YOMA STRATEGIC HOLDINGS LTD.
(Company Registration No.: 196200185E)
(Incorporated in the Republic of Singapore)
(the **"Company")**

YSH SCRIP DIVIDEND SCHEME

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1. INTRODUCTION

The Board of Directors (the "**Board**" and the "**Directors**") of Yoma Strategic Holdings Ltd. (the "**Company**") is pleased to announce the implementation of the Yoma Strategic Holdings Ltd. Scrip Dividend Scheme (the "**YSH Scrip Dividend Scheme**") upon the receipt of shareholders' approval for the adoption of the proposed new constitution at the Extraordinary General Meeting of the Company to be convened on 26 July 2017 ("**EGM**") immediately following the conclusion of the Annual General Meeting of the Company to be convened on the same day and at the same venue .

Under the terms and conditions of the YSH Scrip Dividend Scheme (the "**Terms and Conditions**"), if the Directors have determined that the YSH Scrip Dividend will apply to any particular dividend (including any interim, final, special or other dividend) ("**Dividend**"), persons registered in the Register of Members of Yoma Strategic Holdings Ltd. (the "**Company**") or, as the case may be, the Depository Register (as defined in Section 130A of the Companies Act, Cap. 50) as the holders of fully paid ordinary shares in the Company ("**Shareholders**") may elect to receive fully paid ordinary shares in the capital of the Company ("**Shares**") in lieu of the cash amount of any Dividend which is declared on the Shares held by them.

Please note that the YSH Scrip Dividend Scheme will <u>not</u> apply to the interim dividend declared by the Directors on 23 June 2017 which is subject to Shareholders' approval at the Annual General Meeting of the Company to be convened on 26 July 2017.

2. RATIONALE AND PURPOSE OF THE YSH SCRIP DIVIDEND SCHEME

The YSH Scrip Dividend Scheme, if and when applied to any particular Dividend, will give Shareholders the choice of receiving such Dividend payment in the form of cash and/or new Shares ("**New Ordinary Shares**") at the absolute discretion of the Directors. As such, Shareholders would have greater flexibility in meeting their investment objectives. The YSH Scrip Dividend Scheme will also enable Shareholders to acquire additional Shares without having to incur transaction or other related costs. The Company will also benefit from the participation by Shareholders in the YSH Scrip Dividend Scheme as, to extent that Shareholders elect to receive such Dividend in the form of New Ordinary Shares, the Company's share capital base and the cash which would otherwise be payable in respect of a cash Dividend may be retained for the Group's general corporate purposes, and/or to fund the growth and expansion of the Company will be enlarged.

3. TERMS AND CONDITION OF THE YSH SCRIP DIVIDEND SCHEME

The Terms and Conditions will be set out in the YSH Scrip Dividend Scheme Statement, a copy of which is attached to this announcement. Unless otherwise stated, all terms used herein shall be as defined in the Terms and Conditions.

4. NOTE TO SHAREHOLDERS

No Known Tax Advantage for Electing to Participate in the YSH Scrip Dividend Scheme

The Company takes no responsibility for the taxation liabilities of Participating Shareholders or the tax consequences of any election made by Shareholders. As individual circumstances and laws vary considerably, specific taxation advice should be obtained by Shareholders if required.

Without prejudice to the foregoing paragraph, as a general indication, however, it is understood that as at the date hereof, under the tax legislation in Singapore, the tax liability of a Shareholder will not alter, nor is there any advantage to be gained, by reason of having elected to participate in the YSH Scrip Dividend Scheme.

Participating Shareholders may Receive Odd Lots

As the Shares are presently traded in board lots of 100 Shares each, a Shareholder who elects to receive New Ordinary Shares in lieu of the cash amount of the Qualifying Dividend may receive such New Ordinary Shares in odd lots.

Eligibility and Overseas Shareholders

All Shareholders are eligible to participate in the YSH Scrip Dividend Scheme, subject to the restrictions on Overseas Shareholders (as defined below) and further subject to the requirement that such participation by the Shareholder will not result in a breach of any other restriction on such Shareholder's holding of Shares, which may be imposed by any statute, law or regulation in force in Singapore or any other relevant jurisdiction, as the case may be, or the Constitution of the Company.

For practical reasons and to avoid any violation of the securities laws applicable in countries outside Singapore where Shareholders may have their registered addresses, otherwise determined by the Directors, Shareholders with registered addresses outside Singapore and who have not provided to the Company or (where the Shareholder is a Depositor) CDP) at least three (3) Market Days prior to the Books Closure Date, addresses in Singapore for the service or notices and documents (each such Shareholder, an "**Overseas Shareholder**") may not participate in the YSH Scrip Dividend Scheme.

No Overseas Shareholder shall have any claim whatsoever against the Company, the Company's share registrar, CDP or any of their respective agents as a result of the YSH Scrip Dividend Scheme not being offered to such Overseas Shareholders.

Overseas Shareholders who may not participate in the YSH Scrip Dividend Scheme and who receive or come to have in their possession a Notice of Election or any document in connection with the YSH Scrip Dividend Scheme may not treat the same as an invitation to them and are advised to inform themselves of, and to observe, any prohibitions and restrictions, and to comply with any applicable laws and regulations relating to the YSH Scrip Dividend Scheme as may be applicable to them.

Overseas Shareholders who wish to be eligible to participate in the YSH Scrip Dividend Scheme should provide an address in Singapore for the service of notices and documents by notifying the Company, c/o the Company's registrar and share transfer office, B.A.C.S. Private Limited at 8 Robinson Road, #03-00 ASO Building, Singapore 048544 (or such other address as may be announced by the Company from time to time), or, if the Overseas Shareholder is a Depositor, CDP, at 11 North Buona Vista Drive, #06-07, The Metropolis Tower 2, Singapore 138589 (or such other address as may be announced by the Company from time to time) no later than three (3) Market Days prior to the Books Closure Date. Depositors should note that all correspondence and notices will be sent to their last registered addresses with CDP.

Shareholders to Note Obligations under Singapore Code on Take-overs and Mergers ("**Take-over Code**")

The attention of Shareholders is drawn to Rule 14 of the Take-over Code. In particular, a Shareholder should note that he may be under an obligation to extend a take-over offer for the Company if:

(a) he acquires, by participating in the YSH Scrip Dividend Scheme in relation to any Dividend, whether at one (1) time or different times, Shares which (taken together with Shares held or acquired by him or persons acting in concert with him) carry thirty (30%) or more of the voting rights of the Company; or

(b) he, together with persons acting in concert with him, holds not less than thirty (30%) but not more than fifty (50%) of the voting rights of the Company and he, 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 of the Company by participating in the YSH Scrip Dividend Scheme in relation to any Dividend.

The statements above do not purport to be a comprehensive or exhaustive description of all the relevant provisions of, or all implications that may arise under, the Take-over Code. Shareholders who are in doubt as to whether they would incur any obligation to make a mandatory offer under the Take-over Code as a result of any acquisition of Shares through their participation in the YSH Scrip Dividend Scheme are advised to consult their professional advisers and/or the SIC at the earliest opportunity.

Treatment of Fractional Entitlements

Fractional entitlements to the New Ordinary Shares will be rounded or otherwise dealt with in such manner as the Directors may deem fit in the interests of the Company and as may be acceptable to the SGX-ST. In the announcement on the availability of the YSH Scrip Dividend Scheme to a Qualifying Dividend, details on the specific treatment of fractional entitlements will be disclosed.

5. APPROVALS FOR THE PURPOSES OF IMPLEMENTING THE SCRIP DIVIDEND SCHEME

Shareholders' Approval for Issuance of New Ordinary Shares

Pursuant to Rule 862 of the Listing Manual of the SGX-ST ("**Listing Manual**"), an announcement must be made by an issuer if it wishes to implement a Scrip Dividend Scheme which enables Shareholders to elect to receive Shares in lieu of the cash amount of any Dividend. The YSH Scrip Dividend Scheme will be implemented upon the receipt of shareholders' approval for the adoption of the proposed new Constitution at the EGM.

The Listing Manual does not require the adoption of scrip dividend schemes to be approved by Shareholders. Accordingly, Shareholders' approval will not be sought for the adoption of the YSH Scrip Dividend Scheme but rather for the authority to the Directors to issue New Ordinary Shares to Shareholders, who have elected to receive their entitlements to a Qualifying Dividend in the form of New Ordinary Shares. The Company has today issued a circular to Shareholders to seek Shareholders' approval for, *inter alia*, the issue and allotment of New Ordinary Shares pursuant to the YSH Scrip Dividend Scheme at the EGM pursuant to Section 161 of the Companies Act. The authority, if approved by Shareholders at the said EGM, will take effect until the conclusion of the next annual general meeting of the Company. The authority may be renewed at each subsequent annual general meeting or other general meetings of the Company.

Approval for Listing and Quotation of New Shares on the SGX-ST

In compliance with Appendix 8.4.4 to the Listing Manual, the Company will from time to time submit an additional listing application to the SGX-ST for the admission to the Official List of the SGX-ST of such New Ordinary Shares as may be issued by the Company for the purposes of, in connection with or where contemplated by the YSH Scrip Dividend Scheme, and for the listing and quotation of such New Ordinary Shares on the Main Board of the SGX-ST, at such time(s) as may be appropriate and determined by the Company. It should be noted that the approval of the SGX-ST should not be taken as an indication of the merits of the YSH Scrip Dividend Scheme, the New Ordinary Shares, the Company and/or its subsidiary corporations. The Company will announce the outcome of any such application as may be appropriate in accordance with the Listing Manual.

It should be noted that the Company is unable to represent, warrant or give any assurance that the approval for the listing and quotation of the New Ordinary Shares will be granted by the SGX-ST. In such event that New Ordinary Shares cannot be issued by the Company or listed and quoted on the SGX-ST, appropriate steps will be taken by the Company for the relevant Shareholders to receive the Dividend in cash.

6. FURTHER INFORMATION ON THE YSH SCRIP DIVIDEND SCHEME

Shareholders are advised to read the YSH Scrip Dividend Scheme Statement, which lists out the Terms and Conditions, for further information before electing to participate in the YSH Scrip Dividend Scheme.

Enquiries about any aspect of the YSH Scrip Dividend Scheme should be directed to:

Yoma Strategic Holdings Ltd.
78 Shenton Way
#32-01
Singapore 079120

BY ORDER OF THE BOARD

Melvyn Pun
Chief Executive Officer

4 July 2017