
UPDATE ON AUTOMOTIVE BUSINESS

Following the Company's announcement on 15 February 2013, the Board of Directors of Yoma Strategic Holdings Ltd. (the "**Company**", together with its subsidiaries, the "**Group**") wishes to update shareholders on the following matters relating to its automotive business:-

- (a) Proposed Acquisition of the business and assets of German Car Industries Company Limited ("**GCI**")

The Company, through its seventy per cent. (70%) subsidiary, Myanmar Motors Pte. Ltd., has entered into a conditional agreement to acquire the entire issued share capital of GCI, a company incorporated in Myanmar for a cash consideration of US\$700,000. The consideration was arrived at arm's length negotiations on a willing seller-willing buyer basis and after taking into account, *inter alia* the net asset value of the assets to be acquired. The Company will fund its 70% share of the consideration which is less than 3% of the Group's latest consolidated audited net tangible assets using internal sources. This investment is not expected to have any material financial impact on the consolidated net tangible assets and the earnings per share of the Company for the current financial year ending 31 March 2013.

GCI was incorporated in 1996 and was the authorised distributor for Volkswagen AG ("**VW**") in Myanmar until VW withdrew from the Myanmar market due to sanctions. GCI subsequently established itself as the premier service centre for European vehicles in Yangon. GCI was co-established in 1996 by Mr. Werner Rosendahl and Mr. Michael Rudenmark.

- (b) Possible acquisition of existing automotive businesses of the SPA Group

The Company is currently also exploring the possibility of acquiring the existing automotive businesses of the SPA Group subject to due diligence and negotiations on the purchase price. The SPA Group's automotive business was established in 1994 and SPA is an active player in the Myanmar automotive industry with an established nationwide network of dealers and service centres in the major cities. Further announcements will be made as and when it is appropriate.



(c) Appointment of Mr. Michael Rudenmark

The Company is pleased to announce that it has appointed Mr. Michael Rudenmark to take charge of the Company's automotive business. Mr. Rudenmark will be based in Yangon, where he has been based for the last 17 years, and will be responsible for growing the automotive business division of the Group by overseeing and monitoring the existing automotive business and exploring and evaluating opportunities to bring in new automotive brands into the Group.

The template announcement on the appointment of Mr. Michael Rudenmark will be made separately.

ON BEHALF OF THE BOARD

Andrew Rickards
Chief Executive Officer
28 February 2013

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