for any dividend, rights (including participation in the proposed Rights Issue), allotment or other distributions, the record date for which falls after the completion of the Private Placement.
- 2.7 The Private Placement is subject to certain conditions precedent more particularly set out in the Placement Agreements, including but without limitation to, the approval-in-principle being granted by the SGX-ST for the listing and quotation of the Placement Shares on the SGX-ST.

Anchor Investor

- 2.8 Upon the completion of the Private Placement, the Company will allot and issue to Capital International, Inc., as agent for certain clients of investment management affiliates of Capital Group International, Inc. (the "**Anchor Investor**"), an aggregate of 82,000,000 Placement Shares representing 8.50% of the share capital of the Company as at the date of this Announcement and 7.09% of the enlarged share capital of the Company after the Private Placement.
- 2.9 As far as the Company is aware, the Anchor Investor has no connection (including business relationship) with the Company and its Directors and substantial shareholders of the Company, and it is not a person to whom the Company is prohibited from issuing shares to, as provided for by Rule 812(1) of the SGX-ST Listing Manual.
- 2.10 The Anchor Investor has decided to invest in the Company for investment purposes.

Purpose of Private Placement and use of proceeds

- 2.11 Assuming all Placement Shares are allotted and issued, the estimated gross proceeds of the Private Placement is approximately S\$101.25 million and the net proceeds of the Private Placement, after deducting estimated expenses of approximately S\$1.5 million, will amount to approximately S\$99.75 million (the “**Net Placement Proceeds**”).
- 2.12 The Company continuously reviews business proposals and looks for investment opportunities with a view to maximizing value for all shareholders. It is expected that the Net Placement Proceeds will be used by the Company to pursue such investment opportunities as and when they arise and/or to enhance its working capital, which may be allocated towards partial funding of development costs for the Landmark Development (as defined in the Proposed Acquisition Announcement). The Company will make periodic announcements on the use of the Net Placement Proceeds as and when the proceeds are materially disbursed and provide a status report on the use of the Net Placement Proceeds in the Company’s annual report.
- 2.13 Pending the deployment of the Net Placement Proceeds for the purpose mentioned above, such proceeds may be deposited with banks or financial institutions, invested in short-term money markets or marketable securities or used for any other purpose on a short-term basis as the Directors may deem fit.

Approval from the SGX-ST

- 2.14 The Company will be making an application to the SGX-ST for the permission to deal in, the listing of and quotation for the Placement Shares on the SGX-ST. An appropriate announcement on the outcome of the application will be made in due course.

3 FINANCIAL EFFECTS

3.1 Assumptions

The financial effects of the Proposed Acquisition, the Private Placement 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 Transactions are prepared based on (a) the latest announced financial information of the Group for the six month period ended 30 September 2012; (b) the assumption that the issue price of the Rights Share is S\$0.42, being a discount of approximately 25.0% to the closing price of S\$0.56 per Share as at 16 November 2012, being the last trading day preceding the date of this Announcement and 289,279,553 Rights Shares were allotted and issued pursuant to the proposed Rights Issue; and (c) 192,853,000 Placement Shares having been issued at the Placement Price.

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

3.2 Share Capital

Assuming that the Transactions had been completed on 30 September 2012, the effect of the Transactions on the share capital of the Company as at 30 September 2012 would have been:

	Before the Transactions	After the Private Placement ⁽¹⁾	After the Transactions ⁽¹⁾
Issued and paid up Share capital (S\$'000)	227,223	328,471	449,968
Number of Shares ('000)	964,265	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 Transactions.

3.3 Net Tangible Assets

Assuming that the Transactions had been completed on 30 September 2012, the effect of the Transactions on the NTA of the Group as at 30 September 2012 would have been:

	Before the Transactions	After the Private Placement ⁽¹⁾	After the Transactions ⁽¹⁾
NTA (S\$'000)	228,415	329,663	456,400
Number of Shares ('000)	964,265	1,157,118	1,446,398
NTA per Share (cents)	23.69	28.49	31.55

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 Transactions.

3.4 Earnings Per Share

Assuming that the Transactions had been completed on 1 April 2012, the effect of the Transactions on the EPS of the Group for the six month period ended 30 September 2012 would have been:

	Before the Transactions	After the Private Placement ⁽¹⁾	After the Transactions ⁽¹⁾
Net loss after tax and non-controlling interest (S\$'000)	(2,109)	(2,109)	(2,928)
Weighted average number of Shares ('000)	816,309	1,009,162	1,298,442
EPS (cents)	(0.26)	(0.21)	(0.23)

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 Transactions.

4 THE PROPOSED WHITEWASH WAIVER

4.1 As at the date of this Announcement, Mr. Serge Pun directly and indirectly holds 482,208,863 Shares, representing approximately 50.01% of the issued and paid-up share capital of the Company. Assuming completion of the Private Placement, his shareholding will fall to 41.67%.

4.2 Assuming that:-

- (i) the Private Placement is completed and 192,853,000 Placement Shares were allotted and issued;
- (ii) Mr. Serge Pun subscribes and pays 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 he 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 amount to S\$99.16 million (being the consideration for the Proposed Acquisition) pursuant to his Irrevocable Undertaking under the proposed Rights Issue;
- (iii) the issue price of the proposed Rights Issue is S\$0.42; and
- (iv) none of the other Shareholders subscribe for their entitlements under the proposed Rights Issue,

Mr. Serge Pun's shareholding in the Company will increase from 41.67% (upon the completion of the Private Placement) to 49.66% upon the completion of the proposed Rights Issue. Under the Singapore Code on Take-overs and Mergers, Mr. Serge Pun will then be required to make a mandatory general offer for all the Shares not already owned, controlled or agreed to be acquired by him and persons acting in concert with him (the “**General Offer**”). As such, Mr. Serge Pun will be applying to the Securities Industry Council for a whitewash waiver exempting him and his concert parties from having to make the General Offer (the “**Proposed Whitewash Waiver**”). The Proposed Whitewash Waiver requires approval from independent Shareholders at the extraordinary general meeting to be convened for the Proposed Acquisition.

5 INDEPENDENT FINANCIAL ADVISER

An independent financial adviser (“**IFA**”) will be appointed to advise the independent Shareholders on the Proposed Whitewash Waiver. An announcement will be made once the IFA has been appointed.

6 ABSTENTION FROM VOTING

Mr. Serge Pun and his sons, Mr. Cyrus Pun and Mr. Melvyn Pun, are deemed to be interested in the Proposed Whitewash Waiver. 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 the Proposed Whitewash Waiver will not accept nominations as proxy or otherwise for voting at the EGM in respect of the said ordinary resolutions 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.

7 INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

Save as disclosed above and to the best knowledge of the Directors, none of the other Directors and substantial shareholders has any interest, direct or indirect, in the Private Placement.

8 RESPONSIBILITY STATEMENT

The Directors (including any Director who may have delegated detailed supervision of the preparation of this announcement) have taken all reasonable care to ensure that the facts stated in this announcement are fair and accurate and that no material facts have been omitted from this announcement, and they jointly and severally accept responsibility accordingly.

ON BEHALF OF THE BOARD

ANDREW RICKARDS
Chief Executive Officer
20 November 2012

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