

BANYAN TREE HOLDINGS LIMITED
(Company Registration Number 200003108H)

JOINT VENTURE WITH MYANMAR TREASURE HOTEL & RESORT GROUP COMPANY LIMITED

1. Joint Venture Agreement

Banyan Tree Holdings Limited (“BTH”) (“Company”, and together with its subsidiaries, “Group”) would like to announce that Banyan Tree Hotels & Resorts Pte. Ltd. (“BTHR”), a wholly-owned subsidiary of BTH, has entered into a joint venture agreement (“JVA”) with Myanmar Treasure Hotel & Resort Group Company Limited (“HH”) on 16 March 2020 in relation to a joint venture (“Joint Venture”) between BTHR and HH in relation to the carrying out of hotel management business in Myanmar (see further paragraph 3 below).

2. Rationale for the Joint Venture

The Group has identified growth opportunities in Myanmar's hotel management sector, and is mindful that entering into such sector can open opportunities for the Group to enter related strategic sectors in Myanmar. To pursue these growth opportunities, the Group has entered into the Joint Venture, with the vision and aim of becoming the top hotel management company in Myanmar.

HH is the hospitality division under the HTOO Group of Companies, a Myanmar holding company established in 1990 with diversified businesses in trading, construction, aviation, hospitality, agriculture, production, financial services, lifestyle and entertainment, and F&B sectors. With Myanmar's largest hotel and resort network of 15 properties, the Group aims to achieve sustainable value-driven growth through the provision of top quality, high value accommodation and hospitality services, while contributing to local social and economic development in an environmentally responsible manner.

3. Information on the Joint Venture

Pursuant to the terms of the JVA:-

- a. BTHR and HH (or their respective designated subsidiaries) shall incorporate a new company (“JVCO”) in Singapore with an initial issued and paid-up share capital of S\$100,000, in which each of BTHR and HH (or their respective designated subsidiaries) shall hold 50% of the shares. The parties' share capital contribution shall be in proportion to their shareholding.
- b. JVCO shall in turn incorporate a subsidiary in Myanmar (“MYR-Sub”), which shall be the vehicle that carries out hotel management business in Myanmar.
- c. BTHR shall contribute its hotel management expertise and knowhow to the Joint Venture, and HH shall allow MYR-Sub to manage 17 of HH's hotel properties (15 existing properties and 2 in the pipeline) located across Myanmar, with such relationship being governed by the terms and conditions in the JVA.
- d. JVCO shall operate the HH owned hospitality school in Yangon currently known as Hotel & Tourism Training Centre to elevate the local hospitality talent pool.

4. Financial Effects

The initial capital contribution by BTHR (which includes its designated subsidiary) will be funded by internal resources and is not expected to have any material impact on the consolidated net tangible asset and consolidated earnings per share of the Group for the financial year ending 31 December 2020.

5. Interests of Directors, Substantial Shareholders and HH

None of the directors of BTH nor (in so far as the directors are aware) any substantial shareholders of BTH or their respective associates have any interest, whether direct or indirect, in the Joint Venture (other than through their shareholdings in BTH). As of the date hereof, HH does not have any interests, direct or indirect, in BTH's issued share capital. HH is not related to any of the directors or controlling shareholders of BTH and is not an interested person of BTH.

By Order of the Board

Shelly Yeo
Company Secretary

16 March 2020