SINGAPORE MYANMAR INVESTCO LIMITED
(formerly known as Singapore Windsor Holdings Limited)
(Registration No. 200505764Z)
(Incorporated in Singapore)

PROPOSED CONVERSION OF SHAREHOLDERS' LOANS INTO UP TO 35,264,050 DEBT CONVERSION SHARES IN THE CAPITAL OF SINGAPORE MYANMAR INVESTCO LIMITED

The Board of Directors of the Company wishes to announce that it has on 11 February 2016 entered into conditional Debt Conversion Deeds (collectively "**Debt Conversion Deeds**") with Mr Ho Kwok Wai and Mr Mark Francis Bedingham respectively.

1. Proposed Debt Conversion

Pursuant to the Debt Conversion Deeds, Mr Ho Kwok Wai and Mr Mark Francis Bedingham have agreed to convert US$9,073,731.66 into up to 35,264,050 new ordinary shares in the capital of the Company ("**Debt Conversion Shares**") at the issue price of S$0.36 per Debt Conversion Share[1] ("**Proposed Debt Conversion'**). The Debt Conversion Shares are issued in repayment of shareholders' loans and accrued interest thereon at a rate of 2.34% per annum, which have been extended by Mr Ho Kwok Wai and Mr Mark Francis Bedingham.

Mr Ho Kwok Wai is the Non-Executive Director, Chairman and Controlling Shareholder of the Company. Mr Mark Francis Bedingham is the Executive Director, President, CEO and Shareholder of the Company.The details of the Proposed Debt Conversion are as follows:

[1] Based on a currency conversion rate of US$1 : S$1.3991 as at 5 February 2016 (*Source:* Bloomberg)

		Before the Proposed Debt Conversion		**Details of the Proposed Debt Conversion**			**After the Proposed Debt Conversion**	
Name of Shareholder	Total Outstanding Amount Owed by the Company (US$)	Current Number of Shares held	Shareholding percentage[(1)]	Number of Debt Conversion Shares to be issued in repayment	Number of Debt Conversion Shares as a percentage of the existing share capital of the Company[(1)]	Number of Debt Conversion Shares as a percentage of the enlarged share capital of the Company[(2)]	Total number of Shares held	Total number of Shares held as a percentage of the enlarged share capital of the Company[(2)]
Mr Ho Kwok Wai	Loan: 7,000,000 Interest:71,651.66 Subtotal: 7,071,651.66	113,489,000	71.77%	27,483,189	17.38%	14.21%	140,972,189	72.89%
Mr Mark Francis Bedingham	Loan: 2,000,000 Interest:2,080.00 Subtotal: 2,002,080.00	5,424,000	3.43%	7,780,861	4.92%	4.02%	13,204,861	6.83%
Total	**9,073,731.66**	**118,913,000**	**75.20%**	**35,264,050**	**22.30%**	**18.23%**	**154,177,050**	**79.72%**

Notes:

(1) Based on the number of Shares held divided by the existing issued and paid-up capital of 158,130,000 Shares in the Company before the Proposed Debt Conversion (adjusted for rounding).

(2) Based on the number of Shares held divided by the enlarged issued and paid-up capital of 193,394,050 Shares in the Company after the Proposed Debt Conversion (adjusted for rounding).

2. RATIONALE FOR THE DEBT CONVERSION

For the six months ended 30 September 2015, the Group incurred a loss before tax of US$1.267 million. The Proposed Debt Conversion will enable the Group to (i) improve its net tangible assets value; (ii) reduce its gearing and loss per share and restore the Group to a better financial position that will enable it to continue as a going concern. The Proposed Debt Conversion will also better align the interests of Mr Ho Kwok Wai and Mr Mark Francis Bedingham as directors of the Company with that of the shareholders of the Company.

3. CONDITIONS FOR THE PROPOSED DEBT CONVERSION

Completion of the Proposed Debt Conversion is conditional upon, *inter alia*, the fulfilment of the following conditions precedent:-

(i) approval-in-principle for the listing and quotation of the Debt Conversion Shares on the Mainboard of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") and, where such approval is subject to conditions, such conditions being acceptable to the Company and, to the extent that any conditions for the listing and quotation of the Debt Conversion Shares on the Mainboard of the SGX-ST are required to be fulfilled on or before the completion date for the Debt Conversion, they are so fulfilled;

(ii) the approval of the shareholders of the Company ("**Shareholders**") being obtained in respect of the Debt Conversion, including but not limited to the issue and allotment of the Debt Conversion Shares, and the same not having been withdrawn or revoked and if such consents or approvals are obtained subject to any conditions, such conditions being acceptable to the Company, Mr Ho Kwok Wai and Mr Mark Francis Bedingham respectively; and

(iii) the subscription, issue and allotment of the Debt Conversion Shares being in compliance with the Securities and Futures Act, Chapter 289 in connection with offers of securities and not being prohibited by any statute, order, rule or regulation promulgated by any legislative, executive or regulatory body or authority of Singapore.

4. TERMS OF THE PROPOSED DEBT CONVERSION

Mr Ho Kwok Wai is the Non-Executive Director, Chairman and Controlling Shareholder of the Company, and Mr Mark Francis Bedingham is the Executive Director, President, CEO and Shareholder of the Company. Due to the financial condition of the Company, loans and advances have been extended by Mr Ho Kwok Wai and Mr Mark Francis Bedingham to the Company from time to time to fund the working capital requirements of the Company. The Company has incurred losses before tax for the six months ended 30 September 2015 of US$ 1.267 million. As such, these loans and advances were required to fund working capital requirements for, *inter alia*:

(i) the construction of telecommunication towers;
(ii) the renovation of serviced offices; and
(iii) increased manpower costs incurred in relation to the Group's business expansion.

These loans and advances extended by Mr Ho Kwok Wai and Mr Mark Francis Bedingham are for a term of 2 years and bear interest at a rate of 2.34% per annum, which is in line with the applicable interest rate charged by United Overseas Bank Limited, being the Company's main banker, for a two-year working capital loan.

The issue price of each Debt Conversion Share is at a 10% discount to the last traded price of the Company's shares on 5 February 2016, being S$0.40. The discount is

within the limits prescribed by Rule 811(1) of the Listing Manual of the Singapore Exchange Securities Trading Limited ("**Listing Manual**").

There is no moratorium imposed on the Debt Conversion Shares.

Pursuant to the terms of the Debt Conversion Deeds, Mr Ho Kwok Wai and Mr Mark Francis Bedingham have respectively agreed to waive their rights to any further interest which accrue on the respective loans extended by them to the Company from 5 February 2016.

5. THE PROPOSED DEBT CONVERSION AS AN INTERESTED PERSON TRANSACTION

The allotment and issue of the Debt Conversion Shares require the approval of Shareholders under Section 161 of the Companies Act and Rules 804, 805(1) and 812(1) and (2) of the Listing Manual. Rules 812(1) and (2) of the Listing Manual provide that an issue of shares must not be placed to the Company's Directors and Substantial Shareholders unless specific Shareholders' approval is obtained for such placement and the Directors and Substantial Shareholders abstain from voting on the resolution approving the placement. Pursuant to Rule 812(2) of the Listing Manual, Rule 812(1) of the Listing Manual will not apply if specific Shareholder's approval for the issue of the Debt Conversion Shares is obtained.

Mr Ho Kwok Wai is the Non-Executive Director, Chairman and Controlling Shareholder of the Company. Mr Mark Francis Bedingham is the Executive Director, President, CEO and Shareholder of the Company. Mr Ho Kwok Wai and Mr Mark Francis Bedingham are therefore interested persons and the Proposed Debt Conversion is an interested person transaction under Chapter 9 of the Listing Manual.

The amount of the Proposed Debt Conversion is US$9,073,731.66, representing approximately 179% of the NTA of the Group for FY2015[2]. Of this US$9,073,731.66, US$7,071,651.66 is owed to Mr Ho Kwok Wai (representing approximately 139% of the NTA of the Group for FY2015) and US$2,002,080.00 is owed to Mr Mark Francis Bedingham (representing approximately 40% of the NTA of the Group for FY2015[2]). As such, Shareholders' approval is required for the Proposed Debt Conversion at an extraordinary general meeting ("**EGM**") to be convened in accordance with Rule 906 of the Listing Manual. In addition, as 27,483,189 Debt Conversion Shares will be allotted and issued to Mr Ho Kwok Wai (being a Controlling Shareholder), approval of the Shareholders is required to be obtained in connection thereto.

In relation to the Proposed Debt Conversion, Mr Ho Kwok Wai, Mr Mark Francis Bedingham and their respective associates shall abstain from exercising their voting rights in respect of all existing issued shares in the capital of the Company owned by them respectively in respect of the resolutions to approve the allotment and issue of up to 27,483,189 and up to 7,780,861 Debt Conversion Shares respectively.

6. TOTAL AMOUNT OF INTERESTED PERSON TRANSACTIONS

Save for the Proposed Debt Conversion, there were no other interested person transactions entered into by the Company for the current financial year ending 31 March 2016.

7. FINANCIAL EFFECTS OF THE PROPOSED DEBT CONVERSION

The table illustrates the financial effects of the Proposed Debt Conversion on (i) the net tangible asset per share of Group (assuming the Proposed Debt Conversion had been completed at the end of that financial year); and (ii) the earnings per share of the

[2] Based on a currency conversion rate of US$1 : HKD7.7891 as at the date of this announcement (Source: Bloomberg)

Group (assuming that the Proposed Debt Conversion had been completed at the beginning of that financial year) based on the audited financial statements of the Group for the full year ended 31 March 2015 are set out below:

	Before the Proposed Debt Conversion US$ (cents) (approximate) [(1)]	After the Proposed Debt Conversion US$ (cents) (approximate) [(1)]
Effect of the Proposed Debt Conversion on the net tangible asset per share	3.21	5.70
Effect of the Proposed Debt Conversion on the earnings per share		
- Continued Operations	(2.41)	(1.97)
- Discontinued Operations	(1.54)	(1.26)

Notes:

(1) Based on a currency conversion rate of US$1 : HKD7.7891 as at the date of this announcement (Source: Bloomberg)

8. PROPOSED NEW SHARE ISSUE MANDATE

The Company had, at its annual general meeting ("**AGM**") held on 29 July 2015, passed a resolution pursuant to Section 161 of the Companies Act and Rule 806 of the Listing Manual granting the Directors a general mandate (the "**Old Share Issue Mandate**") to issue and allot new shares and convertible securities in the capital of the Company. In light of the changes to the capital structure of the Company brought about by the Proposed Debt Conversion, it is proposed that, subject to Shareholders' approval of the Proposed Debt Conversion, the Old Share Issue Mandate be revoked and a new share issue mandate ("**Proposed New Share Issue Mandate**") be granted to the Directors pursuant to Section 161 of the Companies Act and Rule 806 of the Listing Manual.

Further details of the Proposed New Share Issue Mandate will be included in the circular to be despatched to the Shareholders.

9. AUDIT COMMITTEE STATEMENT

The Audit Committee of the Company, after taking into consideration the rationale of the Proposed Debt Conversion, is of the opinion that the Proposed Debt Conversion is on normal commercial terms, and is not prejudicial to the interests of the Company and its minority Shareholders.

10. CIRCULAR AND EGM

The Company will be convening an EGM to seek Shareholders' approval for the Proposed Debt Conversion and the Proposed New Share Issue Mandate, and a circular containing, *inter alia*, the notice of the EGM and details of the Proposed Debt Conversion and the Proposed New Share Issue Mandate will be despatched to the Shareholders in due course.

11. INTEREST OF DIRECTORS AND CONTROLLING SHAREHOLDERS

Save as disclosed in this announcement, none of the Directors or controlling shareholders of the Company has any interest, direct or indirect, in the Proposed Disposal, other than through their respective shareholdings (if any) in the Company.

12. CONFIRMATION BY DIRECTORS

The Directors are of the opinion that after taking into consideration the present bank facilities available to the Group, the working capital available to the Group is sufficient to meet its present requirements.

13. DOCUMENTS FOR INSPECTION

Copies of the Debt Conversion Deeds are available for inspection at the registered office of the Company at 300 Beach Road #29-01 The Concourse Singapore 199555 during normal business hours for 3 months from the date of this announcement.

14. RESPONSIBILTY STATEMENT

The Directors have taken all reasonable care to ensure that the facts stated in this announcement are fair and accurate and that no material facts have been omitted from this announcement, and they jointly and severally accept responsibility accordingly.

Shareholders and potential investors should note that the Proposed Debt Conversion is subject to the fulfilment of, *inter alia*, the conditions set out above, including the obtaining of the relevant regulatory approvals, and accordingly should exercise caution when trading in the shares of the Company. Persons who are in doubt as to the action they should take should consult their legal, financial tax or other professional advisers. Further announcements will be made by the Company as and when appropriate.

BY ORDER OF THE BOARD

Mark Francis Bedingham
Executive Director, President and CEO
11 February 2016