PROPOSED VOLUNTARY DELISTING OF MEMORIES GROUP LIMITED

1. INTRODUCTION

1.1 The board of directors (the "**Board**") of Yoma Strategic Holdings Ltd. (the "**Company**" or "**YSH**", and together with its subsidiaries, the "**Group**") wishes to announce that Memories Group Limited ("**MGL**") and Memories (2022) Pte. Limited (the "**Offeror**"), have today jointly announced (the "**Joint Announcement**") that the Offeror has presented to the directors of MGL a formal proposal (the "**Delisting Proposal**") to seek the voluntary delisting of MGL from the Catalist of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") pursuant to Rules 1307 and 1308 of the Listing Manual Section B: Rules of Catalist of SGX-ST (the "**Catalist Rules**").

1.2 Under the Delisting Proposal, SAC Capital Private Limited will make, for and on behalf of the Offeror, an exit offer (the "**Exit Offer**") in cash or new ordinary shares in the capital of the Offeror (the "**New Offeror Shares**"), conditional on the obtaining of the approval of MGL's shareholders (the "**MGL Shareholders**") pursuant to Rule 1307 of the Catalist Rules, to acquire all the issued ordinary shares in the capital of MGL (the "**MGL Shares**") (which shall, for the avoidance of doubt, include any MGL Shares issued pursuant to the exercise of instruments convertible into, rights to subscribe for, and options in respect of, MGL Shares, convertible securities or which carry voting rights during the offer period), as at the date of the Exit Offer.

1.3 As at the date of this Announcement, Yoma Strategic Investments Ltd. ("**YSIL**"), a wholly-owned subsidiary of the Company, is a shareholder of MGL. YSIL directly owns 167,078,848 MGL Shares, representing approximately 33.27% of the total number of MGL Shares in issue. YSIL has given an irrevocable undertaking to the Offeror (the "**Irrevocable Undertaking**"), pursuant to which YSIL has undertaken and/or agreed, *inter alia*, to vote all its MGL Shares in favor of the Delisting Resolution, accept the Exit Offer and elect to receive the New Offeror Shares as consideration for all its MGL Shares.

1.4 The Joint Announcement is set out in Appendix A to this Announcement. Shareholders of the Company (the "**Shareholders**") are advised to read the Joint Announcement in full as specific details of the Delisting Proposal are contained therein. Capitalised terms in this Announcement (unless otherwise defined or the context otherwise requires) have the same meaning ascribed to them in the Joint Announcement.

1.5 This Announcement is made in compliance with Chapter 9 and Chapter 10 of the Listing Manual and should be read in conjunction with the Joint Announcement.

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2. INFORMATION ON MGL

MGL is incorporated in Singapore and listed on the Catalist of the SGX-ST. MGL and its subsidiaries operate an integrated tourism platform comprising the hotels, experiences and services business segments, and provide consultancy and management services for other third-party tourism businesses.

3. CONSIDERATION FOR THE OFFER

3.1. According to the terms of the Irrevocable Undertaking, the consideration that YSIL will receive in respect of YSIL's MGL Shares and tendered in acceptance of the Exit Offer is 167,078,848 New Offeror Shares. YSIL will receive the New Offeror Shares within 7 business days of the date on which the Exit Offer becomes or is declared to be unconditional as to acceptances in all respects.

3.2 The consideration for the Exit Offer payable by the Offeror for all the MGL Shares other than those held as treasury shares and those held, directly or indirectly, by the Offeror as at the date of the Exit Offer ("**Offer Shares**") will be, at the election of the MGL Shareholders:

For each Offer Share	**:**	**EITHER** **S$0.047 in cash** (the "**Cash Consideration**"); **OR** **in lieu of the Cash Consideration, one (1) New Offeror Share at the price of S$0.047 per New Offeror Share** (the **"Offeror Shares Consideration"**).

It is not currently contemplated that the New Offeror Shares will be listed on any securities exchange.

The New Offeror Shares shall, when issued, (a) be credited as fully paid, (b) be free from any liens, equities, mortgages, charges, encumbrances, rights of pre-emption and other third party rights and interests of any nature whatsoever, (c) rank *pari passu* in all respects with one another as well as with all other issued ordinary shares in the Offeror as at the date of issue of the New Offeror Shares, and (d) have the same rights, privileges and entitlements as all other issued ordinary shares in the Offeror as at the date of issue of the New Offeror Shares. The New Offeror Shares will be subject to the terms of the Constitution of the Offeror. A summary of the key terms of the Constitution of the Offeror is set out in paragraph 3.9 of the Joint Announcement.

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4. RATIONALE FOR ACCEPTING THE OFFER

4.1 The Company notes the Offeror's Rationale for Delisting and Exit Offer as set out in paragraph 4 of the Joint Announcement and in particular, paragraphs 4.1 and 4.2. The Company takes a longer-term view of the business and management prospects of MGL and has elected to receive the Offeror Shares Consideration in the form of New Offeror Shares pursuant to the Irrevocable Undertaking.

5. CHAPTER 9 OF THE LISTING MANUAL

5.1 To participate in the Exit Offer, YSIL has given the Irrevocable Undertaking in favour of the Offeror and will accept the Exit Offer by exchanging its MGL Shares for New Offeror Shares.

5.2 The Offeror is an associate of Mr. Serge Pun @ Theim Wai ("**Mr. Serge Pun**"). Mr. Serge Pun, the Executive Chairman of YSH, is a controlling shareholder of First Myanmar Investment Public Co., Ltd. ("**FMI**"), the holding company of the Offeror. Accordingly, the Offeror would be considered an "interested person" within the meaning of Rule 904(4) of the Listing Manual vis-à-vis YSIL, which is regarded as an "entity at risk" pursuant to Rule 904(2) of the Listing Manual. The disposal of MGL Shares by YSIL to the Offeror (the "**Transaction**") thus constitutes an "interested person transaction" under Rule 904(5) of the Listing Manual.

5.3 The value of transactions with interested persons associated with Mr. Serge Pun and/or his associates (excluding transactions less than S$100,000 and transactions conducted under the shareholders mandate) for the current 18-month financial period ending 31 March 2022 is approximately US$0.41 million as at the date of this Announcement.

5.4 Pursuant to Rule 909(4) of the Listing Manual, the amount at risk to YSH would be the higher of the market value or book value of YSIL's MGL Shares. Based on the Group's latest audited financial statements as at and for the period ended 30 September 2021, the book value of YSIL's MGL Shares is approximately US$17.74 million. The latest available open market value of YSIL's MGL Shares, being the weighted average price attributable to YSIL's MGL Shares transacted on the last full market day on which the MGL Shares were traded on the SGX-ST prior to the date of the Announcement (the "**Last Trading Day**"), is S$15.87 million.

5.5 Rule 905(1) of the Listing Manual states that an immediate announcement must be made for any interested person transaction of a value equal to or more than 3% of the Group's latest audited net tangible assets ("**NTA**"). The book value of YSIL's MGL Shares (which is higher than the market value as mentioned above) as a percentage of the latest audited consolidated NTA of the Group as at 30 September 2021**,** is more than 3%:

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	Audited As at 30 September 2021
NTA (US$'million)	466.59
Book Value of MGL Shares as a % of NTA	3.80%

5.6 The Audit and Risk Management Committee of the Company is of the view that the Transaction is on normal commercial terms and is not prejudicial to the interests of the Company and its minority shareholders.

6. CHAPTER 10 OF THE LISTING MANUAL

6.1 Rule 1014 of the Listing Manual provides that shareholders' approval is required if a disposal exceeds 50% based on the prescribed computations as set out in Rule 1006.

6.2 The relative figures computed on the bases set out in Rule 1006 of the Listing Manual based on the latest condensed interim financial statements for the six months ended 31 March 2022 of the Group are as follows:

Rule 1006	Bases	Relative Figure (%)
(a)	The net asset value of the assets to be disposed of, compared with the Group's net asset value(1). This basis is not applicable to an acquisition of assets.	**2.23**
(b)	The net loss attributable to MGL, compared with the Group's net loss(2).	**9.07**
(c)	The aggregate consideration(3) given for the Transaction, compared with the Company's market capitalisation(3) based on the total number of issued shares excluding treasury shares.	**2.76**
(d)	The number of equity securities issued by the Company as consideration for the Transaction, compared with the number of equity securities previously in issue.	Not applicable

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Notes:-

(1) Based on the latest condensed interim financial statements for the six months ended 31 March 2022, the book value of YSIL's MGL Shares is approximately US$16.16 million and YSH's net assets (before non-controlling interests) is approximately US$724.98 million

(2) Based on the latest condensed interim financial statements for the six months ended 31 March 2022, the net loss of MGL attributable to YSIL's MGL Shares is approximately US$1.59 million and the net loss of YSH (before tax and non-controlling interests) is approximately US$17.48 million.

(3) The computation assumes that the aggregate consideration for YSIL's MGL Shares as implied by the Cash Consideration per MGL Share of S$0.047 is approximately S$7.82 million. YSH's market capitalisation of approximately S$284.16 million is based on its total number of issued shares of 2,237,469,260 and the closing price of S$0.127 per share on the date of the Announcement.

6.4 The relative figures under Rule 1006(b) involves negative figures. Applying paragraph 4.4(e) of Practice Note 10.1 of the Listing Manual pursuant to Rule 1007(1), the participation in the Exit Offer is a "Discloseable Transaction" under Rule 1010 of the Listing Manual. Accordingly, YSH is required to announce the prescribed information in Rule 1010, Rule 1011, Rule 1012 and Rule 1013, where applicable, immediately.

6.5 The Company's participation in the Exit Offer may be considered as a restructuring of the Group's holding in MGL through another entity with no resultant change in YSIL's existing effective interest in MGL. In response to the Company's application, the Singapore Exchange Regulation Pte. Ltd. has advised that (i) it has no objection to the Company's view that the Company's participation in the Exit Offer constitutes a "Discloseable Transaction" under Chapter 10 of the Listing Manual, (ii) that the Company would be required to make an immediate announcement under Chapter 9 and Chapter 10 requirements and (iii) no shareholders' approval will be required for the Transaction.

7. FINANCIAL INFORMATION

7.1 Book Value

Based on the Group's latest audited financial statements as at and for the period ended 30 September 2021 and the Group's latest condensed interim financial statements for the six months ended 31 March 2022, the book value attributable to YSIL's MGL Shares to be disposed of, is approximately US$17.74 million and US$16.16 million respectively**.**

7.2 Net Tangible Assets

Based on the Group's latest audited financial statements as at and for the period ended 30 September 2021 and the Group's latest condensed interim financial statements for the six months ended 31 March 2022, the NTA attributable to YSIL's MGL Shares is approximately US$17.74 million and US$16.16 million respectively.

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7.3 Latest Available Open Market Value

The latest available open market value of the YSIL's MGL Shares, being the weighted average price attributable to the YSIL's MGL Shares transacted on the Last Trading Day, is approximately S$15.87 million.

7.4 Deficit of Consideration over Book Value

Based on the book value of the YSIL's MGL Shares as set out in the Group's latest audited financial statements as at and for the period ended 30 September 2021 and the Group's latest condensed interim financial statements for the six months ended 31 March 2022, the amount of deficit of the aggregate consideration for YSIL's MGL Shares, as implied by the Cash Consideration of S$0.047 per MGL Share, over the said book value is US$12.13 million and US$10.55 million respectively.

7.5 Net Loss

Based on the Group's latest audited financial statements as at and for the period ended 30 September 2021, the net loss attributable to YSIL's MGL Shares was US$1.59 million and based on the Group's latest condensed interim financial statements for the six months ended 31 March 2022, the net profit attributable to YSIL's MGL Shares was US$1.00 million. The aggregate consideration for YSIL's MGL Shares, as implied by the Cash Consideration per MGL Share of S$0.047, is approximately S$7.85 million. There is no loss on disposal of YSIL Shares. The investment in MGL, through the New Offeror Shares, remains unchanged in the Company's books since there is no change to the Company's effective interest in MGL.

8. FINANCIAL EFFECTS OF THE DELISTING PROPOSAL

8.1 The unaudited pro forma financial effects of the Exit Offer on the Group as set out below are purely for illustrative purposes only and are neither indicative nor do they represent any projection of the financial performance or position of the Group following the close of the Exit Offer.

The pro forma financial effects set out below have been prepared based on the Group's latest audited financial statements as at and for the period ended 30 September 2021, as well as the following bases and assumptions:

(a) the terms of the Exit Offer;

(b) all references to the issued share capital of the Company exclude issued and paid-up ordinary shares held by the Company as treasury shares;

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(c) the financial effects on the consolidated NTA per YSH share ("**Share**") are computed based on the assumption that the Exit Offer had been completed on 30 September 2021; and

(d) the financial effects on the consolidated earnings per Share ("**EPS**") are computed based on the assumption that the Exit Offer had been completed on 1 October 2020.

8.2 Effect on NTA per Share

Assuming that the Transaction had been effected on 30 September 2021, being the end of the most recently completed financial year, the pro-forma financial effects on the consolidated NTA per Share of the Group would be as follows:

	Before completion of the Exit Offer	**After completion of the Exit Offer**
NTA (US$'000)	466,594	466,594
Number of issued shares ('000)	2,237,469	2,237,469
NTA per Share (US$)	20.85	20.85

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8.3 Effect on EPS

Assuming that Transaction had been effected on 1 October 2020, being the start of the most recently completed financial year, the effect on the consolidated EPS of the Group for the financial year ended 30 September 2021, being the most recently completed financial year, would be as follows:

	Before completion of the Exit Offer	**After completion of the Exit Offer**
Consolidated net profit attributable to the Shareholders (US$'000)	(20,304)	(20,304)
Weighted average number of Shares (excluding treasury shares) ('000)	2,246,394	2,246,394
Consolidated EPS (US Cents)	(0.91)	(0.91)

9. DIRECTORS' AND CONTROLLING SHAREHOLDERS' INTERESTS

The Offeror is a wholly-owned subsidiary of FMI. Mr. Serge Pun, the Executive Chairman of the Company, is a controlling shareholder of FMI. Mr. Serge Pun and Mr. Cyrus Pun are directors of the Offeror. Mr. Serge Pun is the Executive Chairman of MGL and Mr. Cyrus Pun is the Chief Executive Officer and Executive Director of MGL. As at the date of this Announcement, Mr. Serge Pun has a direct interest of approximately 0.02% and a deemed interest of approximately 41.62% in the total issued share capital of MGL. Save as disclosed in this Announcement, apart from their shareholdings through the Company, none of the directors or the controlling shareholders of the Company has any interest, direct or indirect, in the Transaction.

10. SERVICE CONTRACTS

As at the date of this Announcement, no person is proposed to be appointed as a director of the Company in connection with the Transaction. Accordingly, no service contract is proposed to be entered into between the Company and any such person.

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11. PLEDGE OF OFFEROR SHARES

As previously disclosed in YSH's annual report for the financial year ended 30 September 2021, the Group held shares in MGL which were pledged to secure certain borrowings of the Group. YSH and YSIL intend to pledge their 167,078,848 New Offeror Shares for the same borrowings, assuming the completion of the successful voluntary delisting of MGL.

12. DOCUMENTS FOR INSPECTION

Copies of the Irrevocable Undertaking will be made available for inspection during normal business hours at the Company's registered office at 63 Mohamed Sultan Road, #02-14 Sultan-Link, Singapore 239002 for 3 months from the date of this Announcement.

BY ORDER OF THE BOARD

Melvyn Pun
Chief Executive Officer

12 September 2022

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APPENDIX A
JOINT ANNOUNCEMENT

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MEMORIES GROUP LIMITED
(Incorporated in the Republic of Singapore)
Company Registration Number 201201631D

MEMORIES (2022) PTE. LIMITED
(Incorporated in the Republic of Singapore)
Company Registration Number 202229618G

JOINT ANNOUNCEMENT

PROPOSED VOLUNTARY DELISTING OF MEMORIES GROUP LIMITED

1. INTRODUCTION

1.1 Memories Group Limited ("**MGL**" or the "**Company**") and Memories (2022) Pte. Limited (the "**Offeror**") wish to jointly announce that the Offeror has presented to the board of directors of MGL (the "**Directors**") a formal proposal to seek the voluntary delisting of MGL (the "**Delisting**") (the "**Delisting Proposal**") from the Catalist of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") pursuant to Rules 1307 and 1308 of the SGX-ST Listing Manual Section B: Rules of Catalist (the "**Catalist Rules**").

1.2 Under the Delisting Proposal, SAC Capital Private Limited ("**SAC Capital**") will make, for and on behalf of the Offeror, an exit offer (the "**Exit Offer**") in cash or new ordinary shares in the Offeror, conditional on the obtaining of the Shareholders' Approval (as defined in paragraph 2.1 below), to acquire all the issued ordinary shares in the capital of MGL ("**Shares**")[1] (which shall, for the avoidance of doubt, include any Shares issued pursuant to the exercise of instruments convertible into, rights to subscribe for, and options in respect of, Shares, convertible securities or which carry voting rights during the offer period), as at the date of the Exit Offer.

1.3 Based on the latest information available to the Offeror and save as disclosed at paragraphs 3.23 to 3.26 and 6.2 below, there are no outstanding instruments convertible into, rights to subscribe for, nor options (whether pursuant to an employee share option scheme or otherwise) in respect of, securities which carry voting rights of the Company (collectively, "**Options**") as at the date of this Joint Announcement (the "**Joint Announcement Date**"). In view of the foregoing and the ruling of the Securities Industry Council ("**SIC**") set out in paragraph 3.26, the Offeror will not make an offer to acquire any Options.

1.4 The Directors have reviewed the Delisting Proposal and have resolved to (a) apply to the SGX-ST for the Delisting; and (b) subject to the approval of the SGX-ST, convene an extraordinary general meeting of MGL ("**EGM**") to seek the approval of the shareholders of MGL (the "**Shareholders**") for the Delisting pursuant to Rules 1307 and 1308 of the Catalist Rules.

[1] In this Joint Announcement, unless otherwise stated, all references to the total number of issued Shares shall be to 502,170,955 Shares. MGL does not have any treasury shares as at the Joint Announcement date. For reference only, the maximum potential issued share capital of MGL will comprise 506,061,595 Shares assuming that the Second Tranche Shares (as defined in paragraph 6.2(ii) below) have been allotted and issued, but excluding the Conversion Shares (as defined in paragraph 3.24 below).

2. CATALIST RULES PROVISIONS PERTAINING TO THE DELISTING

2.1 Under Rule 1307 of the Catalist Rules, the SGX-ST may agree to an application by MGL to delist from the Catalist if:

(i) MGL convenes an EGM to obtain approval of the Shareholders for the Delisting; and

(ii) the resolution to approve the Delisting (the "**Delisting Resolution**") has been approved by a majority of at least seventy-five per cent (75%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) held by the Shareholders present and voting, on a poll, either in person or by proxy at the EGM. The Offeror and parties acting in concert with it (collectively, the "**Offeror Concert Party Group**") must abstain from voting on the Delisting Resolution,

(collectively, the "**Shareholders' Approval**").

2.2 In addition, under Rule 1308 of the Catalist Rules, if MGL is seeking to delist from the SGX-ST:

(i) an Exit Offer must be made to the Shareholders and holders of any other classes of listed securities to be delisted. The Exit Offer must: (i) be fair and reasonable; and (ii) include a cash alternative as the default alternative; and

(ii) MGL must appoint an independent financial adviser to advise on the Exit Offer and the independent financial adviser must opine that the Exit Offer is fair and reasonable.

3. THE DELISTING PROPOSAL

3.1 The Exit Offer is extended to all Shareholders holding Offer Shares (as defined in paragraph 3.2 below) as at the date of the Exit Offer.

Exit Offer Consideration

3.2 The consideration for the Exit Offer (the "**Exit Offer Consideration**") payable by the Offeror for all the Shares other than those held as treasury shares and those held, directly or indirectly, by the Offeror as at the date of the Exit Offer ("**Offer Shares**") will be, at the election of the Shareholders:

For each Offer Share : EITHER

S$0.047 in cash (the "**Cash Consideration**");

OR

in lieu of the Cash Consideration, one (1) new ordinary share in the capital of the Offeror (the "New Offeror Share") at the price of S$0.047 ("Issue Price") per New Offeror Share (the "Share Consideration")

It is not currently contemplated that the New Offeror Shares will be listed on any securities exchange.

3.3 The Offer Shares to be acquired will be (a) fully paid; (b) free from all liens, equities, mortgages, charges, encumbrances, rights of pre-emption and other third party rights and interests of any nature whatsoever ("**Encumbrances**"); and (c) together with all rights, benefits and entitlements attached thereto as at the Joint Announcement Date and thereafter attaching thereto (including the right to receive and retain all dividends, rights and other distributions ("**Distributions**"), if any, which may be announced, declared, paid or made thereon by MGL, on or after the Joint Announcement Date).

3.4 Without prejudice to the foregoing, the Exit Offer Consideration has been determined on the basis that the Offer Shares will be acquired with the right to receive any Distribution that may be declared, paid or made by MGL on or after the Joint Announcement Date. In the event any Distribution is or has been declared, paid or made by MGL on or after the Joint Announcement Date to a Shareholder who validly accepts or has validly accepted the Exit Offer, the Exit Offer Consideration payable to such accepting Shareholder shall be reduced by an amount which is equal to the amount of such Distribution depending on when the settlement date in respect of the Offer Shares tendered in acceptance by such accepting Shareholder pursuant to the Exit Offer falls, as follows:

(i) if such settlement date for the Offer Shares falls on or before the books closure date for the determination of entitlements to the Distribution (the "**Books Closure Date"**), the Offeror shall pay the relevant accepting Shareholders the unadjusted Exit Offer Consideration for each Offer Share, as the Offeror will receive the Distribution in respect of such Offer Shares from MGL; or

(ii) if such settlement date for the Offer Shares falls after the Books Closure Date, the Exit Offer Consideration shall be reduced by an amount which is equal to the amount of the Distribution in respect of each Offer Share, as the Offeror will not receive the Distribution in respect of such Offer Shares from MGL. In the case of Shareholders electing for the Share Consideration, the Issue Price of the New Offeror Shares will be reduced accordingly.

3.5 **Shareholders who accept the Exit Offer shall have in relation to all their Offer Shares tendered in acceptance of the Exit Offer, the right to elect to receive either the Share Consideration or the Cash Consideration, but not both.** In the event that any Shareholder who has tendered their Offer Shares in acceptance of the Exit Offer does not elect between the Cash Consideration or the Share Consideration, whether due to an absence or failure of a valid election, **such Shareholder will be deemed to have elected to receive the Cash Consideration for all of its Offer Shares tendered in acceptance of the Exit Offer.**

3.6 In addition, any Shareholder electing to receive the Share Consideration will be required by the Offeror to comply with and provide particulars and supporting documents as may be required to satisfy such anti-money laundering and counter terrorism financing checks or due diligence as required by applicable laws and regulations, failing which such Shareholder will be deemed to have elected to receive the Cash Consideration for all of its Offer Shares tendered in acceptance of the Exit Offer.

3.7 The actual number of New Offeror Shares which a Shareholder who accepts the Exit Offer and who elects to receive the Share Consideration will receive, will be rounded down to the nearest whole number and calculated such that any resultant fraction of any New Offeror Share will be disregarded, and accordingly no fraction of any New Offeror Share will be issued to any such Shareholder. By way of illustration, a Shareholder who accepts the Exit Offer and who elects to receive the Share Consideration will receive, for every 100,000 Offer Shares tendered in acceptance of the Exit Offer, 100,000 New Offeror Shares, and a Shareholder who accepts the

Exit Offer and who elects to receive the Cash Consideration will receive, for every 100,000 Offer Shares tendered in acceptance of the Exit Offer, S$4,700 in cash.

3.8 The New Offeror Shares shall, when issued, (a) be credited as fully paid, (b) be free from any Encumbrances, (c) rank *pari passu* in all respects with one another as well as with all other issued ordinary shares in the Offeror as at the date of issue of the New Offeror Shares, and (d) have the same rights, privileges and entitlements as all other issued ordinary shares in the Offeror as at the date of issue of the New Offeror Shares.

3.9 The New Offeror Shares will be subject to the terms of the Constitution of the Offeror ("**Offeror Constitution**"). A summary of the key terms of the Offeror Constitution is set out below:

(a) Article 103 of the Offeror Constitution:

Number of Directors. Subject to the other provisions of Section 145 of the Companies Act 1967 ("**Companies Act**"), there shall be at least one director who is ordinarily resident in Singapore and there shall be a maximum of eight (8) directors.

(b) Article 115 of the Offeror Constitution:

Appointment of Directors. The right to appoint directors shall be determined based on percentage shareholding, with each block of twelve per cent (12%) shareholding entitling the shareholder to appoint one (1) director, and (for the avoidance of doubt) in the case of a shareholder with at least twenty-four per cent (24%) shareholding in the Offeror, it shall have the right to appoint two (2) directors. All the remaining shareholders shall also have the right to appoint up to two (2) directors subject to approval by such shareholders who represent a majority of the total voting rights of such remaining shareholders. The board of directors of the Offeror ("**Offeror Board**") may unanimously agree to appoint such number of independent and non-executive directors as it deems appropriate.

(c) Article 134C of the Offeror Constitution:

Shareholders Reserved Matters. The consent of eighty-five per cent (85%) of the votes of all issued and outstanding shares in the Offeror from time to time at a shareholders' meeting is required for the following reserved matters:

(i) Any change in the share capital or capital structure (including the issuance of new shares or instruments convertible into equity) of the Offeror;

(ii) Amendment to the Offeror Constitution;

(iii) The undertaking of any new business;

(iv) The expansion of the existing business into new geographies outside of Myanmar;

(v) Determination of the profit distribution and any funding requirement from shareholders; and

(vi) Any affiliated transaction excluding those categories of interested person transactions set out in the mandate for interested person transactions of the Company as detailed in the addendum dated 12 January 2021.

(d) Article 134A of the Offeror Constitution:

The unanimous approval of the Offeror Board is required for the following reserved matters:

(i) Approval of the annual operating budget;

(ii) Amendment to the Offeror Constitution;

(iii) Merger, division, consolidation and reorganisation of the Offeror;

(iv) Termination, dissolution or liquidation of the Offeror;

(v) Purchase or sale of any asset with an amount exceeding ten per cent (10%) of latest audited net asset value of the Offeror;

(vi) Borrowing over ten per cent (10%) of latest audited net asset value of the Offeror;

(vii) Providing a mortgage, pledge or guarantee in favour of any party where such pledge or guarantee is against any borrowings permissible under paragraph 3.9(d)(vi) above or as approved as part of the annual operating budget;

(viii) The adoption of an employee share option plan ("**ESOP**"), and any amendment thereto other than the ESOP agreed as part of the Exit Offer; and

(ix) Allocation of ESOP shares and adjustments to the salary and other emoluments of the key management comprising the Chairman and C-Suite executives of the Offeror.

(e) Article 134B of the Offeror Constitution

More than seventy-five per cent (75%) consent of the Offeror Board is required for the appointment or change in remuneration or significant employment terms of the Chief Executive Officer, Chief Financial Officer and/or Chief Operating Officer of the Offeror.

(f) Article 41A of the Offeror Constitution:

Right of First Refusal. In the event that a shareholder (not being FMI (as defined in paragraph 3.14 below)) proposes to sell or otherwise dispose of its shares in the capital of the Offeror to a third party ("**Selling Party**"), each of the other shareholders (including, for the avoidance of doubt, FMI (as defined in paragraph 3.14 below)) shall have the right of first refusal to acquire such shares from the Selling Party pro-rata to its shareholding in the Offeror.

(g) Article 53 of the Offeror Constitution:

Issuance of new shares to shareholders. Unless otherwise determined by the Offeror in general meeting, any new shares shall, before issue, be offered in the first instance to all the then holders of any class of shares in proportion as nearly as may be to the number of existing shares to which they are entitled. In offering such shares in the first instance to all the then holders of any class of shares the offer shall be made by notice specifying the number of shares offered and limiting the time within which the offer if not accepted will

be deemed to be declined and after the expiration of that time or on the receipt of an intimation from the person to whom the offer is made that he declines to accept the shares offered, the Offeror Board may dispose of those shares in such manner as they think most beneficial to the Offeror and the Offeror Board may dispose of or not issue any such shares which by reason of the proportion borne by them to the number of holders entitled to any such offer or by reason of any other difficulty in apportioning the same cannot, in the opinion of the directors, be conveniently offered under this regulation.

(h) Article 41B of the Offeror Constitution:

Other Restriction on Transfers. A shareholder (not being FMI (as defined in paragraph 3.14 below)) which proposes to sell or otherwise dispose of its shares in the capital of the Offeror requires the written consent of the other non-transferring shareholders holding at least thirty per cent (30%) interest in the Offeror. None of the shareholders shall transfer its shares in the Offeror to persons on the sanctions list.

(i) Article 41C of the Offeror Constitution:

Drag Along rights. In the event that any one or more shareholders holding more than thirty per cent (30%) of the Offeror's shares proposes to sell all their shares in the Offeror at a price that is not less than the valuation of the Company's business at which the offer is made to a bona fide buyer, they shall have the right to require the other shareholders (if required by the buyer) to sell some or all of their shares in the Offeror as part of such sale at the same price and terms. This drag along right shall only apply after the third anniversary of the closing date of the Exit Offer ("**Closing Date**").

(j) Article 41D of the Offeror Constitution:

Founder's Obligations. FMI (as defined in paragraph 3.14 below) shall not sell, dispose of or transfer any of its shares in the Offeror or any interest therein, and will procure that none of its affiliates or associated companies will sell, dispose of or transfer their shareholding interest in the Offeror (whether direct or indirect), for a period of three (3) years from Closing Date; and thereafter, if it proposes to sell any shares, the other shareholders shall have the right to participate in such sale on a pro rata basis.

(k) Article 134D of the Offeror Constitution:

Information Rights. The Offeror shall, upon request of a director, provide to the Offeror Board monthly management accounts of the Offeror and each subsidiary or associated company, no later than twenty (20) days after the end of the relevant month.

3.10 Further details on the Exit Offer will be set out in the exit offer letter (the "**Exit Offer Letter**") to be issued by the Offeror to the Shareholders containing, *inter alia*, the terms of the Exit Offer and the relevant acceptance form(s) in due course.

3.11 MGL will make an application to the SGX-ST for the Delisting in due course, and subject to the approval of the SGX-ST, will convene an EGM to seek the Shareholders' Approval for the Delisting pursuant to Rules 1307 and 1308 of the Catalist Rules.

Conditions

3.12 The Delisting and the Exit Offer will be conditional on the Delisting Resolution being approved by a majority of at least seventy-five per cent (75%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) held by the Shareholders present and voting, on a poll, either in person or by proxy at the EGM to be convened for the Shareholders to vote on the Delisting Resolution (the Offeror Concert Party Group must abstain from voting on the Delisting Resolution) (the "**Delisting Resolution Approval Condition**").

3.13 The Exit Offer will not become or be capable of being declared unconditional as to acceptances until the close of the Exit Offer, unless at any time prior to the close of the Exit Offer, the Offeror has received valid acceptances (which have not been withdrawn) in respect of such number of Offer Shares which, when taken together with Shares owned, controlled or agreed to be acquired by or on behalf of the Offeror Concert Party Group (either before or during the Exit Offer and pursuant to the Exit Offer or otherwise), will result in the Offeror and parties acting in concert with it holding such number of Shares carrying more than fifty per cent (50%) of the voting rights attributable to the issued share capital of MGL. Such acceptance condition will be met when the Undertaking Shareholders (as defined in paragraph 3.19 below) tender their acceptances for the Exit Offer in accordance with the Irrevocable Undertakings (as defined in paragraph 3.19 below).

3.14 Under Rule 1307(2) of the Catalist Rules, the Offeror Concert Party Group must abstain from voting on the Delisting Resolution. However, the SIC has ruled that subject to the submission to the SIC of the relevant confirmations, the Undertaking Shareholders (other than (i) Mr. U Theim Wai @ Serge Pun ("**Serge Pun**"), (ii) First Myanmar Investment Public Co., Ltd. ("**FMI**"), (iii) Yoma Strategic Investments Ltd. ("**YSIL**") (a wholly-owned subsidiary of Yoma Strategic Holdings Ltd. ("**YSH**")) and (iv) ACE Venture Opportunities ("**ACE**") who are deemed members of the Offeror Concert Party Group) and Oakfame Investment Limited ("**Oakfame**" or the "**Bondholder**"), and their respective concert parties (the "**Excluded Undertaking Entities**") will not be regarded as parties acting in concert with the Offeror for the purposes of the Exit Offer solely by virtue of the Irrevocable Undertakings or the Bondholder Undertaking (as the case may be) executed by them.

3.15 Accordingly, the Excluded Undertaking Entities are entitled to vote on the Delisting Resolution, and Samena and SHC (both as defined in paragraph 3.19 below) have given the undertakings to do so pursuant to their respective Irrevocable Undertakings (as defined in paragraph 3.19 below). Further details of the Irrevocable Undertakings are set out in paragraphs 3.19 to 3.22 and 7.4(i) of this Joint Announcement, and further details of the Bondholder Undertaking are set out in paragraphs 3.23 to 3.26 and 7.4(ii) of this Joint Announcement.

Duration

3.16 It is intended that the Exit Offer Letter and the relevant acceptance form(s) will be despatched to Shareholders on the same day as the circular to be issued by MGL in connection with the Delisting (the "**Delisting Circular**") containing, *inter alia*, further information on the Delisting Proposal and the terms and conditions of the Exit Offer. The Exit Offer will be open for acceptance by Shareholders from the date of the despatch of the Delisting Circular and Exit Offer Letter and will remain open for a period of at least fourteen (14) days after the date of the announcement of the fulfilment of the Delisting Resolution Approval Condition. If the Delisting Resolution is not approved at the EGM, the Delisting Resolution Approval Condition will not be fulfilled and the Exit Offer will lapse.

Acceptances

3.17 Shareholders may choose to accept the Exit Offer in respect of all or part of their holdings of Offer Shares. Shareholders may choose to accept the Exit Offer before the EGM. However, such acceptances would be conditional and if the Delisting Resolution is not approved at the EGM, the Delisting Resolution Approval Condition will not be fulfilled and the Exit Offer will lapse.

Warranty

3.18 Acceptance of the Exit Offer by a Shareholder will be deemed to constitute an unconditional and irrevocable warranty by that Shareholder that each Offer Share accepted is sold by him as, or on behalf of, the beneficial owner(s) thereof, are (a) fully paid; (b) free from all Encumbrances; and (c) together with all rights, benefits and entitlements attached thereto as at the Joint Announcement Date and thereafter attaching thereto (including the right to receive and retain all Distributions, if any, which may be announced, declared, paid or made thereon by MGL on or after the Joint Announcement Date).

Irrevocable Undertakings

3.19 The Offeror has obtained irrevocable undertakings (the "**Irrevocable Undertakings**") from:

(i) Mr. Serge Pun;

(ii) FMI;

(iii) YSIL;

(iv) ACE;

(v) Samena Mandalay Holdings ("**Samena**"); and

(vi) SHC Capital Holdings Pte Ltd ("**SHC**"),

(collectively, the "**Undertaking Shareholders**"), pursuant to which they have each undertaken and/or agreed, *inter alia*, to vote all their Shares in favour of the Delisting Resolution, accept the Exit Offer and elect to receive the Share Consideration in respect of all their Shares, further details of which are set out in paragraph 7.4(i) below.

Notwithstanding the foregoing, Mr. Serge Pun, FMI, YSIL and ACE, who are members or presumed to be members of the Offeror Concert Party Group, would not be permitted to vote on the Delisting Resolution. While the Excluded Undertaking Entities, comprising Samena, SHC and the Bondholder, would be permitted to vote on the Delisting Resolution, only Samena and SHC holds Shares as at the Joint Announcement Date. While ACE is a member of the Offeror Concert Party Group, it is not a related corporation of the Offeror. The respective shareholdings of the Excluded Undertaking Entities in MGL are set out in paragraphs 7.4(i) and (ii) of this Joint Announcement.

3.20 As at the Joint Announcement Date, the Undertaking Shareholders collectively hold an aggregate of 426,928,353 Shares representing approximately 85.02% of the total number of issued Shares (based on an issued and paid up share capital of 502,170,955 Shares as at the date hereof, excluding treasury shares), further details of which are set out in paragraph 7.4(i) below.

3.21 The Irrevocable Undertakings shall terminate, lapse and cease to have any effect on the earlier of: (a) the effective date of the Delisting; or (b) in the event the Delisting lapses or is terminated in accordance with its terms without the Delisting becoming effective for any reason other than a breach by the relevant Undertaking Shareholder of any of the obligations in the Irrevocable Undertaking, the date of lapsing or termination of the Exit Offer.

3.22 Save as disclosed in paragraphs 3.23 to 3.26 and 7.4(ii) of this Joint Announcement, none of the Offeror Concert Party Group received any irrevocable undertaking from any party to accept or reject the Exit Offer as at the Joint Announcement Date.

Bondholder Undertaking

3.23 On 15 May 2019, MGL issued to the Bondholder unlisted convertible bonds (in denominations of US$319,000) in the principal amount of US$3,190,000 at the coupon rate of five per cent (5%) per annum ("**Convertible Bonds**"), in accordance with the terms of the conditional convertible bond subscription agreement entered into between MGL and the Bondholder.

3.24 The Offeror has obtained an irrevocable undertaking from the Bondholder (the "**Bondholder Undertaking**"), pursuant to which the Bondholder has undertaken and/or agreed, *inter alia*, not to transfer or assign all or any part of the Convertible Bonds to any third party, not to convert all or any of the Convertible Bonds into shares in MGL ("**Conversion Shares**"), not to exercise any of its rights to redeem all or any of the Convertible Bonds, not to accept any other offer from any other party for all or any of the Convertible Bonds, and that it will reject and waive its rights to receive a comparable offer for the Convertible Bonds under Rule 19 of the Singapore Code on Take-Overs and Mergers (the "**Code**"), further details of which are set out in paragraph 7.4(ii) below.

3.25 The Bondholder Undertaking shall terminate, lapse and cease to have any effect on the earlier of: (a) the effective date of the Delisting; or (b) in the event the Delisting lapses or is terminated in accordance with its terms without the Delisting becoming effective for any reason other than a breach by the Bondholder of any of the obligations in the Bondholder Undertaken, the date of lapsing or termination of the Exit Offer.

3.26 In view of the Bondholder Undertaking and the Bondholder's agreement to reject and waive its rights to receive a comparable offer for its Convertible Bonds under Rule 19 of the Code, the SIC has ruled that the Offeror will not be required to make an appropriate offer or proposal to the Bondholder in respect of the Convertible Bonds.

Financial Adviser to the Offeror

3.27 SAC Capital has been appointed as financial adviser to the Offeror in respect of the Delisting and Exit Offer.

4. RATIONALE FOR THE DELISTING AND EXIT OFFER

4.1 Significant changes in market conditions necessitate greater management flexibility

Despite a successful listing on the Catalist of the SGX-ST in early 2018, the Company and its subsidiaries' (collectively, the "**Group**") businesses have been directly and significantly impacted by the ongoing COVID-19 pandemic since March 2020. While the healthcare crisis has mostly subsided, the effect on global travel, and particularly, arrivals to Myanmar, persists to this day with flight connection and capacity at a fraction of pre-pandemic levels. The impact on the Group's businesses was further exacerbated when Myanmar's military announced a State of Emergency in February 2021. The effect of this is exemplified by the current status that governments of several countries have issued advisories against non-essential travel to Myanmar. Being in the tourism industry, the Company has been especially disadvantaged by these black swan events, which resulted in significant impairment loss recognised in the Company's results for the financial years ended 30 September 2020 and 30 September 2021. There is no assurance that hindrance to travel in Myanmar will be fully lifted and/or political uncertainties will be resolved in the near-term. With a highly uncertain future ahead, the Offeror is of the view that delisting of the Company will provide the Company with greater management flexibility in utilising and deploying its available resources, and facilitate the implementation of strategic, long-term turnaround initiatives and/or operational changes for the Company to protect the long-term competitiveness of the business.

4.2 No need for access to public capital markets

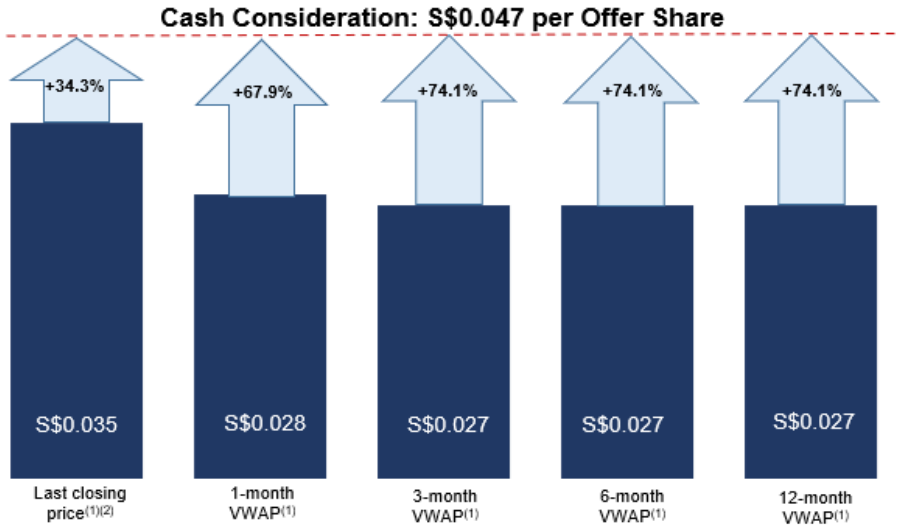
Despite the management's efforts, the business and growth of the Group have been impacted by the challenging macroeconomic and operating environment as explained in paragraph 4.1 above. The Offeror believes that in order to turnaround the business, the Company will require time and continuing investment of funds to meet its ongoing financial commitments, to weather the severe disruption to the tourism sector and to pursue its growth objectives that may have minimal near-term payoff.

It is in this context that the Offeror believes that the delisting of the Company will provide the Offeror with greater control and flexibility to allow the Company to focus on the execution of its long-term turnaround business plans. This differs from the demand of the public capital markets which generally remains more short-term in nature. As the Company seeks additional financing, the Offeror believes that the Company is unlikely to undertake any meaningful access to the Singapore public capital markets in the foreseeable future as raising funds via the public capital markets is highly dependent on valuations and market conditions. Therefore, the Offeror believes that the listing status of the Company brings minimal benefits to the Company and its shareholders, unlike initially envisaged.

4.3 Opportunity for Shareholders to realise their investment in the Shares at a premium to the historical traded prices (for the relevant periods prior to and including the Holding Announcement Date (as defined below))

In view of the challenging and uncertain macroeconomic and operating environment due to, *inter alia*, the COVID-19 pandemic, political uncertainties in Myanmar, and adverse global economic outlook stemming from rising inflation rates, the Offeror is of the opinion that the Cash Consideration represents an attractive exit opportunity for Shareholders to exit their entire investment with price certainty at a premium to historical traded prices (for the relevant periods prior to and including the Holding Announcement Date (as defined below)) without incurring brokerage and other trading costs.

(a) <u>The Cash Consideration is at a premium above the historical traded prices (for the relevant periods prior to and including the Holding Announcement Date (as defined below))</u>

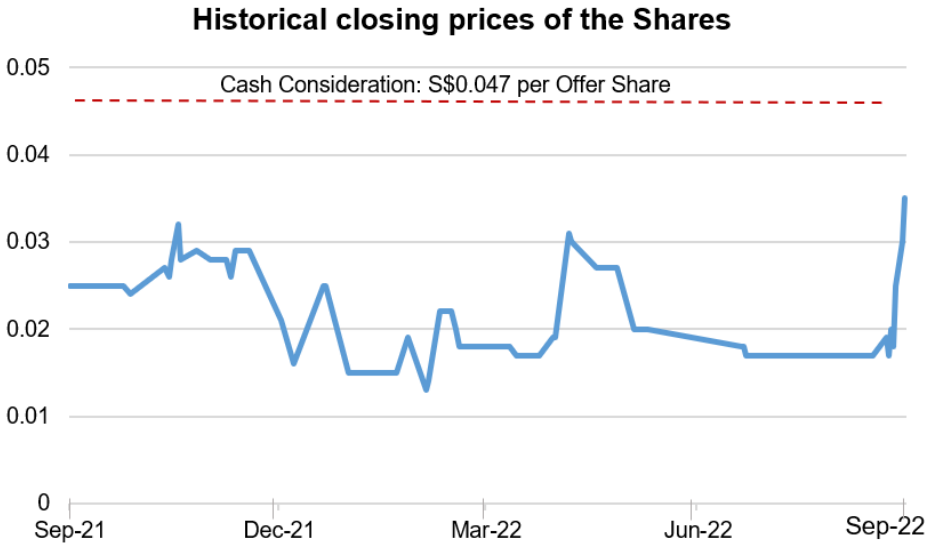


Notes:

(1) The historical traded prices and the corresponding premium are computed based on data extracted from Bloomberg L.P.

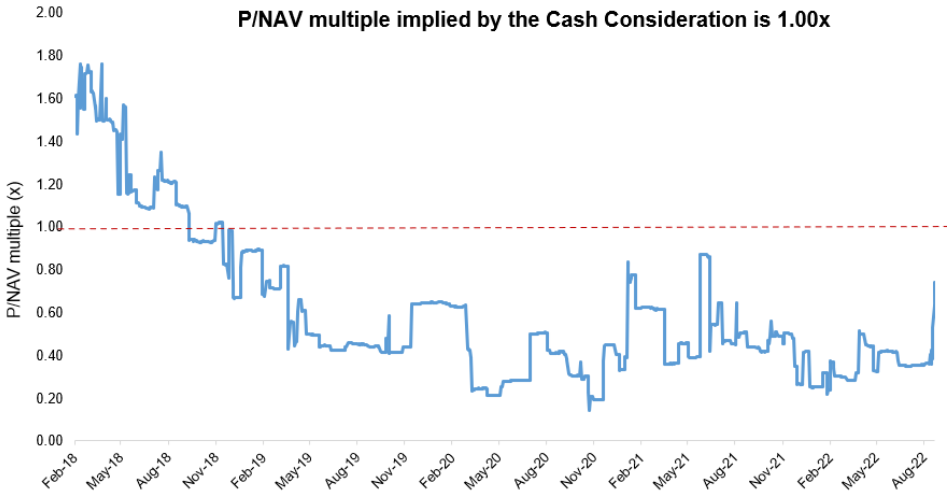
(2) Last closing price per Share on the Last Undisturbed Trading Day (as defined below).

As set out in the chart above, the Cash Consideration of S$0.047 per Offer Share represents a premium of approximately 67.9%, 74.1%, 74.1% and 74.1% above the volume-weighted average price ("**VWAP**") per Share for the 1-month, 3-month, 6-month and 12-month periods respectively up to and including 30 August 2022 (the "**Last Undisturbed Trading Day**"), being the last full market day immediately before the Company released the announcement (the "**Holding Announcement**") in respect of discussions of possible proposals and opportunities involving the Shares on 30 August 2022 in response to an increase in the share price and volume in the trading of the Shares prior to 30 August 2022 (the "**Holding Announcement Date**"). The Cash Consideration also represents a premium of 34.3% above the last closing price per Share of S$0.035 on the Last Undisturbed Trading Day.



As illustrated in the price chart above, the Shares have traded below the Cash Consideration for the preceding 1-year period up to and including the Last Undisturbed Trading Day.

(b) The Company's Price-to-net asset value ("**P/NAV**") multiple of 1.00x implied by the Cash Consideration exceeds its historical averages over the last 3 years prior to the Holding Announcement Date



The P/NAV multiple as implied by the Cash Consideration is 1.00x, calculated based on the Company's unaudited net asset value ("**NAV**") per Share of S$0.047[2] as at 30 June 2022. This represents a premium of 163.2% and 132.6% above the average P/NAV multiples of 0.38x[3] and 0.43x[3] for the 1-year and 3-year periods up to and including the Last Undisturbed Trading Day respectively.

Based on the chart above and for periods prior to the Holding Announcement Date, the Shares have never closed at or above a P/NAV multiple of 1.00x since 23 November 2018.

(c) Share prices and volume activity after the Company's Holding Announcement

The Company made the Holding Announcement in response to an increase in the share price and volume in the trading of the Shares prior to the Last Undisturbed Trading Day, and reference was made in the Holding Announcement to a possible general offer for all the Shares. At the time of the Holding Announcement, the Delisting Proposal had not been presented to the Board nor was there any certainty that it would be presented. Save as disclosed in the Holding Announcement, the Company did not, during the period between the Last Undisturbed Trading Day and 9 September 2022, announce any other corporate action or transaction and/or any other material development which could explain the increase in the price and volume of the Shares traded during that period.

Although the Cash Consideration of S$0.047 per Offer Share represents a discount of approximately 49.5% to the last closing price per Share of S$0.093 on 9 September 2022, being the last full market day prior to the receipt of the Delisting Proposal, the Board is of the view that it would be more appropriate to benchmark the Cash Consideration against the historical traded prices for the relevant periods disclosed above prior to and including the Last Undisturbed Trading Day, as the traded prices and volume of the Shares during the period between the Last Undisturbed Trading Day and 9 September 2022, may have factored in or taken into consideration Company's disclosures in the Holding Announcement.

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[2] Based on the closing exchange rate of US$1:S$1.391 as at 30 June 2022 as extracted from Bloomberg L.P, rounded to the nearest 3 decimal places

[3] The historical average P/NAV multiples are computed based on the daily closing prices up to and including the Last Undisturbed Trading Day and reflect the market capitalisation of the Shares at the end of each trading day divided by the net assets of the Group for the last reported financial period.

4.4 Opportunity for Shareholders to exit their entire investment in the Company, which may otherwise be difficult due to the low trading liquidity of the Shares

Historically, the trading volume of the Shares has been low, with an average daily trading volume of approximately 618,686 Shares**,** 218,103 Shares, 123,734 Shares and 66,752 Shares during the 1-month, 3-month, 6-month and 12-month periods respectively up to and including the Last Undisturbed Trading Day. Each of these trading volumes represents less than 0.13%[4] of the total number of issued Shares as at the end of the aforementioned relevant periods.

The Cash Consideration therefore provides Shareholders who might otherwise find it difficult to exit their investment in the Company as a result of the low trading volume in the Shares with an opportunity to realise their entire investment in the Shares in cash and at a premium above the historical traded prices (for the relevant periods prior to and including the Holding Announcement Date).

In view of the generally low trading liquidity during the periods prior to and including the Last Undisturbed Trading Day, the Offeror believes that the Cash Consideration represents an opportunity for Shareholders to realise their investments in the Shares by way of a clean cash exit, at a price (without incurring any brokerage and other trading costs) which may not otherwise be readily available due to the low trading liquidity and low free float of the Shares during the aforementioned relevant periods.

4.5 Compliance costs of maintaining listing

If delisted, the Company will be able to dispense with compliance costs associated with maintenance of a listed status and other regulatory requirements, and channel such expenses towards its business operations.

4.6 Shareholders have the option to elect the Share Consideration

If the Delisting is approved by Shareholders, under the terms of the Exit Offer, Shareholders will be given the option to elect either the Cash Consideration or the Share Consideration, but not a combination of both. Shareholders with a longer-term view of the business prospects of the Group under the control of the Offeror can elect for the Share Consideration instead of the Cash Consideration, which will be in the form of the New Offeror Shares. However, as the New Offeror Shares are in a private unlisted company (unless it is converted into a public company for the reasons set out in paragraph 7.1 below), Shareholders should carefully consider the risk factors and restrictions of holding the New Offeror Shares should they wish to elect to receive the Share Consideration. Details of the above will be set out in the Delisting Circular and Exit Offer Letter to be despatched in due course.

5. OFFEROR'S INTENTIONS IN RELATION TO THE COMPANY

5.1 Delisting Resolution

The Offeror does not intend to maintain or support any action taken or to be taken to maintain the present listing status of the Company and there is no plan in the foreseeable future for the Shares to be re-listed on any securities exchanges.

Shareholders should note that in the event the Delisting Resolution Approval Condition is satisfied, the Company will be delisted from the Official List of the SGX-ST on or after the close of the Exit Offer, irrespective of the number of acceptances received by the Offeror in respect of the Exit Offer.

[4] Computed based on 502,170,955 Shares, being the total number of issued Shares as at the Joint Announcement Date.

If the Company is delisted from the Official List of the SGX-ST, the Company (as a Singapore incorporated company) will remain subject to the provisions of the Companies Act and may be subject to provisions of the Take-Over Code (if it remains as a public unlisted company) but will no longer be subject to the provisions of the Catalist Rules. Shareholders at such time may wish to seek their own independent legal advice to familiarise themselves with their rights, *inter alia*, as a shareholder of a Singapore-incorporated company under the Companies Act.

5.2 Offeror's Future Plans for the Company

Following the close of the Exit Offer, the Offeror will undertake a review of the businesses, organisation and operations of the Company. This review will help the Offeror determine the optimal business strategy for the Company and thereafter, the Offeror may implement changes to the business and operations of the Company to navigate the challenging business environment. Shareholders will have an option to elect for the Share Consideration in the form of the New Offeror Shares.

Save as disclosed above, the Offeror has no current intention to (a) introduce any major changes to the business of the Company, (b) re-deploy the fixed assets of the Company, or (c) discontinue the employment of any of the existing employees of the Group, other than in the ordinary course of business.

Nonetheless, the Offeror retains the flexibility at any time to consider any options or opportunities which may present themselves, and which it regards to be in the interests of the Offeror and/or the Company.

6. INFORMATION ON MGL

6.1 MGL is incorporated in Singapore and listed on the Catalist of the SGX-ST. The Group operates an integrated tourism platform comprising the hotels, experiences and services business segments, and provide consultancy and management services for other third party tourism businesses.

As at the Joint Announcement Date, the Directors comprise:

(i) Mr. Serge Pun (Executive Chairman);

(ii) Mr. Pun Chi Yam Cyrus ("**Cyrus Pun**") (Chief Executive Officer and Executive Director);

(iii) Mr. Tun Tun (Non-Executive Non-Independent Director);

(iv) Mr. Chan Basil (Lead Independent Director);

(v) Mr. Robin Lee Chye Beng (Non-Executive Independent Director); and

(vi) Mr. Chan Chun Hung Vincent (Non-Executive Non-Independent Director).

6.2 Outstanding Shares

On 30 May 2018, MGL announced the acquisition of the Kayah Resort business (the "**KR Business**") from the vendors, Wa Minn Group of Companies Company Limited (the "**Wa Minn Group**") and U Kun Naung Myint Wai ("**UKNMW**") for the fair value consideration of US$2,900,000. The purchase consideration (the "**KR Purchase Consideration**") comprises cash consideration of US$1,450,000 (the "**KR Cash Consideration**") payable to the Wa Minn Group and 7,781,280 new ordinary shares of MGL (the "**Consideration Shares**") at an issue price of $0.25 per Consideration Share payable to UKNMW.

(i) **First tranche.** The first tranche comprises US$725,000 in cash (being fifty per cent (50%) of the KR Cash Consideration) and 3,890,640 new Shares (being fifty per cent (50%) of the Consideration Shares) which shall be allotted and issued within one month from the date of completion. On 7 June 2018, MGL allotted and issued the first tranche of 3,890,640 Consideration Shares to UKNMW.

(ii) **Second tranche.** The second tranche comprises US$580,000 in cash (being forty per cent (40%) of the KR Cash Consideration) and 3,890,640 new Shares (being the remaining fifty per cent (50%) of the Consideration Shares) (the "**Second Tranche Shares**") which shall be allotted and issued within one month from the date of satisfaction of the initial conditions subsequent. As at this Joint Announcement Date, the initial conditions subsequent have not been satisfied, and the second tranche KR Purchase Consideration has not been paid to UKNMW.

(iii) **Final tranche.** The final tranche comprises US$145,000 in cash (being the remaining ten per cent (10%) of the KR Cash Consideration) upon satisfaction of the final conditions subsequent. As at the Joint Announcement Date, the final conditions subsequent have not been satisfied and the final tranche KR Purchase Consideration has not been paid to UKNMW.

Assuming that the Second Tranche Shares are allotted and issued to UKNMW by the date of the Exit Offer, the total number of issued and paid-up ordinary shares of MGL will be 506,061,595 Shares.

7. INFORMATION ON THE OFFEROR CONCERT PARTY GROUP

7.1 The Offeror

The Offeror is a special purpose vehicle incorporated in Singapore for the purposes of the Delisting and the Exit Offer. Its principal activity is that of investment holding. As at the Joint Announcement Date, the Offeror is a wholly owned subsidiary of FMI, a public company incorporated in the Republic of the Union of Myanmar and listed on the Yangon Stock Exchange. As at the Joint Announcement Date, the Offeror has an issued and paid-up share capital of S$1 comprising one (1) ordinary share, and the board of directors of the Offeror comprises:

(i) Mr. Serge Pun;

(ii) Mr. Tun Tun; and

(iii) Mr. Cyrus Pun

(collectively, the "**Offeror Directors**" and each an "**Offeror Director**").

As at the Joint Announcement Date, the Offeror does not hold any Shares directly. In the event that the number of Shareholders who elect to receive the Share Consideration will result in the Offeror having more than fifty (50) shareholders, it is intended that the Offeror will be converted from a private company to a public company, pursuant to and in accordance with the provisions of the Companies Act.

7.2 Shareholder of the Offeror

FMI is a public company incorporated in the Republic of the Union of Myanmar and listed on the Yangon Stock Exchange. Its directors are Mr. Serge Pun (Executive Chairman), Mr. Tun Tun (Executive Director and Chief Operating Officer), Mr. Linn Myaing (Non-Executive Director), Mr. Than Aung (Non-Executive Director), Dr. Aung Tun Thet (Independent Non-Executive Director), Mr. Kyi Aye (Non-Executive Director), Mr. Cezar Peralta Consing (Non-Executive Director) and Mr. Alberto Macapinlac de Larrazabal (Alternate Director).

As at the Joint Announcement Date, FMI directly owns 41,947,426 Shares, representing approximately 8.35% of the total number of Shares in issue.

7.3 Parties Acting in Concert with the Offeror

As at the Joint Announcement Date, the following parties are parties acting in concert with the Offeror:-

(i) Mr. Serge Pun, being the executive chairman and controlling shareholder of FMI;

(ii) FMI, being the sole shareholder of the Offeror;

(iii) YSH, being an entity controlled by Mr. Serge Pun;

(iv) YSIL, being a wholly-owned subsidiary of YSH; and

(v) ACE, a segregated portfolio company incorporated in the Cayman Islands.

Mr. Serge Pun is also the Executive Chairman and a Director of MGL.

The aggregate shareholding of the parties deemed to be acting in concert with the Offeror as at the Joint Announcement Date is approximately 49.84%[5]. The details of the respective shareholding of each the parties in the Offeror Concert Party Group are set out in paragraph 7.4(i) below.

7.4 Arrangements entered into by the Offeror

For the purposes of making the Exit Offer, the Offeror has entered into the following arrangements:

(i) **Irrevocable Undertakings**

The Offeror has obtained Irrevocable Undertakings from each of the Undertaking Shareholders, who collectively hold an aggregate of 426,928,353 Shares representing approximately 85.02% of the total number of issued Shares, pursuant to which each of the Undertaking Shareholders has undertaken and/or agreed to, *inter alia*, the following:

(a) vote, or procure the voting of, all their Shares (the "**Relevant Shares**") in favour of the Delisting Resolution and any other matter proposed to implement the Delisting at any meeting of the Shareholders to approve the Delisting and at any adjournment thereof (provided that Mr. Serge Pun, FMI, YSIL and ACE (who are members of the Offeror Concert Party Group) would not be permitted to vote on the Delisting Resolutions);

[5] Based on 502,170,955 Shares. For reference only, the aggregate shareholding of the Offeror Concert Party will be approximately 49.45% based on the maximum potential issued share capital of MGL of 506,061,595 Shares assuming that the Second Tranche Shares (as defined in paragraph 6.2) have been allotted and issued, but excluding the Conversion Shares (as defined in paragraph 3.24).

(b) accept, or procure the acceptance of, the Exit Offer in respect of all the Relevant Shares owned or controlled, directly or indirectly, or agreed to be acquired by the Undertaking Shareholders on or prior to the closing date of the Exit Offer;

(c) elect, or procure the election, to receive only the Share Consideration for all the Relevant Shares and to execute all documents and do all acts, which may be required by MGL, the Offeror, the Share Registrar or the Company Secretary of MGL, or The Central Depository (Pte) Limited to give effect to the election; and

(d) not accept any other offer from any other party for all or any of the Relevant Shares.

As at the date of this Joint Announcement:

(a) FMI directly owns 41,947,426 Shares, representing approximately 8.35% of the total number of Shares in issue.

(b) YSIL directly owns 167,078,848 Shares, representing approximately 33.27% of the total number of Shares in issue.

(c) YSH is deemed to be interested in the 167,078,848 Shares held directly by its wholly-owned subsidiary, YSIL.

(d) Mr. Serge Pun, a director of FMI and YSH, owns, directly and indirectly, an aggregate of 209,129,274 Shares, representing approximately 41.65% of the total number of Shares in issue, in the following manner:

(A) 103,000 Shares held directly by Mr. Serge Pun, representing approximately 0.02% of Shares in issue;

(B) 167,078,848 Shares held by YSIL, representing approximately 33.27% of the total number of Shares in issue; and

(C) 41,947,426 Shares held by FMI, representing approximately 8.35% of the total number of Shares in issue.

Mr. Serge Pun is deemed interested in 209,026,274 Shares held by YSIL and FMI as he holds an aggregate (both direct and deemed) (a) 28.13% shareholding interest in YSH, which owns the entire shareholding in YSIL; and (b) approximately 56.05% shareholding interests in FMI.

(e) Samena owns 141,004,800 Shares, representing approximately 28.08% of the total number of Shares in issue. Samena was allotted and issued the Shares by MGL as consideration for MGL's acquisition of 19,200 ordinary shares in the capital of SM Asset Holdings Pte. Ltd..

(f) ACE directly owns 41,131,520 Shares, representing approximately 8.19% of the total number of Shares in issue. In connection with the acquisition by MGL (formerly known as SHC Capital Asia Limited) of the entire issued and paid-up share capital of MM Myanmar Pte. Ltd. ("**RTO**") from YSIL, FMI and Exemplary Ventures Limited ("**EVL**") for a consideration which was to be satisfied in full by the allotment and issuance of new ordinary shares in the capital of MGL, EVL had directed MGL to allot and issue the Shares to ACE in satisfaction of certain debt funding that ACE had provided to EVL.

(g) SHC owns 35,662,759 Shares ("**SHC Shares**"), representing approximately 7.10% of the total number of Shares in issue. Prior to the RTO, SHC was the majority shareholder of SHC Capital Asia Limited (now known as MGL). See Hoy

Chan Holdings Pte Ltd has a deemed interest in the SHC Shares arising from its 100.0% interest in SHC. See Hoy Chan Sdn. Berhad has a deemed interest in the SHC Shares arising from its 100.0% interest in See Hoy Chan Holdings Pte Ltd, which holds 100.0% interest in SHC. Messrs Teo Soo Chew, Teo Soo Kiat and Teo Chiang Kai are also deemed to be interested in the SHC Shares by virtue of their respective interests in See Hoy Chan Sdn. Berhad.

The Irrevocable Undertakings shall terminate, lapse and cease to have any effect on the earlier of: (a) the effective date of the Delisting; or (b) in the event the Delisting lapses or is terminated in accordance with its terms without the Delisting becoming effective for any reason other than a breach by the relevant Undertaking Shareholder of any of the obligations in the Irrevocable Undertaking, the date of lapsing or termination of the Exit Offer.

(ii) **Bondholder Undertaking**

The Offeror has obtained the Bondholder Undertaking from the Bondholder, pursuant to which the Bondholder has undertaken and/or agreed, *inter alia*, the following:

(a) waive all obligations of MGL in relation to the maintenance of the listing of and quotation for all the Shares on the Catalist of the SGX-ST pursuant to the Convertible Bond subscription agreement and all relevant documents relating to the Convertible Bonds;

(b) not to transfer or assign all or any part of the Convertible Bonds registered in its name to any third party, including any entity that is controlled by the common major shareholders of the Bondholder;

(c) not to convert all or any of the Convertible Bonds into Conversion Shares;

(d) not to exercise any of its rights to redeem all or any of the Convertible Bonds;

(e) not accept any other offer from any other party for all or any of the Convertible Bonds; and

(f) to reject and waive its rights to receive a comparable offer for its Convertible Bonds under Rule 19 of the Code.

The Bondholder Undertaking shall terminate, lapse and cease to have any effect on the earlier of: (a) the effective date of the Delisting; or (b) in the event the Delisting lapses or is terminated in accordance with its terms without the Delisting becoming effective for any reason other than a breach by the Bondholder of any of the obligations in the Bondholder Undertaking, the date of lapsing or termination of the Exit Offer.

(iii) **Shareholder Loan**

FMI has agreed to provide a shareholder loan(s) to the Offeror in respect of the aggregate amount equivalent to the Cash Consideration multiplied by the total number of Offer Shares held by all shareholders of MGL (which for the avoidance of doubt, excludes such shares held by the Undertaking Shareholders and the Bondholder) which are acquired by the Offeror during the Offer Period (the "**Shareholder Loan**"), and the Shareholder Loan, to the extent drawn down by the Offeror (to satisfy the amount of cash required to pay for all the Offer Shares for Shareholders who have elected for the Cash Consideration), may

be capitalised into new Offeror Shares (as defined below at paragraph 11.2) (the "**Capitalisation**") on or after the Closing Date at the Issue Price.

(iv) **ACE Undertaking**

The Offeror has obtained an irrevocable undertaking from ACE, pursuant to which ACE has undertaken, *inter alia*, the following:

(a) ACE shall not, and shall procure the parties acting in concert with it to not, take any action which will result in the Offeror Concert Party Group incurring an obligation to make a mandatory offer for MGL under Rule 14 of the Code;

(b) ACE shall not take any steps which will result in it and / or parties acting in concert with it incurring an obligation to make a mandatory offer for MGL under Rule 14 of the Code without first (i) obtaining a ruling from the SIC that the Offeror Concert Party Group is not acting in concert with the offeror, and (ii) procuring the parties acting in concert with it to comply with all the relevant requirements of the Code; and

(c) except with the prior written consent of the Offeror, ACE shall not and shall procure the parties acting in concert with it to not, directly or indirectly, buy, borrow, sell, transfer, lend, mortgage, charge, otherwise acquire or dispose (whether for any consideration or otherwise), take or create any pledge, lien or other encumbrance of any nature whatsoever over any legal or beneficial interest in the shares of MGL and/or the Offeror (or any voting rights in such shares), or take any action or enter into any arrangements in connection with or in contemplation of the foregoing.

7.5 Arrangement entered into by YSH and YSIL

As previously disclosed in YSH's annual report for the financial year ended 30 September 2021, YSH together with its subsidiaries (the "**Yoma Group**") held shares in MGL which were pledged to secure certain borrowings of the Yoma Group. YSH and YSIL intend to pledge their 167,078,848 New Offeror Shares for the same borrowings, assuming the completion of the successful Delisting.

7.6 Resultant Shareholdings of the Offeror

For illustrative purposes only, it is contemplated that following the close of the Exit Offer:

(i) **All Cash Consideration**

Assuming that (A) all Shareholders (save for the Undertaking Shareholders in accordance with the Irrevocable Undertakings) accept the Exit Offer and elect to receive the Cash Consideration as the Exit Offer Consideration for all their Offer Shares, (B) only the Undertaking Shareholders accept the Exit Offer and elect to receive the Share Consideration as the Exit Offer Consideration for all their Offer Shares in accordance with the Irrevocable Undertaking, and (C) the Capitalisation is completed in respect of the entirety of the Shareholder Loan, the resultant shareholdings of the Offeror will be as follows:

Name of Offeror Shareholder	Based on the issued share capital of MGL as at the Joint Announcement Date[1]		Based on the maximum potential issued share capital of MGL[2]	
	Number of issued Offeror Shares	Percentage of issued Offeror Shares (%)	Number of issued Offeror Shares	Percentage of issued Offeror Shares (%)
FMI	117,190,029[5]	23.3	121,080,669[6]	23.9
Mr. Serge Pun	103,000	n.m.[3]	103,000	n.m.[3]
YSIL[4]	167,078,848	33.3	167,078,848	33.0
ACE	41,131,520	8.2	41,131,520	8.1
Samena	141,004,800	28.1	141,004,800	27.9
SHC	35,662,759	7.1	35,662,759	7.1
Total	**502,170,956**	**100.0**	**506,061,596**	**100.0**

Notes:

(1) Based on the issued share capital of MGL of 502,170,955 Shares as at the Joint Announcement Date.

(2) The maximum potential issued share capital of MGL will comprise 506,061,595 Shares assuming that the Second Tranche Shares (as defined in paragraph 6.2) have been allotted and issued as at the date of the Exit Offer, but excluding the Conversion Shares (as defined in paragraph 3.24).

(3) "n.m." means not meaningful.

(4) Please refer to paragraph 7.5 above for details of the charge over the New Offeror Shares that will be held by YSIL.

(5) Comprising FMI's 41,947,427 Offeror Shares and 75,242,602 Offeror Shares arising from Capitalisation,

(6) Assuming that the Second Tranche Shares of 3,890,640 new Shares are allotted and issued to UKNMW as at the date of the Exit Offer and UKNMW elects to receive the Cash Consideration as the Exit Offer Consideration for their Offer Shares.

(ii) **All Share Consideration**

Assuming that (A) all Shareholders (including the Undertaking Shareholders in accordance with the Irrevocable Undertaking) accept the Exit Offer and elect to receive the Share Consideration as the Exit Offer Consideration for all their Offer Shares, and (B) the Capitalisation is accordingly not relevant, the resultant shareholdings of the Offeror will be as follows:

Name of Offeror Shareholder	Based on the issued share capital of MGL as at the Joint Announcement Date[1]		Based on the maximum potential issued share capital of MGL[2]	
	Number of issued Offeror Shares	Percentage of issued Offeror Shares (%)	Number of issued Offeror Shares	Percentage of issued Offeror Shares (%)
FMI	41,947,427	8.4	41,947,427	8.3
Mr. Serge Pun	103,000	n.m.[3]	103,000	n.m.[3]
YSIL[4]	167,078,848	33.3	167,078,848	33.0
ACE	41,131,520	8.2	41,131,520	8.1
Samena	141,004,800	28.1	141,004,800	27.9
SHC	35,662,759	7.1	35,662,759	7.0
Other Shareholders	75,242,602	14.9	79,133,242[5]	15.7
Total	**502,170,956**	**100.0**	**506,061,596**	**100.0**

Notes:

(1) Based on the issued share capital of MGL of 502,170,955 Shares as at the Joint Announcement Date.

(2) The maximum potential issued share capital of MGL will comprise 506,061,595 Shares assuming that the Second Tranche Shares (as defined in paragraph 6.2) have been allotted and issued, but excluding the Conversion Shares (as defined in paragraph 3.24).

(3) "n.m." means not meaningful.

(4) Please refer to paragraph 7.5 above for details of the charge over the New Offeror Shares that will be held by YSIL.

(5) Assuming that the Second Tranche Shares of 3,890,640 new Shares are allotted and issued to UKNMW as at the date of the Exit Offer and UKNMW elects to receive the Share Consideration as the Exit Offer Consideration for their Offer Shares.

8. COMPULSORY ACQUISITION

Pursuant to Section 215(1) of the Companies Act, in the event that the Offeror acquires ninety per cent (90%) or more of the Shares (other than those already held by the Offeror, its related corporations and their respective nominees as at the date of the Exit Offer and which, for the avoidance of doubt, excludes any issued and paid-up ordinary shares held by MGL as treasury shares), the Offeror would be entitled to exercise the right to compulsorily acquire all the Shares of Shareholders who have not accepted the Exit Offer ("**Dissenting Shareholders**") at a price equal to the Exit Offer Consideration.

The Offeror intends to make MGL its wholly-owned subsidiary. **Accordingly, if the Offeror receives acceptances pursuant to the Exit Offer in respect of not less than ninety per cent (90%) of the total number of Shares in issue as at the close of the Exit Offer (other than those already held by the Offeror, its related companies and their respective nominees as at the date of the despatch of the Exit Offer Letter), the Offeror intends to exercise its right of compulsory acquisition under Section 215(1) of the Companies Act.**

In addition, pursuant to Section 215(3) of the Companies Act, if the Offeror acquires such number of Shares which, together with (a) the Shares held by it, its related corporations and their respective nominees, and (b) any issued and paid-up ordinary shares held by MGL as treasury shares, comprise 90% or more of all the Shares and any issued and paid-up ordinary shares held by MGL as treasury shares, Dissenting Shareholders have a right to require the Offeror to acquire their Shares at the Exit Offer Consideration. Shareholders who wish to exercise such a right are advised to seek their own independent legal advice.

9. RULINGS FROM THE SIC

An application was made by the Offeror to the SIC to seek clarification regarding the extent to which the provisions of the Code applied to the Exit Offer. The SIC has ruled, *inter alia*, that:

(a) the Offeror is exempted from the requirement under Rule 19 of the Code to make an appropriate offer or proposal to Oakfame in respect of the Convertible Bonds;

(b) the Exit Offer is exempted from compliance with the following provisions of the Code:

(i) Rule 20.1 to keep the offer open for fourteen (14) days after it is revised;

(ii) Rule 22 on the offer timetable;

(iii) Rule 28 on acceptances; and

(iv) Rule 29 on the right of acceptors to withdraw their acceptances,

subject to:

(A) shareholder approval for the Delisting Resolution being obtained within three (3) months from the Joint Announcement Date;

(B) the Exit Offer remaining open for at least:

(I) twenty-one (21) days after the date of the despatch of the Exit Offer Letter if the Exit Offer Letter, together with the relevant acceptance form(s), are despatched after Shareholders' Approval has been obtained; or

(II) fourteen (14) days after the date of the announcement of Shareholders' Approval if the Exit Offer Letter, together with the relevant acceptance form(s), are despatched on the same date as the Delisting Circular; and

(C) disclosure in the Delisting Circular of:

(I) the consolidated net tangible assets ("**NTA**") per Share of the group comprising MGL, its subsidiaries and associated companies based on the latest published accounts prior to the date of the Delisting Circular; and

(II) particulars of all known material changes as of the latest practicable date which may affect the consolidated NTA per Share referred to in paragraph 9(b)(C)(I) above or a statement that there are no such known material changes;

(c) subject to the submission to the SIC of the relevant confirmations, the Excluded Undertaking Entities will not be regarded as parties acting in concert with the Offeror for the purposes of the Exit Offer solely by virtue of the Irrevocable Undertakings or the Bondholder Undertaking (as the case may be) executed by them. As of this Joint Announcement Date, the relevant confirmations have been submitted to the SIC;

(d) subject to the submission to the SIC of the relevant confirmations, the presumption that the close relatives (other than immediate family members) (the "**Relevant Close Relatives**") of the directors of FMI and YSH and the group of companies (except for Mr. Serge Pun and Mr. Tun Tun) (the "**Excluded Directors**") are acting in concert with the Excluded Director is rebutted. The Offeror will be reaching out to the Excluded Directors to request for the submission of these confirmations upon the release of the Joint Announcement;

(e) only the directors of the Offeror would be required to accept joint and several liability for each document and advertisement addressed to Shareholders in connection with the Exit Offer;

(f) the confirmation of the adequacy of financial resources to be furnished by SAC Capital pursuant to Rule 3.5 of the Code as well as in the Exit Offer Letter pursuant to Rule 23.8

of the Code can be limited to the extent of the amount of cash required to pay for all Shares held by all shareholders of the Company other than the Undertaking Shareholders and Oakfame; and

(g) Each of Mr. Serge Pun, Mr. Cyrus Pun and Mr. Tun Tun, being directors of MGL, is exempted from the requirement to make a recommendation to the Shareholders in connection with the Exit Offer.

Nevertheless, Mr. Serge Pun, Mr. Cyrus Pun and Mr. Tun Tun, together with the remainder of the board of MGL, will still assume responsibility for the accuracy of the facts stated and completeness of the information given by MGL to the Shareholders on the Exit Offer, including information contained in announcements and documents issued by or on behalf of the MGL in connection with the Exit Offer.

Mr. Chan Basil, Mr. Robin Lee Chye Beng and Mr. Chan Chun Hung Vincent, being the remaining Directors of the Company, will be considered independent for the purposes of providing a recommendation on the Exit Offer to the Shareholders.

10. CONFIRMATION OF FINANCIAL RESOURCES

Pursuant to the Irrevocable Undertakings, all the Undertaking Shareholders have undertaken, *inter alia*, to elect to receive the Share Consideration pursuant to the Exit Offer, and pursuant to the Bondholder Undertaking, the Bondholder has undertaken, *inter alia*, not to exercise any of its rights to (a) transfer or assign all or any of the Convertible Bonds, (b) convert all or any of the Convertible Bonds into Conversion Shares, or (c) seek early redemption of all or any of the Convertible Bonds, during the Exit Offer period and will further agree to reject and waive its rights to receive a comparable offer for its Convertible Bonds under Rule 19 of the Code.

SAC Capital, being the Offeror's financial adviser for the Delisting and Exit Offer, has confirmed that, taking into account the Irrevocable Undertakings and the Bondholder Undertaking, sufficient financial resources are available to the Offeror to satisfy in full all acceptances of the Exit Offer to the extent of the amount of cash required to pay for all the Offer Shares held by all shareholders of MGL other than the Undertaking Shareholders and the Bondholder.

11. DISCLOSURES

11.1 As at the Joint Announcement Date, (i) the Offeror, (ii) FMI (excluding any of its subsidiaries and other associated companies), (iii) YSIL (excluding any of its holding companies, subsidiaries and other associated companies), (iv) SHC, (vii) the directors of each of the Offeror, FMI, YSIL and SHC, and (viii) SAC Capital (excluding its subsidiaries and any other members of the SAC Capital Group (as defined below)) (collectively, the "**Relevant Parties**", and each a "**Relevant Party**") collectively own, control or have agreed to acquire an aggregate of 244,792,033 Shares, representing approximately 48.75% of the total number of issued Shares.
Save as disclosed in this Joint Announcement, as at the Joint Announcement Date, none of the Relevant Parties:

(a) owns, controls or has agreed to acquire any:

(i) Shares; or

(ii) convertible securities, warrants, options or derivatives in respect of such Shares or which carry voting rights in MGL,

(collectively, the "**Securities**");

(b) has dealt in any Securities during the six-month period prior to the Joint Announcement Date;

(c) has received any irrevocable undertaking from any party to accept the Exit Offer;

(d) has entered into any arrangement (whether by way of option, indemnity or otherwise) in relation to shares of the Offeror or MGL which might be material to the Exit Offer; or

(e) has:

(i) granted a security interest over any Securities to another person, whether through a charge, pledge or otherwise;

(ii) borrowed from another person any Securities (excluding borrowed securities which have been on-lent or on-sold); or

(iii) lent any Securities to another person.

All references to "derivative" in this paragraph shall mean any financial product whose value in whole or in part is determined directly or indirectly by reference to the price of an underlying security or securities, as at the Joint Announcement Date.

For the purposes of this announcement, "**SAC Capital Group**" refers to SAC Capital, its related corporations (as defined in the Companies Act) and associated companies controlled by SAC Capital.

11.2 Save as disclosed in this Joint Announcement, as at the Joint Announcement Date, none of the Relevant Parties owns, controls or has agreed to acquire (a) any New Offeror Shares; (b) shares in the capital of the Offeror ("**Offeror Shares**"); (c) securities which carry voting rights in the Offeror; (d) securities which are convertible into Offeror Shares or securities which carry voting rights in the Offeror; or (e) rights to subscribe for, or options in respect of, such Offeror Shares or securities.

11.3 In the interests of confidentiality, the Offeror has not made enquiries in respect of certain other parties who are or may be deemed to be acting in concert with it in connection with the Exit Offer. Similarly, SAC Capital has also not made any enquiries in respect of the other members of the SAC Capital Group. Further enquiries will be made of such persons and the relevant disclosures, if any, will be made in due course subsequently and in the Exit Offer Letter and/or the Delisting Circular.

12. INDEPENDENT FINANCIAL ADVISER

Provenance Capital Pte. Ltd. has been appointed as the independent financial adviser (the "**IFA**") to advise the Directors who are considered independent for the purposes of the Delisting Proposal and the Exit Offer (the "**Independent Directors**").

13. OVERSEAS SHAREHOLDERS

This Joint Announcement does not constitute an offer to sell or the solicitation of an offer to subscribe for or buy any security, nor is it a solicitation of any vote or approval in any jurisdiction, nor shall there be any sale, issuance or transfer of the securities referred to in this Joint Announcement in any jurisdiction in contravention of applicable law. The Exit Offer will be made to Shareholders solely by the Exit Offer Letter and the relevant acceptance form(s) accompanying the Exit Offer Letter, which will contain the full terms and conditions of the Exit Offer, including details of how the Exit Offer may be accepted.

The release, publication or distribution of this Joint Announcement in certain jurisdictions may be restricted by law and therefore persons in any such jurisdictions into which this Joint Announcement is released, published or distributed should inform themselves about and observe such restrictions.

Copies of this Joint Announcement and any formal documentation relating to the Exit Offer are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in or into or from any jurisdiction where the making of or the acceptance of the Exit Offer would violate the applicable law of that jurisdiction ("**Restricted Jurisdiction**") and will not be capable of acceptance by any such use, instrumentality or facility within any Restricted Jurisdiction and persons receiving such documents (including custodians, nominees and trustees) must not mail or otherwise forward, distribute or send them in or into or from any Restricted Jurisdiction. For the avoidance of doubt, the Exit Offer shall be made to all Shareholders including those to whom the Exit Offer Letter and the relevant acceptance form(s) will not be sent.

The Exit Offer (unless otherwise determined by the Offeror and permitted by applicable law and regulation) will not be made, directly or indirectly, in or into, or by the use of mails of, or by any means or instrumentality (including, without limitation, telephonically or electronically) of interstate or foreign commerce of, or any facility of a national, state or other securities exchange of, any Restricted Jurisdiction and the Exit Offer will not be capable of acceptance by any such use, means, instrumentality or facilities.

The ability of the Shareholders who are not resident in Singapore to accept the Exit Offer may be affected by the laws of the relevant jurisdictions in which they are located. Persons who are not resident in Singapore should inform themselves of, and observe, any applicable requirements.

14. FURTHER INFORMATION

No immediate action is required of Shareholders on their part in respect of the Delisting Proposal and the Exit Offer.

The Delisting Circular will be electronically despatched by the Company to Shareholders in due course. The Delisting Circular shall include, *inter alia*, further information regarding the Delisting, the terms and conditions of the Exit Offer, the advice of the IFA and the recommendation of the Independent Directors regarding the Exit Offer, and a notice of the EGM. The Exit Offer Letter is expected to be electronically despatched by or on behalf of the Offeror to Shareholders on the same day as the Delisting Circular.

Copies of the Delisting Circular and the Exit Offer Letter will be published on the website of the SGX-ST at https://www.sgx.com in due course. In connection with the electronic dispatch of the Delisting Circular and the Exit Offer Letter, a hardcopy notification containing instructions on how to access the electronic copies of the Exit Offer Letter and the Delisting Circular, together with the

hardcopy form(s) of acceptance of the Exit Offer will be despatched to the Shareholders in due course.

In the meantime, Shareholders are advised to exercise caution in their dealings in the Shares and to refrain from taking any action in relation to their Shares which may be prejudicial to their interests. **Persons who are in doubt as to the action they should take should consult their stockbroker, bank manager, solicitor or other professional advisers.**

15. RESPONSIBILITY STATEMENTS

The Offeror Directors (including any Offeror Director who may have delegated detailed supervision of this Joint Announcement) have taken all reasonable care and made all reasonable inquiries to ensure that the facts stated and opinions expressed herein (other than those relating to MGL and any opinion expressed by MGL) have been arrived at after due and careful consideration and are fair and accurate and that no material facts have been omitted from this Joint Announcement, the omission of which would make any statement in this Joint Announcement misleading. Where any information in this Joint Announcement has been extracted or reproduced from published or otherwise publicly available sources or obtained from MGL, the sole responsibility of the Offeror Directors has been to ensure, through reasonable enquiries, that such information has been accurately and correctly extracted from such sources or, as the case may be, accurately reflected or reproduced in this Joint Announcement. The Offeror Directors jointly and severally accept responsibility accordingly.

The Directors (including any Director who may have delegated detailed supervision of this Joint Announcement) collectively and individually accept full responsibility for the accuracy of the information in this Joint Announcement and confirm after making all reasonable enquiries, that to the best of their knowledge and belief, this Joint Announcement constitute full and true disclosure of all material facts about the Delisting Proposal, the Company and its subsidiaries, and the Directors are not aware of any facts, the omission of which would make any statement in this Joint Announcement misleading.

Where any information in this Joint Announcement has been extracted or reproduced from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from such sources or, as the case may be, accurately reflected or reproduced in this Joint Announcement in its proper form and context.

BY ORDER OF THE BOARD
MEMORIES GROUP LIMITED

Mr. Chan Basil
Lead Independent Director
12 September 2022

BY ORDER OF THE BOARD
MEMORIES (2022) PTE. LIMITED

Mr. Cyrus Pun
Director
12 September 2022

Any enquiries relating to this Joint Announcement, the Delisting Proposal or the Exit Offer should be directed during office hours to:

SAC Capital Private Limited
1 Robinson Road
#21-00 AIA Tower
Singapore 048542

Main Line: (65) 6232 3200

Mr Bernard Lim
COO

Mr Tan Kian Tiong
Partner

Forward-Looking Statements

All statements other than statements of historical facts included in this Joint Announcement are or may be forward-looking statements. Forward-looking statements include but are not limited to those using words such as "seek", "expect", "anticipate", "estimate", "believe", "intend", "project", "plan", "strategy", "forecast" and similar expressions or future or conditional verbs such as "will", "would", "should", "could", "may" and "might". These statements reflect the current expectations, beliefs, hopes, intentions or strategies of the party making the statements regarding the future and assumptions in light of currently available information. Such forward-looking statements are not guarantees of future performance or events and involve known and unknown risks and uncertainties. Accordingly, actual results may differ materially from those described in such forward-looking statements. Shareholders and investors should not place undue reliance on such forward-looking statements, and none of MGL, the Directors, the Offeror, the Offeror Directors or SAC Capital undertakes any obligation to update publicly or revise any forward-looking statements.

Disclosure of Dealings

The associates (as defined under the Code, and which includes all substantial shareholders) of MGL and the Offeror are hereby reminded to disclose their dealings in any securities of MGL in accordance with Rule 12 of the Code.

*This announcement has been reviewed by MGL's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "**Sponsor**"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "**Exchange**") and the Exchange assumes no responsibility for the contents of this document, including the correctness of any of the statements or opinions made or reports contained in this document.*

The contact person for the Sponsor is Ms. Lim Hui Ling, 16 Collyer Quay, #10-00 Collyer Quay Centre, Singapore 049318, sponsorship@ppcf.com.sg