

CIRCULAR DATED 3 NOVEMBER 2022

THIS CIRCULAR (AS DEFINED HEREIN) IS ISSUED BY MEMORIES GROUP LIMITED (THE “COMPANY”). THIS CIRCULAR IS IMPORTANT AS IT CONTAINS THE RECOMMENDATION OF THE INDEPENDENT DIRECTORS (AS DEFINED HEREIN) AND THE OPINION AND ADVICE OF PROVENANCE CAPITAL PTE. LTD., THE INDEPENDENT FINANCIAL ADVISER TO THE INDEPENDENT DIRECTORS. THIS CIRCULAR REQUIRES YOUR IMMEDIATE ATTENTION AND YOU SHOULD READ IT CAREFULLY.

If you are in any doubt in relation to this Circular or as to the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant, tax adviser or other professional adviser immediately.

If you have sold or transferred all your issued ordinary shares (excluding treasury shares) in the capital of Memories Group Limited (the “**Shares**”) held through The Central Depository (Pte) Limited (“**CDP**”), you need not forward the Hardcopy Notification (as defined herein) to the purchaser or transferee, as arrangements will be made by CDP for a separate Hardcopy Notification to be sent to the purchaser or transferee. If you have sold or transferred all your Shares which are not deposited with CDP, you should immediately forward the Hardcopy Notification to the purchaser, the transferee or the bank, stockbroker or agent through whom you effected the sale or transfer for onward transmission to the purchaser or the transferee.

Please note that no printed copies of this Circular, including the Notice of EGM (as defined herein) and the accompanying Proxy Form (as defined herein), will be despatched to Shareholders. Only printed copies of the Hardcopy Notification and Acceptance Forms (as defined herein) will be despatched to Shareholders.

This Circular, the Exit Offer Letter (as defined herein) and the Acceptance Forms shall not be construed as, and may not be used for the purpose of, and do not constitute a notice or proposal or advertisement or an offer or invitation or solicitation in any jurisdiction or in any circumstance in which such a notice or proposal or advertisement or an offer or invitation or solicitation is unlawful or not authorised, or to any person to whom it is unlawful to make such a notice or proposal or advertisement or an offer or invitation or solicitation.

This Circular has been reviewed by the Company’s sponsor, PrimePartners Corporate Finance Pte. Ltd. (the “**Sponsor**”). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) and the SGX-ST 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



MEMORIES GROUP LIMITED

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

CIRCULAR TO SHAREHOLDERS

in relation to the

THE PROPOSED VOLUNTARY DELISTING OF MEMORIES GROUP LIMITED PURSUANT TO RULE 1307 AND RULE 1308 OF THE CATALIST RULES

Independent Financial Adviser to the Independent Directors of Memories Group Limited



PROVENANCE CAPITAL PTE. LTD.

(Company Registration Number: 200309056E)
(Incorporated in the Republic of Singapore)

IMPORTANT DATES AND TIMES

Last date and time for submission of Proxy Form	:	16 November 2022 at 9.30 a.m.
Date and time of the Extraordinary General Meeting	:	18 November 2022 at 9.30 a.m.
Place of Extraordinary General Meeting	:	Metropolitan YMCA Singapore The Vine Ballroom Level 2 60 Stevens Road Singapore 257854

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CORPORATE INFORMATION

BOARD OF DIRECTORS	: Mr. Serge Pun (Executive Chairman) Mr. Cyrus Pun (Chief Executive Officer and Executive Director) Mr. Tun Tun (Non-Executive Non-Independent Director) Mr. Basil Chan (Lead Independent Director) Mr. Robin Lee (Non-Executive Independent Director) Mr. Vincent Chan (Non-Executive Non-Independent Director)
COMPANY SECRETARY	: Lee Pih Peng
REGISTERED OFFICE OF THE COMPANY	: 63 Mohamed Sultan Road #02-14 Sultan-Link Singapore 239002
SHARE REGISTRAR	: B.A.C.S. Private Limited 77 Robinson Road #06-03 Robinson 77 Singapore 068896
LEGAL ADVISER TO THE COMPANY	: Altum Law Corporation 160 Robinson Road #26-06 SBF Centre Singapore 068914
INDEPENDENT FINANCIAL ADVISER TO THE INDEPENDENT DIRECTORS	: Provenance Capital Pte. Ltd. 96 Robinson Road #13-01 SIF Building Singapore 068899
INDEPENDENT VALUER	: Colliers International Consultancy & Valuation (Singapore) Pte Ltd 12 Marina View #19-02 Asia Square Tower 2 Singapore 018961

DEFINITIONS

“12MFY2019”	:	Has the meaning ascribed to it in paragraph 5 of Appendix B to this Circular
“18MFY2020”	:	Has the meaning ascribed to it in paragraph 5 of Appendix B to this Circular
“12MFY2021”	:	Has the meaning ascribed to it in paragraph 5 of Appendix B to this Circular
“9M2023”	:	Has the meaning ascribed to it in paragraph 5 of Appendix B to this Circular
“ACE”	:	ACE Venture Opportunities on behalf of Myanmar Tourism S.P
“Acceptance Forms”	:	The FAA and the FAT collectively or any one of them, as the case may be, and the KYC Particulars Form
“Board”	:	The board of Directors of the Company as at the Latest Practicable Date
“Bondholder”	:	Has the meaning ascribed to it in Section 3.6 of this Circular
“Bondholder Undertaking”	:	Has the meaning ascribed to it in Section 3.6 of this Circular
“Business Day”	:	A day (other than Saturday, Sunday or a public holiday) on which banks are open for business in Singapore
“Catalist Rules”	:	Listing Manual Section B: Rules of Catalist
“Cash Consideration”	:	Has the meaning ascribed to it in paragraph 2.1(a) of the Exit Offer Letter, extracts of which are set out in Section 3.1 of this Circular
“CDP”	:	The Central Depository (Pte) Limited
“Circular”	:	This circular to Shareholders dated 3 November 2022 setting out, amongst other things: (i) information pertaining to the Delisting and the Exit Offer; (ii) the advice of the IFA to the Independent Directors respect of the Exit Offer; and (iii) the notice of EGM, which is despatched by the Company to Shareholders together with the Exit Offer Letter
“Closing Date”	:	2 December 2022, being the last day for the lodgement of acceptances of the Exit Offer
“Code”	:	The Singapore Code on Take-overs and Mergers, as amended from time to time
“Companies Act”	:	The Companies Act 1967 of Singapore
“Company” or “Memories” or “MGL”	:	Memories Group Limited
“Company Securities”	:	(a) Shares; (b) securities which carry voting rights in the Company; and (c) convertible securities, warrants, options or derivatives in respect of the Shares or securities which carry voting rights in the Company
“Convertible Bonds”	:	Has the meaning ascribed to it in Section 3.6 of this Circular

DEFINITIONS

“Conversion Shares”	:	Has the meaning ascribed to it in Section 3.6 of this Circular
“Constitution”	:	The constitution of the Company, as at the Latest Practicable Date
“CPF”	:	Central Provident Fund of Singapore
“CPF Agent Banks”	:	Banks approved by CPF to be its agent banks under the CPFIS
“CPFIS”	:	Central Provident Fund Investment Scheme of Singapore
“CPFIS Investors”	:	Investors who have purchased Shares using their CPF savings in Singapore
“Date of Receipt”	:	The date of receipt of the relevant Acceptance Form by CDP or the Registrar (as the case may be) on behalf of the Offeror (provided always that the Date of Receipt falls on or before the Closing Date)
“Delisting”	:	The proposed voluntary delisting of the Company from the Catalist of the SGX-ST pursuant to Rule 1307 and Rule 1308 of the Catalist Rules
“Delisting Proposal”	:	The formal proposal dated 9 September 2022 presented by the Offeror to the Board to seek the Delisting
“Delisting Resolution”	:	The resolution of Shareholders to be proposed at the EGM in respect of the Delisting
“Delisting Resolution Approval Condition”	:	Has the meaning ascribed to it in paragraph 2.1(c) of the Exit Offer Letter, extracts of which are set out in Section 3.2 of this Circular
“Despatch Date”	:	3 November 2022, being the date of despatch of this Circular and the Exit Offer Letter
“Directors”	:	The directors of the Company as at the Latest Practicable Date
“Dissenting Shareholders”	:	Has the meaning ascribed to it in Section 8.2 of this Circular
“Distributions”	:	In respect of the Offer Shares, any dividends, rights and other distributions (as the case may be)
“EGM”	:	The extraordinary general meeting to be convened by the Company on 18 November 2022 at 9.30 a.m., to seek Shareholders’ Approval for the Delisting Resolution, notice of which is given on pages N-1 to N-3 of this Circular
“Encumbrance”	:	Any lien, equity, mortgage, charge, encumbrance, right of pre-emption and other third party right and interest of any nature whatsoever
“Excluded Undertaking Entities”	:	Collectively, Samena, SHC, the Bondholder and their respective concert parties

DEFINITIONS

“Exit Offer”	:	The exit offer made by SAC Capital, for and on behalf of the Offeror, for all of the Offer Shares on the terms and subject to the conditions set out in the Exit Offer Letter and the Acceptance Forms and in accordance with the Code
“Exit Offer Consideration”	:	Has the meaning ascribed to it in paragraph 2.1(a) of the Exit Offer Letter, extracts of which are set out in Section 3.1 of this Circular
“Exit Offer Letter”	:	The letter dated 3 November 2022 from the Offeror to the Shareholders, including the Acceptance Forms and any other document(s) which may be issued by or on behalf of the Offeror to amend, revise, supplement or update such document(s) from time to time
“FAA”	:	Form of Acceptance and Authorisation for Offer Shares, applicable to Shareholders whose Offer Shares are deposited with CDP, and which forms part of the Exit Offer Letter
“FAT”	:	Form of Acceptance and Transfer for Offer Shares, applicable to Shareholders whose Offer Shares are registered in their own names in the Register and are not deposited with CDP, and which forms part of the Exit Offer Letter
“FMI”	:	First Myanmar Investment Public Co., Ltd.
“FY”	:	Financial year ended or ending (as the case may be) on 31 March of a particular year as stated
“Group”	:	Collectively, the Company and its subsidiaries
“Hardcopy Notification”	:	The hardcopy notification containing instructions on how to access the electronic copies of this Circular and the Exit Offer Letter
“Holding Announcement”	:	Has the meaning ascribed to it in Section 1.5 of this Circular
“IFA” or “Provenance Capital”	:	Provenance Capital Pte. Ltd., the independent financial adviser to the Independent Directors in relation to the Exit Offer
“IFA Letter”	:	The letter dated 3 November 2022 from the IFA to the Independent Directors in relation to the Exit Offer as set out in Appendix A to this Circular
“Independent Directors”	:	The Directors who are considered independent for the purposes of making recommendations to Shareholders in respect of the Exit Offer, namely: (a) Mr. Basil Chan; (b) Mr. Robin Lee; and (c) Mr. Vincent Chan
“Independent Valuer”	:	Colliers International Consultancy & Valuation (Singapore) Pte Ltd

DEFINITIONS

“Irrevocable Undertakings”	:	The irrevocable undertakings provided by the Undertaking Shareholders to the Offeror, as more particularly described in paragraph 7.1 of the Exit Offer Letter, extracts of which are set out in Section 3.5 of this Circular
“Joint Announcement”	:	The joint announcement made by the Offeror and the Company, in connection with the Delisting and Exit Offer on the Joint Announcement Date
“Joint Announcement Date”	:	12 September 2022, being the date of the Joint Announcement
“KYC Particulars Form”	:	The “know-your-client” particulars form to be submitted by Shareholders electing to receive the Share Consideration in accordance with the procedures set out in the Exit Offer Letter and the Acceptance Forms, which is issued to all Shareholders
“Latest Practicable Date”	:	25 October 2022, being the latest practicable date prior to the electronic dissemination of this Circular
“Market Day”	:	A day on which the SGX-ST is open for trading in securities
“MAS”	:	The Monetary Authority of Singapore
“Memories PSP”	:	The Memories Performance Share Plan approved by the Shareholders at an extraordinary general meeting held on 18 December 2017
“Mr. Basil Chan”	:	Mr. Chan Basil, the Lead Independent Director of the Company
“Mr. Cyrus Pun”	:	Mr. Pun Chi Yam Cyrus, the Chief Executive Officer and Executive Director of the Company, who is also a director of the Offeror
“Mr. Robin Lee”	:	Mr. Robin Lee Chye Beng, a Non-Executive Independent Director of the Company
“Mr. Serge Pun”	:	Mr. Serge Pun, the Executive Chairman of the Company, who is also a director of the Offeror and the ultimate controlling shareholder of the Offeror
“Mr. Tun Tun”	:	Mr. Tun Tun, a Non-Executive Non-Independent Director of the Company, who is also a director of the Offeror
“Mr. Vincent Chan”	:	Mr. Chan Chun Hung Vincent, a Non-Executive Non-Independent Director of the Company
“Minimum Acceptance Condition”	:	Has the meaning ascribed to it in paragraph 2.1(d) of the Exit Offer Letter, extracts of which are set out in Section 3.2 of this Circular
“Notice of EGM”	:	The notice of EGM as set out on pages N-1 to N-3 of this Circular
“NTA”	:	Net Tangible Assets
“Offer Shares”	:	Has the meaning ascribed to it in Section 1.2 of this Circular

DEFINITIONS

“Offeror”	:	Memories (2022) Pte. Limited
“Offeror Concert Party Group”	:	Has the meaning ascribed to it in Section 2.1(b) of this Circular
“Offeror Shares”	:	The ordinary shares in the total issued and paid-up share capital of the Offeror
“Offeror Securities”	:	(a) ordinary shares in the capital of the Offeror; (b) securities which carry voting rights in the Offeror; and (c) convertible securities, warrants, options and derivatives in respect of the ordinary shares in the capital of the Offeror or securities which carry voting rights in the Offeror
“Overseas Shareholders”	:	Shareholders whose addresses, as shown in the Register or in the records of CDP (as the case may be), are outside Singapore
“Properties”	:	Has the meaning ascribed to it in paragraph 8.4.2 of the IFA Letter
“Proxy Form”	:	The proxy form as set out on pages P-1 and P-2 of this Circular
“Registrar” or “Receiving Agent”	:	B.A.C.S. Private Limited, the share registrar of the Company and receiving agent of the Offeror
“Register”	:	The register of members, as maintained by the Registrar
“Registered Shareholders”	:	Shareholders whose Shares are held under their own names on the Register
“SAC Capital” or “Financial Adviser”	:	SAC Capital Private Limited, the financial adviser to the Offeror in connection with the Exit Offer
“Samena”	:	Samena Mandalay Holdings
“Second Tranche Shares”	:	Has the meaning ascribed to it in paragraph 4.4 of Appendix B to this Circular
“Securities Account”	:	A securities account maintained by a Depositor with CDP but does not include a securities sub-account
“SFA”	:	The Securities and Futures Act 2001 of Singapore
“SGXNET”	:	Singapore Exchange Network, a system network used by listed companies in sending information and announcements to the SGX-ST or any other system networks prescribed by the SGX-ST
“SGX RegCo”	:	The Singapore Exchange Regulation Pte. Ltd.
“SGX-ST”	:	The Singapore Exchange Securities Trading Limited
“Share Consideration”	:	Has the meaning ascribed to it in paragraph 2.1(a) of the Exit Offer Letter, extracts of which are set out in Section 3.1 of this Circular
“Shares”	:	Ordinary shares in the capital of the Company

DEFINITIONS

“Shareholders”	:	Holder of the Shares as indicated on the Register and Depositors who have Shares entered against their names in the Depository Register
“Shareholders’ Approval”	:	Has the meaning ascribed to it in Section 2.1 of this Circular
“SHC”	:	SHC Capital Holdings Pte. Ltd.
“SIC” or “Council”	:	The Securities Industry Council of Singapore
“SRS”	:	The Supplementary Retirement Scheme
“SRS Agent Banks”	:	Agent banks included under the SRS
“SRS Investors”	:	Investors who have purchased Shares using their SRS contributions pursuant to the SRS
“S\$” and “cents”	:	Singapore dollars and cents respectively, being the lawful currency of Singapore
“UKNMW”	:	Has the meaning ascribed to it in paragraph 4.4 of Appendix B to this Circular
“Valuation Reports”	:	The valuation reports issued by the Independent Valuer in relation to the valuation of the Properties
“Valuation Summary Letters”	:	The valuation certificates issued by the Independent Valuer in relation to the valuation of the Properties
“Wa Minn Group”	:	Has the meaning ascribed to it in paragraph 4.4 of Appendix B to this Circular
“YSH”	:	Yoma Strategic Holdings Ltd., a public company incorporated in Singapore and listed on the Mainboard of the SGX-ST, which is also the holding company of YSIL
“YSIL”	:	Yoma Strategic Investments Ltd., the wholly-owned subsidiary of YSH
“%” or “per cent”	:	Percentage or per centum

Acting in Concert and Associates. The term “**acting in concert**” and “**associates**” shall have the meaning ascribed to it in the Code.

Announcements and Notices. References to the making of an announcement or the giving of notice by the Company shall include the release of an announcement by the Company or its agents, for and on behalf of the Company, to the press or the delivery of or transmission by phone or otherwise.

Depositors. The expressions “**Depositor**”, “**Depository Agent**” and “**Depository Register**” shall have the meanings ascribed to them respectively in section 81SF of the SFA.

Subsidiary and Related Corporation. References to “**subsidiary**” and “**related corporation**” shall have the meanings ascribed to them respectively in section 5 and section 6 of the Companies Act.

DEFINITIONS

Expressions. Words importing the singular shall, where applicable, include the plural and vice versa and words importing the masculine gender shall, where applicable, include the feminine and neuter genders. Unless the context otherwise requires, any references to persons shall include individuals, corporate bodies (wherever incorporated), unincorporated associations and partnerships.

Headings. The headings in this Circular are inserted for convenience only and shall be ignored in construing the Circular.

Reproduced Statements. Statements which are reproduced in their entirety or as excerpts from the Exit Offer Letter, the IFA Letter, the Valuation Summary Letters and the Constitution are set out in this Circular within quotes and in *italics*, and all capitalised terms and expressions used within these reproduced statements shall have the meanings ascribed to them in the Exit Offer Letter, the IFA Letter, the Valuation Summary Letters and the Constitution respectively.

Rounding. Any discrepancies in this Circular between the listed amounts and the totals thereof are due to rounding. Accordingly, figures shown as totals in this Circular may not be an arithmetic aggregation of the figures that precede them.

Statutes. Any references in this Circular to any enactment or statutory provision is a reference to that enactment or statutory provision for the time being amended or re-enacted. Any word defined in the Companies Act, the SFA, the Catalist Rules or the Code or any statutory modification thereof and not otherwise defined in this Circular shall, where applicable, have the meaning assigned to it under the Companies Act, the SFA, the Catalist Rules or the Code or any statutory modification thereof, as the case may be, unless the context otherwise requires.

Time and Date. Any reference to a time of day and date in this Circular is made by reference to Singapore time and date respectively, unless otherwise stated.

Total Number of Shares and Percentage of Shares. In this Circular, the total number of Shares as at the Latest Practicable Date is 502,170,955. Unless otherwise specified, all references to a percentage shareholding in the capital of the Company in this Circular are based on 502,170,955 Shares as at the Latest Practicable Date. For reference only, the maximum potential issued share capital of the Company will comprise 506,061,595 Shares assuming that the Second Tranche Shares have been allotted and issued, but excluding the Conversion Shares.

CAUTIONARY NOTE ON FORWARD-LOOKING STATEMENTS

All statements other than statements of historical facts included in this Circular are or may be forward looking statements. Forward-looking statements include but are not limited to those using words such as “aim”, “seek”, “expect”, “anticipate”, “estimate”, “believe”, “intend”, “project”, “plan”, “potential”, “strategy”, “forecast”, “possible”, “probable” and similar expressions or future or conditional verbs such as “will”, “if”, “would”, “should”, “could”, “may” and “might”. These statements reflect the Company’s current expectations, beliefs, hopes, intentions or strategies regarding the future and assumptions in light of information available as at the Latest Practicable Date. Such forward-looking statements are not guarantees of future performance or events and involve known and unknown risks and uncertainties.

Given the risks and uncertainties that may cause the actual results, performance or achievements of the Company to be materially different than expected, expressed or implied by the forward-looking statements in this Circular, Shareholders are advised not to place undue reliance on those statements. Further, the Company and the IFA disclaim any responsibility to update any of those forward-looking statements or publicly announce any revisions to those forward-looking statements to reflect future developments, events or circumstances for any reason, even if new information becomes available or other events occur in the future, subject to compliance with all applicable laws and/or any regulatory or supervisory body or agency.

INDICATIVE TIMETABLE

Date of electronic dissemination of this Circular and the Exit Offer Letter	:	3 November 2022
Last date and time for lodgement of Proxy Forms for the EGM	:	16 November 2022 at 9.30 a.m.
Date and time of the EGM	:	18 November 2022 at 9.30 a.m.
Announcement of the results of the EGM and whether the Delisting Resolution has been passed at the EGM	:	18 November 2022
Expected Closing Date and time	:	2 December 2022 at 5.30 p.m., such date being the last day for the lodgement of acceptances of the Exit Offer which shall be at least 14 days after the date on which the Exit Offer becomes or is declared to be unconditional in all respects in accordance with its terms
Expected commencement of suspension of trading of Shares on the SGX-ST	:	To be announced by or on behalf of the Company
Expected date for the Delisting of the Shares from the SGX-ST	:	Subject to the approval of the SGX-ST for the Delisting, approximately one (1) to two (2) weeks after the Closing Date, or such other date(s) as may be announced from time to time by or on behalf of the Company
Expected date of the payment of the Exit Offer Consideration, in respect of valid acceptances of the Exit Offer	:	(a) in respect of acceptances of the Exit Offer which are complete and valid in all respects and are received on or before the date on which the Exit Offer becomes or is declared to be unconditional in all respects in accordance with its terms, within seven (7) Business Days of that date; or (b) in respect of acceptances of the Exit Offer which are complete and valid in all respects and are received after the date on which the Exit Offer becomes or is declared to be unconditional in all respects in accordance with its terms, but on or before the Closing Date, within seven (7) Business Days of the date of such receipt.

An announcement will be made by or on behalf of the Offeror when the Exit Offer becomes or is declared to be unconditional in all respects in accordance with its terms. Shareholders should note that, save for the last date and time for lodgement of Proxy Forms for the EGM, and the date and time of the EGM, the above timetable is indicative only and may be subject to change. For the events listed above which are described as “expected”, please refer to future announcement(s) by or on behalf of the Company and/or the Offeror via SGXNET for the exact dates and times of these events.

INDICATIVE TIMETABLE

AN APPLICATION WILL BE MADE TO THE SGX-ST TO DELIST AND REMOVE THE COMPANY FROM THE CATALIST FOLLOWING SHAREHOLDERS' APPROVAL BEING OBTAINED AT THE EGM AND THE COMPANY WILL UPDATE SHAREHOLDERS ON THE OUTCOME OF SUCH APPLICATION. THE SGX-ST'S DECISION IS NOT AN INDICATION OF THE MERITS OF THE DELISTING. PLEASE NOTE THAT THE DELISTING AND THE EXIT OFFER IS CONDITIONAL UPON THE DELISTING RESOLUTION BEING PASSED AT THE EGM. PURSUANT TO RULE 1307 OF THE CATALIST RULES, THE DELISTING RESOLUTION IS CONSIDERED PASSED IF IT IS APPROVED BY A MAJORITY OF AT LEAST 75 PER CENT. (75%) OF THE TOTAL NUMBER OF 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, AND THE OFFEROR CONCERT PARTY GROUP MUST ABSTAIN FROM VOTING ON THE DELISTING RESOLUTION. IF THIS CONDITION IS NOT SATISFIED AT THE EGM TO BE CONVENED, THE DELISTING WILL NOT PROCEED, THE COMPANY WILL REMAIN LISTED ON THE SGX-ST AND THE EXIT OFFER WILL LAPSE AND ALL ACCEPTANCES RECEIVED WILL BE RETURNED. THE DELISTING IS SUBJECT TO THE SGX-ST'S APPROVAL. THE EXIT OFFER, HOWEVER, WILL BECOME UNCONDITIONAL UPON THE DELISTING RESOLUTION BEING PASSED AT THE EGM AND THE MINIMUM ACCEPTANCE CONDITION BEING FULFILLED.

SHAREHOLDERS SHOULD NOTE THAT IF THE DELISTING RESOLUTION IS APPROVED IN ACCORDANCE WITH THE REQUIREMENTS OF THE CATALIST RULES, SUBJECT TO THE APPROVAL OF THE SGX-ST, THE COMPANY WILL BE DELISTED REGARDLESS OF THE ACCEPTANCE LEVEL OF THE EXIT OFFER. THE COMPANY WILL APPLY TO THE SGX-ST TO DELIST AND REMOVE THE COMPANY FROM THE CATALIST FOLLOWING SHAREHOLDERS' APPROVAL BEING OBTAINED AT THE EGM. FOLLOWING THE DELISTING, SHAREHOLDERS WHO DO NOT ACCEPT THE EXIT OFFER WILL CONTINUE TO HOLD SHARES IN THE COMPANY, WHICH WILL THEN BE A PUBLIC UNLISTED COMPANY. SHAREHOLDERS SHOULD ALSO NOTE THAT IF THE DELISTING RESOLUTION APPROVAL CONDITION IS FULFILLED BUT, IF FOR WHATEVER REASON, THE APPROVAL OF THE SGX-ST FOR THE DELISTING IS NOT OBTAINED, THE COMPANY WILL REMAIN LISTED ON THE CATALIST OF THE SGX-ST SUBJECT, INTER ALIA, TO THE COMPANY BEING DELISTED IN THE EVENT THE PERCENTAGE OF SHARES HELD BY MEMBERS OF THE PUBLIC FALLS BELOW THE REQUISITE THRESHOLDS FOLLOWING ACCEPTANCES OF THE EXIT OFFER, WHICH WILL BECOME UNCONDITIONAL UPON THE DELISTING RESOLUTION BEING PASSED AT THE EGM AND THE MINIMUM ACCEPTANCE CONDITION BEING FULFILLED.

PLEASE ALSO NOTE THAT APPROVING THE DELISTING RESOLUTION AT THE EGM DOES NOT AUTOMATICALLY MEAN THAT YOU HAVE ACCEPTED THE EXIT OFFER. IF YOU WISH TO ACCEPT THE EXIT OFFER, YOU WILL NEED TO COMPLETE, SIGN AND DELIVER THE RELEVANT ACCEPTANCE FORM IN ACCORDANCE WITH THE PROVISIONS OF AND INSTRUCTIONS IN THE EXIT OFFER LETTER AND THE RELEVANT ACCEPTANCE FORMS ON OR BEFORE THE CLOSING DATE OF THE EXIT OFFER. PLEASE REFER TO APPENDIX 2 TO THE EXIT OFFER LETTER FOR THE PROCEDURES FOR ACCEPTANCE.

LETTER TO SHAREHOLDERS

MEMORIES GROUP LIMITED

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

Directors:

Serge Pun (*Executive Chairman*)
Cyrus Pun (*Chief Executive Officer and Executive Director*)
Tun Tun (*Non-Executive Non-Independent Director*)
Basil Chan (*Lead Independent Director*)
Robin Lee (*Non-Executive Independent Director*)
Vincent Chan (*Non-Executive Non-Independent Director*)

Registered Office:

63 Mohamed Sultan Road
#02-14 Sultan-Link
Singapore 239002

3 November 2022

To: The Shareholders of the Company

Dear Shareholder

PROPOSED VOLUNTARY DELISTING OF MEMORIES GROUP LIMITED FROM THE CATALIST OF THE SGX-ST PURSUANT TO RULES 1307 AND 1308 OF THE CATALIST RULES

1. INTRODUCTION

- 1.1 On 12 September 2022, the Company and the Offeror jointly announced that the Offeror had presented to the Board the Delisting Proposal to seek the voluntary delisting of the Company from the Catalist of the SGX-ST pursuant to Rules 1307 and 1308 of the Catalist Rules.
- 1.2 Under the terms of the Delisting Proposal, SAC Capital, will make, for and on behalf of the Offeror, an Exit Offer in cash or new ordinary shares in the Offeror, conditional on the obtaining of Shareholders' Approval at the EGM for the Delisting Resolution to be passed, to acquire (i.) all Shares (other than those Shares already held by the Company as treasury shares and those held directly and indirectly by the Offeror as at the Despatch Date) and (ii.) any Second Tranche Shares unconditionally issued prior to the Closing Date (collectively, "**Offer Shares**").
- 1.3 The Directors have reviewed the Delisting Proposal and are convening an extraordinary general meeting to seek Shareholders' Approval.
- 1.4 The purpose of this Circular is to provide Shareholders with information relating to the Delisting Proposal and the Exit Offer, and to seek Shareholders' Approval.
- 1.5 Prior to the Joint Announcement, the Company had on 30 August 2022, in reaction to the recent increases in trading volume and Share prices, made a holding announcement to inform Shareholders of, *inter alia*, discussion on various proposals which could lead to a possible general offer for all of the Shares ("**Holding Announcement**").
- 1.6 Electronic copies of the Joint Announcement, Holding Announcement, Exit Offer Letter and this Circular are available on the website of the SGX-ST at <https://www.sgx.com/securities/company-announcements>

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2. THE DELISTING PROPOSAL

2.1 Rules 1307 and 1308 of the Catalist Rules

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

- (a) the Company convenes an extraordinary general meeting to obtain approval of the Shareholders for the Delisting; and
- (b) the Delisting Resolution has been approved by a majority of at least 75% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) held by 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 ("**Offeror Concert Party Group**") must abstain from voting on the resolution,

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

In addition, Rule 1308 of the Catalist Rules requires that if the Company is seeking to delist from the Catalist of the SGX-ST:

- (a) 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
- (b) the Company 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.

2.2 Application to the SIC

As stated in the Exit Offer Letter, an application was made by the Offeror to the SIC to seek certain rulings in relation to the Exit Offer. Details of SIC's rulings are set out in paragraph 4 of the Exit Offer Letter, extracts of which are set out below:

4. 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 the Bondholder 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 Exit Offer open for fourteen (14) days after it has been 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,*

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subject to:

- (1) *shareholder approval for the Delisting Resolution being obtained within three (3) months from the Joint Announcement Date;*
- (2) *the Exit Offer remaining open for at least:*
 - (A) *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*
 - (B) *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*
- (3) *disclosure in the Delisting Circular of:*
 - (A) *the consolidated 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*
 - (B) *particulars of all known material changes as of the latest practicable date which may affect the consolidated NTA per Share referred to in Section 4(b)(3)(A) 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 the 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. As of 6 October 2022, the relevant confirmations that have been received by the Offeror have been submitted to the SIC;*
- (e) *only the Offeror Directors 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 other than the Undertaking Shareholders and the Bondholder; 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.*

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

Mr. Basil Chan, 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.”

3. THE EXIT OFFER

3.1 Terms of the Exit Offer

The Exit Offer is made by SAC Capital, for and on behalf of the Offeror on the principal terms set out in paragraph 2.1(a) of the Exit Offer Letter, extracts of which are set out below:

“2.1 Terms of the Exit Offer

Subject to the satisfaction of the Delisting Resolution Approval Condition, the Financial Adviser, for and on behalf of the Offeror, hereby makes the Exit Offer to acquire all the Offer Shares on the terms and subject to the conditions set out in this Exit Offer Letter (including the relevant Acceptance Forms), and on the following basis:

(a) Exit Offer Consideration

The consideration for the Exit Offer (the “Exit Offer Consideration”) payable by the Offeror for all the 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 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.

THE OFFEROR DOES NOT INTEND TO INCREASE THE EXIT OFFER CONSIDERATION.

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 Distributions that may be declared, paid or made by the Company on or after the Joint Announcement Date. In the event any Distributions are or have been declared, paid or made by the Company 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 Distributions 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:

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- (i) *if such settlement date for the Offer Shares falls on or before the books closure date for the determination of entitlements to the Distributions (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 Distributions in respect of such Offer Shares from the Company; 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 Distributions in respect of each Offer Share, as the Offeror will not receive the Distributions in respect of such Offer Shares from the Company. In the case of Shareholders electing for the Share Consideration, the Issue Price of the New Offeror Shares will be reduced accordingly.*

Based on the latest information available to the Offeror and save as disclosed herein, there are no Options as at the Joint Announcement Date and the Latest Practicable Date. In view of the foregoing and the ruling of the SIC set out in Section 4 of this Exit Offer Letter, the Offeror will not make an offer to acquire any Options.

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.

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.

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. For the avoidance of doubt, there will not be any rounding required for the number of New Offeror Shares to be issued to Shareholders who accept the Share Consideration as they hold whole numbers of Offer Shares.

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.”

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3.2 Conditions and Details of the Exit Offer

The conditions and details of the Exit Offer are set out in paragraphs 2.1(b) to 2.1(g) and 2.2 of the Exit Offer Letter, extracts of which are as set out below:

“(b) Offer Shares

The Exit Offer is extended, on the same terms and conditions, to (i) all the issued Shares (other than those held as treasury shares and those held, directly and indirectly, by the Offeror, as at the date of the Exit Offer) and (ii) any Second Tranche Shares unconditionally issued prior to the Closing Date (collectively, “Offer Shares”).

(c) Conditions of the Delisting and the Exit Offer

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 (whereby the Offeror Concert Party Group must abstain from voting on the Delisting Resolution) (the “Delisting Resolution Approval Condition”).

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. Serge Pun; (ii) FMI; (iii) YSIL (a wholly-owned subsidiary of YSH); and (iv) ACE, who are deemed members of the Offeror Concert Party Group) and 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. Accordingly, the Excluded Undertaking Entities are entitled to vote on the Delisting Resolution, and Samena and SHC have given the undertakings to do so pursuant to their respective Irrevocable Undertakings.

(d) Minimum Acceptance Condition

The Exit Offer will be subject to the Offeror having received, by the close of the Exit Offer, valid acceptances in respect of such number of Offer Shares which, when taken together with the Shares owned, controlled or agreed to be acquired by the Offeror Concert Party Group, will result in the Offeror and any parties acting in concert with it holding such number of Shares carrying more than 50% of the voting rights attributable to the issued share capital of MGL as at the close of the Exit Offer (“Minimum Acceptance Condition”).

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 Concert Party Group holding such number of Shares carrying more than fifty per cent (50%) of the voting rights attributable to the maximum potential issued share capital of the Company, assuming that the Second Tranche Shares have been allotted and issued, but excluding the Conversion Shares. Such acceptance condition will be met when the Undertaking Shareholders tender their acceptances for the Exit Offer in accordance with the Irrevocable Undertakings and subject to Shareholders’ Approval being obtained at the EGM.

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The procedures for acceptance and settlement of the Exit Offer are set out in Appendix 2 to this Exit Offer Letter. Shareholders may choose to accept the Exit Offer in respect of all or any of their holdings of Offer Shares. Shareholders may choose to accept the Exit Offer before the EGM. However, such acceptances will be conditional upon Shareholders' Approval of the Delisting Resolution being obtained at the EGM. If Shareholders' Approval of the Delisting Resolution is not obtained at the EGM, the Delisting will not proceed, the Exit Offer will lapse and the Offeror will cease to be bound by any acceptances of the Exit Offer. The Offer Shares in respect of which acceptances have been received will be returned to the relevant Shareholders in accordance with the procedures set out in this Exit Offer Letter.

Shareholders should note that if Shareholders' Approval is obtained at the EGM, the Company will apply to the SGX-ST to be delisted from the Catalist of the SGX-ST, regardless of the acceptance level of the Exit Offer. The Delisting will be conditional upon the SGX-ST's Approval. Following the Delisting, Shareholders who do not accept the Exit Offer will continue to hold Shares, and the Company will then be a public unlisted company.

In the event that the Minimum Acceptance Condition is fulfilled, subject to Shareholders' Approval being obtained at the EGM, the Exit Offer will become unconditional as to acceptances as at the date of the EGM, assuming the Undertaking Shareholders have tended their acceptances for the Exit Offer on or prior to the date of the EGM.

In the event that the Minimum Acceptance Condition is not fulfilled, and the Shareholders' Approval has been obtained at the EGM, the Exit Offer will lapse and all acceptances of the Exit Offer will be returned. In such an event, subject to the SGX-ST's Approval being granted, the Company will be delisted from the Catalist of the SGX-ST, and Shareholders will hold shares in a public unlisted company.

(e) No Encumbrances

The Offer Shares to be acquired will be (i) fully paid; (ii) free from all Encumbrances; and (iii) 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 the Company, on or after the Joint Announcement Date (collectively, "**Entitlements**").

If any of the Entitlements is announced, declared, made or paid by the Company on or after the Joint Announcement Date, the Offeror reserves the right to reduce the Exit Offer Consideration by the amount of such Entitlement.

(f) Warranty by Accepting Shareholder

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 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 the Company on or after the Joint Announcement Date).

(g) Duration of the Exit Offer

The Exit Offer is open for acceptance by Shareholders from the date of despatch of the Delisting Circular and this Exit Offer Letter. Shareholders may choose to accept the Exit Offer before the EGM. However, such acceptances will be conditional upon

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the Delisting Resolution being passed at the EGM. If the Delisting Resolution is not passed at the EGM, the Exit Offer will lapse and the Offeror will cease to be bound by any prior acceptances of the Exit Offer by any Shareholder.

*If the Delisting Resolution is approved by the Shareholders at the EGM, the Exit Offer will remain open for acceptance for a period of fourteen (14) days after the date of the announcement of the fulfilment of the Delisting Resolution Approval Condition. Accordingly, the Exit Offer will close at **5.30 p.m. (Singapore time) on 2 December 2022.***

THE OFFEROR DOES NOT INTEND TO EXTEND THE EXIT OFFER BEYOND 5.30 P.M. (SINGAPORE TIME) ON THE CLOSING DATE. NOTICE IS HEREBY GIVEN THAT THE EXIT OFFER WILL NOT BE OPEN FOR ACCEPTANCE BEYOND 5.30 P.M. (SINGAPORE TIME) ON THE CLOSING DATE.

2.2 Constitution of the Offeror

The New Offeror Shares will be subject to the terms of the 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, 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 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.*

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(d) *Article 134A of the Offeror Constitution:*

Board Reserved Matters requiring Unanimous Consent. *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 Section 2.2(d)(vi) above or as approved as part of the annual operating budget;*
- (viii) *The adoption of an 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*

Board Reserved Matters requiring Consent of more than 75% of the Directors. *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) 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) 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*

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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) 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.*

(j) *Article 41D of the Offeror Constitution:*

Founder's Obligations. *FMI 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.*

Please note that the above list may not be exhaustive. Shareholders are advised to refer to Appendix 8 to this Exit Offer Letter for the relevant extracts of the Offeror Constitution.

Assuming that Shareholders' Approval is obtained at the EGM and the Minimum Acceptance Condition is fulfilled at the close of the Exit Offer, the Offeror Constitution will bind all accepting Shareholders who have been issued the Offeror Shares."

3.3 Application to the SGX-ST

An application will be made to seek approval from the SGX-ST to delist and remove the Company from the Catalist following Shareholders' Approval being obtained at the EGM and the Company will update Shareholders as to the outcome of such application. The SGX-ST's decision will not be an indication of the merits of the Delisting.

Shareholders are to note that the Delisting and the Exit Offer will be conditional upon the Delisting Resolution being passed at the EGM. If this condition is not fulfilled, the Delisting will not proceed and the Company will remain listed on the Catalist of the SGX-ST. The Exit Offer will also lapse and all acceptances of the Exit Offer will be returned. The Delisting is subject to the approval of the SGX-ST. The Exit Offer, however, will become unconditional upon the Delisting Resolution being passed at the EGM and the Minimum Acceptance Condition being fulfilled.

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Shareholders should note that if the Delisting Resolution is approved in accordance with the requirements of the Catalist Rules, subject to the approval of the SGX-ST, the Company will be delisted regardless of the acceptance level of the Exit Offer. The Company will apply to the SGX-ST to delist and remove the Company from the Catalist following Shareholders' Approval being obtained at the EGM. Following the Delisting, Shareholders who do not accept the Exit Offer will continue to hold shares in the Company, which will then be a public unlisted company. Shareholders should also note that if the Delisting Resolution Approval Condition is fulfilled but, if for whatever reason, the approval of the SGX-ST for the Delisting is not obtained, the Company will remain listed on the Catalist of the SGX-ST subject, *inter alia*, to the Company being delisted in the event the percentage of shares held by members of the public falls below the requisite thresholds following acceptances of the Exit Offer, which will become unconditional upon the Delisting Resolution being passed at the EGM and the Minimum Acceptance Condition being fulfilled. Shareholders are to also note that approving the Delisting Resolution at the EGM does NOT automatically mean that you have accepted the Exit Offer.

Please refer to Section 8 of this Circular for the "Implications of Delisting and Compulsory Acquisition for Shareholders".

Please refer to Section 16 of this Circular entitled "Actions to be taken by Shareholders" and appendix 2 to the Exit Offer Letter entitled "Procedures for Acceptance and Settlement of the Exit Offer" for further details on the actions to take if you wish to accept the Exit Offer.

3.4 Duration and Closing Date

As stated in the Exit Offer Letter, the Exit Offer is open for acceptance by the Shareholders from the Despatch Date. Shareholders may choose to accept the Exit Offer before the EGM. However, such acceptances are conditional and if the Delisting Resolution is not approved at the EGM, the Delisting Resolution Approval Condition will not have been fulfilled and the Exit Offer will lapse, and the Shareholders and the Offeror will cease to be bound by any prior acceptances of the Exit Offer by any Shareholder. The Company will also remain listed on the Catalist of the SGX-ST.

If the Delisting Resolution is approved by the Shareholders at the EGM, the Exit Offer will become unconditional as to acceptances, assuming the Undertaking Shareholders have tendered their acceptance for the Exit Offer on or before the date of the EGM, and remain open for acceptance by the Shareholders for a period of at least 14 days after the date of announcement of the Shareholders' Approval of the Delisting Resolution at the EGM.

Accordingly, the Exit Offer will close at 5.30 p.m. on 2 December 2022 ("Closing Date").

THE OFFEROR DOES NOT INTEND TO EXTEND THE EXIT OFFER BEYOND 5.30 P.M. ON THE CLOSING DATE. NOTICE IS HEREBY GIVEN THAT THE EXIT OFFER WILL NOT BE OPEN FOR ACCEPTANCE BEYOND 5.30 P.M. ON THE CLOSING DATE.

3.5 Irrevocable Undertakings

As at the Latest Practicable Date, the Offeror has obtained Irrevocable Undertakings from each of:

- (a) Mr. Serge Pun;
- (b) FMI;
- (c) YSIL;
- (d) ACE;
- (e) Samena; and
- (f) 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 their Irrevocable Undertakings are set out in paragraph 7.1 of the Exit Offer Letter, extracts of which are as set out below:

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“7.1 Irrevocable Undertakings

- (a) *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:*
- (i) *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 Resolution);*
 - (ii) *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;*
 - (iii) *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 the Company, the Offeror, the Share Registrar or the Company Secretary of the Company, or CDP to give effect to the election; and*
 - (iv) *not accept any other offer from any other party for all or any of the Relevant Shares.*

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 hold Shares as at the Joint Announcement Date. While ACE and YSIL are members of the Offeror Concert Party Group, they are not related corporations of the Offeror. The respective shareholdings of the Excluded Undertaking Entities in MGL are set out in Appendix 6 of this Exit Offer Letter.

- (b) *The Irrevocable Undertakings shall terminate, lapse and cease to have any effect on the earlier of:*
- (i) *the effective date of the Delisting; or*
 - (ii) *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 Undertakings, the date of lapsing or termination of the Exit Offer.”*

3.6 Bondholder Undertaking

On 15 May 2019, the Company issued to the Oakfame Investment Limited (“**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 the Company and the Bondholder.

LETTER TO SHAREHOLDERS

As at the Latest Practicable Date, the Offeror has obtained an irrevocable undertaking from the Bondholder (“**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 (“**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 Code. Further details of the Bondholder Undertaking are set out in paragraph 7.2 of the Exit Offer Letter, extracts of which are as set out below:

“7.2 Bondholder Undertaking

- (a) *The Offeror has obtained the Bondholder Undertaking from the Bondholder, pursuant to which the Bondholder has undertaken and/or agreed, inter alia, the following:*
 - (i) *waive all obligations of the Company 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;*
 - (ii) *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;*
 - (iii) *not to convert all or any of the Convertible Bonds into Conversion Shares;*
 - (iv) *not to exercise any of its rights to redeem all or any of the Convertible Bonds;*
 - (v) *not accept any other offer from any other party for all or any of the Convertible Bonds; and*
 - (vi) *to reject and waive its rights to receive a comparable offer for its Convertible Bonds under Rule 19 of the Code.*
- (b) *The Bondholder Undertaking will terminate, lapse and cease to have any effect on the earlier of: (i) the effective date of the Delisting; or (ii) 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 obligation in the Bondholder Undertaking, the date of lapsing or termination of the Exit Offer.”*

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.

4. INFORMATION ON THE OFFEROR AND THE PARTIES ACTING IN CONCERT WITH IT

Paragraphs 5.1 and 5.2 of the Exit Offer Letter sets out certain information on the Offeror and the parties acting in concert with it, extracts of which are set out below. Additional information on the Offeror extracted from appendix 3 to the Exit Offer Letter is set out in Appendix C to this Circular.

LETTER TO SHAREHOLDERS

“5.1 The Offeror

- (a) *The Offeror is a special purpose vehicle incorporated in Singapore on 23 August 2022 for the purposes of the Delisting and the Exit Offer. Its principal activity is that of investment holding. As at the Latest Practicable Date, the Offeror is a wholly-owned subsidiary of FMI. 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.*
- (b) *FMI is a public company incorporated in the Republic of the Union of Myanmar and listed on the Yangon Stock Exchange. FMI is an investment holding company that owns shares in companies engaged in a number of diverse businesses, including core businesses in the financial services, real estate, healthcare and tourism sectors. 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 to Mr. Cezar Peralta Consing).*

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

- (c) *As at the Latest Practicable Date, the Offeror has an issued and paid-up share capital of S\$1 comprising one (1) ordinary share.*
- (d) *The Offeror Directors are Mr. Serge Pun, Mr. Tun Tun and Mr. Cyrus Pun. As at the Latest Practicable Date, Mr. Serge Pun is directly interested in 103,000 Shares, representing approximately 0.02% of the total number of issued Shares and is deemed to be interested in an aggregate of 209,026,274 Shares, representing approximately 41.62% of the total number of issued Shares. Save as disclosed in this Section and in Appendix 6 to this Exit Offer Letter, as at the Latest Practicable Date, Mr. Serge Pun, Mr. Tun Tun and Mr. Cyrus Pun do not own or control, and have not entered into any agreement to acquire, any Company Securities.*
- (e) *As at the Latest Practicable Date, the Offeror Concert Party Group (which includes Mr. Serge Pun, Mr. Tun Tun and Mr. Cyrus Pun) has an aggregate (direct and indirect¹) interest in 250,260,794 Shares, representing approximately 49.84% of the total number of issued Shares.*
- (f) *As at the Latest Practicable Date and save as disclosed herein, the Offeror does not own or control, and has not entered into any agreement to acquire, any Company Securities.*
- (g) *Additional information on the Offeror and FMI is set out in Appendix 3 to this Exit Offer Letter.*

5.2 Information on other members of the Offeror Concert Party Group

As at the Latest Practicable Date, the following parties are parties acting or presumed to be acting concert with the Offeror :

- (a) *Mr. Serge Pun, being the executive chairman and controlling shareholder of FMI;*
- (b) *FMI, being the sole shareholder of the Offeror;*

LETTER TO SHAREHOLDERS

- (c) *YSH, being an entity controlled by Mr. Serge Pun;*
- (d) *YSIL, being a wholly-owned subsidiary of YSH; and*
- (e) *ACE, a segregated portfolio company incorporated in the Cayman Islands.*

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

The aggregate shareholding of the Offeror Concert Party Group identified herein as at the Latest Practicable Date is approximately 49.84%. Please refer to Appendix 6 of this Exit Offer Letter for details of the Company Securities owned or controlled by the Offeror Concert Party Group.

¹ As at the Latest Practicable Date, Mr. Serge Pun holds 103,000 Shares, FMI holds 41,947,426 Shares and YSIL holds 167,078,848 Shares.

5. INFORMATION ON THE COMPANY

The Company is incorporated in Singapore on 19 January 2012 and has been listed on the Catalyst of the SGX-ST since 2 July 2012. 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 Latest Practicable Date, the Company has an issued and paid-up share capital of S\$129,125,466.65 comprising 502,170,955 Shares. It does not have any treasury shares.

As at the Latest Practicable Date, the Directors are Mr. Serge Pun (Executive Chairman), Mr. Cyrus Pun (Chief Executive Officer and Executive Director), Mr. Tun Tun (Non-Executive Non-Independent Director), Mr. Basil Chan (Lead Independent Director), Mr. Robin Lee (Non-Executive Independent Director) and Mr. Vincent Chan (Non-Executive Non-Independent Director).

Additional information on the Company is set out in Appendix B to this Circular.

6. RATIONALE FOR THE DELISTING AND EXIT OFFER

The rationale for the Delisting and the Exit Offer is set out in paragraph 8 of the Exit Offer Letter entitled "Rationale for the Delisting and Exit Offer", extracts of which are set out below:

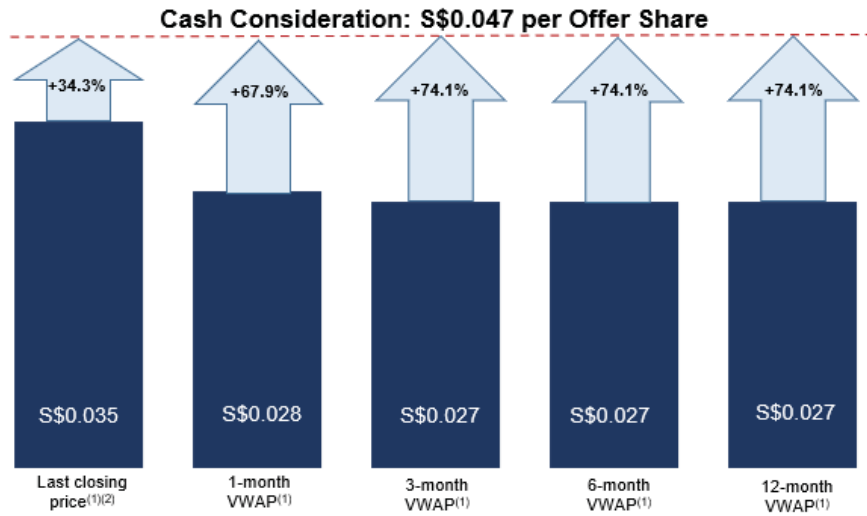
"8. RATIONALE FOR THE DELISTING AND EXIT OFFER

8.1 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)

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) without incurring brokerage and other trading costs.

LETTER TO SHAREHOLDERS

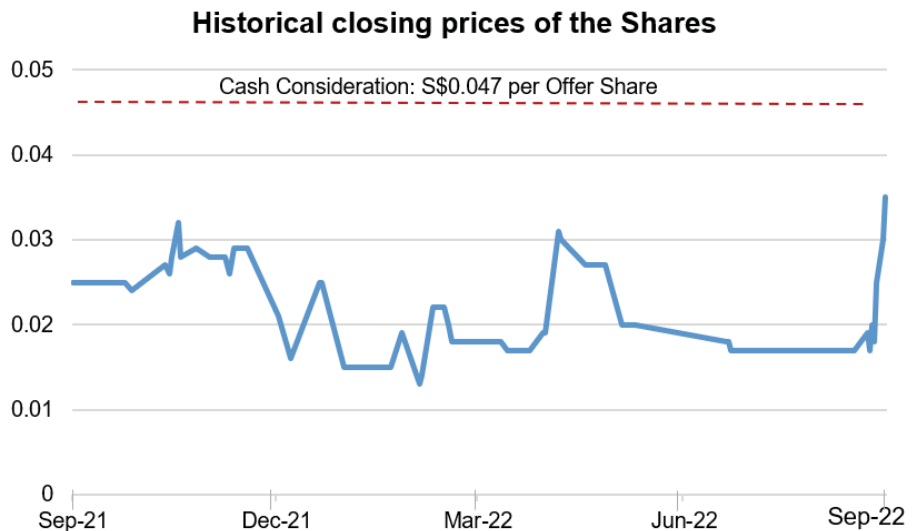
- (a) The Cash Consideration is at a premium above the historical traded prices (for the relevant periods prior to and including the Holding Announcement Date)



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.

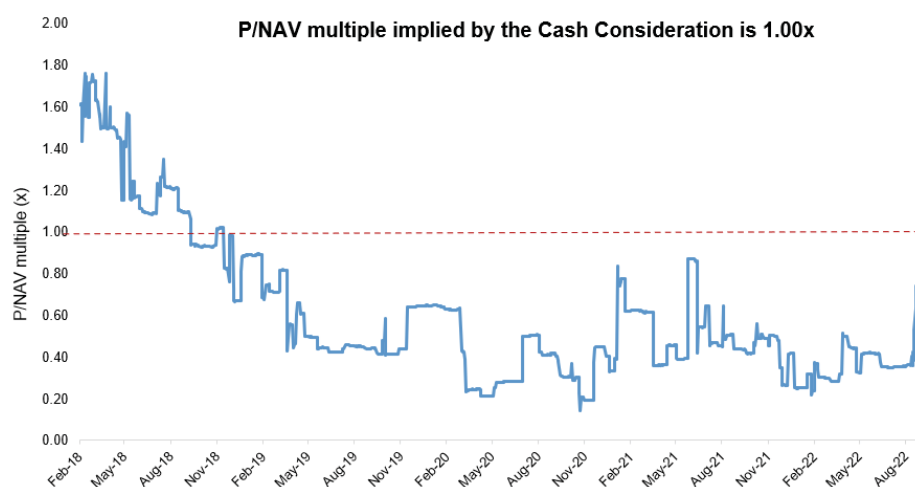
As set out in the chart above, the Cash Consideration of S\$0.047 per Offer Share represents a premium of approximately 67.9%, 74.1%, 74.1% and 74.1% above the VWAP per Share for the 1-month, 3-month, 6-month and 12-month periods respectively up to and including the Last Undisturbed Trading Day. The 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.

LETTER TO SHAREHOLDERS

- (b) The Company's 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 NAV per Share of S\$0.047² as at 30 June 2022. This represents a premium of 163.2% and 132.6% above the average P/NAV multiples of 0.38x³ and 0.43x³ 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 the Company's disclosures in the Holding Announcement.

LETTER TO SHAREHOLDERS

8.2 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.

8.3 Intention to delist and privatise the Company

(a) Significant changes in market conditions necessitates greater management flexibility

Despite a successful listing on the Catalist of the SGX-ST in early 2018, the Group's 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 FYE2020 and FYE2021. 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 the 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.

(b) 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 Section 8.3(a) 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.

LETTER TO SHAREHOLDERS

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.

(c) 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.

8.4 Shareholders have the option to elect to accept 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 to accept 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 Section 5.1(a) above), Shareholders should carefully consider the risk factors and restrictions of holding the New Offeror Shares set out in Appendix 4 and Appendix 8 respectively to this Exit Offer Letter should they wish to elect to receive the Share Consideration.

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 Computed based on 502,170,955 Shares, being the total number of issued Shares as at the Latest Practicable Date.”

7. THE OFFEROR’S INTENTIONS FOR THE COMPANY

The Offeror’s intentions for the Company are set out in paragraph 9 of the Exit Offer Letter entitled “Offeror’s Intentions in relation to the Company”, extracts of which are set out below:

“9. OFFEROR’S INTENTIONS IN RELATION TO THE COMPANY

9.1 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 subject to the SGX-ST’s Approval, be delisted from the Catalist 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.***

LETTER TO SHAREHOLDERS

If the Company is delisted from the Catalist 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 Code (if it converts into 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.

9.2 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 Company or 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."

8. IMPLICATIONS OF DELISTING AND COMPULSORY ACQUISITION FOR SHAREHOLDERS

8.1 Implication of Delisting for Shareholders

Shareholders should note that the Delisting is subject to the approval of the SGX-ST. Upon the Delisting Resolution being approved at the EGM, the Company will apply to the SGX-ST to be delisted from the Catalist of the SGX-ST.

Shareholders should also note that if the Delisting Resolution Approval Condition is fulfilled but, if for whatever reason, the approval of the SGX-ST is not obtained, the Company will remain listed on the Catalist of the SGX-ST and the following provisions in the Catalist Rules would remain relevant.

In such event, pursuant to Rule 1104 of the Catalist Rules, upon an announcement by the Offeror that acceptances have been received pursuant to the Exit Offer that bring the holdings owned by the Offeror Concert Party Group to above ninety per cent (90%) of the total number of issued Shares (excluding Shares held in treasury), the SGX-ST may suspend the trading of the Shares on the SGX-ST until it is satisfied that at least ten per cent (10%), of the total number of issued Shares (excluding Shares held in treasury) are held by at least 200 Shareholders who are members of the public. Rule 1303(1) of the Catalist Rules provides that if the Offeror succeeds in garnering acceptances exceeding ninety per cent (90%) of the total number of issued Shares (excluding Shares held in treasury), thus causing the percentage of the total number of Shares (excluding Shares held in treasury) held in public hands to fall below ten per cent (10%), the SGX-ST will suspend trading of the Shares only at the close of the Exit Offer.

In addition, under Rule 724(1) of the Catalist Rules, if the percentage of the total number of issued Shares (excluding Shares held in treasury) held in public hands falls below ten per cent (10%), the Company must, as soon as practicable, notify its sponsor of that fact and announce that fact and the SGX-ST may suspend the trading of all the Shares. Rule 724(2) of the Catalist Rules states that the SGX-ST may allow the Company a period of three (3) months, or such longer period as the SGX-ST may agree, to raise the percentage of Shares (excluding Shares held in treasury) in public hands to at least ten per cent (10%), failing which the Company may be delisted from the Catalist of the SGX-ST.

LETTER TO SHAREHOLDERS

The Offeror intends to privatise the Company and does not intend to preserve the listing status of the Company. In the event that the trading of the Shares on the SGX-ST is suspended pursuant to Rule 724, Rule 1104 or Rule 1303(1) of the Catalist Rules, the Offeror has no intention to undertake or support any action for any such trading suspension by the SGX-ST to be lifted.

Shareholders should note that nevertheless, if the Delisting Resolution is approved in accordance with the requirements of the Catalist Rules, and the approval of SGX-ST is obtained, the Company will be delisted, regardless of the acceptance level of the Exit Offer. Following the Delisting, Shareholders who do not accept the Exit Offer will continue to hold shares in the Company, which will then be a public unlisted company.

Shareholders should note that shares of unlisted companies are generally valued at a discount to the shares of comparable listed companies due to the lack of marketability. Following the Delisting, it is likely to be difficult for Shareholders who do not accept the Exit Offer to sell their Shares in the absence of a public market for the Shares, as there is no arrangement for such Shareholders to exit. Even if such Shareholders were able to sell their Shares, they would likely receive a lower price as compared with the market prices of the shares of comparable listed companies, or as compared with the Exit Offer Consideration. Further, any transfer or sale of Shares represented by share certificates will be subject to stamp duty.

In such event, Shareholders should also note that, under Rule 33.2 of the Code, except with the consent of the SIC, neither the Offeror nor any person acting in concert with it may, within six (6) months of the close of the Exit Offer, make a second offer to, or acquire any Shares from, any Shareholder on terms better than those made available under the Exit Offer. If the Company is delisted from the Catalist of the SGX-ST, it will no longer be required to comply with the listing requirements of the SGX-ST. Nonetheless, as a company incorporated in Singapore, the Company will still need to comply with the Companies Act and its Constitution, and the interests of Shareholders who do not accept the Exit Offer will be protected to the extent provided for by the Companies Act and the Constitution.

If the Company is delisted from the Catalist of the SGX-ST, each Shareholder who holds Shares that are deposited with CDP and does not accept the Exit Offer will be entitled to one (1) share certificate representing his delisted Shares. The Share Registrar will arrange to forward the share certificates to such Shareholders who are not CPFIS Investors or SRS Investors, by ordinary post and at the Shareholders' own risk, to their respective addresses as such addresses appear in the records of CDP for their physical safekeeping. The share certificates belonging to CPFIS Investors and SRS Investors will be forwarded to their respective CPF/SRS Agent Banks for their safekeeping.

Shareholders who are in doubt on their position should seek independent professional advice.

8.2 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 Despatch Date and which, for the avoidance of doubt, excludes any issued and paid-up ordinary shares held by the Company 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.

As at the Latest Practicable Date, FMI, which has 8.35% shareholding interest in the Company, is a related company of the Offeror. Hence, the above shareholding interest held by FMI will be excluded in the computation of the minimum 90% threshold that the Offeror will need to acquire before it is entitled to exercise its rights of compulsory acquisition under Section 215(1) of the Companies Act.

LETTER TO SHAREHOLDERS

As stated in the Exit Offer Letter, the Offeror intends to make the Company 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 Despatch Date), the Offeror intends to exercise its right of compulsory acquisition under Section 215(1) of the Companies Act.** The Offeror will pay the Dissenting Shareholder(s) the Cash Consideration to acquire their Offer Shares if the Dissenting Shareholder(s) fails to validly make an alternative election for the Share Consideration within the time allowed under Section 215(1A) 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 the Company as treasury shares, comprise ninety per cent (90%) or more of all the Shares and any issued and paid-up ordinary shares held by the Company as treasury shares, Dissenting Shareholders have a right to require the Offeror to acquire their Shares at the Exit Offer Consideration. In this case, the Offeror will pay the Dissenting Shareholder(s) the Cash Consideration to acquire their Offer Shares if the Dissenting Shareholder(s) fails to validly make an alternative election for the Share Consideration. **Dissenting Shareholders who wish to exercise such a right are advised to seek their own independent professional advice.**

Please refer to paragraph 11 of the Exit Offer Letter for details on, *inter alia*, the rights of the Offeror and Shareholders under the Companies Act.

IN THE EVENT THAT THE DELISTING IS APPROVED BY SHAREHOLDERS AT THE EGM BUT NEITHER THE OFFEROR NOR THE DISSENTING SHAREHOLDERS ARE ENTITLED TO EXERCISE THEIR RIGHTS UNDER SECTION 215(1) AND SECTION 215(3) OF THE COMPANIES ACT RESPECTIVELY, THE COMPANY WILL, SUBJECT TO THE APPROVAL OF THE SGX-ST, BE DELISTED, REGARDLESS OF THE ACCEPTANCE LEVEL OF THE EXIT OFFER, AND SHAREHOLDERS WHO DO NOT ACCEPT THE EXIT OFFER WILL BE LEFT HOLDING SHARES IN A PUBLIC UNLISTED COMPANY.

LETTER TO SHAREHOLDERS

9. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

The table below sets out the Directors' and Substantial Shareholders' interests in the Company as at the Latest Practicable Date:

	Direct Interest		Deemed Interest		Total Interest	
	No. of Shares	% of issued Shares ⁽¹⁾	No. of Shares	% of issued Shares ⁽¹⁾	No. of Shares	% of issued Shares ⁽¹⁾
Directors						
Mr. Serge Pun ⁽²⁾	103,000	0.02	209,026,274	41.62	209,129,274	41.65
Mr. Cyrus Pun	–	–	–	–	–	–
Mr. Tun Tun	–	–	–	–	–	–
Mr. Basil Chan	–	–	–	–	–	–
Mr. Robin Lee	–	–	–	–	–	–
Mr. Vincent Chan	–	–	–	–	–	–
Substantial Shareholders						
FMI	41,947,426	8.35	–	–	41,947,426	8.35
Yangon Land Company Limited ⁽⁴⁾	–	–	41,947,426	8.35	41,947,426	8.35
YSIL	167,078,848	33.27	–	–	167,078,848	33.27
YSH ⁽³⁾	–	–	167,078,848	33.27	167,078,848	33.27
ACE	41,131,520	8.19	–	–	41,131,520	8.19
Samena	141,004,800	28.08	–	–	141,004,800	28.08
Shirish Sharaf ⁽⁵⁾	–	–	141,004,800	28.08	141,004,800	28.08
2S Holdings ⁽⁵⁾	–	–	141,004,800	28.08	141,004,800	28.08
Samena Capital Investors Co ⁽⁵⁾	–	–	141,004,800	28.08	141,004,800	28.08
Samena Capital Partner III Limited ⁽⁵⁾	–	–	141,004,800	28.08	141,004,800	28.08
Samena Capital ⁽⁵⁾	–	–	141,004,800	28.08	141,004,800	28.08
Samena Special Situations Fund III LP ⁽⁵⁾	–	–	141,004,800	28.08	141,004,800	28.08
SHC Capital Holdings Pte. Ltd.	35,662,759	7.10	–	–	35,662,759	7.10
See Hoy Chan Holdings Pte. Ltd. ⁽⁶⁾	–	–	35,662,759	7.10	35,662,759	7.10
See Hoy Chan Sdn. Berhad ⁽⁶⁾	–	–	35,662,759	7.10	35,662,759	7.10
Teo Soo Chew ⁽⁷⁾	–	–	35,662,759	7.10	35,662,759	7.10
Teo Soo Kiat ⁽⁷⁾	–	–	35,662,759	7.10	35,662,759	7.10
Teo Chiang Kai ⁽⁷⁾	–	–	35,662,759	7.10	35,662,759	7.10
Other Shareholders						
Public Shareholders	75,242,602	14.99	–	–	75,242,602	14.99

LETTER TO SHAREHOLDERS

Notes:

- (1) Percentage is calculated based on the total number of issued Shares comprising 502,170,955 Shares as at the Latest Practicable Date.
- (2) 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) 56.05% shareholding interests in FMI.
- (3) YSH is deemed interested in the 167,078,848 Shares held by YSIL arising from its 100.00% interest in YSIL.
- (4) Yangon Land Company Limited is deemed interested in the 41,947,426 Shares held by FMI arising from its 28.84% interest in FMI.
- (5) Samena is the vehicle through which Samena Capital holds its investment in the Company. Samena Special Situations Fund III is deemed interested in the 141,004,800 Shares held by Samena, arising from its 100.0% shareholding interest in Samena. Samena Capital holds a deemed interest because it has indirect control of Samena which is directly interested in the 141,004,800 Shares. Samena General Partner III Limited holds a deemed interest because it has indirect control of Samena which is directly interested in the 141,004,800 Shares. Samena Capital Investors Co holds a deemed interest through its over 20% shareholding of Samena Capital, which has indirect control of Samena which is directly interested in the 141,004,800 Shares. 2S Holdings holds a deemed interest through its over 20% shareholding of Samena Capital, which has indirect control of Samena which is directly interested in the 141,004,800 Shares. Shirish Saraf holds a deemed interest through his ownership and control of entities which have over 20% shareholding of Samena Capital, which has indirect control of Samena which is directly interested in the 141,004,800 Shares. Shirish Saraf owns 100% of the shares in 2S Holdings, and 100% of the voting rights in Samena Capital Investors Co.
- (6) See Hoy Chan Holdings Pte. Ltd. is deemed interested in 35,662,779 Shares held by SHC Capital Holdings Pte. Ltd. arising from its 100% interest in SHC Capital Holdings Pte. Ltd.. See Hoy Chan Sdn. Berhad is deemed interested in the 35,662,759 Shares held by See Hoy Chan Holdings Pte. Ltd. arising from its 100% interest in See Hoy Chan Holdings Pte. Ltd..
- (7) Teo Soo Chew, Teo Soo Kiat and Teo Chiang Khai are deemed to be interested in the Shares held by SHC Capital Holdings Pte Ltd by virtue of their respective interests in See Hoy Chan Sdn. Berhad.

Save as disclosed in this Circular (in particular Section 4 entitled "Information on the Offeror and the Parties Acting in Concert with It"), none of the Directors or Substantial Shareholders has any interest, direct or indirect, in the Delisting or Exit Offer.

10. FINANCIAL ASPECTS OF THE EXIT OFFER AND NO COMPETING OFFER

10.1 Benchmarking the Exit Offer Consideration

The information on the benchmarking of the Exit Offer Consideration is set out in paragraph 8 of the Exit Offer Letter, and has been reproduced in Section 6 of this Circular entitled "Rationale for the Delisting and Exit Offer".

10.2 Financial aspects

The information on certain financial aspects of the Exit Offer is set out in paragraph 12 of the Exit Offer Letter entitled "Financial Aspects of the Exit Offer", extracts of which are set out below:

LETTER TO SHAREHOLDERS

“12.1 Premia to Historical Market Prices

The Cash Consideration represents the following premia over the historical market prices of the Shares on the SGX-ST over various periods:

Share Prices on the SGX-ST	Share Price (S\$)⁽¹⁾	Premium/ (Discount) of Exit Offer Consideration over Share Price (%)
Last transacted price of the Shares on the SGX-ST on 9 September 2022 (being the last day on which the Shares were traded prior to the Joint Announcement Date)	0.093	(49.5)
Last transacted price of the Shares on the SGX-ST on the Last Undisturbed Trading Day	0.035	34.3
VWAP on the SGX-ST for the one (1)-month period prior and up to the Last Undisturbed Trading Day	0.028	67.9
VWAP on the SGX-ST for the three (3)-month period prior and up to the Last Undisturbed Trading Day	0.027	74.1
VWAP on the SGX-ST for the six (6)-month period prior and up to the Last Undisturbed Trading Day	0.027	74.1
VWAP on the SGX-ST for the twelve (12)-month period prior and up to the Last Undisturbed Trading Day	0.027	74.1

Note:

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

12.2 Premium to NAV and NTA per Share

The Cash Consideration:

- (i) is on par with the unaudited consolidated NAV per Share of S\$0.047⁵ as at 30 June 2022; and
- (ii) represents a premium of approximately 11.9% over the unaudited consolidated NTA per Share of S\$0.042⁵ as at 30 June 2022.

⁵ 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.”

10.3 No Competing Offer

As at the Latest Practicable Date, no competing offer has been received by the Company.

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11. CONFIRMATION OF FINANCIAL RESOURCES

The information relating to the confirmation of financial resources available to the Offeror to satisfy in full all acceptances of the Exit Offer has been extracted from paragraph 15 of the Exit Offer Letter and is set out below:

“15.1 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.

15.2 SAC Capital, as the Financial Adviser, confirms in accordance with the Code that, after 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.”

For the avoidance of doubt, the financial resources made available by the Offeror is based on the maximum potential issued share capital of the Company, which comprises 506,061,595 Shares assuming that the Second Tranche Shares have been allotted and issued by the Closing Date.

12. ADVICE OF INDEPENDENT FINANCIAL ADVISER TO THE INDEPENDENT DIRECTORS IN RELATION TO THE EXIT OFFER

12.1 IFA

Provenance Capital Pte. Ltd. has been appointed as the independent financial adviser to the Independent Directors in relation to the Exit Offer. The IFA Letter from the IFA setting out its advice to the Independent Director is set out in full in Appendix A to this Circular. Shareholders are advised to read and consider the IFA Letter in its entirety.

12.2 Information relating to the advice of the IFA in relation to the Exit Offer and the key factors it has taken into consideration have been extracted from paragraph 11 of the IFA Letter and are reproduced below. Unless otherwise defined, all terms and expressions used in the extract below shall have the same meanings as those defined in the IFA Letter:

“11. OUR RECOMMENDATION TO THE INDEPENDENT DIRECTORS ON THE EXIT OFFER

In arriving at our recommendation in respect of the Exit Offer, we have taken into account, reviewed and deliberated on the following key considerations which we consider to be pertinent in our assessment of the Exit Offer:

- (a) market quotation and trading activity of the Shares;*
- (b) financial analysis of the Group;*
- (c) comparison with recent precedent privatisation of selected SGX-ST listed companies;*
- (d) comparison of valuation statistics of selected SGX-ST listed companies which are broadly comparable with the Group;*
- (e) our estimated value range of the Shares;*
- (f) dividend track record of MGL;*

LETTER TO SHAREHOLDERS

(g) *Share Consideration as an election in lieu of the Cash Consideration; and*

(h) *other relevant considerations.*

Based on our analysis and after having considered carefully the information available to us as at the Latest Practicable Date, we are of the view that the Exit Offer is fair and reasonable. Accordingly, we advise the Independent Directors to recommend to Shareholders to VOTE IN FAVOUR of the Delisting Resolution at the EGM and to ACCEPT the Exit Offer.

In addition, Shareholders should elect the Cash Consideration if they wish to have certainty of the Exit Offer Consideration and if they are not confident of the future prospects of the Offeror or if they are not prepared to bear any of the risk and restrictions associated with an investment in the Offeror, which is an unlisted entity.

Shareholders who wish to elect the Share Consideration should assess for themselves the future prospects of the Offeror, which will become the holding company of the Group. These Shareholders should also be prepared to take the risk and restrictions associated with an investment in the Offeror as a minority shareholder.

Our recommendation to the Independent Directors in relation to the Exit Offer in connection with the Delisting Proposal should be considered in the context of the entirety of this Letter and the Circular.”

13. INDEPENDENT DIRECTORS' RECOMMENDATIONS

13.1 General

Shareholders should read and carefully consider the IFA Letter issued by the IFA as set out in Appendix A to this Circular in its entirety. Shareholders should also read and carefully consider the recommendation of the Independent Directors set out below before deciding whether to accept or reject the Exit Offer.

13.2 Independence of Directors

The SIC has ruled that Mr. Serge Pun, Mr. Cyrus Pun and Mr. Tun Tun will be exempted from the requirement of making a recommendation to Shareholders on the Exit Offer. Nevertheless, Mr. Serge Pun, Mr. Cyrus Pun and Mr. Tun Tun, together with the remainder of the Board, will still assume responsibility for the accuracy of the facts stated and opinions expressed in each document issued by, or on behalf of, the Company to the Shareholders in connection with the Exit Offer.

Save for Mr. Serge Pun, Mr. Cyrus Pun and Mr. Tun Tun, all the Directors (being Mr. Basil Chan, Mr. Robin Lee and Mr. Vincent Chan) are considered independent for the purposes of making a recommendation on the Exit Offer.

13.3 Recommendation of the Independent Directors in relation to the Exit Offer

Shareholders are advised by the Independent Directors to read and consider carefully the recommendation of the Independent Directors and the advice of the IFA contained in the IFA Letter as reproduced in Appendix A to this Circular in its entirety. In particular, the Independent Directors advise the Shareholders to review paragraphs 11 of the IFA Letter carefully. The Independent Directors also draw the attention of the Shareholders to Section 8 of this Circular entitled “Implications of Delisting and Compulsory Acquisition for Shareholders”.

In reaching the recommendation set out below, the Independent Directors have considered carefully, amongst other things, the terms of the Delisting Proposal including the Exit Offer and the advice given by the IFA.

LETTER TO SHAREHOLDERS

Having taken the IFA's advice on the Exit Offer and the terms of the Delisting Proposal into consideration, the Independent Directors concur with the advice of the IFA in relation to the Exit Offer.

Accordingly, the Independent Directors recommend that Shareholders VOTE IN FAVOUR of the Delisting Resolution and ACCEPT the Exit Offer.

In addition, Shareholders should elect the Cash Consideration if they wish to have certainty of the Exit Offer Consideration and if they are not confident of the future prospects of the Offeror or if they are not prepared to bear any of the risk and restrictions associated with an investment in the Offeror, which is an unlisted entity.

Shareholders who wish to elect the Share Consideration should assess for themselves the future prospects of the Offeror, which will become the holding company of the Group. These Shareholders should also be prepared to take the risk and restrictions associated with an investment in the Offeror as a minority shareholder.

Shareholders should note that they should not rely on the advice of the IFA to the Independent Directors as the sole basis for deciding whether or not to accept the Exit Offer.

13.4 No Regard to Specific Objectives

In rendering the above advice and giving the above recommendation, the Independent Directors have not taken into consideration nor had regard to the general or specific investment objectives, financial situation, risk profiles, tax position and/or particular or unique needs and constraints of any individual Shareholder. As different Shareholders have different investment profiles and objectives, the Independent Directors recommend that any Shareholder who may require specific advice in relation to the Exit Offer consults his stockbroker, bank manager, solicitor, accountant, tax adviser or other professional adviser immediately.

14. OVERSEAS SHAREHOLDERS

This Circular 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 Circular, in any jurisdiction in contravention of applicable law. The Exit Offer will be made solely by the Exit Offer Letter and the relevant Acceptance Forms, which set out the full terms and conditions of the Exit Offer, including details on how the Exit Offer may be accepted.

The availability of the Exit Offer to Overseas Shareholders may be affected by the laws of the relevant overseas jurisdictions in which they are located. Accordingly, Overseas Shareholders should inform themselves of, and observe, any applicable legal requirements and restriction in the relevant overseas jurisdictions, and exercise caution in relation to the Exit Offer, as the Exit Offer Letter and the Acceptance Forms have not been reviewed by any regulatory authority in any overseas jurisdiction (other than for Singapore). **If you are in doubt about your position, you should consult your professional adviser in the relevant jurisdiction. Please refer to paragraph 16 of the Exit Offer Letter entitled "Overseas Shareholders" for the points to be noted by Overseas Shareholders in relation to the Exit Offer.**

15. EXTRAORDINARY GENERAL MEETING

The EGM, notice of which is set out on pages N-1 to N-3 of this Circular, will be held at 9.30 a.m. on 18 November 2022 at Metropolitan YMCA Singapore, The Vine Ballroom Level 2, 60 Stevens Road, Singapore 257854 for the purpose of considering and, if thought fit, passing with or without modification, the Delisting Resolution set out in the Notice of EGM.

LETTER TO SHAREHOLDERS

16. ACTIONS TO BE TAKEN BY SHAREHOLDERS

16.1 Voting at the EGM

(a) Appointment of Proxies

Shareholders who are unable to attend the EGM and who wish to appoint a proxy to attend and vote at the EGM on their behalf are requested to complete, sign and return the Proxy Form attached to the Notice of EGM in accordance with the instructions printed thereon as soon as possible and by completing and submitting the duly completed Proxy Form to the Company in the following manner:

- (i) via post to the Registrar at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896; or
- (ii) via email to main@zicoholdings.com,

in either case, by 9.30 a.m. (Singapore time) on 16 November 2022, being not less than 48 hours before the time appointed for the EGM. A Shareholder who wishes to submit the Proxy Form must first download, complete and sign the Proxy Form, before submitting it by post to the address provided above, or by scanning and submitting it by way of electronic means via email to the email address provided above. In view of the current COVID-19 advisories issued by the relevant authorities and the related safe distancing measures in Singapore, Shareholders are strongly encouraged to submit the completed Proxy Forms by way of electronic means via email. The completion and return of the Proxy Form by such Shareholder will not prevent him from attending and voting at the EGM in person if he so wishes.

The Proxy Form may be accessed on SGXNET at the URL: <https://www.sgx.com/securities/company-announcements> or the Company's website at the URL: <https://memoriesgroup.com/>.

A Depositor will not be regarded as a Shareholder entitled to attend the EGM and to speak and vote thereat unless his name appears on the Depository Register at least 72 hours before the EGM, as certified by CDP to the Company.

(b) Submission of questions in advance of the EGM

Shareholders may submit questions which are substantial and relevant to the Delisting Resolution tabled for approval at the EGM by writing to the Company in advance of the EGM. Alternatively, Shareholders may also pose such questions during the EGM.

Substantial and relevant questions related to the agenda of the EGM must be submitted in the following manner:

- (i) via post to the Company's registered office at 63 Mohamed Sultan Road, #02-14 Sultan-Link, Singapore 239002; or
- (ii) via email to info@memoriesgroup.com,

in either case, by 9.30 a.m. on 11 November 2022 for the purposes of the EGM.

For verification purposes, when submitting any questions via email, Shareholders MUST provide the Company with their particulars (comprising full name (for individuals) / company name (for corporates), email address, contact number, NRIC/passport number / company registration number, shareholding type and number of shares held), failing which the submission will be treated as invalid.

LETTER TO SHAREHOLDERS

In view of the current COVID-19 advisories issued by the relevant authorities and the related safe distancing measures in Singapore, Shareholders are strongly encouraged to submit their questions electronically via email.

For questions submitted in advance of the EGM, the Company will endeavour to address the questions which are substantial and relevant to the agenda of the EGM prior to the EGM and by publication on the SGXNET and the Company's website at <https://www.memoriesgroup.com/> by 14 November 2022. Where substantial and relevant questions submitted by Shareholders are unable to be addressed prior to the EGM, including any questions received by the Company after 9.30 a.m. on 11 November 2022, the Company will address them during the EGM.

The Directors will endeavour to address as many substantial and relevant questions as possible during the EGM. However, Shareholders should note that there may not be sufficient time available at the EGM to address all questions raised. Please note that individual responses will not be sent to Shareholders.

The Company will also publish the minutes of the EGM on SGXNET and the Company's website within one month after the date of the EGM.

16.2 Despatch of Circular, Exit Offer Letter, Hardcopy Notification and Acceptance Forms

In line with the news release and joint statements issued by the SGX-ST and the MAS, the SIC and the SGX RegCo, as the case may be, on 6 May 2020, 29 September 2020 and 29 June 2021, the MAS, the SIC and the SGX RegCo have introduced temporary measures to allow listed issuers and parties involved in take-over or merger transactions the option to electronically disseminate their take-over documents through publication on SGXNET and their corporate websites, thereby dispensing with the need to despatch hardcopy documents related to such take-over or merger transactions.

Accordingly, no printed copies of this Circular and the Exit Offer Letter will be despatched to the Shareholders. Instead, the Circular and Exit Offer Letter has been disseminated electronically to the Shareholders through publication on the websites of the SGX-ST at <https://www.sgx.com> and the Company at <https://www.memoriesgroup.com/>.

In connection with the electronic dissemination of this Circular and the Exit Offer Letter, the Hardcopy Notification and relevant Acceptance Forms have been despatched by ordinary post to the Shareholders on the same date as this Circular.

16.3 Acceptance of the Exit Offer

The Exit Offer may only be accepted by the relevant Shareholder (or, as the case may be, the Depositor holding Offer Shares through CDP) to whom the Exit Offer Letter is addressed. Shareholders may choose to accept the Exit Offer before the EGM. However, such acceptance is conditional upon Shareholders' Approval being obtained at the EGM. Shareholders should note that if the Delisting Resolution is not passed at the EGM, the Delisting will not proceed and the Company will remain listed on the Catalist of the SGX-ST. The Exit Offer will also lapse and the Offeror will cease to be bound by any prior acceptances of the Exit Offer by any Shareholder. The Offer Shares in respect of which acceptances have been received shall be returned to the relevant Shareholders in accordance with the procedures set out in the Exit Offer Letter and in the relevant Acceptance Forms (as the case may be).

SHAREHOLDERS SHOULD NOTE THAT APPROVING THE DELISTING RESOLUTION AT THE EGM DOES NOT AUTOMATICALLY MEAN THAT YOU HAVE ACCEPTED THE EXIT OFFER.

LETTER TO SHAREHOLDERS

16.4 Courses of Action in relation to the Exit Offer

If you decide to reject the Exit Offer, you do not have to take any action.

If you decide to accept the Exit Offer, you should complete, sign and return the relevant Acceptance Form in accordance with the provisions and instructions in the Exit Offer Letter and in the relevant Acceptance Form during the period commencing from the Despatch Date and ending at 5.30 p.m. (Singapore time) on the Closing Date.

If you are a Registered Shareholder and wish to accept the Exit Offer in respect of such Offer Shares, you should not deposit the share certificate(s) with CDP during the period commencing on the Despatch Date and ending at 5.30 p.m. (Singapore time) on the Closing Date (both dates inclusive) as the "Free Balance" of your Securities Account may not be credited with the relevant number of Offer Shares in time for you to accept the Exit Offer.

The detailed procedures for acceptance of the Exit Offer are set out in appendix 2 to the Exit Offer Letter for your information.

16.5 Information Pertaining to CPFIS Investors

Information on the Exit Offer pertaining to CPFIS Investors is set out in paragraph 17 of the Exit Offer Letter entitled "Information Pertaining to CPFIS Investors".

16.6 Information Pertaining to SRS Investors

Information on the Exit Offer pertaining to SRS Investors is set out in paragraph 18 of the Exit Offer Letter Entitled "Information Pertaining to SRS Investors".

17. RESPONSIBILITY STATEMENT

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

Where any information in this Circular has been extracted or reproduced from the Delisting Proposal and/or the Exit Offer Letter (including information relating to the Offeror and/or parties acting in concert with it but excluding information on the Delisting or the Exit Offer Letter relating to the Company or its subsidiaries) or 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 Circular in its proper form and context.

The recommendation of the Independent Directors set out in Section 13 of this Circular is the sole and full responsibility of the Independent Directors.

18. CONSENTS

18.1 The IFA has given and has not withdrawn its written consent to the issue of this Circular with the inclusion of its name, the IFA Letter as set out in Appendix A to this Circular, and all references thereto, in the form and context in which they are respectively included in this Circular.

18.2 The Independent Valuer has given and has not withdrawn its written consent to the issue of this Circular with the inclusion of its name, the Valuation Summary Letters set out in Appendix E to this Circular, Valuation Reports, and all references thereto, in the form and context in which they appear in this Circular.

LETTER TO SHAREHOLDERS

18.3 Altum Law Corporation has given and has not withdrawn its written consent to the issue of this Circular with the inclusion of its name and all references thereto, in the form and context in which they appear in this Circular.

19. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the registered office of the Company at 63 Mohamed Sultan Road, #02-14 Sultan-Link, Singapore 239002 during normal business hours, from the date of this Circular until the date of the EGM:

- (a) the Constitution;
- (b) the annual reports of the Company for FY2019, FY2020 and FY2021;
- (c) the 9M2023 results of the Company;
- (d) the letter from the Offeror to the Company dated 9 September 2022 in respect of the Delisting Proposal;
- (e) the Valuation Reports;
- (f) the Valuation Summary Letters as set out in Appendix E to this Circular;
- (g) the IFA Letter as set out in Appendix A to this Circular;
- (h) the Exit Offer Letter;
- (i) the letters of consent referred to in Section 18 of this Circular, and
- (j) the Joint Announcement.

20. ADDITIONAL INFORMATION

Your attention is drawn to the Appendices which form part of this Circular.

Yours faithfully
For and on behalf of the Board

Basil Chan
Lead Independent Director
MEMORIES GROUP LIMITED

APPENDIX A: IFA LETTER

PROVENANCE CAPITAL PTE. LTD.

(Company Registration Number: 200309056E)
(Incorporated in the Republic of Singapore)
96 Robinson Road #13-01 SIF Building
Singapore 068899

3 November 2022

To: The Independent Directors of Memories Group Limited
(who are considered independent in respect of the Delisting Proposal and the Exit Offer)

Mr Chan Basil (Lead Independent Director)
Mr Robin Lee Chye Beng (Non-Executive Independent Director)
Mr Chan Chun Hung Vincent (Non-Executive Non-Independent Director)

Dear Sirs,

THE PROPOSED VOLUNTARY DELISTING OF MEMORIES GROUP LIMITED

Unless otherwise defined or the context otherwise requires, all terms used herein have the same meanings as defined in the circular to shareholders of Memories Group Limited (“Shareholders”) dated 3 November 2022 (“Circular”). The latest practicable date as referred to in the Circular and for the purposes of this letter (“Letter”) is 25 October 2022 (“Latest Practicable Date”).

1. INTRODUCTION

1.1 On 12 September 2022 (“**Joint Announcement Date**”), Memories Group Limited (“**MGL**” or “**Company**”) and Memories (2022) Pte. Limited (“**Offeror**”) jointly announced (“**Joint Announcement**”) that the Offeror had presented to the board of directors of the Company (“**Directors**”), a formal proposal to seek the voluntary delisting of the Company (“**Delisting**”) (“**Delisting Proposal**”) from the Catalist of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) pursuant to Rules 1307 and 1308 of the SGX-ST Listing Manual Section B: Rules of Catalist (“**Catalist Rules**”).

Under Rule 1307 of the Catalist Rules, the SGX-ST may agree to an application by MGL to delist from the Catalist if MGL obtains Shareholders’ approval at an EGM for the resolution to approve the Delisting (“**Delisting Resolution**”). For the Delisting Resolution to be passed at the EGM, it must be approved by a majority of at least 75% of the total number of issued ordinary shares in the capital of MGL (“**Shares**”) (excluding treasury shares and subsidiary holdings) held by 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 (“**Offeror Concert Party Group**”) must abstain from voting on the Delisting Resolution.

In addition, under Rule 1308 of the Catalist Rules, the Offeror must make an exit offer (“**Exit Offer**”) to the Shareholders. The Exit Offer must include a cash alternative as the default alternative, and MGL must appoint an independent financial adviser (“**IFA**”) to advise on the Exit Offer and opine that the Exit Offer is fair and reasonable.

Under the Delisting Proposal, the Offeror will make the Exit Offer to acquire all the issued Shares (excluding treasury shares) (“**Offer Shares**”). The consideration for the Exit Offer (“**Exit Offer Consideration**”) payable by the Offeror for each Offer Share will be, at the election of the Shareholders, either:

APPENDIX A: IFA LETTER

- (i) S\$0.047 in cash (“**Cash Consideration**”); or
- (ii) in lieu of the Cash Consideration, one (1) new ordinary share in the capital of the Offeror (“**New Offeror Share**”) at the issue price of S\$0.047 (“**Issue Price**”) for each New Offeror Share (“**Share Consideration**”).

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

- 1.2** The Exit Offer will not become or be capable of being declared unconditional as to acceptances until the close of the Exit Offer, unless the Offeror receives valid acceptances in respect of such number of Offer Shares which, when taken together with the 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 Concert Party Group holding such number of Shares carrying more than 50% of the voting rights in MGL (“**Minimum Acceptance Condition**”).

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 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 (“**Exit Offer Letter**”), the Offeror intends to exercise its right of compulsory acquisition under Section 215(1) of the Companies Act (Chapter 50) of Singapore (“**Companies Act**”).

- 1.3** The Offeror is a special purpose vehicle incorporated in Singapore for the purposes of the Delisting Proposal and the Exit Offer. The Offeror, with a paid-up capital of S\$1 comprising one ordinary share (“**Offeror Share**”), is a wholly-owned subsidiary of First Myanmar Investment Public Co., Ltd. (“**FMI**”), a public company incorporated in the Republic of the Union of Myanmar (“**Myanmar**”) and listed on the Yangon Stock Exchange.

The board of directors of the Offeror (“**Offeror Directors**”) comprises Mr Serge Pun, Mr Cyrus Pun Chi Yam (“**Mr Cyrus Pun**”) and Mr Tun Tun.

Mr Serge Pun is the Executive Chairman and Director of MGL. Mr Cyrus Pun, who is the son of Mr Serge Pun, is the Chief Executive Officer and Executive Director of MGL. Mr Tun Tun, who is the Executive Director and Chief Operating Officer of FMI, is a Non-Executive Non-Independent Director of MGL.

As at the Joint Announcement Date, the Offeror Concert Party Group comprises:

- (i) Mr Serge Pun, the executive chairman and controlling shareholder of FMI;
- (ii) FMI, the sole shareholder of the Offeror;
- (iii) Yoma Strategic Holdings Ltd. (“**YSH**”), an entity controlled by Mr Serge Pun;
- (iv) Yoma Strategic Investments Ltd. (“**YSIL**”), a wholly-owned subsidiary of YSH; and
- (v) ACE Venture Opportunities (“**ACE**”), a segregated portfolio company incorporated in the Cayman Islands.

As at the Joint Announcement Date, the Offeror does not own any Shares. The aggregate shareholding interest of the Offeror Concert Party Group as at the Joint Announcement Date was 49.84% based on the outstanding 502,170,955 Shares.

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As at the Joint Announcement Date, the Offeror had obtained irrevocable undertakings (“**Irrevocable Undertakings**”) from certain Shareholders including the Offeror Concert Party Group (“**Undertaking Shareholders**”) who collectively hold 426,928,353 Shares, representing approximately 85.02% of the outstanding 502,170,955 Shares, to *inter alia* 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.

In view of the above Irrevocable Undertakings, the Minimum Acceptance Condition will be met when the Undertaking Shareholders tender their acceptances for the Exit Offer. However, the Offeror Concert Party Group need to abstain from voting on the Delisting Resolution.

- 1.4 Pursuant to Rule 1308 of the Catalist Rules, MGL has appointed Provenance Capital Pte. Ltd. (“**Provenance Capital**”) as the IFA to the Directors who are considered independent in respect of the Exit Offer (“**Independent Directors**”), for the purposes of making their recommendation to the Shareholders in relation to the Exit Offer.

As at the Latest Practicable Date, the Directors of MGL are as follows:

- (i) Mr Serge Pun, Executive Chairman;
- (ii) Mr Cyrus Pun, Chief Executive Officer and Executive Director;
- (iii) Mr Tun Tun, Non-Executive Non-Independent Director;
- (iv) Mr Chan Basil (“**Mr Basil Chan**”), Lead Independent Director;
- (v) Mr Robin Lee Chye Beng (“**Mr Robin Lee**”), Non-Executive Independent Director; and
- (vi) Mr Chan Chun Hung Vincent (“**Mr Vincent Chan**”), Non-Executive Non-Independent Director.

Messrs Serge Pun, Cyrus Pun and Tun Tun, who are the Offeror Directors, are deemed to be persons acting in concert with the Offeror under the Singapore Code on Take-overs and Mergers (“**Code**”). In this regard, the Securities Industry Council (“**SIC**”) had ruled *inter alia* that Messrs Serge Pun, Cyrus Pun and Tun Tun, as Directors of MGL, are exempted from the requirement to make a recommendation to the Shareholders in connection with the Exit Offer.

The Company has confirmed to us that the remaining Directors, namely, Messrs Basil Chan, Robin Lee and Vincent Chan, are considered as Independent Directors for the purposes of the Exit Offer.

- 1.5 This letter (“**Letter**”) is therefore addressed to the Independent Directors and sets out, *inter alia*, our evaluation of the financial terms of the Exit Offer and our recommendation on the Exit Offer in connection with the Delisting Proposal. This Letter forms part of the Circular which provides, *inter alia*, the details of the Delisting Proposal, the Exit Offer and the recommendation of the Independent Directors on the Delisting Resolution and the Exit Offer.

Shareholders should look out for the above documents dated 3 November 2022 which may also be found at the SGXNET.

2. TERMS OF REFERENCE

Provenance Capital has been appointed as the IFA to advise the Independent Directors in respect of their recommendation to the Shareholders in relation to the Exit Offer in connection with Delisting Proposal.

We have confined our evaluation and assessment to the financial terms of the Exit Offer, and have not taken into account the commercial risks or commercial merits of the Exit Offer. In addition, we have not been requested, and we do not, express any advice or give any opinion on the merits of the Delisting Proposal and/or the Exit Offer relative to any other alternative

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transaction. We were not involved in the negotiations pertaining to the Delisting Proposal and the Exit Offer nor were we involved in the deliberations leading up to the decision to put forth the Delisting Proposal and the Exit Offer to Shareholders.

The scope of our appointment does not require us to express, and we do not express, any view on the future growth prospects, financial position or earnings potential of MGL and/or its subsidiaries (“**Group**”). Such evaluation or comments remain the responsibility of the Directors although we may draw upon their views or make such comments in respect thereof (to the extent deemed necessary or appropriate by us) in arriving at our opinion. The opinion set forth herein is based solely on publicly available information as well as information provided by the Directors, and is predicated upon the economic and market conditions prevailing as at the Latest Practicable Date. This Letter therefore does not reflect any projections on the future financial performance of MGL and/or the Group.

We have not been requested or authorised to solicit, and we have not solicited, any indications of interest from any third party with respect to the Shares. In that regard, we have not addressed the relative merits of the Delisting Proposal and/or the Exit Offer in comparison with any alternative transaction that the Company may consider in the future. Therefore, we do not express any views in these areas in arriving at our recommendation.

In formulating our opinion and recommendation, we have held discussions with the Directors and the management of the Company (“**Management**”) and have relied to a considerable extent on the information set out in the Circular, other public information collated by us and the information, representations, opinions, facts and statements provided to us, whether written or verbal, by MGL and its other professional advisers. Whilst care has been exercised in reviewing the information we have relied upon, we have not independently verified the information both written and verbal and accordingly cannot and do not make any representation or warranty, expressly or impliedly, in respect of, and do not accept any responsibility for, the accuracy, completeness or adequacy of such information. We nonetheless have made reasonable enquiries and exercised our judgement on the reasonable use of such information and have found no reason to doubt the accuracy or reliability of such information.

We have not made an independent evaluation or appraisal of the assets and liabilities of MGL and/or the Group (including without limitation, property, plant and equipment and investment properties).

In connection with the Exit Offer, MGL had commissioned Colliers International Consultancy & Valuation (Singapore) Pte Ltd (“**Colliers**”) as the independent valuer (“**Independent Valuer**”) to carry out market valuations of the key properties of the Group, all of which are located in Myanmar, as at 12 September 2022 (“**Valuation Date**”). The valuation reports by the Independent Valuer dated 30 September 2022 are available as documents for inspection and the valuation summary letters and valuation certificates (“**Valuation Summary Letters**”) are set out in Appendix E to the Circular.

Colliers had carried out valuation exercises for the Group’s properties previously in connection with the Company’s reverse takeover (“**RTO**”) exercise in January 2018. The valuation team at Colliers has experience in valuation of properties in the hospitality industry in the Indo-Pacific region including Thailand, Vietnam and Myanmar.

We are not experts in the evaluation or appraisal of the assets concerned, and for the purposes of evaluation and assessing the terms of the Exit Offer, we have taken into account, *inter alia*, the independent market valuation of the properties by the Independent Valuer for such appraisal but we have not made any independent verification of the content thereof.

The information we had relied on in the assessment of the Exit Offer was based on market, economic, industry, monetary and other conditions prevailing as at the Latest Practicable Date,

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which may change significantly over a relatively short period of time. We assume no responsibility to update, revise or reaffirm our opinion or assumptions in light of any subsequent development after the Latest Practicable Date that may affect our opinion or assumptions contained herein. Shareholders should take note of any announcements relevant to their consideration of the Delisting Proposal and the Exit Offer, which may be released after the Latest Practicable Date.

In rendering our advice and giving our recommendation, we have not had regard to the specific investment objectives, financial situation, tax position, risk profiles or unique needs and constraints of any Shareholder. As each Shareholder may have different investment objectives and profiles, we recommend that any individual Shareholder or group of Shareholders who may require specific advice in relation to his or their investment portfolio(s) or objective(s) to consult his or their stockbroker, bank manager, solicitor, accountant, tax adviser or other professional adviser immediately.

MGL has been separately advised by its own professional advisers in the preparation of the Circular. We have had no role or involvement and have not and will not provide any advice (financial or otherwise) in the preparation, review or verification of the Circular. Accordingly, we take no responsibility for and express no view, whether expressed or implied, on the contents of the Circular.

Whilst a copy of this Letter may be reproduced in the Circular, neither MGL, the Directors nor any other person may reproduce, disseminate or quote this Letter (or any part thereof) for any other purposes at any time and in any manner, other than for the purposes of the Delisting Proposal and the Exit Offer, without the prior written consent of Provenance Capital in each specific case.

Our opinion is addressed to the Independent Directors for their benefit and deliberation of the Delisting Proposal and the Exit Offer. The recommendation made to the Shareholders in relation to the Delisting Proposal and the Exit Offer, shall remain the responsibility of the Independent Directors.

Our recommendation to the Independent Directors in relation to the Exit Offer in connection with the Delisting Proposal should be considered in the context of the entirety of this Letter and the Circular.

Responsibility Statement by the Directors

The Directors have confirmed that, to the best of their knowledge and belief, all material information relating to MGL and the Group provided to us in connection with the Delisting Proposal and the Exit Offer, is true, complete and accurate in all material respects and there is no other information or fact, the omission of which would cause any information disclosed to us or the facts of or in relation to the Delisting Proposal and the Exit Offer to be inaccurate, incomplete or misleading in any material respect. The Directors jointly and severally accept responsibility accordingly.

3. THE DELISTING PROPOSAL

The Company is seeking a delisting from the Catalist board under Rules 1307 and 1308 of the Catalist Rules.

Pursuant to Rule 1307, under the Delisting Proposal, the Company will convene the EGM to seek Shareholders' approval for the Delisting Resolution, such resolution to be approved by a majority of at least 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

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by proxy at the EGM. The Offeror Concert Party Group must abstain from voting on the Delisting Resolution.

In this regard, MGL had obtained the Irrevocable Undertakings from the Undertaking Shareholders to *inter alia* vote in favour of the Delisting Resolution. Please see Section 5.1 of this Letter on details of the Undertaking Shareholders and their Irrevocable Undertakings.

Pursuant to Rule 1308, in connection with the Delisting Proposal, the Offeror has made the Exit Offer on terms and conditions as set out in its Exit Offer Letter. The Exit Offer is conditional upon obtaining Shareholders' approval for the Delisting Resolution ("**Delisting Resolution Approval Condition**"). If the Delisting Resolution Approval Condition is not fulfilled, the Delisting will not proceed and MGL will remain listed on the Catalist board. The Exit Offer will also lapse and all acceptances of the Exit Offer will be returned.

Upon fulfilment of Rules 1307 and 1308, following Shareholders' approval being obtained at the EGM, the Company will make an application to the SGX-ST to delist and remove the Company from the Catalist board. The SGX-ST's decision is not an indication of the merits of the Delisting.

Depending on the level of acceptances for the Exit Offer, if entitled to do so, the Offeror has expressed its intention to exercise its right of compulsory acquisition under Section 215(1) of the Companies Act.

If the Delisting Resolution Approval Condition is met and the SGX-ST grants approval for the Delisting, the Company will be delisted, regardless of the acceptance level of the Exit Offer. Following the Delisting, Shareholders who do not accept the Exit Offer will continue to hold shares in the Company, which will then be an unlisted company.

4. EXIT OFFER

The detailed terms and conditions of the Exit Offer are set out in Section 2 of the Exit Offer Letter, which is issued on the same day as the Circular.

The key terms of the Exit Offer are set out below for your reference:

4.1 Offer Shares

Under the Delisting Proposal, the Exit Offer is extended, on the same terms and conditions, to (i) all the issued Shares (other than those held as treasury shares and those held, directly and indirectly, by the Offeror, as at the date of the Exit Offer) and (ii) any Second Tranche Shares unconditionally issued prior to the Closing Date (collectively, "**Offer Shares**").

As at the Latest Practicable Date, MGL does not have any outstanding treasury shares and has 502,170,955 Shares in issue.

The Second Tranche Shares are in relation to 3,890,640 new Shares to be paid as part of the purchase consideration for the acquisition of the Kayah resort business subject to satisfaction of initial conditions subsequent. As at the Latest Practicable Date, the initial conditions subsequent have not been satisfied, and the Second Tranche Shares have not been issued.

As at the Latest Practicable Date, MGL has outstanding US\$3.19 million Convertible Bonds held by the Bondholder which are convertible into 19,829,729 Shares. The Bondholder has given its irrevocable undertaking *inter alia* not to convert, exercise or redeem all or any of the outstanding Convertible Bonds and had waived its right to receive a comparable offer from the Offeror for the Convertible Bonds.

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Details on the above undertaking by the Bondholder and the Second Tranche Shares are set out in Section 5.2 and Section 8.3 of this Letter respectively.

4.2 Exit Offer Consideration

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 Cash Consideration or the Share Consideration, but not both.

For each Offer Share: **Either the Cash Consideration of S\$0.047;**

or

in lieu of the Cash Consideration, the Share Consideration of one (1) New Offeror Share at the Issue Price of S\$0.047 each.

If 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.

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

The Offeror has stated that it does not intend to increase the Exit Offer Consideration.

4.3 No encumbrances

The Offer Shares will be acquired:

- (i) fully paid;
- (ii) free from all Encumbrances (as defined in the Exit Offer Letter); and
- (iii) 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.

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, as follows:

- (a) if such settlement date falls on or before the books closure date for the determination of entitlements to the Distribution ("**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; and

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- (b) if such settlement date 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.

Since the Joint Announcement Date and up to the Latest Practicable Date, we note that MGL has not made or declared any Distribution.

4.4 New Offeror Shares

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 the then existing Offeror Shares as at the date of their issue, and (d) have the same rights, privileges and entitlements as all other Offeror Shares as at the date of their issue.

The New Offeror Shares will be subject to the terms of the constitution of the Offeror ("**Offeror Constitution**"), which will be binding on all shareholders of the Offeror, including any Shareholders who receive the Share Consideration pursuant to the Exit Offer. The details of the Offeror Constitution are set out in Section 2.2 of the Exit Offer Letter.

4.5 Minimum Acceptance Condition

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 Concert Party Group holding such number of Shares carrying more than 50% of the voting rights attributable to the issued share capital of MGL.

Such Minimum Acceptance Condition will be met when the Undertaking Shareholders tender their acceptances for the Exit Offer in accordance with their Irrevocable Undertakings. The aggregate shareholding interest of the Undertaking Shareholders represent 85.02% of the outstanding 502,170,955 Shares as at the Latest Practicable Date.

Further details of the Irrevocable Undertakings are set out in Section 5.1 of this Letter.

4.6 Acceptances subject to the Delisting Resolution Approval Condition

Shareholders may choose to accept the Exit Offer in respect of all or part of their holdings of the Offer Shares. However, such acceptances are conditional on the approval of the Delisting Resolution at the EGM.

Shareholders should note that approving the Delisting Resolution at the EGM does not automatically mean that you have accepted the Exit Offer.

4.7 Compulsory acquisition

Pursuant to Section 215(1) of the Companies Act, in the event that the Offeror acquires 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), 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.

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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 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. The Offeror will pay the Dissenting Shareholder(s) the Cash Consideration to acquire their Offer Shares if the Dissenting Shareholder(s) fails to validly make an alternative election for the Share Consideration within the time allowed under Section 215(1A) 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 (including treasury shares), Dissenting Shareholders have a right to require the Offeror to acquire their Shares at the Exit Offer Consideration. In this case, the Offeror will pay the Dissenting Shareholder(s) the Cash Consideration to acquire their Offer Shares if the Dissenting Shareholder(s) fails to validly make an alternative election for the Share Consideration. Dissenting Shareholders who wish to exercise such a right are advised to seek their own independent legal advice.

Details in relation to the above are set out in Section 10 of the Exit Offer Letter.

4.8 Duration of the Exit Offer and Closing Date

The Exit Offer will be open for acceptances from the date of despatch of the Circular and the Exit Offer Letter. Shareholders may choose to accept the Exit Offer before the EGM. If the Delisting Resolution is not approved at the EGM, the conditions to the Exit Offer will not be fulfilled and the Exit Offer will lapse.

If the Delisting Resolution is approved at the EGM, the Exit Offer will remain open for at least 14 days after the date of the announcement of the Shareholders' approval for the Delisting Resolution at the EGM. Accordingly, the Exit Offer will close at **5.30 p.m. (Singapore time) on 2 December 2022 ("Closing Date")**.

As set out in Section 2.1 of the Exit Offer Letter, the Offeror has stated that it does not intend to extend the Exit Offer beyond the Closing Date and had given notice that the Exit Offer will not be open for acceptance beyond 5.30 p.m. (Singapore time) on the Closing Date.

4.9 Further details of the Exit Offer

Further details of the Exit Offer including details on the procedures for acceptances and settlement of the Exit Offer Consideration are set out in Appendix 2 to the Exit Offer Letter. Except as expressly provided in the Exit Offer Letter and the Code, all acceptances of the Exit Offer shall be irrevocable.

5. IRREVOCABLE UNDERTAKINGS AND BONDHOLDER UNDERTAKING

5.1 Irrevocable Undertakings by the Undertaking Shareholders

In connection with the Delisting Proposal and the Exit Offer, the Offeror had obtained Irrevocable Undertakings from the Undertaking Shareholders to, *inter alia*, (a) vote all their Shares in favour of the Delisting Resolution; (b) accept the Exit Offer and elect to receive the Share Consideration in respect of all their Shares; and (c) not accept any other offer from any other party for all or any of their Shares.

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As at the Latest Practicable Date, the shareholding interests of the Undertaking Shareholders (which includes the Offeror Concert Party Group) in MGL are as follows:

Name of Undertaking Shareholder	Number of Shares held	Shareholding interest in MGL ⁽¹⁾
<u>Offeror Concert Party Group</u>		
Mr Serge Pun	103,000	0.02%
FMI	41,947,426	8.35%
YSIL	167,078,848	33.27%
ACE	41,131,520	8.19%
Sub-total	250,260,794	49.84%
<u>Excluded Undertaking Entities</u>		
Samena Mandalay Holdings ("Samena")	141,004,800	28.08%
SHC Capital Holdings Pte Ltd ("SHC")	35,662,759	7.10%
Sub-total	176,667,559	35.18%
Total	426,928,353	85.02%

Note:

(1) Based on 502,170,955 Shares as at the Latest Practicable Date.

As shown in the table above, the Undertaking Shareholders who collectively hold an aggregate of 426,928,353 Shares, representing 85.02% of the total number of issued Shares, have undertaken to vote in favour of the Delisting Resolution and to accept the Exit Offer.

However, the Offeror Concert Party Group which holds, in aggregate, 250,260,794 Shares, representing 49.84% of the total number of issued Shares, must abstain from voting on the Delisting Resolution at the EGM. Pursuant to the ruling by the SIC, Samena and SHC ("**Excluded Undertaking Entities**") are not regarded as parties acting in concert with the Offeror for the purposes of the Exit Offer solely by virtue of their Irrevocable Undertakings. They will therefore be entitled to vote and will vote in favour of the Delisting Resolution pursuant to their respective Irrevocable Undertakings.

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.

Save as disclosed above, none of the Offeror Concert Party Group has received any irrevocable undertaking from any party to accept or reject the Exit Offer as at the Latest Practicable Date.

A brief of the Offeror Concert Party Group is set out in Section 6 of this Letter. A brief of the Excluded Undertaking Entities, as sourced from the Joint Announcement, is set out below:

Samena – Samena’s interest in the Shares arose from the issuance of Shares to it as consideration in relation to the acquisition by MGL of 19,200 ordinary shares in the capital of SM Asset Holdings Pte. Ltd. in October 2018 from Samena.

SHC – SHC was the former majority shareholder of SHC Capital Asia Limited (now known as MGL) prior to the Company’s RTO. In January 2018, MGL completed the acquisition of the

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entire issued and paid-up share capital of MM Myanmar Pte. Ltd. in the RTO exercise and assumed its present name.

5.2 Bondholder Undertaking by the Bondholder

In connection with the Delisting Proposal and the Exit Offer, the Offeror had also obtained an irrevocable undertaking from Oakfame Investment Limited (“**Oakfame**” or “**Bondholder**”) (“**Bondholder Undertaking**”) in respect of its holdings of unlisted convertible bonds issued by MGL to the Bondholder, in the principal amount of US\$3.19 million at the coupon rate of 5% per annum (“**Convertible Bonds**”).

Pursuant to the Bondholder Undertaking, 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, 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 right to receive a comparable offer for the Convertible Bonds under Rule 19 of the Code.

SIC had ruled that the Bondholder will not be regarded as party acting in concert with the Offeror for the purposes of the Exit Offer solely by virtue of the Bondholder Undertaking.

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.

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 had ruled that the Offeror will not be required to make an appropriate offer or proposal to the Bondholder in respect of the Convertible Bonds.

6. INFORMATION ON THE OFFEROR CONCERT PARTY GROUP

Detailed information on the Offeror Concert Party Group is set out in Section 4 of the Circular.

6.1 Offeror

The Offeror is a special purpose vehicle incorporated in Singapore on 23 August 2022 for the purposes of the Delisting Proposal and the Exit Offer. Its principal activity is that of investment holding.

The Offeror has an issued and paid-up share capital of S\$1 comprising 1 Offeror Share, which is wholly owned by FMI, a public company incorporated in Myanmar and listed on the Yangon Stock Exchange.

The Offeror Directors comprises Messrs Serge Pun, Cyrus Pun and Tun Tun.

As at the Latest Practicable Date, the Offeror does not hold any Shares.

6.2 Parties acting in concert with the Offeror

As shown in the table in Section 5.1 of this Letter, the Offeror Concert Party Group owns an aggregate of 250,260,794 Shares, representing 49.84% of the total number of issued Shares as at the Latest Practicable Date.

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A brief profile of the Offeror Concert Party Group, as sourced from the Joint Announcement, is set out below:

FMI

FMI is the sole shareholder of the Offeror. FMI is a public company incorporated in Myanmar and listed on the Yangon Stock Exchange. Mr Serge Pun is a controlling shareholder and Executive Chairman of FMI. Mr Tun Tun is an Executive Director and Chief Operating Officer of FMI.

FMI owns 41,947,426 Shares, representing approximately 8.35% of the total number of issued Shares.

YSH and YSIL

YSH is a company listed on the Mainboard of the SGX-ST and is principally engaged in property development, financial services, food and beverages and automotive businesses in Myanmar. Mr Serge Pun is the founder, controlling shareholder and Executive Chairman of YSH. Mr Cyrus Pun is an Alternate Director to Mr Serge Pun in YSH.

YSIL is a wholly-owned subsidiary of YSH. YSIL owns 167,078,848 Shares, representing 33.27% of the total number of issued Shares. YSH is therefore deemed interested in the Shares held by YSIL.

Mr Serge Pun

Mr Serge Pun is the Executive Chairman and controlling shareholder of FMI and YSH. As at the Latest Practicable Date, he owns, directly and indirectly, an aggregate of 209,129,274 Shares, representing approximately 41.65% of the total number of issued Shares.

Mr Serge Pun owns 28.13% shareholding interest in YSH and 56.05% shareholding interest in FMI.

ACE

ACE is a segregated portfolio company incorporated in the Cayman Islands. While ACE is a member of the Offeror Concert Party Group, it is not a related corporation of the Offeror.

ACE holds 41,131,520 Shares, representing 8.19% of the total number of issued Shares. ACE's interest in the Shares arose in connection with the RTO exercise in January 2018 by MGL (formerly known as SHC Capital Asia Limited) when it acquired the entire issued and paid-up share capital of MM Myanmar Pte. Ltd. from YSIL, FMI and Exemplary Ventures Limited ("**EVL**") for a consideration which was satisfied in full by new 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.

6.3 Shareholder Loan to the Offeror

FMI has agreed to provide 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 ("**Shareholder Loan**"). 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

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Shareholders who have elected for the Cash Consideration), may be capitalised into New Offeror Shares on or after the Closing Date at the Issue Price.

6.4 Resultant shareholding interest in the Offeror

Pursuant to the Irrevocable Undertakings, the Undertaking Shareholders will accept the Exit Offer and elect the Share Consideration in respect of all their Shares, representing 85.02% of the total number of issued Shares of 502,170,955 as at the Latest Practicable Date.

The resultant shareholding interests of the various parties in the Offeror will depend on the level of acceptances of the Exit Offer and the election by Shareholders other than the Undertaking Shareholders (“**Remaining Shareholders**”) for the Cash Consideration vs the Share Consideration.

In the scenario where all the remaining Shareholders accept the Exit Offer and elect the Cash Consideration in respect of all their Shares (“**Scenario A**”), MGL will be wholly-owned by the Offeror which in turn will be wholly-owned by the Undertaking Shareholders. In addition, as FMI is providing the Shareholder Loan to fund the Cash Consideration, it is assumed under this Scenario A that FMI will capitalise the Shareholder Loan into New Offeror Shares at the Issue Price.

In the scenario where all the remaining Shareholders accept the Exit Offer and elect the Share Consideration in respect of all their Shares (“**Scenario B**”), MGL will be wholly-owned by the Offeror which in turn will be owned 85.02% by the Undertaking Shareholders and 14.98% by the remaining Shareholders of MGL.

The resultant shareholding interests in the Offeror under Scenario A and Scenario B are set out in the table below:

Name of Offeror Shareholder	Scenario A		Scenario B	
	No. of Offeror Shares	% interest in the Offeror	No. of Offeror Shares	% interest in the Offeror
<u>Offeror Concert Party Group</u>				
Mr Serge Pun	103,000	0.02	103,000	0.02
FMI	117,190,029	23.34	41,947,427	8.35
YSIL	167,078,848	33.27	167,078,848	33.27
ACE	41,131,520	8.19	41,131,520	8.19
<i>Sub-total</i>	<i>325,503,397</i>	<i>64.82</i>	<i>250,260,795</i>	<i>49.84</i>
<u>Excluded Undertaking Entities</u>				
Samena	141,004,800	28.08	141,004,800	28.08
SHC	35,662,759	7.10	35,662,759	7.10
<i>Total Undertaking Shareholders</i>	<i>502,170,956</i>	<i>100.00</i>	<i>426,928,354</i>	<i>85.02</i>
Remaining Shareholders of MGL	-	-	75,242,602	14.98
<i>Total</i>	<i>502,170,956</i>	<i>100.00</i>	<i>502,170,956</i>	<i>100.00</i>

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The Offeror is presently a privately held company. In the event that the number of Shareholders who elect to receive the Share Consideration result in the Offeror having more than 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. RATIONALE FOR THE DELISTING AND EXIT OFFER AND THE OFFEROR'S INTENTIONS IN RELATION TO MGL

7.1 Rationale for the Delisting and Exit Offer

The full text of the Offeror's rationale for the Delisting and the Exit Offer is set out in Section 8 of the Exit Offer Letter.

In summary, the rationale for the Delisting and Exit Offer is as follows:

- (a) the Group, being in the tourism industry, has been especially disadvantaged by various black swan events including the COVID-19 pandemic since 2020 and Myanmar's military announcement of a State of Emergency in February 2021. These had resulted in significant impairment losses for the Group in the financial years ended 30 September 2020 and 30 September 2021. With the 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;
- (b) in view of the above situation, the Offeror believes 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. 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. The Offeror therefore believes that the listing status of the Company brings minimal benefits to the Company and its Shareholders;

- (c) the Offeror is of the opinion that the Cash Consideration represents an attractive exit opportunity for Shareholders to exit their entire investment in the Shares with price certainty at a premium above the historical traded prices prior to the holding announcement by MGL on 30 August 2022 without incurring brokerage and other trading costs.

The Offeror also believes that the Exit Offer provides an 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;

- (d) 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; and
- (e) if the Delisting is approved by Shareholders, under the terms of the Exit Offer, Shareholders is given the option to elect either the Cash Consideration or the Share

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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 an unlisted company, 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.

7.2 Offeror's intentions in relation to MGL

Following the close of the Exit Offer, the Offeror will undertake a review of the businesses, organisation and operations of the Company which will help the Offeror to 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.

Save as disclosed above, the Offeror has no current intention to (a) introduce any major changes to the Company's business, (b) re-deploy the Company's fixed assets, 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.

7.3 Listing status of MGL

The Offeror does not intend to maintain or support any action 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 is approved, MGL will, subject to SGX-ST's approval for the Delisting, be delisted from the Catalist 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.

If MGL is delisted from the Catalist of the SGX-ST, MGL (as a Singapore incorporated company) will remain subject to the provisions of the Companies Act, and may be subject to provisions of the 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.

8. INFORMATION ON MGL AND THE GROUP

8.1 Overview

The Company is incorporated in Singapore and listed on the Catalist board of the SGX-ST on 5 January 2018, following the completion of the RTO exercise and assumed its present name.

The Group operates an "Integrated Tourism Platform" in Myanmar which comprises the following business segments:

- **Hotels:** operation and management of hotels and related hospitality businesses. The Group owns 5 hotel properties under 3 brands, namely The Awei Collection, The Keinnara Collection and The Suggati Collection;

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- **Experiences:** provision of hot air balloon and cruise services via 3 operators, namely Balloons over Bagan, Balloons over Inle and Burma Boating; and
- **Services:** provision of tour operator and travel agency businesses, F&B outlets and restaurant management services.

The Group is affiliated with YSH and FMI, 2 publicly listed companies with a long track record in Myanmar. YSH was listed on the Mainboard of the SGX-ST in 2006 and FMI was the first company to be listed on the Yangon Stock Exchange in 2016.

8.2 Directors

As at the Latest Practicable Date, the Directors of MGL are as follows:

- Mr Serge Pun, Executive Chairman;
- Mr Cyrus Pun, Chief Executive Officer and Executive Director;
- Mr Tun Tun, Non-Executive Non-Independent Director;
- Mr Basil Chan, Lead Independent Director;
- Mr Robin Lee, Non-Executive Independent Director; and
- Mr Vincent Chan, Non-Executive Non-Independent Director

Messrs Serge Pun, Cyrus Pun and Tun Tun, who are the Offeror Directors, are deemed to be persons acting in concert with the Offeror under the Code. In this regard, the SIC had ruled *inter alia* that Messrs Serge Pun, Cyrus Pun and Tun Tun, as Directors of MGL, are exempted from the requirement to make a recommendation to Shareholders in connection with the Exit Offer.

The Company has confirmed to us that the remaining Directors, namely, Messrs Basil Chan, Robin Lee and Vincent Chan, are considered as Independent Directors for the purposes of the Exit Offer.

As at the Latest Practicable Date, the Directors do not hold any Shares save for Mr Serge Pun, who has a direct interest in 103,000 Shares and a deemed interest in 209,026,274 Shares, representing approximately 41.65% of the total number of issued Shares.

As set out in Section 5.1 of this Letter, Mr Serge Pun is one of the Undertaking Shareholders who had provided the Irrevocable Undertakings to *inter alia* accept the Exit Offer and elect to receive the Share Consideration in respect of all their Shares.

8.3 Share capital of MGL

As at the Latest Practicable Date, the Company has a paid-up share capital of US\$84.8 million comprising 502,170,955 issued Shares.

The Company does not have any subsidiary holdings or treasury shares and there are no outstanding Shares to be issued under the Memories Performance Share Plan.

As at the Latest Practicable Date, MGL has outstanding US\$3.19 million Convertible Bonds. Assuming full conversion of the Convertible Bonds, up to 19,829,729 Shares may be allotted and issued to the Bondholder. In this regard, as set out in Section 5.2 of this Letter, the Bondholder had given its Bondholder Undertaking *inter alia* not to convert, exercise or redeem all or any of the outstanding Convertible Bonds and had waived its right to receive a comparable offer from the Offeror for the Convertible Bonds under Rule 19 of the Code.

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In view of the above, the computation of shareholding interests of the various parties in MGL as set out in this Letter is based on the outstanding 502,170,955 issued Shares as at the Latest Practicable Date.

Based on the Exit Offer Consideration of S\$0.047 for each Offer Share and the 502,170,955 Shares in issue as at the Latest Practicable Date, the implied market capitalisation of MGL is S\$23.6 million.

Outstanding Shares

As disclosed in Appendix B to the Circular, MGL had on 30 May 2018, announced the acquisition of the Kayah resort business from the vendors, Wa Minn Group of Companies Company Limited (“**Wa Minn Group**”) and U Kun Naung Myint Wai (“**UKNMW**”), for a purchase consideration of US\$2.9 million. The purchase consideration comprises cash consideration of US\$1.45 million payable to the Wa Minn Group and the issuance of 7,781,280 new Shares at an issue price of S\$0.25 per Share payable to UKNMW, in three tranches:

- the first tranche comprising 50% of the cash consideration (US\$725,000) and 50% of the share consideration (comprising 3,890,640 Shares) was settled on 7 June 2018;
- the second tranche comprising 40% of the cash consideration (US\$580,000) and remaining 50% of the share consideration (3,890,640 Shares) (“**Second Tranche Shares**”) is to be settled within one month of the date of satisfaction of the initial conditions subsequent. As at the Latest Practicable Date, the initial conditions subsequent have not been satisfied, and the second tranche of the purchase consideration has not been paid; and
- the final tranche comprising the remaining 10% of the cash consideration (US\$145,000) is to be paid upon satisfaction of the final conditions subsequent. As at the Latest Practicable Date, the final conditions subsequent have not been satisfied, and the final tranche of the purchase consideration has not been paid.

If the Second Tranche Shares are allotted and issued to UKNMW by the closing date of Exit Offer, the total number of issued Shares would increase from 502,170,955 Shares to 506,061,595 Shares.

As the initial conditions subsequent have not been satisfied as at the Latest Practicable Date, the Second Tranche Shares have not been allotted and issued. Accordingly, for the purposes of this Letter, we have evaluated the terms of the Exit Offer based on the existing 502,170,955 Shares in issue as at the Latest Practicable Date.

8.4 Salient financial information of the Group

The Group operates primarily in the tourism sector in Myanmar and derives its revenue mainly from the 3 business segments – Hotels, Experiences and Services, all of which had been adversely affected by the COVID-19 pandemic and the political situation in Myanmar in recent years.

The Group is required to comply with the financial year end as mandated by the regulatory authorities in Myanmar on all taxpayers in Myanmar, and changes in the financial year end had happened at least twice since MGL’s listing on the Catalist board in January 2018.

For the past 3 reported financial years, the Group’s financial year ends were as follows:

- 12-month period from 1 April 2018 to 31 March 2019 (“**12MFY2019**”);

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- 18-month period from 1 April 2019 to 30 September 2020 (“**18MFY2020**”); and
- 12-month period from 1 October 2020 to 30 September 2021 (“**12MFY2021**”).

For the current financial year, the Group is required to change its financial year end from 30 September to 31 March in accordance with requirements of the Myanmar authorities. Hence, the current financial year will be for an 18-month period from 1 October 2021 to 31 March 2023.

The latest unaudited interim financial results of the Group, as announced by the Company on 14 August 2022, is for the 9-month period from 1 October 2021 to 30 June 2022 (“**9M2023**”). The corresponding period for the preceding year is for the 9-month period from 1 October 2020 to 30 June 2021 (“**9M2021**”).

8.4.1 Financial performance of the Group

Set out below is a summary of the financial performance of the Group for the last 3 audited financial years i.e. 12MFY2019, 18MFY2020 and 12MFY2021, and the unaudited interim financial results for 9M2023 and the corresponding period for 9M2021:

US\$'000	Audited			Unaudited	
	12MFY2019	18MFY2020	12MFY2021	9M2021	9M2023
Revenue	10,094	10,523	2,095	1,852	1,855
Gross profit	3,775	3,964	700	622	767
Other income/(losses) - net	7,838	(14,743)	(2,782)	(28)	219
Net finance income/(expense)	(1,087)	(9,154)	6,155	3,932	(2,314)
Net profit/(loss) attributable to equity holders of the Company	2,008	(35,967)	(2,748)	(971)	(5,141)

Source: Company's annual reports for FY2020 and FY2021 and the unaudited results announcement for 9M2023

If the one-off gain and lumpy impairment and fair value gains or losses were excluded, the net profit/(loss) of the Group would be as follows:

US\$'000	Audited			Unaudited	
	12MFY2019	18MFY2020	12MFY2021	9M2021	9M2023
Net profit/(loss) attributable to equity holders of the Company	2,008	(35,967)	(2,748)	(971)	(5,141)
Less: Other income	(7,673)	(402)	-	-	-
Add-back: Other losses	-	15,550	3,246	-	-
Adjusted net profit/(loss) attributable to equity holders of the Company	(5,665)	(20,819)	498	(971)	(5,141)

18MFY2020 vs 12MFY2019

The Group recorded revenue of US\$10.5 million for 18MFY2020 compared to revenue of US\$10.1 million for 12MFY2019. On a pro-rated 12-month basis, revenue for FY2020 would have been US\$7.0 million, representing a 30.5% decrease from the previous year. This was due generally to the onset of the COVID-19 pandemic in early 2020 which had severely affected the tourism sector in Myanmar.

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The Group recorded gross profit of US\$4.0 million in 18MFY2020 compared to US\$3.8 million in 12MFY2019, which was generally in line with revenue.

In 18MFY2020, the Group incurred net other losses of US\$14.7 million due mainly to (a) impairment losses on goodwill and property, plant and equipment (“PPE”) of US\$14.8 million, and fair value loss on financial assets at FVPL of US\$0.8 million; and (b) offset to some extent by a fair value gain on investment properties of US\$0.4 million. In comparison, in 12MFY2019, the Group recorded a gain on bargain purchase of US\$7.7 million from a business combination, which was non-cash in nature.

The Group’s finance expenses had increased by US\$8.1 million from US\$1.1 million in 12MFY2019 to US\$9.2 million in 18MFY2020 due mainly to interest expense on additional bank borrowings secured in 18MFY2020 and currency translation loss from bank borrowings denominated in Kyat, as the Kyat currency had strengthened against US\$.

As a result of the above, the Group incurred a net loss of S\$36.0 million in 18MFY2020 compared to a net profit of US\$2.0 million in 12MFY2019.

If the one-off gain on bargain purchase and impairment/fair value gain and losses were excluded, the Group would have incurred a net loss of US\$5.7 million in 12MFY2019, and a lower net loss of US\$20.8 million in 18MFY2020.

12MFY2021 vs 18MFY2020

Revenue decreased by 80.1% from US\$10.5 million in 18MFY2020 to US\$2.1 million in 12MFY2021. The significant decline in revenue was due mainly to the ongoing COVID-19 pandemic compounded by the political situation in Myanmar as the Myanmar military had declared a State of Emergency in February 2021. These had resulted in the suspension of the Group’s hot-air balloon and yacht cruise operations, and temporary closure of the Group’s hotels in 12MFY2021.

Consequently, gross profit had decreased by 82.3% from US\$4.0 million in 18MFY2020 to US\$0.7 million in 12MFY2021.

The Group incurred net other losses of US\$2.8 million in 12MFY2021 due mainly to fair value loss on investment properties and financial assets at FVPL of US\$1.5 million, and impairment loss on goodwill and intangible assets of US\$1.8 million.

In 12MFY2021, the Group had recognised a net finance income of US\$6.2 million due mainly to currency translation gain of US\$10.0 million as a result of the weakening of Kyat currency against US\$ in relation to the Group’s Kyat-denominated borrowings, and offset to some extent by interest expenses of US\$3.5 million.

As a result of the above, the Group incurred a lower net loss of US\$2.7 million in 12MFY2021 compared to a net loss of US\$36.0 million in 18MFY2020. After excluding impairment/fair value losses of US\$3.2 million in 12MFY2021, the Group would have made a slight profit of US\$0.5 million in 12MFY2021.

9M2023 vs 9M2021

Revenue stayed relatively flat at US\$1.9 million for 9M2023 compared to 9M2021. For both periods, revenue was generated mainly from the Hotels segment, followed by the Services segment, while operations for the Experiences segment were mostly suspended. Revenue continued to be affected by the prolonged Covid-19 and the political environment in Myanmar.

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The Group's gross profit increased slightly from US\$0.62 million in 9M2021 to US\$0.77 million in 9M2023 due mainly to the decline in operational costs.

The Group incurred net finance expense of US\$2.31 million in 9M2023 compared to net finance income of US\$3.93 million in 9M2021. The net finance income in 9M2021 was due mainly to currency translation gain as described in 12MFY2021.

There was no significant net other income/losses in 9M2023 and 9M2021.

As a result of the above, the Group recorded a higher net loss of US\$5.1 million in 9M2023 compared to a net loss of approximately US\$1.0 million in 9M2021.

8.4.2 Financial position of the Group

The unaudited statement of financial position of the Group as at 30 June 2022 is set out below:

US\$'000	Unaudited as at 30 June 2022
<u>Current assets</u>	
Cash and bank balances	123
Trade and other receivables	1,830
Inventories	218
	2,171
<u>Non-current assets</u>	
Investment properties	16,100
Property, plant and equipment ("PPE")	45,412
Intangible assets	1,971
Financial assets, at fair value through profit or loss ("FVPL")	2,209
Other receivable	540
	66,232
Total assets	68,403
<u>Current liabilities</u>	
Trade and other payables	15,469
Borrowings	17,702
Current income tax liabilities	385
	33,556
<u>Non-current liabilities</u>	
Borrowings	11,910
Convertible bonds	3,654
Deferred income tax liabilities	2,146
Provisions	115
	17,825
Total liabilities	51,381
<u>Equity</u>	
Share capital	84,544
Accumulated losses	(47,964)
Other reserves	(19,558)
Total equity	17,022

Source: Company's unaudited results announcement for 9M2023

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	Unaudited as at 30 June 2022
NAV of the Group	US\$17,022,000
NTA of the Group	US\$15,051,000
Based on number of outstanding Shares	502,170,955
NAV per Share	
- in US\$	0.0339
- in S\$ equivalent*	0.0471
NTA per Share	
- in US\$	0.0300
- in S\$ equivalent*	0.0417

* based on the exchange rate of US\$1:S\$1.3905 on 30 June 2022 (Source: Bloomberg L.P.)

Assets

As at 30 June 2022, the Group had total assets of US\$68.4 million comprising mainly PPE of US\$45.41 million (representing 66.4% of total assets) and investment properties of US\$16.1 million (representing 23.5% of total assets). The Group also had investment in financial assets at FVPL of US\$2.2 million (representing 3.2% of total assets).

PPE

PPE comprises mainly land and buildings relating to the Group's 5 hotel properties and a piece of development land in Bagan, Myanmar ("**Bagan Land**"). PPE is initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses.

A brief of these properties is as follows:

- (i) Awei Metta – a 46-room urban golf resort which was opened in 2019 and host a world-class 18-hole golf course and other facilities, located within the Pun Hlaing Estate in Hlaing Thayar Township, Yangon;
- (ii) Awei Pila – a resort on the Pila Island in the Mergui Archipelago with 24 beachfront villas and other facilities;
- (iii) Keinnara Hpa-An – a 19-cottage rustic eco-boutique lodge with modern facilities that is located at the foot of Mount Zwegabin in Hpa-An Township, Kayin State;
- (iv) Keinnara Loikaw – a 26-key eco-lodge set in a lush garden sanctuary with modern facilities;
- (v) Hotel Suggati Mawlamyaing – a 72-room 5-storey urban hotel with meeting facilities which was opened in 2019 and located in Mawlamyaing, being Myanmar's fourth largest city, catering to business travellers; and
- (vi) Bagan Land – a piece of 4.31 acres land which was originally intended to be developed into a food and beverage hub with hotel and retail spaces but was put on hold in view of the COVID-19 pandemic and the political situation. No investment had been made on the Bagan Land save for the initial purchase price.

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Investment properties

The investment properties are in relation to the undeveloped land development rights to 635.2 acres of land in Kyun Phi Lar, Bo Ywe Island, Nga Man Island and Shark Cave Islet, Tanintharyi Region, Myanmar, which are held for long-term capital appreciation and/or leasing purposes (“**Kyun Pila Land Development Rights**”).

The investment properties are initially recognised at cost and subsequently carried at fair value, determined annually by independent professional valuers on the highest and best use basis. Changes in fair values are recognised in profit or loss.

Financial assets at FVPL

The financial assets at FVPL are in relation to the Group’s 15.28% equity interest in Strand Hotels International Limited (“**SHIL**”), a non-listed private company which holds interests in hotels and cruise businesses in Myanmar. The Group had acquired the above interest in SHIL from Oakfame in May 2019 and had settled the purchase consideration via the issuance of the Convertible Bonds to Oakfame. The Convertible Bonds are referred to below under Liabilities.

The financial assets at FVPL are measured at fair value at financial reporting periods through profit or loss and were last measured by Management using the market approach as at 30 June 2022.

Valuation

For the purposes of the Exit Offer, MGL had commissioned Colliers, as the Independent Valuer, to carry out independent valuations of the key properties of the Group which includes Awei Metta, Awei Pila, Hotel Suggati Mawlamyaing, Bagan Land and Kyun Pila Land Development Rights (“**Properties**”), at the Valuation Date of 12 September 2022.

Liabilities

As at 30 June 2022, the Group had total liabilities of US\$51.4 million comprising the following main liabilities:

- (a) current and non-current borrowings totalling US\$29.6 million (representing 57.6% of total liabilities);
- (b) trade and other payables of US\$15.5 million (representing 30.1% of total liabilities), which comprised mainly non-trade payables; and
- (c) the Convertible Bonds of US\$3.65 million (representing 7.11% of total liabilities), comprising the principal amount of the Convertible Bonds of US\$3.19 million and interest at the coupon rate of 5% per annum. As described above, the Convertible Bonds were issued in May 2019 to Oakfame, the Bondholder, as consideration for the Group’s acquisition of a 15.28% equity interest in SHIL.

As MGL was unlikely to redeem the Convertible Bonds on the initial maturity date of 26 May 2022 (“**Maturity Date**”), MGL had on 15 March 2022 entered into a supplemental agreement with Oakfame to extend the Maturity Date to 26 November 2023. The extension of the Maturity Date was one of the measures undertaken by the Group to improve its working capital position.

Pursuant to the Bondholder Undertaking, the Bondholder had undertaken *inter alia* not to convert, exercise or redeem any or all of the Convertible Bonds, and waive its right to

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receive a comparable offer from the Offeror for the Convertible Bonds under Rule 19 of the Code.

As at 30 June 2022, the Group was in a net current liability position as its current liabilities of US\$33.6 million had exceeded its current assets of US\$2.2 million.

The total borrowings of the Group amounted to US\$29.6 million compared to total equity of the Group of US\$17.0 million as at 30 June 2022.

Equity/NAV/NTA

As at 30 June 2022, the issued share capital of the Company was US\$84.8 million comprising 502,170,955 issued Shares. There was no change in the number of outstanding issued Shares since 30 June 2022 to the Latest Practicable Date.

However, total equity or NAV of the Group as at 30 June 2022 was much lower at US\$17.0 million, due mainly to accumulated losses of US\$48.0 million and negative other reserves of US\$19.6 million.

After excluding intangible assets of US\$2.0 million, the Group's NTA was US\$15.1 million as at 30 June 2022.

Based on 502,170,955 Shares, the Group's NAV per Share was US\$0.0339 (S\$0.0471) and NTA per Share was US\$0.0300 (S\$0.0417) as at 30 June 2022.

Material uncertainty in relation to going concern

In view of the COVID-19 pandemic and political events in Myanmar, the main business operations of the Group were severely impacted. For the audited financial statements for 12MFY2021, the Group's independent auditors, Nexia TS Public Accounting Corporation, had in its auditor's report, highlighted material uncertainties that may cast significant doubt on the Group's and the Company's ability to continue as going concerns.

Nevertheless, the Directors believed that the use of going concern assumption in the preparation of the consolidated financial statements of the Group for 12MFY2021 was appropriate, after taking into consideration, *inter alia*, (a) written confirmation from related parties not to demand for repayments of non-trade payables due to these related parties within the next 12 months, and (b) a non-binding term sheet for US\$10 million convertible loan from FMI in December 2020. The term sheet does not have an expiry date and is subject to *inter alia* entry into definitive agreement and applicable approvals being sought. FMI has indicated its intention to provide continuing financial support to enable the Group to meet its obligations as and when they fall due.

In the event that the Group and the Company are unable to continue as going concerns, adjustments may have to be made to reflect the situation that assets may need to realise other than in the amounts at which they are currently recorded in the statement of financial position. In addition, the Group may have to provide for further liabilities that might arise and to reclassify non-current assets and liabilities as current. The independent auditors' opinion on the audited financial statements of the Group for 12MFY2021 was not modified in respect of this matter.

We note that such material uncertainties as to the going concern assumption were also disclosed in the Group's latest interim unaudited interim financial results for 9M2023 and the Directors had continued to hold the view that the use of going concern assumption for 9M2023 was appropriate after taking into consideration *inter alia* the factors as set out above.

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9. INDEPENDENT VALUATION OF THE PROPERTIES

9.1 Independent valuation of the Properties held by the Group

For the purposes of the Exit Offer, MGL had commissioned the Independent Valuer to carry out independent valuations of the Properties as at the Valuation Date of 12 September 2022. The Valuation Summary Letters are attached as Appendix E to the Circular.

The Independent Valuer had conducted its independent valuation of the Properties on the basis of market value ("**Market Value**") which is defined as follows:

"the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion".

The Independent Valuer had adopted the Depreciated Replacement Cost approach for the valuation of Awei Metta, Awei Pila and Hotel Suggati Mawlamyaing, and the Direct Comparison method for the valuation of Bagan Land and the Kyun Pila Land Development Rights. A description of these valuation approaches are set out below:

Depreciated Replacement Cost –

This method values a property on the basis of the expenditure required to provide an equivalent property, having due regard to the price of land and the cost of construction.

The depreciated replacement cost approach of evaluating real estate properties is based on the assumption that the cost of a property should be equal to the cost of building a similar property from scratch. The cost of building a real estate property includes the value of the underlying land and of site improvements and constructions, less the depreciated cost of the improvements. The cost approach works on the assumption that it does not make sense to pay more for a property than it will cost to build an equivalent property.

The Independent Valuer had adopted the depreciated replacement cost approach as an appropriate method to value the hotel properties in view of the inherent uncertainty around the political situation, sanctions imposed on Myanmar and dearth of transactions in Myanmar.

Direct Comparison method

In valuing the Bagan Land, the Independent Valuer had considered the recent transactions/asking prices of comparable land sales in Nyaung-U District, Mandalay Region for commercial and tourism related hospitality development use.

In valuing the Kyun Pila Land Development Rights, the Independent Valuer had considered the recent transactions/asking prices of comparable land in Ngapali, Thandwe in Rakhine State for resort use. Islands are rarely traded and was last allocated by the Myanmar government in 2013 and 2014. Due to limited island transactions information available in Myanmar, the only available comparable/information are land use for resort development or related purposes with beach access.

Market information on the above recent transactions have been obtained by the Independent Valuer from various sources including interviews with real estate agents and research from various advertising media and listings. The Independent Valuer had also indicated that the application of the Direct Comparison method is a complex exercise in an opaque market like Myanmar due to the lack of sales information. Information and assumptions utilised in its valuation have been based in part from information provided by the Group, and in part from its

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independent research. Due to the opaque nature of the local market, the Independent Valuer had not been able to verify all information obtained but believed them to be sufficient guides.

In arriving the Market Value of the Bagan Land and the Kyun Pila Land Development Rights, the Independent Valuer had also taken into consideration prevailing market conditions and have made necessary due adjustments for differences between the subject property and the comparable sites in terms of location, size, asking price, time, view and other factors affecting its value.

Net revaluation surplus/(deficit) arising from the valuation of the Properties

A summary of the net book value, Market Value and the net revaluation surplus/(deficit) of each of the Properties is set out in the table below:

	Properties	Net book value as at 30 June 2022 (US\$'000)	Market value as at 12 September 2022 (US\$'000)	Potential revaluation surplus/(deficit) (US\$'000)
1.	Awei Metta	14,118	14,500	382
2.	Awei Pila	11,315	11,400	85
3.	Hotel Suggati Mawlamyaing	6,603	6,900	297
4.	Bagan Land	6,724	6,900	176
5.	Kyun Pila Land Development Rights	16,100	14,800	(1,300)
	Total	54,860	54,500	(360)

There is, in total, a revaluation surplus of US\$940,000 arising from the valuation of four of the Properties, and a revaluation deficit of US\$1.3 million arising from the valuation of the Kyun Pila Land Development Rights.

The Group does not have existing plans to sell any of the Properties. However, in a hypothetical scenario of a gain on disposal of any of the Properties, the Group may have to incur potential capital gains tax in accordance with the local tax rules in Myanmar.

Management had informed us that presently, there is capital gains tax in Myanmar at the rate of 10% on the applicable gain on disposal of the property in excess of 10 million kyat (US\$5,000).

Management had estimated that arising from the above independent valuation of the Properties, the Group would incur an aggregate potential tax liability of US\$92,100.

Hence, overall, the Group would suffer a net revaluation deficit, net of potential tax liabilities, of US\$452,100 or US\$0.0009 per Share arising from the independent valuation of the Properties.

9.2 Revalued NAV of the Group

The NAV of the Group as at 30 June 2022 was US\$17.0 million or US\$0.0339 per Share.

In view of the net revaluation deficit of US\$0.45 million arising from the independent valuation of the Properties as set in Section 9.1 above, the revalued NAV ("**RNAV**") of the Group would be slightly lower at US\$16.57 million or US\$0.0330 per Share.

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Based on the exchange rate was US\$1:S\$1.3905 on 30 June 2022, the NAV per Share and RNAV per Share in S\$ equivalent would be S\$0.0471 and S\$0.0459.

In comparison, the Exit Offer Consideration is S\$0.047 for each Offer Share. The Exit Offer Consideration represents a slight premium of 2.4% above the RNAV per Share of S\$0.0459 as at 30 June 2022.

9.3 Confirmation by the Company

Aside from the disclosures and the independent valuation of the Properties in Section 8.4.2 and Section 9 of this Letter, in our evaluation of the terms of the Exit Offer, we have also considered whether there is any other tangible asset which should be valued at an amount that is materially different from that which was recorded in the unaudited statement of financial position of the Group as at 30 June 2022, and whether there are any factors which have not been otherwise disclosed in the financial statements of the Group that are likely to impact the NAV of the Group as at 30 June 2022.

In respect of the above and save as disclosed above and/or announced by MGL, the Directors and Management have confirmed to us that as at the Latest Practicable Date, to the best of their knowledge and belief:

- (a) there are no material differences between the realisable value of the Group's assets and their respective book values as at 30 June 2022 which would have a material impact on the NAV of the Group;
- (b) other than that already provided for or disclosed in the Group's financial statements as at 30 June 2022, there are no other contingent liabilities, bad or doubtful debts or material events which are likely to have a material impact on the NAV of the Group as at the Latest Practicable Date;
- (c) there are no litigation, claim or proceeding pending or threatened against MGL or any of its subsidiaries or of any fact likely to give rise to any proceeding which might materially and adversely affect the financial position of the Group taken as a whole as at 30 June 2022;
- (d) there are no intangible assets which ought to be disclosed in the unaudited statement of financial position of the Group as at 30 June 2022 in accordance with Singapore Financial Reporting Standards (International) and which have not been so disclosed and where such intangible assets would have a material impact on the overall financial position of the Group as at 30 June 2022; and
- (e) there are no material acquisitions and disposals of assets by the Group between 30 June 2022 and the Latest Practicable Date, and the Group does not have any immediate plans for any such impending material acquisition or disposal of assets, conversion of the use of its material assets or material change in the nature of the Group's business.

10. ASSESSMENT OF THE TERMS OF THE EXIT OFFER

In evaluating and assessing the terms of the Exit Offer, we have taken into account the pertinent factors set out below which we consider to have a significant bearing on our assessment:

- (a) market quotation and trading activity of the Shares;
- (b) financial analysis of the Group;
- (c) comparison with recent precedent privatisation of selected SGX-ST listed companies;

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- (d) comparison of valuation statistics of selected SGX-ST listed companies which are broadly comparable with the Group;
- (e) our estimated value range of the Shares;
- (f) dividend track record of MGL;
- (g) Share Consideration as an election in lieu of Cash Consideration; and
- (h) other relevant considerations.

10.1 Market quotation and trading activity of the Shares

After trading hours on 30 August 2022 (“**Holding Announcement Date**”), in reaction to the recent increases in trading volume and Share prices, MGL made a holding announcement to inform Shareholders of *inter alia* discussion on various proposals which could lead to a possible general offer for all the Shares (“**Holding Announcement**”). The Shares were last transacted at S\$0.035 on 30 August 2022.

Trading in the Shares was halted on 12 September 2022 during which the Joint Announcement was made. The Shares resumed trading on 13 September 2022.

For the purposes of our analysis of the trading performance of the Shares, we have compared the Exit Offer Consideration against the historical market price performance of the Shares for the 1-year period (“**1-Year Period**”) prior and up to the Holding Announcement, i.e. from 31 August 2021 to 30 August 2022, and up to the Latest Practicable Date (“**Period Under Review**”).

Share Price Chart

We set out below a chart showing the Exit Offer Consideration relative to the daily closing prices, and trading volume of the Shares for the Period Under Review:

Price movement and trading volume of the Shares for the Period Under Review



Source: Bloomberg L.P.

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1-Year Period up to the Holding Announcement Date

During the 1-Year Period up to 30 August 2022, trading activities in the Shares were low. The Shares were traded on 53 days out of 252 market days during the 1-Year Period and the average daily trading volume was only approximately 67,000 Shares.

During the 1-Year Period, the Shares were traded well below the Exit Offer Consideration, between a low of S\$0.013 (on 3 February 2022) and a high of S\$0.035 on 30 August 2022, based on the daily closing Share prices.

The Exit Offer Consideration of S\$0.047 represents a premium of 261.5% above the low price of S\$0.013 and a premium of 34.3% above the high price of S\$0.035.

Run-up in Share prices prior to the release of the Holding Announcement

On closer analysis, we note that prior to the Holding Announcement from 22 August 2022 to the Holding Announcement Date, there was a significant run-up in the Share prices and increased trading activity on the Shares. Share prices had increased substantially from S\$0.019 to S\$0.035, based on daily closing prices, and daily traded volume had also increased significantly to up to 4.6 million Shares during this period.

Excluding this period when there was a run-up in Share prices and increased trading activity on the Shares, the average daily trading volume was approximately 16,000 Shares and the VWAP of the Shares was S\$0.0217 during the period from 31 August 2021 to 19 August 2022. The Exit Offer Consideration represents a premium of 116.6% above the VWAP of S\$0.0217.

The last transacted Share price prior to 22 August 2022 was S\$0.017. The Exit Offer Consideration represents a premium of 176.5% above the last transacted price of S\$0.017 on 16 August 2022.

Continued run-up in Share prices and increase in trading volume following the Holding Announcement Date and up to the Joint Announcement Date

Share prices continued to run-up on heavy trading volume following the Holding Announcement Date until the Trading Halt for the release of the Joint Announcement. During this period from 31 August 2022 to 9 September 2022, Share prices had increased further from S\$0.035 on 30 August 2022 to a high of S\$0.113 on 6 September 2022 (based on daily closing prices), and daily traded volume had also increased significantly to up to 55.4 million Shares. The Shares were transacted at prices significantly above the Exit Offer Consideration.

Accordingly, in view of the speculative element on the Share price performance during this period, in our evaluation of the Exit Offer Consideration, we have compared the Exit Offer Consideration against the trading performance of the Shares up to the Holding Announcement Date.

Following the Joint Announcement Date and up to the Latest Practicable Date

Following the release of the Joint Announcement and up to the Latest Practicable Date, trading volume had declined significantly and the Shares had generally traded close to and below the Exit Offer Consideration, and appeared to be supported by the Exit Offer Consideration. There was no trade done on the Latest Practicable Date on 25 October 2022. The Shares were last transacted at S\$0.046 on 21 October 2022.

Daily trading volume on the Shares had also subsided significantly during this period.

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Market Statistics

In addition to the share price chart above, we have tabulated below selected statistical information on the share price performance and trading liquidity of the Shares for the Period Under Review:

Reference period	Highest traded price (S\$)	Lowest traded price (S\$)	VWAP ⁽¹⁾ (S\$)	Premium/ (Discount) of Exit Offer Consideration above VWAP (%)	Number of traded days ⁽²⁾	Average daily trading volume ⁽³⁾ (No. of Shares)	Average daily trading volume as a percentage of free float ⁽⁴⁾ (%)
<u>Prior and up to the Holding Announcement Date</u>							
Last 1 year	0.044	0.013	0.0266	76.7	53	66,752	0.089
Last 6 months	0.036	0.015	0.0269	74.7	25	123,734	0.164
Last 3 months	0.036	0.016	0.0273	72.2	12	218,103	0.290
Last 1 month	0.036	0.017	0.0281	67.3	9	618,686	0.822
30 August 2022 (being the Holding Announcement Date)	0.036	0.030	0.0332	41.6	1	4,218,500	5.604
<u>After the Holding Announcement Date and up to the Joint Announcement Date</u>							
From 31 August 2022 up to the Joint Announcement Date	0.127	0.043	0.0865	(45.6)	8	22,571,463	29.985
<u>After the Joint Announcement Date and up to the Latest Practicable Date</u>							
From 13 September 2022 up to the Latest Practicable Date	0.061	0.045	0.0484	(3.0)	23	1,046,613	1.390
21 October 2022 (being the last trading day prior to the Latest Practicable Date)	0.046	0.045	0.0450	4.4	1	100,100	0.133

Source: Bloomberg L.P.

Notes:

- (1) The volume-weighted average price ("VWAP") for the respective periods are calculated based on the aggregate daily turnover value of the Shares divided by the aggregate daily trading volume of the Shares for the respective periods as extracted from Bloomberg L.P.. Off-market transactions (i.e. married deals) are excluded from the calculation;
- (2) Traded days refer to the number of days on which the Shares were traded on the SGX-ST during the period;
- (3) The average daily trading volume of the Shares is computed based on the total volume of Shares traded on the SGX-ST (excluding off-market transactions) during the relevant periods, divided by the number of days when the SGX-ST was open for trading (excluding days with full day trading halt on the Shares) during that period; and
- (4) Free float refers to the Shares other than those directly and deemed held by the Directors and substantial Shareholders. For the purpose of computing the average daily trading volume as a percentage of free float, we have used the free float of approximately 75.3 million Shares based on the free float of 14.99% as disclosed in the annual report of MGL for FY2021.

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We observe the following with regard to the price performance of the Shares for the Period Under Review:

- (a) the Shares had traded mostly at a substantial discount to the Exit Offer Consideration during the 1-Year Period up to the Holding Announcement Date, between a low of S\$0.013 (26 January and 3 February 2022) to a high of S\$0.44 (1 November 2021). On 1 November 2021, 5,000 Shares were traded at the VWAP of S\$0.035, of which only 200 Shares were traded at the high of S\$0.044;
- (b) the Exit Offer Consideration represents a premium of 76.7%, 74.7%, 72.2% and 67.3% above the VWAP of the Shares for the 1-year, 6-month, 3-month and 1-month periods up to the Holding Announcement Date;
- (c) the Exit Offer Consideration represents a premium of 34.3% above the last transacted price of the Shares of S\$0.035 and a premium of 41.6% above the VWAP of the Shares on the Holding Announcement Date.

As noted above, there was a significant run-up in the Share prices and trading activities on the Shares prior to the Holding Announcement Date, from 22 August 2022 to the Holding Announcement Date. Prior to the run-up in Share prices, the Shares were last transacted at S\$0.017 on 16 August 2022. The Exit Offer Consideration represents a premium of 176.5% above the last transacted price of S\$0.017 on 16 August 2022;

- (d) post the Holding Announcement Date and up to the Joint Announcement Date, the Shares had continued to run-up on heavier trading volume, and had traded at a significant premium above the Exit Offer Consideration. The Exit Offer Consideration represents a discount of 45.6% to the VWAP during this period;
- (e) post the Joint Announcement Date and up to the Latest Practicable Date, Share prices had generally traded close to and below the Exit Offer Consideration and appeared to be supported by the Exit Offer Consideration; and
- (f) There was no trade done on the Latest Practicable Date on 25 October 2022, and the Shares were last transacted at S\$0.046 on 21 October 2022. The Exit Offer Consideration represents a slight premium of 2.2% above the last done price of S\$0.046 on 21 October 2022.

We observe the following with regard to the trading liquidity of the Shares:

- (i) trading liquidity on the Shares was very low with average daily trading volume on the Shares for the 1-year, 6-month, 3-month and 1-month periods up to the Holding Announcement Date representing 0.09%, 0.16%, 0.29% and 0.82% of the free float of the Shares respectively;
- (ii) on the Holding Announcement Date, average daily trading volume on the Shares had increased substantially to 4.2 million, representing 5.6% of the free float of the Shares;
- (iii) from the Holding Announcement and up to the Joint Announcement Date, average daily trading volume increased further to 22.6 million, representing almost 30% of the free float of the Shares; and
- (iv) following the Joint Announcement Date and up to the Latest Practicable Date, average daily trading volume on the Shares had subsided significantly to 1.0 million Shares, representing 1.39% of the free float of the Shares.

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10.2 Financial analysis of the Group

For the purposes of evaluating the Offer, we have also considered the valuation of MGL implied by the Exit Offer Consideration vis-a-vis the historical financial information of the Group in terms of the earnings approach and net asset backing approach.

Price-earnings ratio (“PER”)

PER is a commonly used earnings approach which illustrates the valuation ratio of the current market value of a company’s shares relative to its consolidated basic earnings per share as stated in its financial statements. The PER is affected by, *inter alia*, the capital structure of a company, its tax position as well as its accounting policies relating to depreciation and intangible assets. The PER is commonly used for the purpose of illustrating the profitability and hence the valuation of a company as a going concern.

As set out in Section 8.4.1 of this Letter, the Group had reported net losses and adjusted net losses for most of the last 4 years since 1 April 2018 to 30 June 2022. Hence, the assessment of the valuation of the Group implied by the Exit Offer Consideration which is based on the historical earnings approach would not be meaningful in view of the loss-making position of the Group.

Price-to-book (“P/NAV”) ratio

P/NAV ratio is a commonly used net asset backing approach which shows the extent to which the shares of a company are backed by its net assets.

The NAV based valuation approach provides an estimate of the value of a company assuming the hypothetical sale of all its assets over a reasonable period of time and would be more relevant for asset-based companies or where the subject company intends to realise or convert the uses of all or most of its assets. Such a valuation approach would be particularly appropriate when applied in circumstances where the business is to cease operations or where the profitability of the business being valued is not sufficient to sustain an earnings-based valuation.

As shown in Section 8.4.2 of this Letter, the Group’s NAV per Share as at 30 June 2022 was S\$0.0471 based on the exchange rate on 30 June 2022.

The Exit Offer Consideration of S\$0.047 therefore represents a P/NAV ratio of 1.00 time as at 30 June 2022.

Price-to-RNAV (“P/RNAV”) ratio

For the purposes of the Offer, the Company had commissioned independent valuations of the Group’s Properties as at 12 September 2022. Overall, the independent valuations had resulted in a slight net revaluation deficit of US\$0.45 million as shown in Section 9.1 of this Letter. Accordingly, the Group’s RNAV per Share as at 30 June 2022 was lower at US\$0.0330 (S\$0.0459).

The Exit Offer Consideration of S\$0.047 represents a **P/RNAV ratio of 1.02 times** as at 30 June 2022 i.e. the Exit Offer Consideration is at a slight premium of 2.4% above the RNAV per Share as at 30 June 2022.

10.3 Comparison with recent precedent privatisation of selected SGX-ST listed companies

The Exit Offer is made pursuant to Rules 1307 and 1308 of the Catalist Rules in connection with the Delisting Proposal to seek a voluntary delisting of MGL from the Catalist of the SGX-ST.

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We have therefore compared the valuation of MGL implied by the Exit Offer Consideration with those of recent precedent privatisation of selected SGX-ST listed companies. The selected precedents include (a) completed privatisation exercises (with cash offer) of SGX-ST listed companies that were asset heavy, (b) which were announced since 1 January 2020 and completed prior to and up to the Latest Practicable Date, (c) where the respective IFAs for the privatisation exercises had opined that the offer was fair and reasonable, and (d) where the implied market capitalisations of these selected companies were below S\$500 million (“**Precedent Privatisation Transactions**”).

Such privatisation exercises include offers that were carried out in connection with a voluntary delisting under Rules 1307 and 1308 of the SGX-ST listing manual, by way of a scheme of arrangement under Section 210 of the Companies Act or general takeover offers under the Code where the offerors have expressed their intention to delist their respective listed companies from the SGX-ST.

In total, there are 3 such Precedent Privatisation Transactions.

This analysis serves as a general indication of the relevant premium/discount that the offerors had paid in order to acquire the target companies, and the comparison sets out:

- (a) the premium or discount represented by each of the respective offer prices to the last transacted prices and VWAPs over the 1-month and 3-month periods prior to the announcement of these Precedent Privatisation Transactions; and
- (b) the premium or discount represented by each of the respective offer prices to the NAV, NTA, RNAV or RNTA (as the case may be) of the respective target companies.

We wish to highlight that the target companies listed in the Precedent Privatisation Transactions as set out in the analysis below may not be directly comparable to the Group in terms of market capitalisation, size of operations, composition of business activities, asset base, geographical spread, track record, operating and financial leverage, risk profile, liquidity, accounting policies, prospects and other relevant criteria. Each transaction must be judged on its own commercial and financial merits. The premium or discount that an offeror pays in any particular offer varies in different specific circumstances depending on, *inter alia*, factors such as the intention of the offeror, the potential synergy the offeror can gain by acquiring the target, the prevailing market conditions and sentiments, attractiveness and profitability of the target’s business and assets, the possibility of a significant revaluation of the assets to be acquired, the availability of substantial cash reserves, the liquidity in the trading of the target company’s shares, the presence or absence of competing bids for the target company, and the existing and desired level of control in the target company. The list of the Precedent Privatisation Transactions is by no means exhaustive and as such any comparison made only serves as an illustration. Conclusions drawn from the comparisons made may not necessarily reflect the perceived or implied market valuation of MGL.

Name of target company	Date of announcement	Implied market capitalisation ⁽¹⁾ (S\$’million)	Premium of offer price above			Price/ RNAV ratio (times)
			Last transacted price prior to announcement (%)	1-month VWAP prior to announcement (%)	3-month VWAP prior to announcement (%)	
China Jishan Holdings Limited	20 Aug 2020	105.5	84.2	101.3	106.4	0.78 ⁽²⁾
LCT Holdings Limited	16 Sep 2020	21.1	39.5	60.8	61.7	0.84 ⁽³⁾
Hwa Hong Corporation Limited	17 May 2022	261.1	37.9	36.1	32.0	0.79 ⁽⁴⁾

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Name of target company	Date of announcement	Implied market capitalisation ⁽¹⁾ (S\$'million)	Premium of offer price above			Price/RNAV ratio (times)
			Last transacted price prior to announcement (%)	1-month VWAP prior to announcement (%)	3-month VWAP prior to announcement (%)	
High			84.2	101.3	106.4	0.84
Low			37.9	36.1	32.0	0.78
Mean			53.9	66.1	66.7	0.80
Median			39.5	60.8	61.7	0.79
MGL (implied by the Exit Offer Consideration)	30 Aug 2022 (Holding Announcement)	23.6	34.3	67.3	72.2	1.00 (based on NAV per Share as at 30 June 2022) 1.02 (based on RNNAV per Share as at 30 June 2022)

Source: SGX-ST announcements and circulars to shareholders in relation to the Precedent Privatisation Transactions

Notes:

- (1) Calculated by multiplying the respective offer prices with the number of issued shares of the respective target companies;
- (2) Based on RNNAV of China Jishan Holdings Limited as at 30 June 2020;
- (3) Based on ex-cash adjusted NAV per share of LCT Holdings Limited as at 30 June 2020; and
- (4) Based on the adjusted RNNAV per share of Hwa Hong Corporation Limited as at 31 December 2021.

Based on the above, we note that:

- (a) the mean P/RNAV ratios of the 3 Precedent Privatisation Transactions was 0.8 times. In comparison, the P/NAV ratio of 1.00 time and P/RNAV ratio of 1.02 times of the Group implied by the Exit Offer Consideration are above the mean and higher than the upper end of the range of P/RNAV ratios of the Precedent Privatisation Transactions;
- (b) the premia implied by the Exit Offer Consideration above the VWAPs for the 1-month and 3-month periods prior to the Holding Announcement are within the range and above the mean and median of the corresponding premia of the Precedent Privatisation Transactions; and
- (c) the premia implied by the Exit Offer Consideration above the last transacted price on the Holding Announcement Date is slightly below the lower end of the range, close to the median and below the mean of the corresponding premia of the Precedent Privatisation Transactions.

However, as set out in Section 10.1 of this Letter, there was considerable run-up in Share prices and increase in trading activity on the Shares from 22 August 2022 and up to the Holding Announcement Date. When compared to the last done price of S\$0.017 prior to 22 August 2022, the Exit Offer Consideration represents a premium of 176.5% above the

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last done price. This would have far exceeded the upper range of the corresponding premia of the Precedent Privatisation Transactions.

10.4 Comparison of valuation statistics of selected SGX-ST listed companies which are broadly comparable with the Group

The Group operates in the tourism industry in Myanmar.

For the purposes of assessing the financial terms of the Offer, we have considered the valuation statistics of companies listed on the SGX-ST that are involved in businesses which can be considered as broad proxies to the principal businesses of the Group for comparison purposes, i.e. companies in the tourism and hospitality industries ("**Comparable Companies**"). For a more meaningful comparison, we have selected Comparable Companies with market capitalisation below S\$300 million as at the Joint Announcement Date.

There are in total 7 such Comparable Companies.

We also had discussions with Management about the suitability and reasonableness of the selected Comparable Companies acting as a basis for comparison with the Group. Relevant information has been extracted from Bloomberg L.P., publicly available annual reports and/or public announcements of the selected Comparable Companies. We make no representations or warranties, expressed or implied, as to the accuracy or completeness of such information. The accounting policies of the selected Comparable Companies with respect to the values for which the assets, revenue or cost are recorded may differ from that of the Group.

We wish to highlight that the selected Comparable Companies are not exhaustive and it should be noted that there may not be any listed company that is directly comparable with the Group in terms of location, business activities, customer base, size of operations, asset base, geographical spread of activities, geographical markets, track record, financial performance, operating and financial leverage, future prospects, liquidity, quality of earnings, accounting policies, risk profile and other relevant criteria. As such, any comparison made herein is necessarily limited and it may be difficult to place reliance on the comparison of valuation statistics for the selected Comparable Companies. Therefore, any comparison made serves only as an illustrative guide.

A brief description of the selected Comparable Companies, as extracted from Bloomberg L.P. and/or their respective annual reports, is set out below:

Name of Comparable Company	Principal Businesses
Hotel Royal Limited ("Hotel Royal")	Hotel Royal owns and operates hotels in Singapore, Malaysia and Thailand. It also owns investment properties in Singapore, Malaysia and New Zealand.
Banyan Tree Holdings Limited ("Banyan Tree")	Banyan Tree operates a portfolio of hotels, resorts, spas, galleries, golf courses and residences in 23 countries.
Amara Holdings Limited ("Amara")	Amara is principally engaged in hotel investment and management, property investment and development, and specialty restaurants and food services in Singapore, Thailand and Shanghai.
Heeton Holdings Limited ("Heeton")	Heeton operates in the hospitality segment with its portfolio of hotels in the UK, Scotland, Thailand and Japan. It is also a boutique property developer, and owns investment properties.
AF Global Limited ("AF Global")	AF Global own and operates hotel and serviced residences in Thailand and Vietnam, and also provides real estate consultancy services.

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Name of Comparable Company	Principal Businesses
Thakral Corporation Ltd ("Thakral")	Thakral holds a real estate investment portfolio in Australia, Japan and Singapore, including the development and management of over-50s lifestyle resorts, commercial buildings and business hotels. Thakral is also engaged in the management and marketing of beauty and lifestyle brands.
HL Global Enterprises Limited ("HL Global")	HL Global owns and operates a hotel in Malaysia. It also has a joint venture company that operates a hotel in Shanghai.

Source: Bloomberg L.P. and latest available annual reports of the Comparable Companies

For our evaluation of the Offer and illustration purposes, we have made a comparison between the Group and the Comparable Companies using the P/NAV ratio or NAV approach, as these Comparable Companies are also asset heavy. In addition, the Group had reported historical losses and historical PER or earnings approach will not be applicable to the Group.

The P/NAV ratio or NAV approach is used to show the extent to which the value of each share (based on its trading share price) is backed by its net assets. The NAV approach of valuing a group of companies is based on the aggregate value of all the assets of the group in their existing condition, after deducting the sum of all liabilities of the group.

For illustration purposes, the statistics of the Comparable Companies as at 30 August 2022, being the Holding Announcement Date, are set out in the table below:

Comparable Companies	Last financial year end	Market capitalisation as at 30 August 2022, being the Holding Announcement Date (\$\$million)	P/NAV ratio ⁽¹⁾ (times)
Hotel Royal	31 Dec 2021	292.3	0.53
Banyan Tree	31 Dec 2021	255.7	0.53
Amara	31 Dec 2021	189.7	0.48
Heeton	31 Dec 2021	141.4	0.32
AF Global	31 Dec 2021	102.4	0.48
Thakral	31 Dec 2021	78.5	0.55
HL Global	31 Dec 2021	25.4	0.34
High			0.55
Low			0.32
Mean			0.46
Median			0.48
MGL (implied by the Exit Offer Consideration)	30 Sep 2021	23.6	1.00 (based on NAV per Share as at 30 June 2022)
			1.02 (based on RNAV per Share as at 30 June 2022)

Source: Bloomberg L.P., annual reports and latest publicly available financial information on the Comparable Companies

Note:

- (1) The P/NAV ratios of the Comparable Companies are computed based on (a) their respective NAV values as set out in their latest published financial statements and/or annual reports available as at the Holding Announcement Date; and (b) their market capitalisations as at the Holding Announcement Date.

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Based on the above, we note that the P/NAV ratio of 1.00 time and P/RNAV ratio of 1.02 times of the Group implied by the Exit Offer Consideration are significantly above the range of the trading P/NAV ratios and higher than the mean and median trading P/NAV ratios of the Comparable Companies.

Shareholders should note that the above comparison with the Comparable Companies is purely for illustrative purposes only.

10.5 Our estimated value range of the Shares

In the preceding Sections 10.1 to 10.4 above, we have analysed the following:

- (a) the Exit Offer Consideration represents a premium of 76.7%, 74.7%, 72.2% and 67.3% above the VWAP of the Shares for the 1-year, 6-month, 3-month and 1-month periods prior to the Holding Announcement.

As noted in Section 10.1 of this Letter, there was a significant run-up in the Share prices and trading activities on the Shares prior to the Holding Announcement Date, from 22 August 2022 to the Holding Announcement Date. Prior to the run-up in Share prices, the Shares were last transacted at S\$0.017 on 16 August 2022. The Exit Offer Consideration represents a premium of 176.5% above the last transacted price of S\$0.017 on 16 August 2022.

Following the release of the Joint Announcement and up to the Latest Practicable Date, the Shares had generally traded close to and below the Exit Offer Consideration, and appeared to be supported by the Exit Offer Consideration. The Shares were last transacted at S\$0.046 on 21 October 2022 prior to the Latest Practicable Date. The Exit Offer Consideration represents a slight premium of 2.2% above the last transacted Share price of S\$0.046 on 21 October 2022;

- (b) The Exit Offer Consideration represents a P/NAV ratio of 1.00 time and P/RNAV ratio of 1.02 times. The Exit Offer Consideration is at a slight premium of 2.4% above the RNAV per Share of S\$0.0459 as at 30 June 2022;
- (c) the P/NAV and P/RNAV ratios implied by the Exit Offer Consideration are above the upper end of the range of P/NAV ratios of the Precedent Privatisation Transactions of 0.84 times; and
- (d) the P/NAV and P/RNAV ratios implied by the Exit Offer Consideration are above the upper end of the range of P/NAV ratios of the Comparable Companies of 0.55 times.

Overall, on balance, we are of the view that **our estimated value range of the Shares is between S\$0.042 and S\$0.046.**

Hence, we are of the opinion that the Exit Offer Consideration of S\$0.047 is fair and reasonable, as it is above our estimated value range of the Shares.

10.6 Dividend track record of MGL

As disclosed in MGL's latest annual report for 12MFY2021, the Company has implemented a dividend policy which aims to provide a return to shareholders once a year through the payment of dividends, after taking into account the Company's financial performance, short and long term capital requirements, future investment plans, general global and business economic conditions.

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However, we note that MGL had not declared or paid any dividends to its Shareholders since its listing on the SGX-ST in January 2018.

10.7 Share Consideration as an election in lieu of Cash Consideration

Pursuant to the Exit Offer, Shareholders are entitled to elect to receive the Exit Offer Consideration either the Cash Consideration or, in lieu of the Cash Consideration, the Share Consideration, but not a combination of both. The value of the Share Consideration is equivalent to the Cash Consideration as one (1) New Offeror Share will be issued for each Offer Share tendered for acceptance, at the Issue Price of S\$0.047, which is equivalent to the Exit Offer Consideration.

Shareholders who wish to elect the Share Consideration should assess for themselves the future prospects of the Offeror, which will become the holding company of the Group. These Shareholders should also be prepared to take the risks and restrictions associated with an investment in the Offeror as a minority shareholder. The Offeror Constitution will be binding on all shareholders of the Offeror. Details of the Offeror Constitution are set out in Section 2.2 of the Exit Offer Letter.

Shareholders should elect the Cash Consideration if they wish to have certainty of the Exit Offer Consideration and if they are not confident of the future prospects of Offeror or if they are not prepared to bear any of the risk and restrictions associated with an investment in the Offeror, which is presently a privately held unlisted company.

The Offeror has expressed that it is not currently contemplating for the New Offeror Shares to be listed on any securities exchange.

10.8 Other relevant considerations

10.8.1 Delisting Resolution Approval Condition, Minimum Acceptance Condition and SGX-ST approval

The Exit Offer is subject to the Delisting Resolution Approval Condition and the Minimum Acceptance Condition.

The Offeror Concert Party Group must abstain from voting at the EGM for the Delisting Resolution. Pursuant to the Irrevocable Undertakings, the Excluded Undertaking Shareholders, namely Samena and SHC, will vote in favour of the Delisting Resolution. The Delisting Resolution need to be approved by a majority of at least 75% of the total number of issued Shares held by Shareholders present and voting, on a poll, either in person or by proxy at the EGM.

The Minimum Acceptance Condition will be met when the Undertaking Shareholders tender their acceptances for the Exit Offer in accordance with the terms of their Irrevocable Undertakings. Accordingly, the Exit Offer will be capable of becoming unconditional in all respects.

If the Delisting Resolution is approved at the EGM, the Company will apply to seek approval from the SGX-ST for the Delisting of MGL from the Catalist board. If the SGX-ST grants the approval for the Delisting, MGL will be delisted from the Catalist board 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.

10.8.2 No increase in Exit Offer Consideration and notice given for the Closing Date for the Exit Offer

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Shareholders should note that the Offeror has stated that it does not intend to increase the Exit Offer Consideration of S\$0.047. Accordingly, pursuant to Rule 20.2 of the Code, the Offeror will not be allowed to increase the Exit Offer Consideration in any way.

In addition, the Offeror has given notice for the Exit Offer to close at **5.30 p.m. (Singapore time) on the Closing Date of 2 December 2022**. Shareholders should note that acceptances of the Offer received after 5.30 p.m. (Singapore time) on 2 December 2022 will be rejected.

10.8.3 Compulsory acquisition

Pursuant to the Irrevocable Undertakings, the Undertaking Shareholders, representing 85.02% of the outstanding Shares as at the Latest Practicable Date, have undertaken to accept the Exit Offer in respect of all their Shares.

Pursuant to Section 215(1) of the Companies Act, in the event that the Offeror acquires not less than 90% of the total number of Shares as at the date of the Exit Offer (other than those already held by the Offeror, its related corporations and their respective nominees as at the date of the Exit Offer), the Offeror will be entitled to exercise the right to compulsorily acquire all the Shares from Dissenting Shareholders at a price equal to the Exit Offer Consideration and the Offeror would pay the Exit Offer Consideration.

As the Offeror intends to make MGL its wholly-owned subsidiary, the Offeror intends to exercise its right of compulsory acquisition under Section 215(1) of the Companies Act if it becomes entitled to do so.

As at the Latest Practicable Date, FMI, which has 8.35% shareholding interest in MGL, is a related company of the Offeror. Hence, the above shareholding interest held by FMI will be excluded in the computation of the minimum 90% threshold that the Offeror will need to acquire before it is entitled to exercise its rights of compulsory acquisition under Section 215(1) of the Companies Act.

The Offeror will pay the Dissenting Shareholder(s) the Cash Consideration to acquire their Offer Shares if the Dissenting Shareholder(s) fails to validly make an alternative election for the Share Consideration within the time allowed under Section 215(1A) of the Companies Act.

Dissenting Shareholders who wish to exercise their rights under Section 215(3) of the Companies Act are advised to seek their own independent legal advice.

10.8.4 Implications of Shareholders holding on to unquoted Shares

As mentioned in Section 10.8.1, in the event the Delisting Resolution is approved, and subject to SGX-ST's approval for the Delisting, MGL will be delisted from the Catalist 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.

Shareholders who have not accepted the Exit Offer will continue to hold their Shares of MGL as an unlisted company, subject to the Offeror becoming entitled to and it exercises its right of compulsory acquisition under Section 215(1) of the Companies Act.

Shareholders should note that shares of unquoted companies are generally valued at a discount to the shares of comparable listed companies as a result of the lack of liquidity and marketability. If MGL is delisted from the Catalist of the SGX-ST, Shareholders who have not accepted the Exit Offer may face difficulties if they wish to sell their Shares in the absence of a public market for the Shares as there is no arrangement for Shareholders to exit. Even if such Shareholders were able to sell their Shares, they may receive a lower price as compared to the

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Exit Offer Consideration. In addition, any transfer or sale of Shares represented by share certificates will be subjected to stamp duties.

Shareholders should note that under the Code, except with the consent of the SIC, neither the Offeror nor any person acting in concert with him may, within 6 months of the closure of the Exit Offer, make a second offer to, or acquire any Shares from, any Shareholder on terms better than those made available under the Exit Offer.

As an unquoted company, MGL will no longer be obliged to comply with the listing requirements of the SGX-ST. Nonetheless, as a company incorporated in Singapore, MGL will still need to comply with the Companies Act and the Company's constitution, and the interests of Shareholders who do not accept the Exit Offer will be protected to the extent provided for by the Companies Act which includes, *inter alia*, the entitlement to be sent a copy of the profit and loss statement and balance sheet at least 14 days before each annual general meeting, at which the financial statements will be presented.

If MGL is delisted from the Catalist of the SGX-ST, each Shareholder who holds Shares that are deposited with CDP and has not accepted the Exit Offer will be entitled to one share certificate representing his unquoted Shares. MGL's share registrar, B.A.C.S. Private Limited, will arrange to forward the share certificates to such Shareholders (who are not CPFIS Investors), by ordinary post and at the Shareholders' own risk, to their respective addresses as they appear in the records of CDP for their physical safekeeping. The share certificates belonging to CPFIS Investors who have not accepted the Exit Offer will be forwarded to their respective CPF Agent Banks for their safe keeping.

Shareholders who are in doubt of their position should seek independent professional advice.

10.8.5 No other competing offers as at the Latest Practicable Date

The Directors have confirmed that, as at the Latest Practicable Date, apart from the Exit Offer being made by the Offeror, no alternative offer or proposal from any third party has been received. We also note that there is no publicly available evidence of any alternative offer for the Shares from any third party.

In view of the Irrevocable Undertakings, where the Undertaking Shareholders holding 85.02% of the issued Shares have undertaken *inter alia* to vote in favour of the Delisting Resolution, accept the Exit Offer and not to accept any other offer from any other party for all or any of their Shares, the likelihood of a competing offer from any other party is remote.

10.8.6 Material uncertainty related to going concern and continued financial support from FMI

As set out in Section 8.4.2 of this Letter, in the latest audited financial statements of the Group for 12MFY2021 (for the period from 1 October 2020 to 30 September 2021), the Group's independent auditors had, in its auditor's report, highlighted material uncertainties that may cast significant doubt on the Group's ability to continue as a going concern and the use of going concern assumption in the preparation of financial statements of the Group.

It was also disclosed in the auditors' report that in the event that the Group and the Company are unable to continue as going concerns, adjustments may have to be made to reflect the situation that assets may need to realise other than in the amounts at which they are currently recorded in the statement of financial position. In addition, the Group may have to provide for further liabilities that might arise and to reclassify non-current assets and liabilities as current.

The Company had also made similar disclosures on material uncertainties and the use of going concern assumption in the latest unaudited interim financial results of the Group for 9M2023 (for the period from 1 October 2021 to 30 June 2022).

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Presently, the Company and the Group had continued to view the going concern assumption as appropriate in the preparation of its financial statements of the Company and the Group, after taking into consideration the various mitigating measures and assumptions, including the commitment from FMI to continue to provide financial support to enable the Group to meet its obligations as and when they fall due.

Shareholders should take note of the above in the context of the Exit Offer.

Shareholders may also wish to take note of the interim financial results of the Group for the 12-month ended 30 September 2022 to be announced by the Company in mid-November 2022. The Company's current financial year will be for an 18-month period from 1 October 2021 to 31 March 2023.

11. OUR RECOMMENDATION TO THE INDEPENDENT DIRECTORS ON THE EXIT OFFER

In arriving at our recommendation in respect of the Exit Offer, we have taken into account, reviewed and deliberated on the following key considerations which we consider to be pertinent in our assessment of the Exit Offer:

- (a) market quotation and trading activity of the Shares;
- (b) financial analysis of the Group;
- (c) comparison with recent precedent privatisation of selected SGX-ST listed companies;
- (d) comparison of valuation statistics of selected SGX-ST listed companies which are broadly comparable with the Group;
- (e) our estimated value range of the Shares;
- (f) dividend track record of MGL;
- (g) Share Consideration as an election in lieu of the Cash Consideration; and
- (h) other relevant considerations.

Based on our analysis and after having considered carefully the information available to us as at the Latest Practicable Date, we are of the view that the Exit Offer is fair and reasonable. Accordingly, we advise the Independent Directors to recommend to Shareholders to VOTE IN FAVOUR of the Delisting Resolution at the EGM and to ACCEPT the Exit Offer.

In addition, Shareholders should elect the Cash Consideration if they wish to have certainty of the Exit Offer Consideration and if they are not confident of the future prospects of the Offeror or if they are not prepared to bear any of the risk and restrictions associated with an investment in the Offeror, which is an unlisted entity.

Shareholders who wish to elect the Share Consideration should assess for themselves the future prospects of the Offeror, which will become the holding company of the Group. These Shareholders should also be prepared to take the risk and restrictions associated with an investment in the Offeror as a minority shareholder.

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Our recommendation to the Independent Directors in relation to the Exit Offer in connection with the Delisting Proposal should be considered in the context of the entirety of this Letter and the Circular.

In rendering the above advice and recommendation, we have not given regard to any specific investment objectives, financial situation, tax position, risk profiles or particular needs and constraints or other particular circumstances of any individual Shareholder. As each individual Shareholder would have different investment objectives and profiles, we would advise that any individual Shareholder who may require specific advice in relation to his investment objectives or investment portfolio should consult his stockbroker, bank manager, accountant, legal, financial, tax or other professional adviser immediately. The Independent Directors should advise Shareholders that the opinion and advice of Provenance Capital should not be relied upon by any Shareholder as the sole basis for deciding whether or not to accept the Exit Offer, as the case may be.

Our opinion, as disclosed in this Letter, is based solely on publicly available information and information provided by the Directors and the Management and therefore does not reflect any projections or future financial performance of the Offeror or the Group after the completion of the Exit Offer. In addition, our opinion is based on the economic and market conditions prevailing as at the Latest Practicable Date and is solely confined to our views on the Exit Offer.

Our opinion is addressed to the Independent Directors for their benefit and for the purposes of their consideration of the Exit Offer in connection with the Delisting Proposal, and may not be used or relied on for any other purposes (other than for the purposes of the Exit Offer) without the prior written consent of Provenance Capital. The recommendation to be made by the Independent Directors to Shareholders in respect of the Delisting and the Exit Offer shall remain the responsibility of the Independent Directors. Whilst a copy of this Letter may be reproduced in the Delisting Circular for the purposes of the EGM and the Exit Offer, neither MGL, the Directors nor any other person may reproduce, disseminate or quote this Letter (or any part thereof) for any other purposes, at any time and in any manner without the prior written consent of Provenance Capital in each specific case.

This Letter is governed by, and construed in accordance with, the laws of Singapore, and is strictly limited to the matters stated herein and does not apply by implication to any other matter.

Yours faithfully
For and on behalf of
PROVENANCE CAPITAL PTE. LTD.

Wong Bee Eng
Chief Executive Officer

APPENDIX B: ADDITIONAL INFORMATION ON THE COMPANY AND THE GROUP

1. DIRECTORS

The names, addresses and designations of the Directors as at the Latest Practicable Date are set out below:

Name	Address	Designation
Mr. Serge Pun	c/o 63 Mohamed Sultan Road, #02-14 Sultan-Link, Singapore 239002	Executive Chairman
Mr. Cyrus Pun	c/o 63 Mohamed Sultan Road, #02-14 Sultan-Link, Singapore 239002	Chief Executive Officer and Executive Director
Mr. Tun Tun	c/o 63 Mohamed Sultan Road, #02-14 Sultan-Link, Singapore 239002	Non-Executive Non- Independent Director
Mr. Basil Chan	c/o 63 Mohamed Sultan Road, #02-14 Sultan-Link, Singapore 239002	Lead Independent Director
Mr. Robin Lee	c/o 63 Mohamed Sultan Road, #02-14 Sultan-Link, Singapore 239002	Non-Executive Independent Director
Mr. Vincent Chan	c/o 63 Mohamed Sultan Road, #02-14 Sultan-Link, Singapore 239002	Non-Executive Non- Independent Director

2. REGISTERED OFFICE

The registered office of the Company is at 63 Mohamed Sultan Road, #02-14 Sultan-Link, Singapore 239002.

3. PRINCIPAL ACTIVITIES

The Company is incorporated in Singapore on 19 January 2012 and has been listed on the Catalyst board of the SGX-ST since 2 July 2012. 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.

4. SHARE CAPITAL

4.1 Issued Share Capital

The Company only has one (1) class of shares, being ordinary shares. As at the Latest Practicable Date, the Company has an issued and paid-up share capital of S\$129,125,466.65 comprising 502,170,955 Shares. It does not have any treasury shares, and the maximum potential issued share capital of the Company will comprise 506,061,595 Shares assuming that the Second Tranche Shares have been allotted and issued, but excluding the Conversion Shares.

4.2 Rights in respect of Capital, Dividends and Voting

The rights of Shareholders in respect of capital, dividends and voting rights are contained in the Constitution, which is available for inspection at the registered office of the Company at 63 Mohamed Sultan Road, #02-14 Sultan-Link, Singapore 239002. An extract of the relevant provisions in the Constitution relating to the rights of Shareholders in respect of capital, dividends and voting rights is reproduced in Appendix D to this Circular. Capitalised terms and expressions not defined in the extract have the meanings ascribed to them in the Constitution and/or the Companies Act.

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4.3 New Issues

As at the Latest Practicable Date, the Company has not issued any new Shares since 30 September 2021, being the end of the Company's last financial year.

4.4 Options and Convertible Instruments

As at the Latest Practicable Date, the Company does not have in place any employee share option schemes and no Share awards remain outstanding under the Memories PSP.

The Company had on 30 May 2018, announced the acquisition of the Kayah resort business from the vendors, Wa Minn Group of Companies Company Limited ("**Wa Minn Group**") and U Kun Naung Myint Wai ("**UKNMW**"), for a purchase consideration of US\$2.9 million. The purchase consideration comprises cash consideration of US\$1.45 million payable to the Wa Minn Group and the issuance of 7,781,280 new Shares at an issue price of S\$0.25 per Share payable to UKNMW, in three tranches:

- (a) the first tranche comprising 50% of the cash consideration (US\$725,000) and 50% of the share consideration (comprising 3,890,640 Shares) was settled on 7 June 2018;
- (b) the second tranche comprising 40% of the cash consideration (US\$580,000) and remaining 50% of the share consideration (3,890,640 Shares) ("**Second Tranche Shares**") is to be settled within one month of the date of satisfaction of the initial conditions subsequent. As at the Latest Practicable Date, the initial conditions subsequent have not been satisfied, and the second tranche of the purchase consideration has not been paid; and
- (c) the final tranche comprising the remaining 10% of the cash consideration (US\$145,000) is to be paid upon satisfaction of the final conditions subsequent. As at the Latest Practicable Date, the final conditions subsequent have not been satisfied, and the final tranche of the purchase consideration has not been paid.

If the second tranche of the share consideration is allotted and issued to UKNMW by the Closing Date, the total number of issued Shares would increase from 502,170,955 Shares to 506,061,595 Shares.

As the initial conditions subsequent have not been satisfied as at the Latest Practicable Date, the second tranche of the share consideration has not been allotted and issued.

Save for the Convertible Bonds and as disclosed above, the Company has not issued any instruments convertible into, rights to subscribe for, or options in respect of, Shares or securities which carry voting rights affecting Shares that are outstanding.

5. **FINANCIAL INFORMATION**

The Group is required to comply with the financial year end as mandated by the regulatory authorities in Myanmar on all taxpayers in Myanmar, and changes in the financial year end had happened at least twice since the Company's listing on the Catalist board in January 2018.

For the past 3 reported financial years, the Group's financial year ends were as follows:

- (a) 12-month period from 1 April 2018 to 31 March 2019 ("**12MFY2019**");
- (b) 18-month period from 1 April 2019 to 30 September 2020 ("**18MFY2020**"); and
- (c) 12-month period from 1 October 2020 to 30 September 2021 ("**12MFY2021**").

For the current financial year, the Group is required to change its financial year end from 30 September to 31 March in accordance with requirements of the Burmese authorities. Hence, the current financial year will be for an 18-month period from 1 October 2021 to 31 March 2023.

APPENDIX B: ADDITIONAL INFORMATION ON THE COMPANY AND THE GROUP

The latest unaudited interim financial results of the Group, as announced by the Company on 14 August 2022, is for the 9-month period from 1 October 2021 to 30 June 2022 (“9M2023”).

The attention of Shareholders is also drawn to the sub-paragraph entitled “Material uncertainty in relation to going concern” at section 8.4.2 of the IFA Letter entitled “Financial position of the Group” and section 10.8.6 of the IFA Letter entitled “Material uncertainty related to going concern and continued financial support from FMI” at pages A-20 and A-39 respectively.

5.1 Consolidated Statement of Comprehensive Income

The consolidated statement of comprehensive income for the Company and its subsidiaries for the last 3 audited financial years i.e. 12MFY2019, 18MFY2020 and 12MFY2021, and the unaudited interim financial results for 9M2023 are summarised below. The summary set out below should be read together with the annual reports, the audited consolidated profit and loss statements of the Group for the relevant financial periods and their respective accompanying notes.

	9M2023 US\$'000	12MFY2021 US\$'000	18MFY2020 US\$'000	12MFY2019 US\$'000
Revenue	1,855	2,095	10,523	10,094
Exceptional Items	–	–	–	–
Net (loss)/profit before tax	(5,172)	(2,788)	(35,971)	2,068
Net (loss)/profit after tax	(5,141)	(2,748)	(35,967)	2,008
Non-controlling interests	–	–	–	–
Net (loss)/earnings per Share (USD in cents)	(1.02)	(0.55)	(7.16)	0.48
Net dividends per Share (USD in cents)	–	–	–	–

5.2 Consolidated Statement of Financial Position

The consolidated statement of the financial position of the Company and its subsidiaries for the last 3 audited financial years i.e. 12MFY2019, 18MFY2020 and 12MFY2021, and the unaudited interim financial results for 9M2023 are summarised below. The summary set out below should be read together with the annual report of the Group for the relevant financial periods and their respective accompanying notes.

	9M2023 US\$'000	12MFY2021 US\$'000	18MFY2020 US\$'000	12MFY2019 US\$'000
ASSETS				
Current assets				
Cash and bank balances	123	130	406	2,265
Trade and other receivables	1,830	1,956	2,469	2,812
Inventories	218	237	220	184
Total current assets	2,171	2,323	3,095	5,261

APPENDIX B: ADDITIONAL INFORMATION ON THE COMPANY AND THE GROUP

	9M2023 US\$'000	12MFY2021 US\$'000	18MFY2020 US\$'000	12MFY2019 US\$'000
<u>Non-current assets</u>				
Investment properties	16,100	16,100	17,350	61,090
Property, plant and equipment	45,412	47,098	49,814	16,683
Intangible assets	1,971	2,045	3,941	9,237
Financial assets, at fair value through profit or loss ("FVPL")	2,209	2,209	2,414	–
Other receivable	540	540	763	662
Total non-current assets	66,232	67,992	74,282	87,672
Total assets	68,403	70,315	77,377	92,933
LIABILITIES				
<u>Current liabilities</u>				
Trade and other payables	15,469	14,221	13,403	12,715
Borrowings	17,702	4,850	3,051	1,042
Current income tax liabilities	385	385	394	564
Total current liabilities	33,556	19,456	16,848	14,321
<u>Non-current liabilities</u>				
Borrowings	11,910	22,879	29,927	15,511
Convertible bonds	3,654	3,534	3,374	–
Deferred income tax liabilities	2,146	2,178	2,225	2,289
Provisions	115	105	92	–
Total non-current liabilities	17,825	28,696	35,618	17,800
Total liabilities	51,381	48,152	52,466	32,121
NET ASSETS	17,022	22,163	24,911	60,812

APPENDIX B: ADDITIONAL INFORMATION ON THE COMPANY AND THE GROUP

	9M2023 US\$'000	12MFY2021 US\$'000	18MFY2020 US\$'000	12MFY2019 US\$'000
EQUITY				
<u>Capital and reserves attributable to the owners of the Company</u>				
Share capital	84,544	84,544	84,544	84,472
Accumulated losses	(47,964)	(42,823)	(40,075)	(1,610)
Other reserves	(19,558)	(19,558)	(19,558)	(22,050)
Total equity	17,022	22,163	24,911	60,812
Total liabilities and equity	68,403	70,315	77,377	92,933

5.3 Consolidated NTA per Share

The consolidated NTA per Share of the Group based on the latest published accounts prior to the date of this Circular (being the 9M2023 results) is US\$0.0300 (S\$0.0417 based on the exchange rate of US\$1:S\$1.3905 on 30 June 2022). As at the Latest Practicable Date, the Directors are not aware of any material changes which may affect the above stated consolidated NTA per Share.

5.4 Material Changes in Financial Position

Save as disclosed in this Circular (including the IFA Letter) and any other information of the Company or its subsidiaries which is publicly available, as at the Latest Practicable Date, there have been no known material changes in the financial position of the Company since 30 September 2021, being the date of the Company's last published audited consolidated financial statements.

5.5 Significant Accounting Policies

As at the Latest Practicable Date, there are no significant accounting policies nor any points from notes of the accounts of the Group which are of major relevance for the interpretation of the financial statements of the Group referred to in this Circular.

5.6 Changes in Accounting Policies

Save as disclosed in publicly available information on the Group, as at the Latest Practicable Date, there is no change in the accounting policies of the Company which will cause the financial statements of the Company not to be comparable to a material extent.

6. **DISCLOSURE OF INTERESTS**

6.1 Shareholdings

(a) **Interests of the Company in Offeror Securities**

As at the Latest Practicable Date, neither the Company nor its subsidiaries have any direct or deemed interest in any Offeror Securities.

(b) **Dealings in Offeror Securities by the Company**

Neither the Company nor its subsidiaries have dealt for value in any Offeror Securities during the period commencing three (3) months prior to the Joint Announcement Date and ending on the Latest Practicable Date.

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(c) Interests of the Directors in Offeror Securities

As at the Latest Practicable Date, Mr. Serge Pun is deemed interested in the one (1) Offeror Share held by FMI by virtue of his 56.1% equity interest in FMI. Save as disclosed in this Circular and the Exit Offer Letter, none of the Directors has any direct or deemed interest in any Offeror Securities as at the Latest Practicable Date.

(d) Dealings in Offeror Securities by Directors

None of the Directors has dealt for value in any Offeror Securities during the period commencing three (3) months prior to the Joint Announcement Date and ending on the Latest Practicable Date.

(e) Interests of Directors in Company Securities

Saved as disclosed in Section 9 entitled “Interests of Directors and Substantial Shareholders” of this Circular, as at the Latest Practicable Date, no other Director has any direct or deemed interest in any Company Securities.

(f) Dealings in Company Securities by Directors

None of the Directors has dealt for value in any Company Securities during the period commencing three (3) months prior to Joint Announcement Date and ending on the Latest Practicable Date.

(g) Interests of the IFA in Company Securities

As at the Latest Practicable Date, none of the IFA, its related corporations or funds whose investments are managed by the IFA or its related corporations on a discretionary basis, owns or controls any Company Securities.

(h) Dealings in Company Securities by the IFA

None of the IFA, its related corporations or funds whose investments are managed by the IFA or its related corporations on a discretionary basis, has dealt for value in any Company Securities during the period commencing three (3) months prior to the Joint Announcement Date and ending on the Latest Practicable Date.

(i) Directors’ intentions in respect of the Delisting and the Exit Offer

As described in Section 3.5 of this Circular entitled “Irrevocable Undertakings”, Mr. Serge Pun has provided an Irrevocable Undertaking to, *inter alia*, vote all of the Shares held by him in favour of the Delisting Resolution and accept the Exit Offer in respect of all of his Shares provided that Mr. Serge Pun (being a member of the Offeror Concert Party Group) would not be permitted to vote on the Delisting Resolution.

Save for Mr. Serge Pun, none of the Directors hold any Shares.

7. ARRANGEMENTS WITH DIRECTORS

7.1 Directors’ service contracts

As at the Latest Practicable Date, (a) there are no service contracts between any Director or proposed director with the Company or any of its subsidiaries with more than 12 months to run, which the employing company cannot, within the next 12 months, terminate without payment of compensation; and (b) there are no such service contracts entered into or amended between any of the Directors or proposed director with the Company or any of its subsidiaries during the period between the start of six (6) months preceding the Joint Announcement Date and the Latest Practicable Date.

APPENDIX B: ADDITIONAL INFORMATION ON THE COMPANY AND THE GROUP

7.2 Arrangements affecting Directors

As at the Latest Practicable Date:

- (a) there are no payments or other benefits to be made or given to any Director or to any director of any other corporation which is, by virtue of section 6 of the Companies Act, deemed to be related to the Company, as compensation for loss of office or otherwise in connection with the Exit Offer;
- (b) there are no agreements or arrangements made between any Director and any other person in connection with or conditional upon the outcome of the Exit Offer; and
- (c) there are no material contracts entered into by the Offeror in which any of the Directors has a material personal interest, whether direct or indirect.

8. MATERIAL CONTRACTS WITH INTERESTED PERSONS

Neither the Company nor any of its subsidiaries has entered into material contracts with persons who are interested persons (other than those entered into in the ordinary course of business) during the period commencing three (3) years prior to the Joint Announcement Date and ending on the Latest Practicable Date.

9. MATERIAL LITIGATION

As at the Latest Practicable Date:

- (a) neither the Company nor any of its subsidiaries is engaged in any material litigation or arbitration proceedings, as plaintiff or defendant, which might materially affect the financial position of the Company and its subsidiaries taken as a whole; and
- (b) the Directors are not aware of any litigation, claim or proceedings pending or threatened against the Company or any of its subsidiaries or of any facts likely to give rise to any proceedings which might materially affect the financial position of the Company and its subsidiaries taken as a whole.

10. MATERIAL CHANGE IN INFORMATION

Save as disclosed in this Circular and save for information relating to the Company, or the Delisting and the Exit Offer that is publicly available, there has been no material change in any information previously published by or on behalf of the Company during the period commencing from the Joint Announcement Date and ending on the Latest Practicable Date.

11. VALUATION OF THE PROPERTIES

The Company has commissioned independent valuations of the Properties. The Valuation Summary Letters are set out in Appendix E to this Circular and the Valuation Reports (which include the basis of the valuations) are available for inspection at the registered address of the Company at 63 Mohamed Sultan Road, #02-14 Sultan-Link, Singapore 239002.

Under Rule 26.3 of the Code, the Company is required, *inter alia*, to make an assessment of any potential tax liability which would arise if the assets, which are the subject of a valuation given in connection with an offer, were to be sold at the amount of valuation. Based on the Valuation Reports, the potential tax liabilities that may be incurred by the Company on the hypothetical disposal of the Properties is approximately US\$92,100 arising from the capital gains tax on the disposal of these properties at their respective market values.

As at the Latest Practicable Date, the Company has no current plans to dispose of its interests in the Properties. The aforesaid tax liabilities are not likely to crystallise if the Company does not dispose of its interests in the Properties.

APPENDIX C: ADDITIONAL INFORMATION ON THE OFFEROR

The following information on the Offeror has been extracted from Appendix 3 of the Exit Offer Letter:

“1. DIRECTORS

The name, address and description of the directors of the Offeror as at the Latest Practicable Date, are set out below:

Name	Address	Description
Mr. Serge Pun	c/o 63 Mohamed Sultan Road, #02-14, Sultan-Link, Singapore 239002	Director
Mr. Cyrus Pun	c/o 63 Mohamed Sultan Road, #02-14, Sultan-Link, Singapore 239002	Director
Mr. Tun Tun	c/o 63 Mohamed Sultan Road, #02-14, Sultan-Link, Singapore 239002	Director

2. REGISTERED OFFICES

2.1 Offeror. *The registered office of the Offeror is 63 Mohamed Sultan Road, #02-14, Sultan-Link, Singapore 239002.*

3. PRINCIPAL ACTIVITIES AND SHARE CAPITAL

3.1 Offeror. *The Offeror is a special purpose vehicle incorporated in Singapore on 23 August 2022 for the purposes of the Exit Offer and is wholly-owned by FMI. The Offeror is an investment holding company, which has not carried on any business since its incorporation, except in relation to matters in connection with the making of the Exit Offer. As at the Latest Practicable Date, the Offeror has an issued and paid-up share capital of S\$1 divided into 1 ordinary shares of S\$1 each.*

The Offeror Shares are not and will not be listed on any securities exchange.

The rights of a holder of Offeror Shares in respect of capital, dividends, and voting in relation to the Offeror Shares are contained in the Offeror Constitution. For ease of reference, selected texts from the Offeror Constitution relating to the same have been reproduced, without amendment, in Appendix 8 to this Exit Offer Letter.

The Offeror Shares, which have identical rights in all respects, rank equally with one another. The rights and privileges attached to the Offeror Shares are stated in the Offeror Constitution, a copy of which is available for inspection at the office of the Share Registrar at 77 Robinson Road #06-03, Robinson 77, Singapore 068896 during normal business hours for the period which the Exit Offer remains open for acceptance.

As at the Latest Practicable Date, the Offeror does not have any outstanding instruments convertible into, rights to subscribe for and options (whether pursuant to an employee share option scheme or otherwise) in respect of the Offeror Shares or which carry voting rights affecting the Offeror Shares.

Since the date of incorporation of the Offeror and ending on the Latest Practicable Date, there have been no material changes to the issued share capital of the Offeror, and no Offeror Shares have been transferred or sold.

APPENDIX C: ADDITIONAL INFORMATION ON THE OFFEROR

3.2 FMI. FMI is a public company incorporated in the Republic of the Union of Myanmar and listed on the Yangon Stock Exchange. FMI is an investment holding company that owns shares in companies engaged in a number of diverse businesses, including core businesses in the financial services, real estate, healthcare and tourism sectors. 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 to Mr. Cezar Peralta Consing). As at the Latest Practicable Date, FMI directly owns 41,947,426 Shares, representing approximately 8.35% of the total number of Shares in issue.

4. SUMMARY OF FINANCIAL INFORMATION

4.1 Offeror. As the Offeror was incorporated on 23 August 2022, no audited financial statements of the Offeror have been prepared since the date of its incorporation.

4.2 FMI. A summary of the audited consolidated profit and loss statements of FMI and its subsidiaries for the FYE2020, FYE2021 and FPE2022 are set out in the table below.

The summary is extracted from, and should be read in conjunction with, the audited consolidated financial statements of FMI and its subsidiaries for the FYE2020, FYE2021 and FPE2022 (copies of which are available for inspection as mentioned in paragraph 4 of Appendix 7 to this Exit Offer Letter).

	Audited		
	FYE2020 (MMK'000)	FYE2021 (MMK'000)	FPE2022 (MMK'000)
Turnover	339,952,008	308,465,153	138,693,464
Exceptional items	–	–	–
Profit before taxation	17,044,008	13,578,922	6,362,820
Profit for the year	10,685,357	11,091,556	4,780,676
Minority Interest	14,114,104	1,970,934	3,310,212
Earnings per share for profit attributable to ordinary shareholders (MMK)	(126)	280	44
Dividend per share (MMK)	–	–	–

5. STATEMENT OF ASSETS AND LIABILITIES

5.1 Offeror. As the Offeror was incorporated on 23 August 2022, no audited financial statements of the Offeror have been prepared since the date of its incorporation.

5.2 FMI. A summary of the audited consolidated balance sheet of FMI and its subsidiaries as at 31 March 2022 is set out in the table below.

APPENDIX C: ADDITIONAL INFORMATION ON THE OFFEROR

The summary is extracted from, and should be read in conjunction with, the audited consolidated financial statements of FMI for the FPE2022 (copies of which are available for inspection as mentioned in paragraph 4 of Appendix 7 of this Exit Offer Letter).

	Audited as at	
	31 March 2022 (MMK'000)	30 September 2021 (MMK'000)
Current Assets		
Cash and cash equivalents	747,754,535	511,101,576
Interbank placements	5,000,000	11,258,000
Trade and other receivables	81,813,184	82,549,712
Loans and advances to customers, by the bank subsidiary	1,630,798,734	1,672,402,237
Government and other securities, by the bank subsidiary	392,673,890	258,739,302
Inventories	4,761,888	3,419,244
Advances and prepayments	8,353,225	15,346,484
Total current assets	2,871,155,456	2,554,816,555
Non-current assets		
Other receivables	6,647,117	6,552,140
Other non-current assets	3,371,866	3,371,866
Available-for-sale investments	52,548,654	51,784,868
Investment in joint venture	3,354,984	3,355,335
Investment in associates	73,422,776	77,035,508
Government and other securities, by the bank subsidiary	227,620,862	238,386,499
Investment properties	3,091,365	3,091,365
Property, plant and equipment	110,436,286	106,928,929
Goodwill	61,586,933	61,586,933
Intangible assets	6,737,658	6,872,071
Total non-current assets	548,818,501	558,965,514
Total assets	3,419,973,957	3,113,782,069

APPENDIX C: ADDITIONAL INFORMATION ON THE OFFEROR

	<i>Audited as at</i>	
	31 March 2022 (MMK'000)	30 September 2021 (MMK'000)
Current liabilities		
<i>Trade and other payables</i>	78,853,089	84,419,067
<i>Deposits and balances from customers by the bank subsidiary</i>	2,776,288,270	2,422,391,800
<i>Fund restricted for the Livelihoods and Food Security Trust Fund – Agribusiness Finance Program, by the bank subsidiary</i>	–	982,666
<i>Interbank borrowings and securities sold with agreement to repurchase, the bank subsidiary</i>	19,558,000	61,562,600
<i>Borrowings</i>	24,851,154	24,851,154
<i>Income tax payable</i>	4,456,431	8,996,540
Total current liabilities	2,904,006,944	2,603,203,827
Non-current liabilities		
<i>Deferred tax liabilities</i>	3,763,036	3,800,783
<i>Borrowings</i>	8,080,097	8,191,916
Total non-current liabilities	11,843,133	11,992,699
Total liabilities	2,915,850,077	2,615,196,526
Net assets	504,123,880	498,585,543

6. MATERIAL CHANGES IN FINANCIAL POSITION

6.1 Offeror and FMI. As at the Latest Practicable Date, save for the making and financing of the Exit Offer, there has been (i) no known material change in the financial position of the Offeror since the date of its incorporation, and (ii) no known material change in the financial position of FMI since the latest published audited accounts.

7. SIGNIFICANT ACCOUNTING POLICIES

7.1 Offeror. As no audited financial statements of the Offeror have been prepared to date, there are no significant accounting policies to be disclosed.

7.2 FMI. The audited financial statements of FMI for the FPE2022 have been prepared in accordance with the provisions of the Myanmar Companies Law and Myanmar Financial Reporting Standards, including the modification of the requirements of Myanmar Accounting Standards 39 Financial Instruments: Recognition and Measurement in respect of loan loss provisioning by the Central Bank of Myanmar Notification No. 17/2017: Asset Classification and Provisioning Regulations. The summary of significant accounting policies of FMI are set out in Note 2 to the audited financial statements of FMI for the FPE2022 a copy of which is annexed as Appendix 9 of this Exit Offer Letter).

APPENDIX C: ADDITIONAL INFORMATION ON THE OFFEROR

8. CHANGES IN ACCOUNTING POLICIES

8.1 Offeror. *As no audited financial statements of the Offeror have been prepared to date, there are no significant changes in accounting policies to be noted.*

8.2 FMI. *As at the Latest Practicable Date, there has been no change in the accounting policies of FMI since the date of its audited consolidated financial statements for the FPE2022 which will cause the figures set out in paragraphs 4 and 5 of this Appendix 3 to be not comparable to a material extent.*

9. INDEBTEDNESS

9.1 *Save as disclosed in this Exit Offer Letter, as at the Latest Practicable Date, the Offeror does not have any outstanding loan capital (whether issued or created but unissued), nor any term loans, nor any other bank borrowings or indebtedness in the nature of borrowing, including bank overdrafts, and liabilities under acceptances (other than normal trade bills), or acceptance credits, mortgages, charges, hire purchase commitments and obligations under finance leases nor any material contingent liabilities or guarantees.*

10. MATERIAL LITIGATION

10.1 Offeror. *As at the Latest Practicable Date, the directors of the Offeror are not aware of any litigation, claims or proceedings pending or threatened against the Offeror or any facts likely to give rise to any litigation, claims or proceedings which, in the opinion of the directors of the Offeror, might materially and adversely affect the financial position of the Offeror.*

11. MATERIAL CONTRACTS WITH INTERESTED PERSONS

11.1 Offeror. *Save as disclosed in this Exit Offer Letter, there are no material contracts which are not in the ordinary course of business which have been entered into by the Offeror and an interested person (within the meaning of the Note on Rule 23.12 of the Code) during the period commencing three (3) years prior to the Despatch Date."*

APPENDIX D: PROVISIONS IN THE CONSTITUTION RELATING TO THE RIGHTS OF SHAREHOLDERS IN RESPECT OF CAPITAL, DIVIDENDS AND VOTING

The rights of Shareholders in respect of capital, dividends and voting are contained in the Constitution. The relevant provisions have been extracted from the Constitution and reproduced below. Capitalised terms and expressions not defined below have the meanings ascribed to them in the Constitution.

A. Rights in respect of Capital

SHARES

3. The shares taken by the subscribers to the Memorandum of Association shall be issued by the Directors. Subject as aforesaid and to these Articles and the Statutes and any applicable rules or regulations of the Securities Exchange, if any, the shares shall be under the control of the Directors, who may allot and issue the same to such persons on such terms and conditions and at such times as the Directors think fit. Issue of shares
4. Without prejudice to any special rights previously conferred on the holders of any existing shares or class of shares, any share in the Company may be issued with such preferred, deferred or other special rights or such restrictions, whether in regard to dividend, voting, return of capital or otherwise as the Company may from time to time by ordinary resolution determine; PROVIDED ALWAYS THAT the total number of issued preference shares shall not at any time exceed the total number of issued ordinary shares of the Company. Special rights
5. Subject (but not limited) to Section 70 of the Act, any preference shares may be issued on the terms that they are, or at the option of the Company are liable, to be redeemed. The Company shall also have the power to issue further preference shares ranking equally with or in priority to any preference shares already issued. Redeemable preference shares
6. Holders of preference shares shall have the same rights as ordinary shareholders as regards receiving notices, reports and balance sheets, and attending general meetings of the Company. They shall have the right to vote at any meeting convened for the purpose of reducing the capital or winding up or sanctioning a sale of the undertaking of the Company, or where the proposition to be submitted to the meeting directly affects their rights and privileges, or when the dividends on the preference shares are in arrears more than six months. Rights of preference shareholders
7. The repayment of preference capital other than redeemable preference capital, or any other alteration of preference shareholders' rights, may only be made pursuant to a special resolution of the preference shareholders concerned; PROVIDED ALWAYS THAT where the necessary majority for such a special resolution is not obtained at the meeting, consent in writing, if obtained from the holders of three fourths of the preference shares concerned within two months of the meeting, shall be as valid and effectual as a special resolution carried at the meeting. Modification of rights of preference shareholders
8. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not unless otherwise expressly provided by the terms of issue of the shares of that class be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith. Rights not varied by issue of additional shares
9. No person, other than the Depository, shall be recognised by the Company as holding any share upon any trust, and the Company shall not be bound by or be required in any way to recognise (even when having notice thereof) any equitable, contingent future or partial interest in any share or any other rights in respect of any share other than an absolute right to the entirety thereof in the registered holder, except only as by these Articles otherwise provided for or as required by the Statutes or pursuant to any order of Court. No trust recognised

APPENDIX D: PROVISIONS IN THE CONSTITUTION RELATING TO THE RIGHTS OF SHAREHOLDERS IN RESPECT OF CAPITAL, DIVIDENDS AND VOTING

10. Subject to any direction to the contrary that may be given by the Company in general meeting or except as permitted under the Securities Exchange's listing rules, all new shares of whatever kind shall, before issue, be offered to such persons as at the date of the offer are entitled to receive notices from the Company of general meetings in proportion, as far as the circumstances admit, to the amount of the existing shares to which they are entitled. The offer shall be made by notice specifying the number of shares offered, and limiting a 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 Directors may dispose of those shares in such manner as they think most beneficial to the Company. The Directors may likewise so dispose of any new shares which (by reason of the ratio which the new shares bear to shares held by persons entitled to an offer of new shares) cannot, in the opinion of the Directors, be conveniently offered under this Article. Offer of new shares
11. Unless otherwise resolved by the Directors, securities will be allotted and certificates issued in the name of and despatched to every person whose name is entered as a Member in the Register of Members or allotted and despatched to the Depository for the account of every Depositor who is a Member, within ten Market Days (or such other periods as may be approved by any stock exchange upon which the shares of the Company may be listed) of the final applications closing date for an issue of securities or the case maybe after the lodgement of any registrable transfer. Every person whose name is entered as a Member in the Register of Members or in the name of the Depository, as the case may be, shall be entitled without payment to one certificate under the seal of the Company in respect of each class of shares held by him for all his shares in that class or several certificates in reasonable denominations each for one or more of his shares in any one class upon payment of \$2.00 (or such sum as the Directors shall from time to time determine) for every certificate after the first. Stamp duty payable on such certificate shall be borne by such Member unless otherwise directed by the Directors; PROVIDED ALWAYS THAT in the case of joint holders (including Depositors) the Company shall not be bound to issue more than one certificate and delivery of such certificate to any one of them, or in the case of shares registered in the name of the Depository, to the Depository, shall be sufficient delivery to all such holders (including Depositors). PROVIDED FURTHER THAT the Company shall not be bound to register more than three persons as the holders of any share except in the case of executors or administrators of the estate of a deceased Member. Share certificates
12. Subject to the provisions of the Act, if a share certificate be worn out, defaced, destroyed, lost or stolen, it may be renewed on payment of such fee not exceeding \$2.00 or in the event of the Company being listed on the Securities Exchange such other sum as may from time to time be prescribed by the Securities Exchange and on such terms as the Directors think fit, if any, as to evidence and indemnity being given by the shareholder, transferee, person entitled, purchaser member of the Securities Exchange or on behalf of its/their client(s) and, in the case of destruction, loss or theft, on payment by the shareholder or person entitled to whom such renewed certificate is given of out of pocket expenses of the Company of investigating evidence including the payment of stamp duty on such certificate or in the case of defacement or wearing out, on delivery up of the old certificate. Any duplicate certificate issued on or after 30 January 2006 in respect of a share certificate issued before that date shall state, in place of the historical nominal value of the shares, the amount paid on the shares and the amount (if any) unpaid on the shares. Renewal of certificates

APPENDIX D: PROVISIONS IN THE CONSTITUTION RELATING TO THE RIGHTS OF SHAREHOLDERS IN RESPECT OF CAPITAL, DIVIDENDS AND VOTING

LIEN

13. The Company shall have a lien on every share not being a fully paid share for all monies (whether presently payable or not) called or payable at a fixed time in respect of such share, and for all monies as the Company may be called upon by law to pay in respect of the shares of the Member or deceased Member. The Company's lien, if any, on a share shall extend to all dividends payable thereon. The Company's lien shall be restricted to unpaid calls and instalments upon the specific shares in respect of which such monies are due and unpaid, and to such amounts as the Company may be called upon by law to pay in respect of the shares of the Member or deceased Member. Company to have lien on shares and dividends
14. The Directors may sell any shares subject to such lien at such time or times and in such manner as they think fit, but no sale shall be made until such time as the moneys in respect of which such lien exists or some part thereof are or is presently payable or a liability or engagement in respect of which such lien exists is liable to be presently fulfilled or discharged, and until a demand and notice in writing stating the amount due or specifying the liability or engagement and demanding payment or fulfilment or discharge thereof, and giving notice of intention to sell in default, shall have been served on such Member or the persons (if any) entitled by transmission to the shares, and default in payment, fulfilment or discharge shall have been made by him or them for seven days after such notice. Lien may be enforced by sale of shares
15. To give effect to any such sale the Directors may authorise some person to transfer the shares sold to the purchaser and may enter the purchaser's name in the Register of Members as holder of the shares, and the purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale. Directors may authorise transfers and enter purchaser's name in register
16. The net proceeds of sale whether of a share forfeited by the Company or of a share over which the Company has a lien, shall be applied in or towards satisfaction of the amount due to the Company, or of the liability, as the case may be, and any residue after the satisfaction of the unpaid calls and accrued interest and expenses, shall be paid to the person whose shares have been forfeited, or his executors, administrators or assignees or as he directs. Application of proceeds of sale
17. No Member shall be entitled to receive any dividend or to exercise any privilege as a Member until he shall have paid all calls for the time being due and payable on every share held by him, whether in his own name or in a Securities Account, and whether alone or jointly with any other person, together with interest and expenses (if any). Member not entitled to privileges of membership until all calls paid

CALLS ON SHARES

18. The Directors may, subject to the provisions of these Articles, from time to time make such calls upon the Members in respect of all moneys unpaid on their shares as they think fit; PROVIDED ALWAYS THAT fourteen days' notice at least is given of each call and each Member shall be liable to pay the amount of every call so made upon him to the persons, by the instalments (if any) and at the times and places appointed by the Directors. A call may be revoked or postponed as the Directors may determine. Directors may make calls

APPENDIX D: PROVISIONS IN THE CONSTITUTION RELATING TO THE RIGHTS OF SHAREHOLDERS IN RESPECT OF CAPITAL, DIVIDENDS AND VOTING

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| 19. | A call shall be deemed to have been made at the time when the resolution of the Directors authorising such call was passed. | When call deemed to have been made |
| 20. | The joint holders or joint Depositors of a share shall be jointly and severally liable to pay all calls and instalments in respect thereof. | Liability of joint holders |
| 21. | If before or on the day appointed for payment thereof a call or instalment payable in respect of a share is not paid, the person from whom the same is due shall pay interest on the amount of the call or instalment at such rate as the Directors shall fix from the day appointed for payment thereof to the time of actual payment, but the Directors may waive payment of such interest wholly or in part. | Interest on unpaid call |
| 22. | Any Member may pay to the Company and the Directors may, if they think fit, receive from any Member willing to advance the same, all or any part of the monies for the time being remaining uncalled on his shares but the monies so paid in advance shall not, whilst carrying interest, confer a right to participate in the profits of the Company. | Payment in advance of calls |
| 23. | In respect of any monies paid in advance of any call, or so much thereof as exceeds the amount for the time being called up on the shares in respect of which such advance has been made, the Directors may pay or allow such interest as may be agreed between them and such Member, in addition to the dividend payable upon such part of the share in respect of which such advance has been made as is actually called up. | Monies paid in advance of calls |
| 24. | Any sum which by the terms of allotment of a share is made payable upon allotment or at any fixed date, shall, for all purposes of these Articles, be deemed to be a call duly made and payable on the date fixed for payment, and in case of non-payment the provisions of these Articles as to payment of interest and expenses, forfeiture and the like, and all the relevant provisions of these Articles, shall apply as if such sum were a call duly made and notified as hereby provided. | Sum payable on allotment deemed to be a call |
| 25. | The Directors may, from time to time, make arrangements on the issue of shares for a difference between the holders of such shares in the amount of calls to be paid and in the time of payment of such calls. | Difference in calls |

TRANSFER OF SHARES

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| 26. | There shall be no restriction on the transfer of fully paid up shares (except where required by law or, where the Company is listed on the Securities Exchange, the rules, bye-laws or listing rules of the Securities Exchange) but the Directors may in their discretion refuse to register a transfer to a transferee of whom they do not approve, in the case of shares not fully paid up, PROVIDED ALWAYS THAT in the event of the Directors refusing to register a transfer of shares, they shall within one month, or in the event of the Company being listed on the Securities Exchange, within ten Market Days beginning with the day on which the application for such transfer of shares was made, serve a notice in writing to the applicant stating the facts which are considered to justify the refusal as required by the Act. | Transfer of Shares |
| 27. | Every transfer shall be in writing in the form approved by the Directors and in the event of the Company being listed on the Securities Exchange, by the Securities Exchange. Every instrument of transfer must be in respect of only one class of shares and must be duly stamped in accordance with any | Form of transfer |

APPENDIX D: PROVISIONS IN THE CONSTITUTION RELATING TO THE RIGHTS OF SHAREHOLDERS IN RESPECT OF CAPITAL, DIVIDENDS AND VOTING

applicable law for the time being in force relating to stamp duty and shall be left at the Office accompanied by the certificate of the shares to be transferred and such other evidence (if any) as the Directors may reasonably require to show the right of the transferor to make the transfer.

28. The instrument of transfer of any share shall be executed by or on behalf of both the transferor and the transferee and be witnessed, PROVIDED ALWAYS THAT the Depository shall not be required to sign, as transferee, any instrument of transfer relating to the transfer of shares to it and PROVIDED FURTHER THAT, at the discretion of the Directors, the signature of any other transferee may be dispensed with. The transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the Register of Members in respect thereof. Transfers to be executed by both parties
29. The Company shall be entitled to charge a fee not exceeding \$2.00 for each instrument of transfer or in the event of the Company being listed on the Securities Exchange, such other sum as may from time to time be prescribed by the Securities Exchange on the registration of every transfer. Transfer fee
30. The Directors may decline to register any transfer of shares unless all the preceding requirements are fully complied with. All instruments of transfer which are registered may be retained by the Company. Registration of transfers
31. The registration of transfers may be suspended at such times and for such periods as the Directors may from time to time determine; PROVIDED ALWAYS THAT such registration shall not be suspended for more than thirty days in any year. Registration of transfers may be suspended

TRANSMISSION OF SHARES

32. In the case of the death of a Member, the survivor or survivors, where the deceased was a joint holder, and the executors or administrators of the deceased, where he was a sole or only surviving holder, shall be the only persons recognised by the Company as having any title to his shares. But nothing herein contained shall release the estate of a deceased joint holder from any liability in respect of any share jointly held by him. On death of member, survivor or executor only recognised
33. A person entitled to a share by transmission shall be entitled to receive, and may give a discharge for, any dividends or other moneys payable in respect of the share, but he shall not be entitled in respect of it to receive notice of or to attend or vote at meetings of the Company or, save as aforesaid, to exercise any of the rights or privileges as a Member unless and until he shall become a Member in respect of the share. Person entitled may receive dividends without being registered as a Member, but may not exercise other rights

FORFEITURE OF SHARES

34. If any Member fails to pay the whole or any part of any call or instalment of a call on or before the day appointed for the payment thereof, the Directors may at any time thereafter, during such time as the call or instalment or any part thereof remains unpaid, serve a notice on him or on the person entitled to the share by transmission requiring him to pay such call or instalment or such part thereof as remains unpaid, together with interest at such rate as the Directors shall determine, and any expenses that may have accrued by reason of such non payment. Payment of call with interest and expense

APPENDIX D: PROVISIONS IN THE CONSTITUTION RELATING TO THE RIGHTS OF SHAREHOLDERS IN RESPECT OF CAPITAL, DIVIDENDS AND VOTING

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| 35. | The notice shall name a further day (not earlier than the expiration of seven days from the date of the notice) on or before which such call or instalment, or such part as aforesaid, and all interest and expenses that have accrued by reason of such non-payment, are to be paid. It shall also name the place where payment is to be made, and shall state that, in the event of non-payment at or before the time and at the place appointed, the shares in respect of which such call was made will be liable to be forfeited. | Notice requiring payment to contain certain particulars |
| 36. | If the requirements of any such notice as aforesaid are not complied with, any share in respect of which such notice has been given may at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Directors to that effect. A forfeiture of shares shall include all dividends in respect of the shares not actually paid before the forfeiture notwithstanding that they shall have been declared. | On non-compliance with notice shares forfeited on resolution of directors |
| 37. | When any share has been forfeited in accordance with these Articles, notice of the forfeiture shall forthwith be given to the holder of the share or to the person entitled to the share by transmission, as the case may be, and an entry of such notice having been given and of the forfeiture with the date thereof, shall forthwith be made in the Register of Members opposite to the shares; but the provisions of this Article are directory only, and no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or to make such entry as aforesaid. | Notice of forfeiture to be given and entered into register of members |
| 38. | Notwithstanding any such forfeiture as aforesaid the Directors may, at any time before the forfeited share has been otherwise disposed of, annul the forfeiture upon the terms of payment of all calls and interest due thereon and all expenses incurred in respect of the share and upon such further terms (if any) as they shall see fit to impose. | Directors may annul forfeiture upon terms |
| 39. | Every share which shall be forfeited may be sold, re-allotted or otherwise disposed of, either to the person who was before forfeiture the holder thereof or entitled thereto, or to any other person upon such terms and in such manner as the Directors shall think fit, and the Directors may, if necessary, authorise some person to transfer the same to such other person as aforesaid. | Directors may dispose of forfeited shares |
| 40. | A shareholder whose shares have been forfeited shall, notwithstanding such forfeiture, be liable to pay to the Company all calls made and not paid on such shares at the time of forfeiture, and interest thereon to the date of payment, in the same manner in all respects as if the shares had not been forfeited, and to satisfy all (if any) the claims and demands which the Company might have enforced in respect of the shares at the time of forfeiture, without any deduction of allowance for the value of the shares at the time of forfeiture. | Former holder of forfeited shares liable for calls made before forfeiture |
| 41. | The forfeiture of a share shall involve the extinction at the time of forfeiture of all interests in and all claims and demands against the Company in respect of the share and all other rights and liabilities incidental to the share as between the shareholder whose share is forfeited and the Company, except only such of those rights and liabilities as are by these Articles expressly saved or as are by the Statutes given or imposed in the case of past Members. | Consequences of forfeiture |
| 42. | A statutory declaration in writing that the declarant is a Director of the Company and that a share has been duly forfeited in pursuance of those Articles and stating the date upon which it was forfeited shall, as against all persons claiming to be entitled to the share adversely to the forfeiture thereof, be conclusive evidence of the facts therein stated, and such declaration, | Title to forfeited share |

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together with the receipt of the Company for the consideration (if any) given for the share on the sale or disposition thereof, and a certificate of proprietorship of the share under the Seal delivered to the person to whom the same is sold or disposed of, shall constitute a good title to the share, and (subject to the execution of any necessary transfer) such person shall be registered as the holder of the share, or where such person is a Depositor, the Company shall procure that his name be entered in the Depository Register in respect of the share so sold or disposed of. Such person shall be discharged from all calls made prior to such sale or disposition, and shall not be bound to see to application of the purchase money (if any) nor shall his title to the share be affected by any act, omission or irregularity relating to or connected with the proceedings in reference to the forfeiture, sale, re-allotment or disposal of the share.

CONVERSION OF SHARES INTO STOCK

43. The Company may by ordinary resolution passed at a general meeting convert any paid-up shares into stock and reconvert any stock into paid-up shares of any denomination. Power to convert into stock
44. The holders of stock may transfer the same or any part thereof in the same manner and subject to the same regulations as and subject to which the shares from which the stock arose might previously to conversion have been transferred or as near thereto as circumstances admit; but the Directors may from time to time fix the minimum number of stock transferable and restrict or forbid the transfer of fractions of that minimum, but the minimum shall not exceed the issue price of the shares from which the stock arose. Transfer of stock
45. The holders of stock shall according to the number of stock held by them have the same rights privileges and advantages as regards dividends, voting at meetings of the Company and other matters as if they held the shares from which the stock arose, but no such privilege or advantage (except participation in the dividends and profits of the Company and in the assets on winding up) shall be conferred by any such aliquot part of stock which would not if existing in shares have conferred that privilege or advantage. Rights of stockholders
46. Such of the regulations of the Company as are applicable to paid up shares shall apply to stock, and the words "share" and "shareholder" therein shall include "stock" and "stockholder". Interpretation

ALTERATION OF CAPITAL

47. The Company in general meeting may from time to time increase its capital by the creation and issue of new shares, such aggregate increase to be of such number and as the Company by the resolution authorising such increase directs. Company may increase its capital
48. Subject to these Articles, the Company may, by resolution in a general meeting, give to the Directors general authority, either unconditionally or subject to such conditions as may be specified in the resolution to:
- (A) (i) issue shares in the capital of the Company whether by way of rights, bonus or otherwise; and/or

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- (ii) make or grant offers, agreements or options (collectively “Instruments”) that might or would require shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures, convertible securities or other Instruments convertible into shares; and/or
- (iii) notwithstanding the authority conferred by the resolution may have ceased to be in force at the time the Instruments are to be issued, issue additional Instruments arising from the adjustments made to the number of Instruments previously issued in the event of rights, bonus or other capitalisation issues,

at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may in their absolute discretion deem fit; and

- (B) issue shares in pursuance of any Instrument made or granted by the Directors pursuant to (A)(ii) and/or (A)(iii) above, notwithstanding that the authority conferred by the resolution may have ceased to be in force at the time the shares are to be issued;

Provided that:

- (1) the aggregate number of shares to be issued pursuant to the resolution (including shares to be issued in pursuance of Instruments made or granted pursuant to the resolution) does not exceed any applicable limit or limits as may be proscribed by the Act and/or any rules of the Securities Exchange for the time being in force.
- (2) in exercising the authority conferred by the resolution, the Company shall comply with the provisions of the applicable listing rules of the Securities Exchange for the time being in force (unless such compliance is waived by the Securities Exchange) and these Articles: and
- (3) (unless revoked or varied by the Company in general meeting) the authority conferred by the resolution shall not continue in force beyond the conclusion of the annual general meeting of the Company next following the passing of the resolution, or the date by which such annual general meeting of the Company is required by law to be held, or the expiration of such other period as may be prescribed by the Statutes (whichever is the earliest).

49. The Company may by ordinary resolution:-

Company may alter its capital

- (1) consolidate and divide all or any of its share capital; or
- (2) cancel any shares which at the date of the passing of the resolution have not been taken, or agreed to be taken, by any person or which have been forfeited, and diminish the amount of its capital by the number of shares so cancelled; or
- (3) sub-divide shares, or any of them, (subject, nevertheless, to the provisions of the Statutes and the bye-laws or listing rules of the Securities Exchange), and so that the resolution whereby any share is sub-divided may determine that, as between the holders of the shares resulting from such sub-division, one or more of the shares may have

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any such preferred or other special rights over, or may have such deferred rights, or be subject to any such restrictions as compared with the others as the Company has power to attach to unissued or new shares.

50. The Company may by special resolution reduce its share capital in any manner authorised and subject to any conditions prescribed by the Statutes. Where the Company's share capital is reduced in accordance to Section 78K, a Member (past or present) shall not be liable in respect of the issue price of any share to any call or contribution greater in amount than the difference (if any) between the issue price of the share and the aggregate of the amount paid up on the share (if any) and the amount reduced on the share. This provision shall not apply to treasury shares held by the Company, the Company is entitled to cancel its shares in the manner prescribed by the Act. Company may reduce its capital

51. Subject to and in accordance with the provisions of the Act, the listing rules of the Securities Exchange, and other written law, the Company may purchase or otherwise acquire ordinary shares, stocks, preference shares, options, debentures, debenture stocks, bonds, obligations, securities, and all other equity, derivative, debt and financial instruments issued by it on such terms as the Company may think fit and in the manner prescribed by the Act. Share repurchase

Where ordinary shares or stocks are purchased or acquired by the Company in accordance with the provisions of the Act, the Company may hold the shares or stocks (or any of them) or deal with any of them, at any time.

Any ordinary share which is so purchased or acquired by the Company shall be deemed to be cancelled immediately on purchase or acquisition by the Company unless held in treasury; preference shares that are purchased or acquired by the Company shall be deemed to be cancelled immediately on purchase or acquisition. On the cancellation of any share as aforesaid, the rights and privileges attached to that share shall expire. In any other instance, the Company may deal with any such share which is so purchased or acquired by it in such manner as may be permitted by, and in accordance with the Act.

52. If the Company has only one class of shares, the aggregate number of shares held as treasury shares shall not at any time exceed ten per cent of the total number of shares of the company at that time. Treasury shares

Where the share capital of the Company is divided into shares of different classes, the aggregate number of shares of any class held as treasury shares shall not at any time exceed 10% of the total number of the shares in that class at that time.

In event of contravention of the above, the company shall dispose of or cancel the excess shares in the manner provided by the Act.

The company shall not exercise any right in respect of the treasury shares, including any right to attend or vote at meetings. The Company shall be treated as having no right to vote and the treasury shares shall be treated as having no voting rights, any purported exercise of such a right is void.

No dividend may be paid, and no other distribution (whether in cash or otherwise) of the Company's assets (including any distribution of assets to Members on a winding up) may be made to the Company in respect of the treasury shares.

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MODIFICATION OF CLASS RIGHTS

53. Subject (but not limited) to the provisions of Section 74 of the Act, all or any of the rights, privileges or conditions for the time being attached or belonging to any class of shares for the time being forming part of the share capital of the Company may from time to time be modified, affected, varied, extended or surrendered in any manner with the consent in writing of the holders of not less than three fourths of the issued shares of that class or with the sanction of a special resolution passed at a separate meeting of the Members of that class, To any such separate meeting all the provisions of these Articles as to general meetings of the Company shall *mutatis mutandis* apply, but so that the necessary quorum shall be Members of the class holding or representing by proxy one-third of the share capital paid or credited as paid on the issued shares of the class, and every holder of shares of the class in question shall be entitled on a poll to one vote for every such share held by him.
- Rights of shareholders may be altered

B. Rights in respect of Voting

GENERAL MEETINGS

54. Save for the first annual general meeting which shall be held at such time within a period of not more than 18 months from the date of incorporation of the Company, a general meeting shall be held once in every calendar year, at such time and place as may be determined by the Directors, but not more than four months shall be allowed to pass between the close of each financial year and such general meeting.
- General Meetings
55. The abovementioned general meetings shall be called annual general meetings. All other general meetings shall be called extraordinary meetings.
- General and Extraordinary Meetings
56. The Directors may call an extraordinary meeting whenever they think fit, and extraordinary meetings shall also be convened on such requisition, or in default may be convened by such requisitionists, as provided by Section 176 of the Act.
- Extraordinary Meetings
57. Subject to the provisions of the Act, any general meeting at which it is proposed to pass a special resolution or a resolution of which special notice has been given to the Company, shall be called by twenty-one days notice (excluding the date of notice and the date of meeting) at least and any other general meeting by fourteen days' notice (excluding the date of notice and the date of meeting) at least, provided that a general meeting notwithstanding that it has been called by a shorter notice than that specified above, shall be deemed to have been duly called if it is so agreed (a) in the case of an annual general meeting, by all the Members entitled to attend and to vote thereat (b) in the case of extraordinary meetings, by a majority in number of the members having a right to attend and vote thereat, being a majority which holds not less than 95% of the total voting rights of all the members having a right to vote at that meeting. Every notice calling a general meeting shall specify the place and the day and the hour of meeting and be given in a manner hereinafter mentioned to such persons as are under the provisions of these Articles entitled to receive notices at general meetings from the Company. Any notice of a meeting called to consider special business shall be accompanied by a statement regarding the effect of any proposed resolution in respect of such special business. In the event at the Company being listed on the Securities
- Notice of meeting

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Exchange at least fourteen days' notice of every such meeting shall be given by advertisement in the daily press and in writing to the Securities Exchange. The accidental omission to give such notice to, or the non receipt of such notice by, any such person shall not invalidate the proceedings or any resolution passed at any such meeting.

PROCEEDINGS AT GENERAL MEETINGS

58. All business shall be deemed special that is transacted at an extraordinary meeting, and also all that is transacted at a general meeting, with the exception of declaring a dividend, the consideration of the accounts, balance sheets, and the reports of the Directors and Auditors, and any other documents annexed to the balance sheets, the election of Directors in the place of those retiring and the fixing of the remuneration of the Directors and the appointment and fixing of the remuneration of the Auditors. Special business
59. No business shall be transacted at any general meeting unless a quorum is present when the meeting proceeds to business. For all purposes the quorum shall be two Members personally present or represented by proxy, Provided That (a) a proxy representing more than one Member shall only count as one Member for the purpose of determining the quorum and (b) where a Member is represented by more than one proxy such proxies shall count as only one Member for the purpose of determining the quorum. No business to be transacted unless quorum present
60. If within half an hour from the time appointed for the holding of a general meeting a quorum is not present, the meeting, if convened on the requisition of Members, shall be dissolved. In any other case it shall stand adjourned to the same day in the next week at the same time and place, and if at such adjourned meeting a quorum is not present within half an hour from the time appointed for holding the meeting, the Members present shall be a quorum. If no quorum meeting adjourned or dissolved
61. The Chairman of the Directors shall preside as Chairman at every general meeting, if at any meeting the Chairman be not present within fifteen minutes after the time appointed for holding the meeting or be unwilling to act, the Members present shall choose one of the Directors to be Chairman of the meeting, or if no Director be present or if all the Directors present decline to take the chair, one of their number present shall be Chairman. Chairman of Board to preside at all meetings
62. The Chairman may, with the consent of any meeting at which a quorum is present and shall, if so directed by the meeting, adjourn any meeting from time to time and from place to place as the meeting shall determine. Whenever a meeting is adjourned for 30 days or more, notice of the adjourned meeting shall be given in the same manner as in the case of an original meeting. Save as aforesaid, no Member shall be entitled to any notice of any adjournment or of the business to be transacted at an adjourned meeting. No business shall be transacted at any adjourned meeting other than the business which might have been transacted at the meeting from which the adjournment took place. Notice of adjourned meetings
63. At any general meeting, unless otherwise required by the Statutes or the rules and regulations (including any code(s) of corporate governance) of the Securities Exchange for the time being in force, a resolution put to the vote of the meeting shall be decided on a show of hands, unless before or on the declaration of the result of the show of hands a poll is demanded by either:- How resolution decided
- (i) the Chairman of the meeting; or

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- (ii) not less than five Members present in person or by proxy and entitled to vote at the meeting; or
- (iii) a Member or Members present in person or by proxy and representing not less than ten per cent of the total voting rights of all the Members having the right to vote at the meeting; or
- (iv) a Member or Members present in person. or by proxy and holding not less than ten per cent of the total number of paid-up shares of the Company (excluding treasury shares).

64. A demand for a poll may be withdrawn. Unless a poll be so demanded (and the demand be not withdrawn) a declaration by the Chairman that a resolution has been carried, or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the book containing the minutes of the proceedings of the Company shall be conclusive evidence thereof without proof of the number or proportion of the votes recorded in favour of or against such resolution. Result of voting
65. If any votes shall be counted which ought not to have been counted, or might have been rejected, the error shall not vitiate the result of the voting unless it be pointed out at the same meeting or at any adjournment thereof, and not in that case unless it shall in the opinion of the Chairman be of sufficient magnitude. Votes counted in error
66. No poll shall be demanded on the election of a Chairman or on any question of adjournment or the meeting, a poll demanded on any other question shall be taken at such time and place, and in such manner as the Chairman directs, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. Any business other than that upon which a poll has been demanded may be proceeded with at a meeting pending the taking of the poll. How poll to be taken
67. In the case of an equality of votes, whether on a show of hands or on a poll, the Chairman shall be entitled to a second or casting vote. Chairman to have casting vote

VOTES OF MEMBERS

68. Subject to any rights or restrictions for the time being attached to any class or classes of shares, every Member present in person or by proxy or by attorney shall have one vote on a show of hands and on a poll, every Member present in person or by proxy or by attorney shall have one vote for each share which he holds or represents. Number of votes
69. A Member shall not be entitled to appoint more than 2 proxies to attend and vote at the same meeting unless otherwise required by the Statutes or the rules and regulations (including any code(s) of corporate governance) of the Securities Exchange for the time being in force. Proxies
70. Subject to these Articles and the provisions of the Act, the Directors may, at their sole discretion approve and implement, subject to such security measures as may be deemed necessary or expedient, such voting methods to allow Members who are unable to vote in person at any general meeting the option to vote in absentia, including but not limited to voting by mail, electronic mail or facsimile. Voting in absentia

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71. On a poll a Member entitled to more than one vote need not, if he votes, use all his votes or cast all the votes he uses in the same way. Split votes
72. In the case of joint holders any one of such persons may vote, but if more than one of such persons be present at a meeting, the vote of the senior who tenders a vote whether in person or by proxy shall be accepted to the exclusion of the votes of the other joint holder; and for this purpose seniority shall be determined by the order in which the names stand in the Register of Members or the Depository Register (as the case may be). Votes of joint holders of shares
73. A person of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee, receiver, curator bonis, or other legal curator and such last mentioned persons may give their votes either personally or by proxy. Votes of Member with unsound mind
74. No Member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares held by him in the Company, whether in his own name or in a Securities Account, and whether alone or jointly with any other person, have been paid. Members indebted to company in respect of shares not entitled to vote
75. A Member shall be entitled to be present and to vote on any question either personally or by proxy, or as proxy for another Member at any general meeting, or upon a poll and to be reckoned in a quorum in respect of any fully paid-up shares and of any shares upon which calls due and payable to the Company shall have been paid. A proxy need not be a Member of the Company. No shareholder shall be entitled so to vote or be recognised in a quorum in respect of any shares upon which any call or other sum so due and payable shall be unpaid. Appointment of proxies
76. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed, or a notarially certified copy of that power or authority shall be deposited at the Office not less than forty eight hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, and in default the instrument of proxy shall not be treated as valid. Instrument appointing a proxy to be left at the office
77. An instrument appointing a proxy or representative shall be in writing in the common form or any other form approved by the Directors and:- Form of proxy
- (1) in the case of an individual, shall be signed by the appointor or by his attorney; and
- (2) in the case of a corporation, shall be either under its common seal or signed by its attorney or by an officer on behalf of the corporation.
- In the case where a form of proxy appoints up to 2 proxies to attend and vote at the same meeting, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the form of proxy.
78. In the event that forms of proxy are sent to Members of the Company together with any notice of meeting, the accidental omission to include the form of proxy to, or the non-receipt of such form of proxy by any person entitled to receive a notice of meeting shall not invalidate any resolution passed or any proceeding at any such meeting. Omission to include proxy form

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79. Any corporation which is a Member of the Company may by resolution of its directors or other governing body authorise such person as it thinks fit to act as its representative at any meeting of the Company or of any class of Members of the Company, and the person so authorised shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could exercise if it were an individual Member of the Company. Corporation acting by representatives at meeting
- 79A. A vote given in accordance with the terms of an instrument of proxy (which for the purposes of these Articles shall also include a power of attorney) shall be valid notwithstanding the previous death or insanity of the principal or revocation of the proxy, or of the authority under which the proxy was executed or the transfer of the share in respect of which the proxy is given, provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at the Office (or such other place as may be specified for the deposit of instruments appointing proxies) before the commencement of the meeting or adjourned meeting (or in the case of a poll before the time appointed for the taking of the poll) at which the proxy is used. Intervening death or insanity of principal not to revoke proxy

C. Rights in respect of Dividends

DIVIDENDS AND RESERVE

114. Subject to any preferential or other special rights for the time being attached to any special class of shares, the profits of the Company which it shall from time to time determine to distribute by way of dividend shall be applied in payment of dividends upon the shares of the Company in proportion to the amounts paid up or credited as paid up thereon respectively otherwise than in advance of calls. Distribution of profits
115. The Directors may, with the sanction of a general meeting, from time to time declare dividends, but no such dividend shall be payable except out of the profits of the Company which are not in relation to the purchase or acquisition, or sale or disposal, of treasury shares. Any dividend unclaimed after six years from the date of declaration shall be made forfeit and revert to the Company. The Directors may, if they think fit, from time to time declare and pay to the Members such interim dividends as appear to them to be justified by the position of the Company, and may also from time to time in their opinion such payment is so justified, pay any preferential dividends which by the terms of issue of any shares are made payable on fixed dates. No higher dividend shall be paid than is recommended by the Directors, and the declaration of the Directors as to the amount of the net profits shall be conclusive. Subject to the provisions of the Act where any asset, business or property is bought by the Company as from a past date upon the terms that the Company shall as from that date take the profits and bear the losses, thereof, such profits or losses, as the case may be, shall, at the discretion of the Directors, be credited or debited wholly or in part to revenue account, and in that case the amount so credited or debited shall, for the purpose of ascertaining the fund available for dividend accordingly. Subject as aforesaid, if any shares or securities are purchased cum dividend or interest such dividend or interest when paid may at the discretion of the Directors be treated as revenue, and it shall not be obligatory to capitalise the same or any part thereof. Declaration of dividends
116. The Directors may deduct from any dividend payable to any Member all sums of money (if any) presently payable by him to the Company on account of calls or otherwise in relation to the shares of the Company. Deduction from dividend

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117. The Directors may retain any dividends or other moneys payable on or in respect of a share on which the Company has a lien, and may apply the same in or towards the satisfaction of the debts, liabilities or engagements in respect of which the lien exists. Retention of dividends on shares subject to lien
118. The Directors may retain the dividends payable on shares in respect of which any person is under the provisions as to the transmission of shares hereinbefore contained entitled to become a Member, or which any person under those provisions is entitled to transfer, until such person shall become a Member in respect of such shares or shall duly transfer the same. Retention of dividends on shares pending transmission
119. Any general meeting declaring a dividend or bonus may direct payment of such dividend or bonus wholly or partly by the distribution of specific assets and in particular of paid up shares, debentures or debenture stock of any other company or in any one or more of such ways, and the Directors shall give effect to such resolution, and where any difficulty arises in regard to such distribution, the Directors may settle the same as they think expedient, and in particular may issue fractional certificates and fix the value for distribution of such specific assets or any part thereof and may determine that cash payments shall be made to any Members upon the footing of the value so fixed in order to adjust the rights of all parties, and may vest any such specific assets in trustees as may seem expedient to the Directors. Any shares allotted as fully paid bonus shares in respect of the treasury shares shall be treated for the purposes of this Act as if they were purchased by the Company at the time they were allotted. Payment otherwise in cash
120. The Directors may, before recommending any dividend, set aside out of the profits of the Company such sums as they think proper as a reserve or reserves, which shall at the discretion of the Directors be applicable for meeting contingencies, or for repairing or maintaining any works connected with the business of the Company, or for equalising dividends, or for distribution by way of special dividend or bonus, or may be applied for such other purposes for which the profits of the Company may lawfully be applied as the Directors may think expedient in the interests of the Company, and pending such application the Directors may employ the sums from time to time so set apart as aforesaid in the business of the Company or invest the same in such securities, other than the shares of the Company, as they may select, The Directors may also from time to time carry forward such sums as they may deem expedient in the interests of the Company. Directors may form reserve fund and invest
121. Every dividend warrant may, unless otherwise directed, be sent by post to the last registered address of the Member entitled thereto, and the receipt of the person, whose name at the date of the declaration of the dividend appears on the Register of Members or (as the case may be) the Depository Register as the owner of any share or, in the case of joint holders or joint Depositors, of any one of such joint holders or joint Depositors, shall be a good discharge to the Company for all payments made in respect of such share. No unpaid dividend or interest shall bear interest as against the Company. Dividend warrants to be posted to Members
- 121A. (1) Whenever the Company in general meeting has resolved or proposed that a dividend (including an interim; final, special or other dividend) be paid or declared on the ordinary shares of the Company, the Directors may further resolve that Members entitled to such dividend be entitled to elect to receive an allotment of ordinary shares credited as fully paid in lieu of cash in respect of the whole or such part of the dividend as the Directors may think fit. In such case, the following provisions shall apply; Scrip dividend scheme

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- (a) The basis of any such allotment shall be determined by the Directors;
 - (b) The Directors shall determine the manner in which Members shall be entitled to elect to receive an allotment of ordinary shares credited as fully paid in lieu of cash in respect of the whole or such part of any dividend in respect of which the Directors shall have passed such a resolution as aforesaid, and the Directors may make such arrangements as to the giving of notice to Members, providing for forms of election for completion by Members, (whether in respect of a particular dividend or dividends or generally), determining the procedure for making such elections or revoking the same and the place at which and the latest date and time by which any forms of election or other documents by which elections are made or revoked must be lodged, and otherwise make all such arrangements and do all such things, as the Directors consider necessary or expedient in connection with the provisions of this Article 121A;
 - (c) the right of election may be exercised in respect of the whole of that portion of the dividend in respect of which the right of election has been accorded provided that the Directors may determine, either generally or in any specific case, that such right shall be exercisable in respect of the whole or any part of that portion; and
 - (d) the dividend (or that part of the dividend in respect of which a right of election has been accorded) shall not be payable in cash on ordinary shares in respect of which the right of election has been duly exercised (the "Elected Ordinary Shares") and in lieu and in satisfaction thereof ordinary shares shall be allotted and credited as fully paid to the holders of the Elected Ordinary Shares on the basis of allotment determined as aforesaid and for such purpose (notwithstanding the provisions of the Articles to the contrary), the Directors shall:-
 - (i) capitalise and apply the amount standing to the credit of any of the Company's reserve accounts or any sum standing to the credit of the profit and loss account or otherwise available for distribution as the Directors may determine, such sum as may be required to pay up in full the appropriate number of ordinary shares for allotment and distribution to and among the holders of the Elected Ordinary Shares on such basis, or
 - (ii) apply the sum which would otherwise have been payable in cash to the holders of the Elected Ordinary Shares towards payment of the appropriate number of ordinary shares for allotment and distribution to and among the holders of the Elected Ordinary Shares on such basis.
2. (a) The ordinary shares allotted pursuant to the provisions of paragraph (1) of this Article 121A shall rank *pari passu* in all respects with the ordinary shares then in issue save only as regards participation in the dividend which is the subject of the election referred to above (including the right to make the election referred to above) or any other distributions, bonuses or rights

APPENDIX D: PROVISIONS IN THE CONSTITUTION RELATING TO THE RIGHTS OF SHAREHOLDERS IN RESPECT OF CAPITAL, DIVIDENDS AND VOTING

paid, made, declared or announced prior to or contemporaneous with the payment or declaration of the dividend which is the subject of the election referred to above, unless the Directors shall otherwise specify.

- (b) The Directors may do all acts and things considered necessary or expedient to give effect to any capitalisation pursuant to the provisions of paragraph (1) of this Article 121A, with full power to make such provisions as they think fit in the case of fractional entitlements to shares (including, notwithstanding any provision to the contrary in these Articles, provisions whereby, in whole or in part, fractional entitlements are disregarded or rounded up or down, or whereby the benefit of fractional entitlements accrues to the Company rather than the Members).
- (3) The Directors may, on any occasion when they resolve as provided in paragraph (1) of this Article 121A, determine that rights of election under that paragraph shall not be made available to the persons who were registered as holders of ordinary shares in the Register of Members or (as the case may be) in the Depository Register, or in respect of ordinary shares the transfer of which is registered, after such date as the Directors may fix subject to such exceptions as the Directors think fit, and in such event the provisions of this Article 121A shall be read and construed subject to such determination.
- (4) The Directors may, on any occasion when they resolve as provided in paragraph (1) of this Article 121A, further determine that no allotment of shares or rights of election for shares under that paragraph shall be made available or made to Members whose registered addresses entered in the Register of Members or (as the case may be) the Depository Register is outside Singapore and if they have not supplied CDP or the Company (as the case may be) addresses in Singapore for the service of notices or documents or to such other Members or class of members as the Directors may in their sole discretion decide and in such event the only entitlements of the Members aforesaid shall be to receive in cash the relevant dividend resolved or proposed to be paid or declared.
- (5) Notwithstanding the foregoing provisions of this Article 121A, if at any time after the Directors' resolution to apply the provisions of paragraph (1) of this Article 121A in relation to any dividend but prior to the allotment of ordinary shares pursuant thereto, the Directors shall consider that by reason of any event or circumstances (whether arising before or after such resolution) or by reason of any matter whatsoever it is no longer expedient or appropriate to implement that proposal, the Directors may at their absolute discretion and as they deem fit in the interest of the Company, cancel the proposed application of paragraph (1) of this Article 121A.

APPENDIX D: PROVISIONS IN THE CONSTITUTION RELATING TO THE RIGHTS OF SHAREHOLDERS IN RESPECT OF CAPITAL, DIVIDENDS AND VOTING

D. Rights in respect of Winding Up

WINDING UP

132. If the Company shall be wound up, the liquidators may, with the sanction of a special resolution, divide among the Members in specie any part of the assets of the Company and any such division may be otherwise than in accordance with the existing rights of the Members, but so that if any division is resolved on otherwise than in accordance with such rights the Members shall have the same right of dissent and consequential rights as if such resolution were a special resolution passed pursuant to (but not limited to) Section 306 of the Act. A special resolution sanctioning a transfer or sale to another company duly passed pursuant to the said Section may in like manner authorise the distribution of any shares or other consideration receivable by the liquidators amongst the Members otherwise than in accordance with their existing rights, and any such determination shall be binding upon all the Members subject to the right of dissent and consequential rights conferred by the said Section.

Distribution in specie

APPENDIX E: VALUATION SUMMARY LETTERS

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Colliers International Consultancy & Valuation (Singapore) Pte Ltd
UEN No. 198105965E

Valuation Certificate

Our Reference	GS/GC/MGLtd1
Valuation Prepared For	Memories Group Limited
Instruction	<p>We have been instructed to determine the property market value as at 12 September 2022 ("date of valuation") for corporate reporting purposes and to be disclosed in a circular to shareholders of the company in relation to the voluntary delisting and exit offer as announced by the company.</p> <p>The valuer has carried out an inspection within the Property on 15 September 2022, and made independent investigations as necessary for carrying out this valuation.</p> <p>All information used has been verified as far as is reasonable, and has included information and data provided by you, from government departments, in the public domain, and our own internal database.</p> <p>In the absence of readily available and verifiable information from other sources for valuation purposes, and as agreed, we have relied on the information solely provided by you for the purposes of valuation. We have assumed all such information provided by you to be true and accurate.</p> <p>No structural survey or environmental survey of the Property has been carried out. Services and facilities have not been tested.</p>
Property Address	The property is known as Awei Metta Yangon located at Ever Green Street, Hlaing Tharyar Township, Yangon, Republic of the Union of Myanmar
Legal Description	Lot No. 121A and Lot No. 121B, Hlaing Tharyar Township, Yangon, Myanmar
Land Area	2.196 acres (8,886.89 sqm)
Tenure	50 years (Initial Term) commencing from 1 July 2017
Lessor	Pun Hlaing Lodge Limited
Lessee	Pun Hlaing Lodge Hotel Management Limited

Address: Awei Metta Yangon, Yangon, Myanmar
Our Ref: GS/GC/MGLtd1
Date: 30 September 2022

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APPENDIX E: VALUATION SUMMARY LETTERS



Valuation Standards	<p>This valuation has been carried out in accordance with the International Valuation Standards by the International Valuation Standards Council.</p> <p>Colliers International Consultancy & Valuation (Singapore) Pte Ltd practice and conduct all necessary investigations, inspections, and other work carried out for the purpose of this valuation in accordance with the International Valuation Standards Council's valuation standards.</p>
Valuation Basis	<p>Market Value on 'As-Is' Basis. Market Value is defined as "the estimated amount for which an asset should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion".</p>
Brief Description	<p>The property comprises a five storey, 46 room hotel with supporting facilities including multiple food & beverage outlets, ballroom, swimming pool & tennis courts, and guest car park. The property forms part of the Pun Hlaing Estate in the western section of the city of Yangon and overlooks a 18-hole golf course. We understand that the hotel opened in Q1 2019.</p>
Valuation Approach	<p>Depreciated Replacement Cost Method</p>
Caveat & Assumptions	<p>This report is subject to and includes our Standard Caveats and Assumptions as set out at Appendix I.</p>
Date of Valuation	<p>12 September 2022</p>
Market Value	<p>US\$14,500,000/- (United States Dollars Fourteen Million and Five Hundred Thousand).</p>

Yours faithfully,

Govinda Singh
FCCA, FCMA, MRICS
Executive Director
Valuation and Advisory Services | Asia

This valuation report is subject to the attached Limiting Conditions.



Caveats And Assumptions

1. Definitions

In these Caveats and Assumptions the following words or phrases shall have the meaning or meanings set out below:

'Confidential Information' means information that:

- (a) Is by its nature confidential.
- (b) Is designed by Us as confidential.
- (c) You know or ought to know is confidential.
- (d) Includes, without limitation: information comprised in or relating to any of Our intellectual property in the Services or any reports or certificates provided as part of the Services.

'Currency Date' means, in relation to any valuation report, the date as at which our professional opinion is stated to be current.

'Fee' means the amount agreed to be paid for the Services as set out in the Quotation.

'Parties' means You or Us as the context dictates.

'Quotation' means the written quote provided by Us in relation to the Services.

'Services' means the valuation services provided pursuant to these Terms and Conditions and the Quotation, and includes any documents, reports or certificates provided by Us in connection with the Services.

'The Property' means the assets which are subject of our appointment as your advisor.

'We', 'Us', 'Our', 'Colliers' means Colliers International Limited.

'You', 'Your', 'Client' means the person, company, firm or other legal entity by or on whose behalf instructions are given, and any person, firm, company or legal entity who actually gave the instructions to us even though such instructions were given as agent for another.

'Professional Property Practice Standards' refers to RICS Valuation and Appraisal Handbook, or Singapore Institute of Surveyors & Valuers' Valuation Standards and Practice Guidelines.

2. Performance Of Services

2.1 We have provided the Services in accordance with:

- (a) The Terms and Conditions contained herein; or
- (b) As specifically instructed by You for the purpose of the Services; and
- (c) Within the current provisions set by the prevailing Professional Property Practice Standards.

3. Condition Of The Property

- 3.1 No allowance has been made in our report for any charges, mortgages or amounts owing on any of the properties valued nor for any expenses or taxation which may be incurred in effecting a sale. We have assumed that the Property is free from and clear of any and all charges, liens and encumbrances of an onerous nature likely to affect value, whether existing or otherwise, unless otherwise stated. We assume no responsibility for matters legal in nature nor do we render any opinion as to the title which is assumed to be good and marketable. We are not aware of any easements or rights of way affecting the property and our valuation assumes that none exists.
- 3.2 We have assumed that the Property has been constructed, occupied and used in full compliance with, and without contravention of, all ordinances, except only where otherwise stated. We have further assumed that, for any use of the Property upon which this report is based, any and all required licences, permits, certificates, and authorisations have been obtained, except only where otherwise stated.
- 3.3 We have assumed that any development sites are in a condition suitable for development; this has not been checked by us.
- 3.4 We have not carried out detailed site measurements to verify the correctness of the site areas in respect of the properties but have assumed that the site areas shown on the documents and official site plans handed to us are correct. All documents and contracts have been used as reference only and all dimensions, measurements and areas are approximations. No on-site measurements has been taken.
- 3.5 We have assumed that there is no timber infestation, asbestos or any other defect (unless advised otherwise) and that the property is compliant with all relevant environmental laws. It is Your responsibility to provide reports to Us that are relevant to these issues.
- 3.6 An internal inspection has been made, unless otherwise stated.
- 3.7 While due care is exercised in the course of our inspection to note any serious defects, no structural survey of the Property will or has been undertaken, and We will not (and are not qualified to) carry out a structural, geotechnical or environmental survey. We will not inspect those parts of the property that are unexposed or inaccessible.
- 3.8 None of the services have been tested by Us and we are unable therefore to report on their present condition, but will presume them to be in good working order.

APPENDIX E: VALUATION SUMMARY LETTERS



- 3.9 We recommend that You engage appropriately qualified persons to undertake investigations excluded from our Services.
- 3.10 No responsibility will be accepted either to You or to any third party for loss or damage that may result directly or indirectly from the condition of the property.
- 4. Environment And Planning**
- 4.1 We have obtained town planning information from the prevailing Master Plan available on URA website. It is your responsibility to check the accuracy of this information under the appropriate planning legislation.
- 4.2 For obvious reasons, we do not and cannot provide information relating to government acquisitions unless the land has already been gazetted for acquisition.
- 4.3 No requisition on road, MRT, LRT, drainage and other government proposals has been made by us. Such information will not be tendered unless specifically requested for and we be properly reimbursed.
- 4.4 We do not hold ourselves to be experts in environmental contamination. Unless otherwise stated, our inspection of the site did not reveal any contamination or pollution affectation, and our valuation has been prepared on the assumption that that the land is not contaminated and has not been affected by pollutants of any kind. We would recommend that that this matter be checked by a suitably qualified environmental consultant. Should subsequent investigation show that the site is contaminated, our valuation may require revision.
- 5. Floor/Building Areas And Lettable Areas**
- 5.1 Where a survey is provided to Us for consideration, We will assume that information contained in the survey is accurate and has been prepared in accordance with the prevailing Professional Property Practice Standards.
- 5.2 If you do not provide Us with a survey, We will estimate floor/building and/or lettable areas based only upon available secondary information (including but not limited to building plans, deposited plans, and our own measurements). Such estimates do not provide the same degree of accuracy or certainty as would be provided by a survey prepared by an appropriately qualified professional in accordance with the prevailing Professional Property Practice Standards.
- 5.3 Where such a survey is subsequently produced which differs from the areas estimated by us then You will refer the valuation back to Us for comment or, where appropriate, amendment.
- 6. Other Assumptions**
- 6.1 Unless otherwise notified by You, We will assume:
- (a) There are no easements, mortgages, leases, encumbrances, covenants, caveats, rights of way or encroachments except those shown on the Title.
- (b) All licences and permits can be renewed and We have not made any enquires in this regard.
- 6.2 Where third party expert or specialist information or reports are provided to Us or obtained by Us in connection with Services (including but not limited to surveys, quantity surveyors reports, environmental audits, structural/ dilapidation reports), we will rely upon the apparent expertise of such experts/ specialists. We will not verify the accuracy of this information or reports, and assume no responsibility for their accuracy.
- 6.3 Our services are provided on the basis that the client has provided us with a full and frank disclosure of all information and other facts which may affect the service, including all secrecy clauses and side agreements. We accept no responsibility or liability whatsoever for the valuation unless such a full disclosure has been made.
- 6.4 Any plans, sketches or maps included in this report are for identification purposes only and should not be treated as certified copies of areas or other particulars contained therein.
- 6.5 The study of possible alternative development options and the related economics are not within the scope of this report, unless otherwise stated.
- 6.6 Our opinion about the Market Value of the property is free from any influence and/ or point of views of any other parties.
- 6.7 All Location Plans are obtained from www.streetdirectory.com. Whilst we do make every endeavor to update the maps as far as it is possible, we do not vouch for the accuracy of the maps and shall not be responsible if it is otherwise.
- 6.8 Values are reported in Singapore currency unless otherwise stated.

APPENDIX E: VALUATION SUMMARY LETTERS



7. Estimated Selling Price

- 7.1 Where you instruct Us to provide an Estimated Selling Price, You agree that the Services:
- (a) Are limited to the provision of an opinion based on Our knowledge of the market and informal enquiries.
 - (b) We are not required to carry out a full inspection of the property; any inspection of comparable properties; a search of Title(s) or other enquiries as to encumbrances, restrictions or impediments on Title(s); or other investigations which would be required for a formal valuation.
 - (c) Provide an indicative figure only which is not suitable for use for any purpose other than as general information or guide as to sale expectations. It is not suitable to be relied upon for the purpose of entry into any transaction.
- 7.2 No responsibility will be accepted either to You or to any third party for loss or damage that may result from the issue of such an Estimated Selling Price.

8. Currency Of Valuation

- 8.1 Due to possible changes in market forces and circumstances in relation to the property the Services can only be regarded as relevant as at the Currency Date.
- 8.2 Where You rely upon Our valuation report after the Currency Date, You accept the risks associated with market movements between the Currency Date and the date of such reliance.
- 8.3 Without limiting the generality of 9.1, You should not rely upon Our valuation:
- (a) After the expiry of 3 months from the Currency Date;
 - (b) Where circumstances have occurred during that period which may have a material effect on the value of the property or the assumptions or methodology used in the valuation report.

9. Market Projections

- 9.1 Any market projections incorporated within our Services including, but not limited to, income, expenditure, associated growth rates, interest rates, incentives, yields and costs are projections only and based on information currently available to us and not representative of what actual values of the property will be as at future date. Accordingly, such market projections should be interpreted as an indicative assessment of potentialities only, as opposed to certainties.
- 9.2 Where Our Services include market projections such projections require the dependence upon a host of variables that are highly sensitive to varying conditions. Accordingly, variation in any of these conditions may significantly affect these market projections.
- 9.3 Where market projections form part of Our Services, We draw your attention to the fact that there will be a number of variables within acceptable market parameters that could be pertinent to Our Services and the projections adopted are representative of only one of these acceptable parameters.
- 9.4 All statements of fact in the valuation report which are used as the basis of our analyses, opinions, and conclusions will be true and correct to the best of our knowledge and belief. We do not make any representation or warranty, express or implied, as to the accuracy or completeness of the information or the state of affairs of the Property furnished to us by you.

10. Your Obligations

- 10.1 You warrant that the instructions and subsequent information supplied by You contain a full and frank disclosure of all information that is relevant to Our provision of the Services.
- 10.2 You warrant that all third party expert or specialist reports provided to Us by You for the purpose of Us providing the Services are provided with the authority of the authors of those reports.
- 10.3 You authorise and license Us to incorporate Your intellectual property within Our report(s).
- 10.4 You will not release any part of Our valuation report or its substance to any third party without Our written consent. When we consent for You to release Our report or any part of Our report to any third party, we do so on the basis that these terms and conditions will apply to the new addressee(s) as if it/ they had been a party to the original letter of instruction between us. Where we consent to such reliance, You agree to furnish the addressee with a copy of any reliance letter issued by Us and/ or a copy of these terms and conditions.
- 10.5 We reserve the right to reconsider or amend the valuation advice, or the Fee set out in Our Quotation to You, if;
- (a) Certificates, surveys, leases, side agreements or related documentation that were not provided to Us prior to the provision of the Services are subsequently provided, and contain matters that may affect the value of the advice; or
 - (b) Where subsequent site inspections made in relation to any of the matters raised in Clause 3 materially affect or may alter the value of the property, the subject of the Services.
 - (c) The information provided to Us by You prior to the provision of services is in any way incomplete, misleading or wrong.

APPENDIX E: VALUATION SUMMARY LETTERS



- 10.6 If You release any part of the valuation advice or its substance without written consent, You agree to defend, You agree to defend and indemnify Us against claims by a third party who has reviewed the report if We have not, at or subsequent to the time of engagement, provided our specific written consent to such party reviewing and replying on the report. We have no responsibility to any other person even if that person suffers damage as a result of You providing this valuation without Our prior consent.
- 10.7 You agree that the only remedy for losses or damages relating to the breach of this Agreement shall be limited to three times Our contracted fee for the assignment and no claim shall be made any consequential or punitive damages.
- 10.8 You agree not to bring any claim for any losses against any director, consultant or any employee of Ours. You hereby agree that Our director, consultant or any employee does not have a personal duty of care to You and any claim for losses must be brought against Colliers International.
- 10.9 Where any loss is suffered by You for which We and any other person are jointly and severally liable to You the loss recoverable by You from Us shall be limited so as to be in proportion to our relative contribution to the overall fault.

11. Confidentiality

- 11.1 This report and each part of it is prepared and intended for the exclusive use of the Client for the sole purpose stated in our valuation report, and in accepting this report, the Client expressly agrees not to use or rely upon this report or any part of it for any other purpose. No person other than the Client shall use or rely upon this report or any part of it for any purpose unless we have given Our express written consent. Similarly neither the whole nor any part of this report nor any reference there to may be included in any document, circular or statement nor published in any way without our written approval of the form and context in which it may appear.
- 11.2 If consent to disclose the Confidential Information is provided by Us, You agree to abide by any additional terms and conditions that We may apply to that disclosure.
- 11.3 You agree that You will indemnify, hold harmless and defend Us from and against any and all loss, liability, costs or expenses (including but not limited to professional or executive time) We may suffer or reasonably incur, directly or indirectly, as a result of a breach of this clause.
- 11.4 Unless otherwise directed in writing by Client, Colliers International retains the right to include references to the Services in its promotional material. Such references shall not contain confidential material.

12. Privacy

- 12.1 We may obtain personal information about You in the course of performing Our Services. We respect your privacy and advise You that we will only obtain information that is necessary to assist us in the course of performing Our Services. If it is necessary for Us to engage third parties, we will inform these parties that they are not to disclose any personal information about You to any person or organisation other than Us.

13. Subcontracting

- 13.1 We may sub-contract or otherwise arrange for another person to perform any part of the Services or to discharge any of Our obligations under any part of these Terms and Conditions, with Your consent.

14. Limitation Of Colliers Liability

- 14.1 To the extent permissible under applicable laws, in no event shall Colliers International be liable to Client or anyone claiming by, through or under Client, including insurers, for any lost, delayed, or diminished profits, revenues, production, business, use or opportunities, or any incidental, special, indirect, or economic losses, wasted costs, diminution of value or consequential damages, of any kind or nature whatsoever, however caused.
- 14.2 We shall be released from Our obligations to the extent that performance thereof is delayed, hindered or prevented by any circumstances beyond Our reasonable control (example being a strike, act of God or act of terrorism). All the costs and benefits forecasted will, ultimately, be determined by future market conditions. Forecasts of these elements are based on assumptions of certain variable factors, which, in turn, are extremely sensitive to changes in the market and economic contexts. For this reason, the figures mentioned in this report were not computed under any known or guaranteed conditions. Rather, these are forecasts drawn from reliable sources of data and information and made in the best judgment and professional integrity of Colliers international. Notwithstanding this, Colliers International reiterates that it will not accept any responsibilities in the face of damage claims that might result from any error, omission or recommendations, viewpoints, judgments and information provided in this report.

APPENDIX E: VALUATION SUMMARY LETTERS



- 14.3 Neither Colliers nor any employee of Ours shall be required to give testimony or to appear in court or any other tribunal or at any government agency by reason of this valuation report or with reference to the property in question, except by court summons/ judicial notification, and unless prior arrangements have been made and we are properly reimbursed for reasonable time and expenses incurred. The hourly billing pertain to court preparation, waiting and travel time, document review and preparation (excludes valuation report) and all meetings related to court testimony.
- 14.4 We are free from any possible legal and/ or non-legal issue which may attach to the Property's title documents.
- 14.5 All statements of fact in the valuation report which are used as the basis of our analyses, opinions, and conclusions will be true and correct to the best of our knowledge and belief. We do not make any representation or warranty, express or implied, as to the accuracy or completeness of the information or the state of affairs of the Property furnished to Us by You.
- 14.6 Our liability for loss and damage attributable to Our negligence, breach of contract, misrepresentation or otherwise (but not in respect of fraud, fraudulent misrepresentation, death or personal injury) shall be limited to a maximum of three times Our contracted fee for the assignment per property for any single case. A single case of damages is defined as the total sum of all damage claims of all persons entitled to claim, which arise from one and the same professional error/ offence. In the case of damages suffered from several offences brought about by the same technical error within the scope of several coherent services of a similar nature, we are only to held liable for an amount of three times Our contracted fee for the assignment per property.
- 14.7 Where the agreement is addressed to more than one Client, the above limit of liability applies to the aggregate of all claims by all such Clients and not separately to each Client.
- 14.8 No third party will be entitled to rely on any part of Our valuation report or its substance or advice except with our written consent. Should any third party rely on Our report without obtaining Our written consent, We are not bound by any liability which arises from the use of or reliance upon Our valuation report by such unauthorized party.
- 14.9 We will not be liable for any services outside the scope of the services agreed to be performed by Us, and in respect of any consequential losses or loss of profits.
- 14.10 Responsibility for Our valuation extends only to the party(ies) to whom it is addressed. However in the event of Us being asked by You to re-address Our report to another party or other parties or permit reliance upon it by another party or other parties, We will give consideration to doing so, to named parties, and We reserve the right to charge additional fee for doing so although We will agree such fee with You before commencing the work.
- 15. Entire Agreement**
- 15.1 No further agreement, amendment or modification of these Terms and Conditions shall be valid or binding unless made in writing and executed on behalf of the Parties by their duly authorised officers.
- 15.2 If there is inconsistency between these Terms and Conditions and the Quotation, any letter of instruction from You, or other specific request or information shall prevail to the extent of the inconsistency.
- 15.3 Copyright in any reports, documents or other material provided to You by Us shall remain Our property at all times unless otherwise stated
- 16. Anti Bribery And Corruption Measures**
- 16.1 We represent, in connection with any services to be provided to You, that neither We nor Our contractors, employees or agents (collectively, "Consultant") has made or will make, either directly or indirectly, any payments (i) to or for the use or benefit of any Government Official (ii) to any other person either for an advance or reimbursement, if Consultant knows or has reason to know that any part of such payment has been or will be given to any Government official or (iii) to any person or entity, the payment of which would violate laws and regulations in Australia, the United States, the United Kingdom or any other government entity having jurisdiction over the activities carried out by Consultant. The term "Government Official" in this paragraph means any officer or employee of a government or any governmental department or agency, or any person acting in an official capacity for or on behalf of any such government or governmental department or agency, including employees of state-owned or controlled entities and candidates for political office.
- 16.2 We represent that, in connection with any services to be provided to You, We will conduct operations at all times in compliance with applicable financial recordkeeping and reporting requirements, including all applicable money laundering-related laws of any jurisdictions where We conduct business or own assets.

APPENDIX E: VALUATION SUMMARY LETTERS

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colliers.com/Singapore



Colliers International Consultancy & Valuation (Singapore) Pte Ltd
UEN No. 198105965E

Valuation Certificate

Our Reference	GS/GC/MGLtd2
Valuation Prepared For	Memories Group Limited
Instruction	<p>We have been instructed to determine the property market value as at 12 September 2022 ("date of valuation") for corporate reporting purposes and to be disclosed in a circular to shareholders of the company in relation to the voluntary delisting and exit offer as announced by the company.</p> <p>The valuer has carried out a virtual inspection of the Property on 15 September 2022, and made independent investigations as necessary for carrying out this valuation.</p> <p>All information used has been verified as far as is reasonable, and has included information and data provided by you, from government departments, in the public domain, and our own internal database.</p> <p>In the absence of readily available and verifiable information from other sources for valuation purposes, and as agreed, we have relied on the information solely provided by you for the purposes of valuation. We have assumed all such information provided by you to be true and accurate.</p> <p>No structural survey or environmental survey of the Property has been carried out. Services and facilities have not been tested.</p>
Property Address	The property is known as Awei Pila Resort located on Kyun Pilar Island, Tanintharyi Region, Republic of the Union of Myanmar
Land Area	15.0 acres (or 60,690.00 sqm)
Tenure	50 years (Initial Term) commencing from 4 October 2013
Lessor	Taninthayi Regional Government
Lessee	Mokan International Company Limited

Address: Awei Pila Resort, Tanintharyi Region, Myanmar
Our Ref: GS/GC/MGLtd2
Date: 30 September 2022

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APPENDIX E: VALUATION SUMMARY LETTERS



Valuation Standards	<p>This valuation has been carried out in accordance with the International Valuation Standards by the International Valuation Standards Council.</p> <p>Colliers International Consultancy & Valuation (Singapore) Pte Ltd practice and conduct all necessary investigations, inspections, and other work carried out for the purpose of this valuation in accordance with the International Valuation Standards Council's valuation standards.</p>
Valuation Basis	<p>Market Value on 'As-Is' Basis. Market Value is defined as "the estimated amount for which an asset should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion".</p>
Brief Description	<p>The property comprises a 24 room luxury tent resort situated on a beachfront site on a remote tropical island which forms part of the Mergui Archipelago in the south east of Myanmar within the Andaman Sea. The resort contains supporting facilities and full back of house facilities. We understand that the hotel opened in Q4 2018.</p>
Valuation Approach	<p>Depreciated Replacement Cost Method</p>
Caveat & Assumptions	<p>This report is subject to and includes our Standard Caveats and Assumptions as set out at Appendix I.</p>
Date of Valuation	<p>12 September 2022</p>
Market Value	<p>US\$11,400,000/- (United States Dollars Eleven Million and Four Hundred Thousand).</p>

Yours faithfully,

Govinda Singh
FCCA, FCMA, MRICS
Executive Director
Valuation and Advisory Services | Asia

This valuation certificate is subject to the attached Limiting Conditions.



Caveats And Assumptions

1. Definitions

In these Caveats and Assumptions the following words or phrases shall have the meaning or meanings set out below:

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- (a) Is by its nature confidential.
- (b) Is designed by Us as confidential.
- (c) You know or ought to know is confidential.
- (d) Includes, without limitation: information comprised in or relating to any of Our intellectual property in the Services or any reports or certificates provided as part of the Services.

'Currency Date' means, in relation to any valuation report, the date as at which our professional opinion is stated to be current.

'Fee' means the amount agreed to be paid for the Services as set out in the Quotation.

'Parties' means You or Us as the context dictates.

'Quotation' means the written quote provided by Us in relation to the Services.

'Services' means the valuation services provided pursuant to these Terms and Conditions and the Quotation, and includes any documents, reports or certificates provided by Us in connection with the Services.

'The Property' means the assets which are subject of our appointment as your advisor.

'We', 'Us', 'Our', 'Colliers' means Colliers International Limited.

'You', 'Your', 'Client' means the person, company, firm or other legal entity by or on whose behalf instructions are given, and any person, firm, company or legal entity who actually gave the instructions to us even though such instructions were given as agent for another.

'Professional Property Practice Standards' refers to RICS Valuation and Appraisal Handbook, or Singapore Institute of Surveyors & Valuers' Valuation Standards and Practice Guidelines.

2. Performance Of Services

2.1 We have provided the Services in accordance with:

- (a) The Terms and Conditions contained herein; or
- (b) As specifically instructed by You for the purpose of the Services; and
- (c) Within the current provisions set by the prevailing Professional Property Practice Standards.

3. Condition Of The Property

- 3.1 No allowance has been made in our report for any charges, mortgages or amounts owing on any of the properties valued nor for any expenses or taxation which may be incurred in effecting a sale. We have assumed that the Property is free from and clear of any and all charges, liens and encumbrances of an onerous nature likely to affect value, whether existing or otherwise, unless otherwise stated. We assume no responsibility for matters legal in nature nor do we render any opinion as to the title which is assumed to be good and marketable. We are not aware of any easements or rights of way affecting the property and our valuation assumes that none exists.
- 3.2 We have assumed that the Property has been constructed, occupied and used in full compliance with, and without contravention of, all ordinances, except only where otherwise stated. We have further assumed that, for any use of the Property upon which this report is based, any and all required licences, permits, certificates, and authorisations have been obtained, except only where otherwise stated.
- 3.3 We have assumed that any development sites are in a condition suitable for development; this has not been checked by us.
- 3.4 We have not carried out detailed site measurements to verify the correctness of the site areas in respect of the properties but have assumed that the site areas shown on the documents and official site plans handed to us are correct. All documents and contracts have been used as reference only and all dimensions, measurements and areas are approximations. No on-site measurements has been taken.
- 3.5 We have assumed that there is no timber infestation, asbestos or any other defect (unless advised otherwise) and that the property is compliant with all relevant environmental laws. It is Your responsibility to provide reports to Us that are relevant to these issues.
- 3.6 An internal inspection has been made, unless otherwise stated.
- 3.7 While due care is exercised in the course of our inspection to note any serious defects, no structural survey of the Property will or has been undertaken, and We will not (and are not qualified to) carry out a structural, geotechnical or environmental survey. We will not inspect those parts of the property that are unexposed or inaccessible.
- 3.8 None of the services have been tested by Us and we are unable therefore to report on their present condition, but will presume them to be in good working order.

APPENDIX E: VALUATION SUMMARY LETTERS



- 3.9 We recommend that You engage appropriately qualified persons to undertake investigations excluded from our Services.
- 3.10 No responsibility will be accepted either to You or to any third party for loss or damage that may result directly or indirectly from the condition of the property.

4. Environment And Planning

- 4.1 We have obtained town planning information from the prevailing Master Plan available on URA website. It is your responsibility to check the accuracy of this information under the appropriate planning legislation.
- 4.2 For obvious reasons, we do not and cannot provide information relating to government acquisitions unless the land has already been gazetted for acquisition.
- 4.3 No requisition on road, MRT, LRT, drainage and other government proposals has been made by us. Such information will not be tendered unless specifically requested for and we be properly reimbursed.
- 4.4 We do not hold ourselves to be experts in environmental contamination. Unless otherwise stated, our inspection of the site did not reveal any contamination or pollution affectation, and our valuation has been prepared on the assumption that that the land is not contaminated and has not been affected by pollutants of any kind. We would recommend that that this matter be checked by a suitably qualified environmental consultant. Should subsequent investigation show that the site is contaminated, our valuation may require revision.

5. Floor/Building Areas And Lettable Areas

- 5.1 Where a survey is provided to Us for consideration, We will assume that information contained in the survey is accurate and has been prepared in accordance with the prevailing Professional Property Practice Standards.
- 5.2 If you do not provide Us with a survey, We will estimate floor/building and/or lettable areas based only upon available secondary information (including but not limited to building plans, deposited plans, and our own measurements). Such estimates do not provide the same degree of accuracy or certainty as would be provided by a survey prepared by an appropriately qualified professional in accordance with the prevailing Professional Property Practice Standards.
- 5.3 Where such a survey is subsequently produced which differs from the areas estimated by us then You will refer the valuation back to Us for comment or, where appropriate, amendment.

6. Other Assumptions

- 6.1 Unless otherwise notified by You, We will assume:
 - (a) There are no easements, mortgages, leases, encumbrances, covenants, caveats, rights of way or encroachments except those shown on the Title.
 - (b) All licences and permits can be renewed and We have not made any enquires in this regard.
- 6.2 Where third party expert or specialist information or reports are provided to Us or obtained by Us in connection with Services (including but not limited to surveys, quantity surveyors reports, environmental audits, structural/ dilapidation reports), we will rely upon the apparent expertise of such experts/ specialists. We will not verify the accuracy of this information or reports, and assume no responsibility for their accuracy.
- 6.3 Our services are provided on the basis that the client has provided us with a full and frank disclosure of all information and other facts which may affect the service, including all secrecy clauses and side agreements. We accept no responsibility or liability whatsoever for the valuation unless such a full disclosure has been made.
- 6.4 Any plans, sketches or maps included in this report are for identification purposes only and should not be treated as certified copies of areas or other particulars contained therein.
- 6.5 The study of possible alternative development options and the related economics are not within the scope of this report, unless otherwise stated.
- 6.6 Our opinion about the Market Value of the property is free from any influence and/ or point of views of any other parties.
- 6.7 All Location Plans are obtained from www.streetdirectory.com. Whilst we do make every endeavor to update the maps as far as it is possible, we do not vouch for the accuracy of the maps and shall not be responsible if it is otherwise.
- 6.8 Values are reported in Singapore currency unless otherwise stated.

APPENDIX E: VALUATION SUMMARY LETTERS



7. Estimated Selling Price

- 7.1 Where you instruct Us to provide an Estimated Selling Price, You agree that the Services:
- (a) Are limited to the provision of an opinion based on Our knowledge of the market and informal enquiries.
 - (b) We are not required to carry out a full inspection of the property; any inspection of comparable properties; a search of Title(s) or other enquiries as to encumbrances, restrictions or impediments on Title(s); or other investigations which would be required for a formal valuation.
 - (c) Provide an indicative figure only which is not suitable for use for any purpose other than as general information or guide as to sale expectations. It is not suitable to be relied upon for the purpose of entry into any transaction.
- 7.2 No responsibility will be accepted either to You or to any third party for loss or damage that may result from the issue of such an Estimated Selling Price.

8. Currency Of Valuation

- 8.1 Due to possible changes in market forces and circumstances in relation to the property the Services can only be regarded as relevant as at the Currency Date.
- 8.2 Where You rely upon Our valuation report after the Currency Date, You accept the risks associated with market movements between the Currency Date and the date of such reliance.
- 8.3 Without limiting the generality of 9.1, You should not rely upon Our valuation:
- (a) After the expiry of 3 months from the Currency Date;
 - (b) Where circumstances have occurred during that period which may have a material effect on the value of the property or the assumptions or methodology used in the valuation report.

9. Market Projections

- 9.1 Any market projections incorporated within our Services including, but not limited to, income, expenditure, associated growth rates, interest rates, incentives, yields and costs are projections only and based on information currently available to us and not representative of what actual values of the property will be as at future date. Accordingly, such market projections should be interpreted as an indicative assessment of potentialities only, as opposed to certainties.
- 9.2 Where Our Services include market projections such projections require the dependence upon a host of variables that are highly sensitive to varying conditions. Accordingly, variation in any of these conditions may significantly affect these market projections.
- 9.3 Where market projections form part of Our Services, We draw your attention to the fact that there will be a number of variables within acceptable market parameters that could be pertinent to Our Services and the projections adopted are representative of only one of these acceptable parameters.
- 9.4 All statements of fact in the valuation report which are used as the basis of our analyses, opinions, and conclusions will be true and correct to the best of our knowledge and belief. We do not make any representation or warranty, express or implied, as to the accuracy or completeness of the information or the state of affairs of the Property furnished to us by you.

10. Your Obligations

- 10.1 You warrant that the instructions and subsequent information supplied by You contain a full and frank disclosure of all information that is relevant to Our provision of the Services.
- 10.2 You warrant that all third party expert or specialist reports provided to Us by You for the purpose of Us providing the Services are provided with the authority of the authors of those reports.
- 10.3 You authorise and license Us to incorporate Your intellectual property within Our report(s).
- 10.4 You will not release any part of Our valuation report or its substance to any third party without Our written consent. When we consent for You to release Our report or any part of Our report to any third party, we do so on the basis that these terms and conditions will apply to the new addressee(s) as if it/ they had been a party to the original letter of instruction between us. Where we consent to such reliance, You agree to furnish the addressee with a copy of any reliance letter issued by Us and/ or a copy of these terms and conditions.
- 10.5 We reserve the right to reconsider or amend the valuation advice, or the Fee set out in Our Quotation to You, if;
- (a) Certificates, surveys, leases, side agreements or related documentation that were not provided to Us prior to the provision of the Services are subsequently provided, and contain matters that may affect the value of the advice; or
 - (b) Where subsequent site inspections made in relation to any of the matters raised in Clause 3 materially affect or may alter the value of the property, the subject of the Services.
 - (c) The information provided to Us by You prior to the provision of services is in any way incomplete, misleading or wrong.

APPENDIX E: VALUATION SUMMARY LETTERS



- 10.6 If You release any part of the valuation advice or its substance without written consent, You agree to defend, You agree to defend and indemnify Us against claims by a third party who has reviewed the report if We have not, at or subsequent to the time of engagement, provided our specific written consent to such party reviewing and replying on the report. We have no responsibility to any other person even if that person suffers damage as a result of You providing this valuation without Our prior consent.
- 10.7 You agree that the only remedy for losses or damages relating to the breach of this Agreement shall be limited to three times Our contracted fee for the assignment and no claim shall be made any consequential or punitive damages.
- 10.8 You agree not to bring any claim for any losses against any director, consultant or any employee of Ours. You hereby agree that Our director, consultant or any employee does not have a personal duty of care to You and any claim for losses must be brought against Colliers International.
- 10.9 Where any loss is suffered by You for which We and any other person are jointly and severally liable to You the loss recoverable by You from Us shall be limited so as to be in proportion to our relative contribution to the overall fault.

11. Confidentiality

- 11.1 This report and each part of it is prepared and intended for the exclusive use of the Client for the sole purpose stated in our valuation report, and in accepting this report, the Client expressly agrees not to use or rely upon this report or any part of it for any other purpose. No person other than the Client shall use or rely upon this report or any part of it for any purpose unless we have given Our express written consent. Similarly neither the whole nor any part of this report nor any reference there to may be included in any document, circular or statement nor published in any way without our written approval of the form and context in which it may appear.
- 11.2 If consent to disclose the Confidential Information is provided by Us, You agree to abide by any additional terms and conditions that We may apply to that disclosure.
- 11.3 You agree that You will indemnify, hold harmless and defend Us from and against any and all loss, liability, costs or expenses (including but not limited to professional or executive time) We may suffer or reasonably incur, directly or indirectly, as a result of a breach of this clause.
- 11.4 Unless otherwise directed in writing by Client, Colliers International retains the right to include references to the Services in its promotional material. Such references shall not contain confidential material.

12. Privacy

- 12.1 We may obtain personal information about You in the course of performing Our Services. We respect your privacy and advise You that we will only obtain information that is necessary to assist us in the course of performing Our Services. If it is necessary for Us to engage third parties, we will inform these parties that they are not to disclose any personal information about You to any person or organisation other than Us.

13. Subcontracting

- 13.1 We may sub-contract or otherwise arrange for another person to perform any part of the Services or to discharge any of Our obligations under any part of these Terms and Conditions, with Your consent.

14. Limitation Of Colliers Liability

- 14.1 To the extent permissible under applicable laws, in no event shall Colliers International be liable to Client or anyone claiming by, through or under Client, including insurers, for any lost, delayed, or diminished profits, revenues, production, business, use or opportunities, or any incidental, special, indirect, or economic losses, wasted costs, diminution of value or consequential damages, of any kind or nature whatsoever, however caused.
- 14.2 We shall be released from Our obligations to the extent that performance thereof is delayed, hindered or prevented by any circumstances beyond Our reasonable control (example being a strike, act of God or act of terrorism). All the costs and benefits forecasted will, ultimately, be determined by future market conditions. Forecasts of these elements are based on assumptions of certain variable factors, which, in turn, are extremely sensitive to changes in the market and economic contexts. For this reason, the figures mentioned in this report were not computed under any known or guaranteed conditions. Rather, these are forecasts drawn from reliable sources of data and information and made in the best judgment and professional integrity of Colliers international. Notwithstanding this, Colliers International reiterates that it will not accept any responsibilities in the face of damage claims that might result from any error, omission or recommendations, viewpoints, judgments and information provided in this report.

APPENDIX E: VALUATION SUMMARY LETTERS



- 14.3 Neither Colliers nor any employee of Ours shall be required to give testimony or to appear in court or any other tribunal or at any government agency by reason of this valuation report or with reference to the property in question, except by court summons/ judicial notification, and unless prior arrangements have been made and we are properly reimbursed for reasonable time and expenses incurred. The hourly billing pertain to court preparation, waiting and travel time, document review and preparation (excludes valuation report) and all meetings related to court testimony.
- 14.4 We are free from any possible legal and/ or non-legal issue which may attach to the Property's title documents.
- 14.5 All statements of fact in the valuation report which are used as the basis of our analyses, opinions, and conclusions will be true and correct to the best of our knowledge and belief. We do not make any representation or warranty, express or implied, as to the accuracy or completeness of the information or the state of affairs of the Property furnished to Us by You.
- 14.6 Our liability for loss and damage attributable to Our negligence, breach of contract, misrepresentation or otherwise (but not in respect of fraud, fraudulent misrepresentation, death or personal injury) shall be limited to a maximum of three times Our contracted fee for the assignment per property for any single case. A single case of damages is defined as the total sum of all damage claims of all persons entitled to claim, which arise from one and the same professional error/ offence. In the case of damages suffered from several offences brought about by the same technical error within the scope of several coherent services of a similar nature, we are only to held liable for an amount of three times Our contracted fee for the assignment per property.
- 14.7 Where the agreement is addressed to more than one Client, the above limit of liability applies to the aggregate of all claims by all such Clients and not separately to each Client.
- 14.8 No third party will be entitled to rely on any part of Our valuation report or its substance or advice except with our written consent. Should any third party rely on Our report without obtaining Our written consent, We are not bound by any liability which arises from the use of or reliance upon Our valuation report by such unauthorized party.
- 14.9 We will not be liable for any services outside the scope of the services agreed to be performed by Us, and in respect of any consequential losses or loss of profits.
- 14.10 Responsibility for Our valuation extends only to the party(ies) to whom it is addressed. However in the event of Us being asked by You to re-address Our report to another party or other parties or permit reliance upon it by another party or other parties, We will give consideration to doing so, to named parties, and We reserve the right to charge additional fee for doing so although We will agree such fee with You before commencing the work.
- 15. Entire Agreement**
- 15.1 No further agreement, amendment or modification of these Terms and Conditions shall be valid or binding unless made in writing and executed on behalf of the Parties by their duly authorised officers.
- 15.2 If there is inconsistency between these Terms and Conditions and the Quotation, any letter of instruction from You, or other specific request or information shall prevail to the extent of the inconsistency.
- 15.3 Copyright in any reports, documents or other material provided to You by Us shall remain Our property at all times unless otherwise stated
- 16. Anti Bribery And Corruption Measures**
- 16.1 We represent, in connection with any services to be provided to You, that neither We nor Our contractors, employees or agents (collectively, "Consultant") has made or will make, either directly or indirectly, any payments (i) to or for the use or benefit of any Government Official (ii) to any other person either for an advance or reimbursement, if Consultant knows or has reason to know that any part of such payment has been or will be given to any Government official or (iii) to any person or entity, the payment of which would violate laws and regulations in Australia, the United States, the United Kingdom or any other government entity having jurisdiction over the activities carried out by Consultant. The term "Government Official" in this paragraph means any officer or employee of a government or any governmental department or agency, or any person acting in an official capacity for or on behalf of any such government or governmental department or agency, including employees of state-owned or controlled entities and candidates for political office.
- 16.2 We represent that, in connection with any services to be provided to You, We will conduct operations at all times in compliance with applicable financial recordkeeping and reporting requirements, including all applicable money laundering-related laws of any jurisdictions where We conduct business or own assets.

APPENDIX E: VALUATION SUMMARY LETTERS

12 Marina View,
#19-02, Asia Square Tower 2
Singapore 018961
+65 6223 2323



Colliers International Consultancy & Valuation (Singapore) Pte Ltd
UEN No. 198105965E

colliers.com/Singapore

Valuation Certificate

Our Reference	JY/NN/221609
Valuation Prepared For	Memories Group Limited
Instruction	<p>We have been instructed to determine the market value for the leasehold development land as at 12 September 2022 ("date of valuation") for corporate reporting purposes and to be disclosed in a circular to shareholders of the company in relation to the voluntary delisting and exit offer as announced by the company.</p> <p>The valuer has carried out a virtual inspection of the Property on 15 September 2022, and made independent investigations as necessary for carrying out this valuation.</p> <p>All information used has been verified as far as is reasonable, and has included information and data provided by you, from government departments, in the public domain, and our own internal database.</p> <p>In the absence of readily available and verifiable information from other sources for valuation purposes, and as agreed, we have relied on the information solely provided by you for the purposes of valuation. We have assumed all such information provided by you to be true and accurate.</p> <p>No structural survey or environmental survey of the Property has been carried out. Services and facilities have not been tested.</p>
Property Address	Plot of vacant development land located at No. 12 Youne Tan Yat, 4 Quarter, Nyaung-U, Bagan, Mandalay Region, Republic of the Union of Myanmar
Legal Description	Holding No. 6(a), 6(b), 6 (d), 6(e)- 7(a), 6 (f) – 7 (b), 6 (g), 6 (h), 7 (d), 9, 10), Kwin No. (9-Ywar Thit North), No. 4 Ward and Holding No. (11, 12, 13), Kwin No. (12 Yuan Tan and Zayat Gyi Zay), No. 2 Ward, Nyaung-U Township, Nyaung-U District, Mandalay Region, Republic of the Union of Myanmar
Land Area	4.31 acres (or 17,441.95 sqm)
Tenure	50 year (Initial Term) commencing 8 December 2021 with a right of renewal for two consecutive periods of ten (10) years each (Renewal Terms) which may commence on the day after the expiry date of the Initial Term.
Lessor	Chindwin Investments Limited
Lessee	Riverside Bagan Limited

*Plot of Vacant Development Land Located At Old Bagan, Nyaung-U Township, Nyaung-U District,
Mandalay Region, Myanmar
JY/NN/ 221609
30 September 2022*

APPENDIX E: VALUATION SUMMARY LETTERS



Valuation Standards	<p>This valuation has been carried out in accordance with the International Valuation Standards by the International Valuation Standards Council.</p> <p>Colliers International Consultancy & Valuation (Singapore) Pte Ltd practice and conduct all necessary investigations, inspections, and other work carried out for the purpose of this valuation in accordance with the International Valuation Standards Council's valuation standards.</p>
Valuation Basis	<p>Market Value on 'As-Is' Basis. Market Value is defined as "the estimated amount for which an asset should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion".</p>
Brief Description	<p>The Property comprises a plot of 4.31 acres (or 17,441.95 sqm) of vacant development land with frontage on the main entrance road and the rear facing the Irrawaddy River, located within the vicinity of Nyaung-U town centre, Nyaung-U District, Mandalay Region, Republic of the Union of Myanmar. It was previously a now-defunct restaurant known as "The Beach Bagan Restaurant & Bar" at No. 12, Youne Tan Yat, 4 Quarter, Nyaung-U, Bagan, Myanmar.</p> <p>The Property comprises 15 smaller adjoining land plots namely as Plot Nos. 6A, 6B, 6D, 6E, 6F, 6G, 6H, 7A, 7B, 7D, 9, 10, 11, 12, and 13, Ywar Thit Myaut Village, Nyaung-U Township, Nyaung-U District, Mandalay Region, Union of Myanmar. After amalgamation of all the land plots, the Property results in two distinct plots being a larger river-fronting "L-shaped" plot and a smaller main road facing rectangular plot.</p> <p>There are a few derelict and dilapidated building structures with thick overgrown vegetation on the Property.</p> <p>The land plots facing the main road are generally flat and at the access road level. The Property perimeter boundaries are generally enclosed with brick walls and barbed wire fencing with two pairs of metal grilles gate at the main entrance.</p>

*Plot of Vacant Development Land Located At Old Bagan, Nyaung-U Township, Nyaung-U District,
Mandalay Region, Myanmar
JY/NN/ 221609
30 September 2022*

APPENDIX E: VALUATION SUMMARY LETTERS



Valuation Approach	Direct Comparison Method
Caveat & Assumptions	This report is subject to and includes our Standard Caveats and Assumptions as set out at Appendix I.
Date of Valuation	12 September 2022
Market Value	US\$6,900,000/- (United States Dollars Six Million and Nine Hundred Thousand).

Yours faithfully,

A handwritten signature in black ink, appearing to read "G. Singh".

Govinda Singh
FCCA, FCMA, MRICS
Executive Director
Valuation and Advisory Services | Asia

This valuation report is subject to the attached Caveats and Assumptions.

*Plot of Vacant Development Land Located At Old Bagan, Nyaung-U Township, Nyaung-U District,
Mandalay Region, Myanmar
JY/NN/ 221609
30 September 2022*



Caveats And Assumptions

1. Definitions

In these Caveats and Assumptions the following words or phrases shall have the meaning or meanings set out below:

'Confidential Information' means information that:

- (a) Is by its nature confidential.
- (b) Is designed by Us as confidential.
- (c) You know or ought to know is confidential.
- (d) Includes, without limitation: information comprised in or relating to any of Our intellectual property in the Services or any reports or certificates provided as part of the Services.

'Currency Date' means, in relation to any valuation report, the date as at which our professional opinion is stated to be current.

'Fee' means the amount agreed to be paid for the Services as set out in the Quotation.

'Parties' means You or Us as the context dictates.

'Quotation' means the written quote provided by Us in relation to the Services.

'Services' means the valuation services provided pursuant to these Terms and Conditions and the Quotation, and includes any documents, reports or certificates provided by Us in connection with the Services.

'The Property' means the assets which are subject of our appointment as your advisor.

'We', 'Us', 'Our', 'Colliers' means Colliers International Limited.

'You', 'Your', 'Client' means the person, company, firm or other legal entity by or on whose behalf instructions are given, and any person, firm, company or legal entity who actually gave the instructions to us even though such instructions were given as agent for another.

'Professional Property Practice Standards' refers to RICS Valuation and Appraisal Handbook, or Singapore Institute of Surveyors & Valuers' Valuation Standards and Practice Guidelines.

2. Performance Of Services

2.1 We have provided the Services in accordance with:

- (a) The Terms and Conditions contained herein; or
- (b) As specifically instructed by You for the purpose of the Services; and
- (c) Within the current provisions set by the prevailing Professional Property Practice Standards.

3. Condition Of The Property

- 3.1 No allowance has been made in our report for any charges, mortgages or amounts owing on any of the properties valued nor for any expenses or taxation which may be incurred in effecting a sale. We have assumed that the Property is free from and clear of any and all charges, liens and encumbrances of an onerous nature likely to affect value, whether existing or otherwise, unless otherwise stated. We assume no responsibility for matters legal in nature nor do we render any opinion as to the title which is assumed to be good and marketable. We are not aware of any easements or rights of way affecting the property and our valuation assumes that none exists.
- 3.2 We have assumed that the Property has been constructed, occupied and used in full compliance with, and without contravention of, all ordinances, except only where otherwise stated. We have further assumed that, for any use of the Property upon which this report is based, any and all required licences, permits, certificates, and authorisations have been obtained, except only where otherwise stated.
- 3.3 We have assumed that any development sites are in a condition suitable for development; this has not been checked by us.
- 3.4 We have not carried out detailed site measurements to verify the correctness of the site areas in respect of the properties but have assumed that the site areas shown on the documents and official site plans handed to us are correct. All documents and contracts have been used as reference only and all dimensions, measurements and areas are approximations. No on-site measurements has been taken.
- 3.5 We have assumed that there is no timber infestation, asbestos or any other defect (unless advised otherwise) and that the property is compliant with all relevant environmental laws. It is Your responsibility to provide reports to Us that are relevant to these issues.
- 3.6 An internal inspection has been made, unless otherwise stated.
- 3.7 While due care is exercised in the course of our inspection to note any serious defects, no structural survey of the Property will or has been undertaken, and We will not (and are not qualified to) carry out a structural, geotechnical or environmental survey. We will not inspect those parts of the property that are unexposed or inaccessible.
- 3.8 None of the services have been tested by Us and we are unable therefore to report on their present condition, but will presume them to be in good working order.

APPENDIX E: VALUATION SUMMARY LETTERS



- 3.9 We recommend that You engage appropriately qualified persons to undertake investigations excluded from our Services.
- 3.10 No responsibility will be accepted either to You or to any third party for loss or damage that may result directly or indirectly from the condition of the property.

4. Environment And Planning

- 4.1 We have obtained town planning information from the prevailing Master Plan available on URA website. It is your responsibility to check the accuracy of this information under the appropriate planning legislation.
- 4.2 For obvious reasons, we do not and cannot provide information relating to government acquisitions unless the land has already been gazetted for acquisition.
- 4.3 No requisition on road, MRT, LRT, drainage and other government proposals has been made by us. Such information will not be tendered unless specifically requested for and we be properly reimbursed.
- 4.4 We do not hold ourselves to be experts in environmental contamination. Unless otherwise stated, our inspection of the site did not reveal any contamination or pollution affectation, and our valuation has been prepared on the assumption that that the land is not contaminated and has not been affected by pollutants of any kind. We would recommend that that this matter be checked by a suitably qualified environmental consultant. Should subsequent investigation show that the site is contaminated, our valuation may require revision.

5. Floor/Building Areas And Lettable Areas

- 5.1 Where a survey is provided to Us for consideration, We will assume that information contained in the survey is accurate and has been prepared in accordance with the prevailing Professional Property Practice Standards.
- 5.2 If you do not provide Us with a survey, We will estimate floor/building and/or lettable areas based only upon available secondary information (including but not limited to building plans, deposited plans, and our own measurements). Such estimates do not provide the same degree of accuracy or certainty as would be provided by a survey prepared by an appropriately qualified professional in accordance with the prevailing Professional Property Practice Standards.
- 5.3 Where such a survey is subsequently produced which differs from the areas estimated by us then You will refer the valuation back to Us for comment or, where appropriate, amendment.

6. Other Assumptions

- 6.1 Unless otherwise notified by You, We will assume:
 - (a) There are no easements, mortgages, leases, encumbrances, covenants, caveats, rights of way or encroachments except those shown on the Title.
 - (b) All licences and permits can be renewed and We have not made any enquires in this regard.
- 6.2 Where third party expert or specialist information or reports are provided to Us or obtained by Us in connection with Services (including but not limited to surveys, quantity surveyors reports, environmental audits, structural/ dilapidation reports), we will rely upon the apparent expertise of such experts/ specialists. We will not verify the accuracy of this information or reports, and assume no responsibility for their accuracy.
- 6.3 Our services are provided on the basis that the client has provided us with a full and frank disclosure of all information and other facts which may affect the service, including all secrecy clauses and side agreements. We accept no responsibility or liability whatsoever for the valuation unless such a full disclosure has been made.
- 6.4 Any plans, sketches or maps included in this report are for identification purposes only and should not be treated as certified copies of areas or other particulars contained therein.
- 6.5 The study of possible alternative development options and the related economics are not within the scope of this report, unless otherwise stated.
- 6.6 Our opinion about the Market Value of the property is free from any influence and/ or point of views of any other parties.
- 6.7 All Location Plans are obtained from www.streetdirectory.com. Whilst we do make every endeavor to update the maps as far as it is possible, we do not vouch for the accuracy of the maps and shall not be responsible if it is otherwise.
- 6.8 Values are reported in Singapore currency unless otherwise stated.

APPENDIX E: VALUATION SUMMARY LETTERS



7. Estimated Selling Price

- 7.1 Where you instruct Us to provide an Estimated Selling Price, You agree that the Services:
- (a) Are limited to the provision of an opinion based on Our knowledge of the market and informal enquiries.
 - (b) We are not required to carry out a full inspection of the property; any inspection of comparable properties; a search of Title(s) or other enquiries as to encumbrances, restrictions or impediments on Title(s); or other investigations which would be required for a formal valuation.
 - (c) Provide an indicative figure only which is not suitable for use for any purpose other than as general information or guide as to sale expectations. It is not suitable to be relied upon for the purpose of entry into any transaction.
- 7.2 No responsibility will be accepted either to You or to any third party for loss or damage that may result from the issue of such an Estimated Selling Price.

8. Currency Of Valuation

- 8.1 Due to possible changes in market forces and circumstances in relation to the property the Services can only be regarded as relevant as at the Currency Date.
- 8.2 Where You rely upon Our valuation report after the Currency Date, You accept the risks associated with market movements between the Currency Date and the date of such reliance.
- 8.3 Without limiting the generality of 9.1, You should not rely upon Our valuation:
- (a) After the expiry of 3 months from the Currency Date;
 - (b) Where circumstances have occurred during that period which may have a material effect on the value of the property or the assumptions or methodology used in the valuation report.

9. Market Projections

- 9.1 Any market projections incorporated within our Services including, but not limited to, income, expenditure, associated growth rates, interest rates, incentives, yields and costs are projections only and based on information currently available to us and not representative of what actual values of the property will be as at future date. Accordingly, such market projections should be interpreted as an indicative assessment of potentialities only, as opposed to certainties.
- 9.2 Where Our Services include market projections such projections require the dependence upon a host of variables that are highly sensitive to varying conditions. Accordingly, variation in any of these conditions may significantly affect these market projections.
- 9.3 Where market projections form part of Our Services, We draw your attention to the fact that there will be a number of variables within acceptable market parameters that could be pertinent to Our Services and the projections adopted are representative of only one of these acceptable parameters.
- 9.4 All statements of fact in the valuation report which are used as the basis of our analyses, opinions, and conclusions will be true and correct to the best of our knowledge and belief. We do not make any representation or warranty, express or implied, as to the accuracy or completeness of the information or the state of affairs of the Property furnished to us by you.

10. Your Obligations

- 10.1 You warrant that the instructions and subsequent information supplied by You contain a full and frank disclosure of all information that is relevant to Our provision of the Services.
- 10.2 You warrant that all third party expert or specialist reports provided to Us by You for the purpose of Us providing the Services are provided with the authority of the authors of those reports.
- 10.3 You authorise and license Us to incorporate Your intellectual property within Our report(s).
- 10.4 You will not release any part of Our valuation report or its substance to any third party without Our written consent. When we consent for You to release Our report or any part of Our report to any third party, we do so on the basis that these terms and conditions will apply to the new addressee(s) as if it/ they had been a party to the original letter of instruction between us. Where we consent to such reliance, You agree to furnish the addressee with a copy of any reliance letter issued by Us and/ or a copy of these terms and conditions.
- 10.5 We reserve the right to reconsider or amend the valuation advice, or the Fee set out in Our Quotation to You, if;
- (a) Certificates, surveys, leases, side agreements or related documentation that were not provided to Us prior to the provision of the Services are subsequently provided, and contain matters that may affect the value of the advice; or
 - (b) Where subsequent site inspections made in relation to any of the matters raised in Clause 3 materially affect or may alter the value of the property, the subject of the Services.
 - (c) The information provided to Us by You prior to the provision of services is in any way incomplete, misleading or wrong.

APPENDIX E: VALUATION SUMMARY LETTERS



- 10.6 If You release any part of the valuation advice or its substance without written consent, You agree to defend, You agree to defend and indemnify Us against claims by a third party who has reviewed the report if We have not, at or subsequent to the time of engagement, provided our specific written consent to such party reviewing and replying on the report. We have no responsibility to any other person even if that person suffers damage as a result of You providing this valuation without Our prior consent.
- 10.7 You agree that the only remedy for losses or damages relating to the breach of this Agreement shall be limited to three times Our contracted fee for the assignment and no claim shall be made any consequential or punitive damages.
- 10.8 You agree not to bring any claim for any losses against any director, consultant or any employee of Ours. You hereby agree that Our director, consultant or any employee does not have a personal duty of care to You and any claim for losses must be brought against Colliers International.
- 10.9 Where any loss is suffered by You for which We and any other person are jointly and severally liable to You the loss recoverable by You from Us shall be limited so as to be in proportion to our relative contribution to the overall fault.

11. Confidentiality

- 11.1 This report and each part of it is prepared and intended for the exclusive use of the Client for the sole purpose stated in our valuation report, and in accepting this report, the Client expressly agrees not to use or rely upon this report or any part of it for any other purpose. No person other than the Client shall use or rely upon this report or any part of it for any purpose unless we have given Our express written consent. Similarly neither the whole nor any part of this report nor any reference there to may be included in any document, circular or statement nor published in any way without our written approval of the form and context in which it may appear.
- 11.2 If consent to disclose the Confidential Information is provided by Us, You agree to abide by any additional terms and conditions that We may apply to that disclosure.
- 11.3 You agree that You will indemnify, hold harmless and defend Us from and against any and all loss, liability, costs or expenses (including but not limited to professional or executive time) We may suffer or reasonably incur, directly or indirectly, as a result of a breach of this clause.
- 11.4 Unless otherwise directed in writing by Client, Colliers International retains the right to include references to the Services in its promotional material. Such references shall not contain confidential material.

12. Privacy

- 12.1 We may obtain personal information about You in the course of performing Our Services. We respect your privacy and advise You that we will only obtain information that is necessary to assist us in the course of performing Our Services. If it is necessary for Us to engage third parties, we will inform these parties that they are not to disclose any personal information about You to any person or organisation other than Us.

13. Subcontracting

- 13.1 We may sub-contract or otherwise arrange for another person to perform any part of the Services or to discharge any of Our obligations under any part of these Terms and Conditions, with Your consent.

14. Limitation Of Colliers Liability

- 14.1 To the extent permissible under applicable laws, in no event shall Colliers International be liable to Client or anyone claiming by, through or under Client, including insurers, for any lost, delayed, or diminished profits, revenues, production, business, use or opportunities, or any incidental, special, indirect, or economic losses, wasted costs, diminution of value or consequential damages, of any kind or nature whatsoever, however caused.
- 14.2 We shall be released from Our obligations to the extent that performance thereof is delayed, hindered or prevented by any circumstances beyond Our reasonable control (example being a strike, act of God or act of terrorism). All the costs and benefits forecasted will, ultimately, be determined by future market conditions. Forecasts of these elements are based on assumptions of certain variable factors, which, in turn, are extremely sensitive to changes in the market and economic contexts. For this reason, the figures mentioned in this report were not computed under any known or guaranteed conditions. Rather, these are forecasts drawn from reliable sources of data and information and made in the best judgment and professional integrity of Colliers international. Notwithstanding this, Colliers International reiterates that it will not accept any responsibilities in the face of damage claims that might result from any error, omission or recommendations, viewpoints, judgments and information provided in this report.

APPENDIX E: VALUATION SUMMARY LETTERS



- 14.3 Neither Colliers nor any employee of Ours shall be required to give testimony or to appear in court or any other tribunal or at any government agency by reason of this valuation report or with reference to the property in question, except by court summons/ judicial notification, and unless prior arrangements have been made and we are properly reimbursed for reasonable time and expenses incurred. The hourly billing pertain to court preparation, waiting and travel time, document review and preparation (excludes valuation report) and all meetings related to court testimony.
- 14.4 We are free from any possible legal and/ or non-legal issue which may attach to the Property's title documents.
- 14.5 All statements of fact in the valuation report which are used as the basis of our analyses, opinions, and conclusions will be true and correct to the best of our knowledge and belief. We do not make any representation or warranty, express or implied, as to the accuracy or completeness of the information or the state of affairs of the Property furnished to Us by You.
- 14.6 Our liability for loss and damage attributable to Our negligence, breach of contract, misrepresentation or otherwise (but not in respect of fraud, fraudulent misrepresentation, death or personal injury) shall be limited to a maximum of three times Our contracted fee for the assignment per property for any single case. A single case of damages is defined as the total sum of all damage claims of all persons entitled to claim, which arise from one and the same professional error/ offence. In the case of damages suffered from several offences brought about by the same technical error within the scope of several coherent services of a similar nature, we are only to held liable for an amount of three times Our contracted fee for the assignment per property.
- 14.7 Where the agreement is addressed to more than one Client, the above limit of liability applies to the aggregate of all claims by all such Clients and not separately to each Client.
- 14.8 No third party will be entitled to rely on any part of Our valuation report or its substance or advice except with our written consent. Should any third party rely on Our report without obtaining Our written consent, We are not bound by any liability which arises from the use of or reliance upon Our valuation report by such unauthorized party.
- 14.9 We will not be liable for any services outside the scope of the services agreed to be performed by Us, and in respect of any consequential losses or loss of profits.
- 14.10 Responsibility for Our valuation extends only to the party(ies) to whom it is addressed. However in the event of Us being asked by You to re-address Our report to another party or other parties or permit reliance upon it by another party or other parties, We will give consideration to doing so, to named parties, and We reserve the right to charge additional fee for doing so although We will agree such fee with You before commencing the work.
- 15. Entire Agreement**
- 15.1 No further agreement, amendment or modification of these Terms and Conditions shall be valid or binding unless made in writing and executed on behalf of the Parties by their duly authorised officers.
- 15.2 If there is inconsistency between these Terms and Conditions and the Quotation, any letter of instruction from You, or other specific request or information shall prevail to the extent of the inconsistency.
- 15.3 Copyright in any reports, documents or other material provided to You by Us shall remain Our property at all times unless otherwise stated
- 16. Anti Bribery And Corruption Measures**
- 16.1 We represent, in connection with any services to be provided to You, that neither We nor Our contractors, employees or agents (collectively, "Consultant") has made or will make, either directly or indirectly, any payments (i) to or for the use or benefit of any Government Official (ii) to any other person either for an advance or reimbursement, if Consultant knows or has reason to know that any part of such payment has been or will be given to any Government official or (iii) to any person or entity, the payment of which would violate laws and regulations in Australia, the United States, the United Kingdom or any other government entity having jurisdiction over the activities carried out by Consultant. The term "Government Official" in this paragraph means any officer or employee of a government or any governmental department or agency, or any person acting in an official capacity for or on behalf of any such government or governmental department or agency, including employees of state-owned or controlled entities and candidates for political office.
- 16.2 We represent that, in connection with any services to be provided to You, We will conduct operations at all times in compliance with applicable financial recordkeeping and reporting requirements, including all applicable money laundering-related laws of any jurisdictions where We conduct business or own assets.

APPENDIX E: VALUATION SUMMARY LETTERS

12 Marina View,
#19-02, Asia Square Tower 2
Singapore 018961
+65 6223 2323



Colliers International Consultancy & Valuation (Singapore) Pte Ltd
UEN No. 198105965E

colliers.com/Singapore

Valuation Certificate

Our Reference	GS/GC/MGLtd3
Valuation Prepared For	Memories Group Limited
Instruction	<p>We have been instructed to determine the property market value as at 12 September 2022 ("date of valuation") for corporate reporting purposes and to be disclosed in a circular to shareholders of the company in relation to the voluntary delisting and exit offer as announced by the company.</p> <p>The valuer has carried out a virtual inspection of the Property on 15 September 2022, and made independent investigations as necessary for carrying out this valuation.</p> <p>All information used has been verified as far as is reasonable, and has included information and data provided by you, from government departments, in the public domain, and our own internal database.</p> <p>In the absence of readily available and verifiable information from other sources for valuation purposes, and as agreed, we have relied on the information solely provided by you for the purposes of valuation. We have assumed all such information provided by you to be true and accurate.</p> <p>No structural survey or environmental survey of the Property has been carried out. Services and facilities have not been tested.</p>
Property Address	The property is situated on Strand Road, Mawlamyaing, Mon State, Republic of the Union of Myanmar
Legal Description	Kwin No. 58 / Pabedan, Strand Road, Pabedan Ward, Mawlamyaing City, Mawlamyaing District, Mon State, Myanmar
Land Area	0.424 acres (or 1,783.63 sqm)
Tenure	50 years (Initial Term) commencing from 2 December 2019
Lessor	Southern Myanmar Capital Limited
Lessee	SM Mawlamyaing Hotel Limited

Address: Hotel Suggati, Mawlamyaing, Myanmar
Our Ref: GS/GC/MGLtd3
Date: 30 September 2022

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APPENDIX E: VALUATION SUMMARY LETTERS



Valuation Standards	<p>This valuation has been carried out in accordance with the International Valuation Standards by the International Valuation Standards Council.</p> <p>Colliers International Consultancy & Valuation (Singapore) Pte Ltd practice and conduct all necessary investigations, inspections, and other work carried out for the purpose of this valuation in accordance with the International Valuation Standards Council's valuation standards.</p>
Valuation Basis	<p>Market Value on 'As-Is' Basis. Market Value is defined as "the estimated amount for which an asset should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion".</p>
Brief Description	<p>The property comprises a modern six storey midscale hotel with 73 guestrooms, located opposite the Thanlyin River. The building has a ground floor restaurant in addition to an Executive Lounge on the uppermost floor. The site contains open carparking and supporting facilities. We understand that the hotel opened in Q1 2019.</p>
Valuation Approach	<p>Depreciated Replacement Cost Method</p>
Caveat & Assumptions	<p>This report is subject to and includes our Standard Caveats and Assumptions as set out at Appendix I.</p>
Date of Valuation	<p>12 September 2022</p>
Market Value	<p>US\$6,900,000/- (United States Dollars Six Million and Nine Hundred Thousand).</p>

Yours faithfully,

Govinda Singh
FCCA, FCMA, MRICS
Executive Director
Valuation and Advisory Services | Asia

This valuation report is subject to the attached Limiting Conditions.



Caveats And Assumptions

1. Definitions

In these Caveats and Assumptions the following words or phrases shall have the meaning or meanings set out below:

'Confidential Information' means information that:

- (a) Is by its nature confidential.
- (b) Is designed by Us as confidential.
- (c) You know or ought to know is confidential.
- (d) Includes, without limitation: information comprised in or relating to any of Our intellectual property in the Services or any reports or certificates provided as part of the Services.

'Currency Date' means, in relation to any valuation report, the date as at which our professional opinion is stated to be current.

'Fee' means the amount agreed to be paid for the Services as set out in the Quotation.

'Parties' means You or Us as the context dictates.

'Quotation' means the written quote provided by Us in relation to the Services.

'Services' means the valuation services provided pursuant to these Terms and Conditions and the Quotation, and includes any documents, reports or certificates provided by Us in connection with the Services.

'The Property' means the assets which are subject of our appointment as your advisor.

'We', 'Us', 'Our', 'Colliers' means Colliers International Limited.

'You', 'Your', 'Client' means the person, company, firm or other legal entity by or on whose behalf instructions are given, and any person, firm, company or legal entity who actually gave the instructions to us even though such instructions were given as agent for another.

'Professional Property Practice Standards' refers to RICS Valuation and Appraisal Handbook, or Singapore Institute of Surveyors & Valuers' Valuation Standards and Practice Guidelines.

2. Performance Of Services

2.1 We have provided the Services in accordance with:

- (a) The Terms and Conditions contained herein; or
- (b) As specifically instructed by You for the purpose of the Services; and
- (c) Within the current provisions set by the prevailing Professional Property Practice Standards.

3. Condition Of The Property

- 3.1 No allowance has been made in our report for any charges, mortgages or amounts owing on any of the properties valued nor for any expenses or taxation which may be incurred in effecting a sale. We have assumed that the Property is free from and clear of any and all charges, liens and encumbrances of an onerous nature likely to affect value, whether existing or otherwise, unless otherwise stated. We assume no responsibility for matters legal in nature nor do we render any opinion as to the title which is assumed to be good and marketable. We are not aware of any easements or rights of way affecting the property and our valuation assumes that none exists.
- 3.2 We have assumed that the Property has been constructed, occupied and used in full compliance with, and without contravention of, all ordinances, except only where otherwise stated. We have further assumed that, for any use of the Property upon which this report is based, any and all required licences, permits, certificates, and authorisations have been obtained, except only where otherwise stated.
- 3.3 We have assumed that any development sites are in a condition suitable for development; this has not been checked by us.
- 3.4 We have not carried out detailed site measurements to verify the correctness of the site areas in respect of the properties but have assumed that the site areas shown on the documents and official site plans handed to us are correct. All documents and contracts have been used as reference only and all dimensions, measurements and areas are approximations. No on-site measurements has been taken.
- 3.5 We have assumed that there is no timber infestation, asbestos or any other defect (unless advised otherwise) and that the property is compliant with all relevant environmental laws. It is Your responsibility to provide reports to Us that are relevant to these issues.
- 3.6 An internal inspection has been made, unless otherwise stated.
- 3.7 While due care is exercised in the course of our inspection to note any serious defects, no structural survey of the Property will or has been undertaken, and We will not (and are not qualified to) carry out a structural, geotechnical or environmental survey. We will not inspect those parts of the property that are unexposed or inaccessible.
- 3.8 None of the services have been tested by Us and we are unable therefore to report on their present condition, but will presume them to be in good working order.

APPENDIX E: VALUATION SUMMARY LETTERS



- 3.9 We recommend that You engage appropriately qualified persons to undertake investigations excluded from our Services.
- 3.10 No responsibility will be accepted either to You or to any third party for loss or damage that may result directly or indirectly from the condition of the property.
- 4. Environment And Planning**
- 4.1 We have obtained town planning information from the prevailing Master Plan available on URA website. It is your responsibility to check the accuracy of this information under the appropriate planning legislation.
- 4.2 For obvious reasons, we do not and cannot provide information relating to government acquisitions unless the land has already been gazetted for acquisition.
- 4.3 No requisition on road, MRT, LRT, drainage and other government proposals has been made by us. Such information will not be tendered unless specifically requested for and we be properly reimbursed.
- 4.4 We do not hold ourselves to be experts in environmental contamination. Unless otherwise stated, our inspection of the site did not reveal any contamination or pollution affectation, and our valuation has been prepared on the assumption that that the land is not contaminated and has not been affected by pollutants of any kind. We would recommend that that this matter be checked by a suitably qualified environmental consultant. Should subsequent investigation show that the site is contaminated, our valuation may require revision.
- 5. Floor/Building Areas And Lettable Areas**
- 5.1 Where a survey is provided to Us for consideration, We will assume that information contained in the survey is accurate and has been prepared in accordance with the prevailing Professional Property Practice Standards.
- 5.2 If you do not provide Us with a survey, We will estimate floor/building and/or lettable areas based only upon available secondary information (including but not limited to building plans, deposited plans, and our own measurements). Such estimates do not provide the same degree of accuracy or certainty as would be provided by a survey prepared by an appropriately qualified professional in accordance with the prevailing Professional Property Practice Standards.
- 5.3 Where such a survey is subsequently produced which differs from the areas estimated by us then You will refer the valuation back to Us for comment or, where appropriate, amendment.
- 6. Other Assumptions**
- 6.1 Unless otherwise notified by You, We will assume:
- (a) There are no easements, mortgages, leases, encumbrances, covenants, caveats, rights of way or encroachments except those shown on the Title.
- (b) All licences and permits can be renewed and We have not made any enquires in this regard.
- 6.2 Where third party expert or specialist information or reports are provided to Us or obtained by Us in connection with Services (including but not limited to surveys, quantity surveyors reports, environmental audits, structural/ dilapidation reports), we will rely upon the apparent expertise of such experts/ specialists. We will not verify the accuracy of this information or reports, and assume no responsibility for their accuracy.
- 6.3 Our services are provided on the basis that the client has provided us with a full and frank disclosure of all information and other facts which may affect the service, including all secrecy clauses and side agreements. We accept no responsibility or liability whatsoever for the valuation unless such a full disclosure has been made.
- 6.4 Any plans, sketches or maps included in this report are for identification purposes only and should not be treated as certified copies of areas or other particulars contained therein.
- 6.5 The study of possible alternative development options and the related economics are not within the scope of this report, unless otherwise stated.
- 6.6 Our opinion about the Market Value of the property is free from any influence and/ or point of views of any other parties.
- 6.7 All Location Plans are obtained from www.streetdirectory.com. Whilst we do make every endeavor to update the maps as far as it is possible, we do not vouch for the accuracy of the maps and shall not be responsible if it is otherwise.
- 6.8 Values are reported in Singapore currency unless otherwise stated.

APPENDIX E: VALUATION SUMMARY LETTERS



7. Estimated Selling Price

- 7.1 Where you instruct Us to provide an Estimated Selling Price, You agree that the Services:
- (a) Are limited to the provision of an opinion based on Our knowledge of the market and informal enquiries.
 - (b) We are not required to carry out a full inspection of the property; any inspection of comparable properties; a search of Title(s) or other enquiries as to encumbrances, restrictions or impediments on Title(s); or other investigations which would be required for a formal valuation.
 - (c) Provide an indicative figure only which is not suitable for use for any purpose other than as general information or guide as to sale expectations. It is not suitable to be relied upon for the purpose of entry into any transaction.
- 7.2 No responsibility will be accepted either to You or to any third party for loss or damage that may result from the issue of such an Estimated Selling Price.

8. Currency Of Valuation

- 8.1 Due to possible changes in market forces and circumstances in relation to the property the Services can only be regarded as relevant as at the Currency Date.
- 8.2 Where You rely upon Our valuation report after the Currency Date, You accept the risks associated with market movements between the Currency Date and the date of such reliance.
- 8.3 Without limiting the generality of 9.1, You should not rely upon Our valuation:
- (a) After the expiry of 3 months from the Currency Date;
 - (b) Where circumstances have occurred during that period which may have a material effect on the value of the property or the assumptions or methodology used in the valuation report.

9. Market Projections

- 9.1 Any market projections incorporated within our Services including, but not limited to, income, expenditure, associated growth rates, interest rates, incentives, yields and costs are projections only and based on information currently available to us and not representative of what actual values of the property will be as at future date. Accordingly, such market projections should be interpreted as an indicative assessment of potentialities only, as opposed to certainties.
- 9.2 Where Our Services include market projections such projections require the dependence upon a host of variables that are highly sensitive to varying conditions. Accordingly, variation in any of these conditions may significantly affect these market projections.
- 9.3 Where market projections form part of Our Services, We draw your attention to the fact that there will be a number of variables within acceptable market parameters that could be pertinent to Our Services and the projections adopted are representative of only one of these acceptable parameters.
- 9.4 All statements of fact in the valuation report which are used as the basis of our analyses, opinions, and conclusions will be true and correct to the best of our knowledge and belief. We do not make any representation or warranty, express or implied, as to the accuracy or completeness of the information or the state of affairs of the Property furnished to us by you.

10. Your Obligations

- 10.1 You warrant that the instructions and subsequent information supplied by You contain a full and frank disclosure of all information that is relevant to Our provision of the Services.
- 10.2 You warrant that all third party expert or specialist reports provided to Us by You for the purpose of Us providing the Services are provided with the authority of the authors of those reports.
- 10.3 You authorise and license Us to incorporate Your intellectual property within Our report(s).
- 10.4 You will not release any part of Our valuation report or its substance to any third party without Our written consent. When we consent for You to release Our report or any part of Our report to any third party, we do so on the basis that these terms and conditions will apply to the new addressee(s) as if it/ they had been a party to the original letter of instruction between us. Where we consent to such reliance, You agree to furnish the addressee with a copy of any reliance letter issued by Us and/ or a copy of these terms and conditions.
- 10.5 We reserve the right to reconsider or amend the valuation advice, or the Fee set out in Our Quotation to You, if;
- (a) Certificates, surveys, leases, side agreements or related documentation that were not provided to Us prior to the provision of the Services are subsequently provided, and contain matters that may affect the value of the advice; or
 - (b) Where subsequent site inspections made in relation to any of the matters raised in Clause 3 materially affect or may alter the value of the property, the subject of the Services.
 - (c) The information provided to Us by You prior to the provision of services is in any way incomplete, misleading or wrong.

APPENDIX E: VALUATION SUMMARY LETTERS



- 10.6 If You release any part of the valuation advice or its substance without written consent, You agree to defend, You agree to defend and indemnify Us against claims by a third party who has reviewed the report if We have not, at or subsequent to the time of engagement, provided our specific written consent to such party reviewing and replying on the report. We have no responsibility to any other person even if that person suffers damage as a result of You providing this valuation without Our prior consent.
- 10.7 You agree that the only remedy for losses or damages relating to the breach of this Agreement shall be limited to three times Our contracted fee for the assignment and no claim shall be made any consequential or punitive damages.
- 10.8 You agree not to bring any claim for any losses against any director, consultant or any employee of Ours. You hereby agree that Our director, consultant or any employee does not have a personal duty of care to You and any claim for losses must be brought against Colliers International.
- 10.9 Where any loss is suffered by You for which We and any other person are jointly and severally liable to You the loss recoverable by You from Us shall be limited so as to be in proportion to our relative contribution to the overall fault.

11. Confidentiality

- 11.1 This report and each part of it is prepared and intended for the exclusive use of the Client for the sole purpose stated in our valuation report, and in accepting this report, the Client expressly agrees not to use or rely upon this report or any part of it for any other purpose. No person other than the Client shall use or rely upon this report or any part of it for any purpose unless we have given Our express written consent. Similarly neither the whole nor any part of this report nor any reference there to may be included in any document, circular or statement nor published in any way without our written approval of the form and context in which it may appear.
- 11.2 If consent to disclose the Confidential Information is provided by Us, You agree to abide by any additional terms and conditions that We may apply to that disclosure.
- 11.3 You agree that You will indemnify, hold harmless and defend Us from and against any and all loss, liability, costs or expenses (including but not limited to professional or executive time) We may suffer or reasonably incur, directly or indirectly, as a result of a breach of this clause.
- 11.4 Unless otherwise directed in writing by Client, Colliers International retains the right to include references to the Services in its promotional material. Such references shall not contain confidential material.

12. Privacy

- 12.1 We may obtain personal information about You in the course of performing Our Services. We respect your privacy and advise You that we will only obtain information that is necessary to assist us in the course of performing Our Services. If it is necessary for Us to engage third parties, we will inform these parties that they are not to disclose any personal information about You to any person or organisation other than Us.

13. Subcontracting

- 13.1 We may sub-contract or otherwise arrange for another person to perform any part of the Services or to discharge any of Our obligations under any part of these Terms and Conditions, with Your consent.

14. Limitation Of Colliers Liability

- 14.1 To the extent permissible under applicable laws, in no event shall Colliers International be liable to Client or anyone claiming by, through or under Client, including insurers, for any lost, delayed, or diminished profits, revenues, production, business, use or opportunities, or any incidental, special, indirect, or economic losses, wasted costs, diminution of value or consequential damages, of any kind or nature whatsoever, however caused.
- 14.2 We shall be released from Our obligations to the extent that performance thereof is delayed, hindered or prevented by any circumstances beyond Our reasonable control (example being a strike, act of God or act of terrorism). All the costs and benefits forecasted will, ultimately, be determined by future market conditions. Forecasts of these elements are based on assumptions of certain variable factors, which, in turn, are extremely sensitive to changes in the market and economic contexts. For this reason, the figures mentioned in this report were not computed under any known or guaranteed conditions. Rather, these are forecasts drawn from reliable sources of data and information and made in the best judgment and professional integrity of Colliers international. Notwithstanding this, Colliers International reiterates that it will not accept any responsibilities in the face of damage claims that might result from any error, omission or recommendations, viewpoints, judgments and information provided in this report.

APPENDIX E: VALUATION SUMMARY LETTERS



- 14.3 Neither Colliers nor any employee of Ours shall be required to give testimony or to appear in court or any other tribunal or at any government agency by reason of this valuation report or with reference to the property in question, except by court summons/ judicial notification, and unless prior arrangements have been made and we are properly reimbursed for reasonable time and expenses incurred. The hourly billing pertain to court preparation, waiting and travel time, document review and preparation (excludes valuation report) and all meetings related to court testimony.
- 14.4 We are free from any possible legal and/ or non-legal issue which may attach to the Property's title documents.
- 14.5 All statements of fact in the valuation report which are used as the basis of our analyses, opinions, and conclusions will be true and correct to the best of our knowledge and belief. We do not make any representation or warranty, express or implied, as to the accuracy or completeness of the information or the state of affairs of the Property furnished to Us by You.
- 14.6 Our liability for loss and damage attributable to Our negligence, breach of contract, misrepresentation or otherwise (but not in respect of fraud, fraudulent misrepresentation, death or personal injury) shall be limited to a maximum of three times Our contracted fee for the assignment per property for any single case. A single case of damages is defined as the total sum of all damage claims of all persons entitled to claim, which arise from one and the same professional error/ offence. In the case of damages suffered from several offences brought about by the same technical error within the scope of several coherent services of a similar nature, we are only to held liable for an amount of three times Our contracted fee for the assignment per property.
- 14.7 Where the agreement is addressed to more than one Client, the above limit of liability applies to the aggregate of all claims by all such Clients and not separately to each Client.
- 14.8 No third party will be entitled to rely on any part of Our valuation report or its substance or advice except with our written consent. Should any third party rely on Our report without obtaining Our written consent, We are not bound by any liability which arises from the use of or reliance upon Our valuation report by such unauthorized party.
- 14.9 We will not be liable for any services outside the scope of the services agreed to be performed by Us, and in respect of any consequential losses or loss of profits.
- 14.10 Responsibility for Our valuation extends only to the party(ies) to whom it is addressed. However in the event of Us being asked by You to re-address Our report to another party or other parties or permit reliance upon it by another party or other parties, We will give consideration to doing so, to named parties, and We reserve the right to charge additional fee for doing so although We will agree such fee with You before commencing the work.
- 15. Entire Agreement**
- 15.1 No further agreement, amendment or modification of these Terms and Conditions shall be valid or binding unless made in writing and executed on behalf of the Parties by their duly authorised officers.
- 15.2 If there is inconsistency between these Terms and Conditions and the Quotation, any letter of instruction from You, or other specific request or information shall prevail to the extent of the inconsistency.
- 15.3 Copyright in any reports, documents or other material provided to You by Us shall remain Our property at all times unless otherwise stated
- 16. Anti Bribery And Corruption Measures**
- 16.1 We represent, in connection with any services to be provided to You, that neither We nor Our contractors, employees or agents (collectively, "Consultant") has made or will make, either directly or indirectly, any payments (i) to or for the use or benefit of any Government Official (ii) to any other person either for an advance or reimbursement, if Consultant knows or has reason to know that any part of such payment has been or will be given to any Government official or (iii) to any person or entity, the payment of which would violate laws and regulations in Australia, the United States, the United Kingdom or any other government entity having jurisdiction over the activities carried out by Consultant. The term "Government Official" in this paragraph means any officer or employee of a government or any governmental department or agency, or any person acting in an official capacity for or on behalf of any such government or governmental department or agency, including employees of state-owned or controlled entities and candidates for political office.
- 16.2 We represent that, in connection with any services to be provided to You, We will conduct operations at all times in compliance with applicable financial recordkeeping and reporting requirements, including all applicable money laundering-related laws of any jurisdictions where We conduct business or own assets.

APPENDIX E: VALUATION SUMMARY LETTERS

12 Marina View,
#19-02, Asia Square Tower 2
Singapore 018961
+65 6223 2323

colliers.com/Singapore



Colliers International Consultancy & Valuation (Singapore) Pte Ltd
UEN No. 198105965E

Valuation Certificate

Our Reference	JY/NN/221610
Valuation Prepared For	Memories Group Limited
Instruction	<p>We have been instructed to determine the property market value as at 12 September 2022 ("date of valuation") for corporate reporting purposes and to be disclosed in a circular to shareholders of the company in relation to the voluntary delisting and exit offer as announced by the company.</p> <p>The valuer has carried out a virtual inspection within the Property on 15 September 2022 and made independent investigations as necessary for carrying out this valuation.</p> <p>All information used has been verified as far as is reasonable, and has included information and data provided by you, from government departments, in the public domain, and our own internal database.</p> <p>In the absence of readily available and verifiable information from other sources for valuation purposes, and as agreed, we have relied on the information solely provided by you for the purposes of valuation. We have assumed all such information provided by you to be true and accurate.</p> <p>No structural survey or environmental survey of the Property has been carried out. Services and facilities have not been tested.</p>
Property Address	Land on Kyun Pilar Island, Kawthaung Township Mergui Archipelago, Tanintharyi Region, Myanmar
Legal Description	Land with Kyun Pilar island, Bo Ywe Island, Nga Man Island and "Shark Cave" islet.
Land Area	635 acres (or 2,569,756 sqm)
Tenure	50 years (Initial Term) commencing from 4 October 2013 with a right of renewal in respect of the Land for two consecutive periods of ten (10) years each (Renewal Terms), commencing on the day after the expiry date of the Initial Term.
Lessor	The Tanintharyi Region Government
Lessee	Mokan International Co., Ltd.

APPENDIX E: VALUATION SUMMARY LETTERS



Valuation Standards	<p>This valuation has been carried out in accordance with the International Valuation Standards by the International Valuation Standards Council.</p> <p>Colliers International Consultancy & Valuation (Singapore) Pte Ltd practice and conduct all necessary investigations, inspections, and other work carried out for the purpose of this valuation in accordance with the International Valuation Standards Council's valuation standards.</p>																																																																								
Valuation Basis	<p>Market Value on 'As-Is' Basis. Market Value is defined as "the estimated amount for which an asset should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion".</p>																																																																								
Brief Description	<p>The Kyun Pilar island masterplan development comprises of various proposed beach resort developments together with supporting facilities and amenities that is proposed to be completed in phases. The Awei Pila Resort is already completed and operating in the North Bay with 24 luxury rooms with villas and facilities.</p> <p>The remaining usable land and reserve land of 635 acres (2,569,756 sqm) for future beach resort development based for assessment is detailed as below:</p> <table border="1" style="width: 100%; border-collapse: collapse; text-align: center;"> <thead> <tr style="background-color: #1a3d54; color: white;"> <th>S/N</th> <th>Land Use</th> <th>Usable Land (acres)</th> <th>Reserve Land (acres)</th> <th>Total Land (acres)</th> <th>Protected Land (acres)</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Awei Pila Resort</td> <td>Used</td> <td>Used</td> <td>0.0</td> <td></td> </tr> <tr> <td>2</td> <td>East Bay Resort and Dive Centre</td> <td>11.1</td> <td>60.6</td> <td>71.7</td> <td></td> </tr> <tr> <td>3</td> <td>Long Beach Resort</td> <td>46.1</td> <td>253.9</td> <td>300</td> <td></td> </tr> <tr> <td>4</td> <td>South East Resort</td> <td>3.0</td> <td>16.5</td> <td>19.5</td> <td></td> </tr> <tr> <td>5</td> <td>Nga Mann Beach Club</td> <td>0.4</td> <td>2.2</td> <td>2.6</td> <td></td> </tr> <tr> <td>6</td> <td>Central Resort</td> <td>4.6</td> <td>25.4</td> <td>30.0</td> <td></td> </tr> <tr> <td>7</td> <td>Central Resort 2</td> <td>9.2</td> <td>50.8</td> <td>60.0</td> <td></td> </tr> <tr> <td>8</td> <td>Northwest Resort</td> <td>6.2</td> <td>33.8</td> <td>40.0</td> <td></td> </tr> <tr> <td>9</td> <td>Southwest Resort</td> <td>17.1</td> <td>94.1</td> <td>111.2</td> <td></td> </tr> <tr> <td>10</td> <td>Protected Forest Park</td> <td></td> <td></td> <td></td> <td>4,450</td> </tr> <tr style="background-color: #1a3d54; color: white;"> <td colspan="2">Total Land Area (acres)</td> <td>97.7</td> <td>537.3</td> <td>635.0</td> <td>4,450</td> </tr> </tbody> </table>	S/N	Land Use	Usable Land (acres)	Reserve Land (acres)	Total Land (acres)	Protected Land (acres)	1	Awei Pila Resort	Used	Used	0.0		2	East Bay Resort and Dive Centre	11.1	60.6	71.7		3	Long Beach Resort	46.1	253.9	300		4	South East Resort	3.0	16.5	19.5		5	Nga Mann Beach Club	0.4	2.2	2.6		6	Central Resort	4.6	25.4	30.0		7	Central Resort 2	9.2	50.8	60.0		8	Northwest Resort	6.2	33.8	40.0		9	Southwest Resort	17.1	94.1	111.2		10	Protected Forest Park				4,450	Total Land Area (acres)		97.7	537.3	635.0	4,450
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APPENDIX E: VALUATION SUMMARY LETTERS



Valuation Approach	Direct Comparison Method
Caveat & Assumptions	This report is subject to and includes our Standard Caveats and Assumptions as set out at Appendix I.
Date of Valuation	12 September 2022
Market Value	US\$14,800,000/- (United States Dollars Fourteen Million and Eight Hundred Thousand).

Yours faithfully,

A handwritten signature in black ink, appearing to read "G. Singh", written over a horizontal line.

Govinda Singh
FCCA, FCMA, MRICS
Executive Director
Valuation and Advisory Services | Asia

This valuation report is subject to the attached Caveats and Assumptions.



Caveats And Assumptions

1. Definitions

In these Caveats and Assumptions the following words or phrases shall have the meaning or meanings set out below:

'Confidential Information' means information that:

- (a) Is by its nature confidential.
- (b) Is designed by Us as confidential.
- (c) You know or ought to know is confidential.
- (d) Includes, without limitation: information comprised in or relating to any of Our intellectual property in the Services or any reports or certificates provided as part of the Services.

'Currency Date' means, in relation to any valuation report, the date as at which our professional opinion is stated to be current.

'Fee' means the amount agreed to be paid for the Services as set out in the Quotation.

'Parties' means You or Us as the context dictates.

'Quotation' means the written quote provided by Us in relation to the Services.

'Services' means the valuation services provided pursuant to these Terms and Conditions and the Quotation, and includes any documents, reports or certificates provided by Us in connection with the Services.

'The Property' means the assets which are subject of our appointment as your advisor.

'We', 'Us', 'Our', 'Colliers' means Colliers International Limited.

'You', 'Your', 'Client' means the person, company, firm or other legal entity by or on whose behalf instructions are given, and any person, firm, company or legal entity who actually gave the instructions to us even though such instructions were given as agent for another.

'Professional Property Practice Standards' refers to RICS Valuation and Appraisal Handbook, or Singapore Institute of Surveyors & Valuers' Valuation Standards and Practice Guidelines.

2. Performance Of Services

2.1 We have provided the Services in accordance with:

- (a) The Terms and Conditions contained herein; or
- (b) As specifically instructed by You for the purpose of the Services; and
- (c) Within the current provisions set by the prevailing Professional Property Practice Standards.

3. Condition Of The Property

- 3.1 No allowance has been made in our report for any charges, mortgages or amounts owing on any of the properties valued nor for any expenses or taxation which may be incurred in effecting a sale. We have assumed that the Property is free from and clear of any and all charges, liens and encumbrances of an onerous nature likely to affect value, whether existing or otherwise, unless otherwise stated. We assume no responsibility for matters legal in nature nor do we render any opinion as to the title which is assumed to be good and marketable. We are not aware of any easements or rights of way affecting the property and our valuation assumes that none exists.
- 3.2 We have assumed that the Property has been constructed, occupied and used in full compliance with, and without contravention of, all ordinances, except only where otherwise stated. We have further assumed that, for any use of the Property upon which this report is based, any and all required licences, permits, certificates, and authorisations have been obtained, except only where otherwise stated.
- 3.3 We have assumed that any development sites are in a condition suitable for development; this has not been checked by us.
- 3.4 We have not carried out detailed site measurements to verify the correctness of the site areas in respect of the properties but have assumed that the site areas shown on the documents and official site plans handed to us are correct. All documents and contracts have been used as reference only and all dimensions, measurements and areas are approximations. No on-site measurements has been taken.
- 3.5 We have assumed that there is no timber infestation, asbestos or any other defect (unless advised otherwise) and that the property is compliant with all relevant environmental laws. It is Your responsibility to provide reports to Us that are relevant to these issues.
- 3.6 An internal inspection has been made, unless otherwise stated.
- 3.7 While due care is exercised in the course of our inspection to note any serious defects, no structural survey of the Property will or has been undertaken, and We will not (and are not qualified to) carry out a structural, geotechnical or environmental survey. We will not inspect those parts of the property that are unexposed or inaccessible.
- 3.8 None of the services have been tested by Us and we are unable therefore to report on their present condition, but will presume them to be in good working order.

APPENDIX E: VALUATION SUMMARY LETTERS



- 3.9 We recommend that You engage appropriately qualified persons to undertake investigations excluded from our Services.
- 3.10 No responsibility will be accepted either to You or to any third party for loss or damage that may result directly or indirectly from the condition of the property.
- 4. Environment And Planning**
- 4.1 We have obtained town planning information from the prevailing Master Plan available on URA website. It is your responsibility to check the accuracy of this information under the appropriate planning legislation.
- 4.2 For obvious reasons, we do not and cannot provide information relating to government acquisitions unless the land has already been gazetted for acquisition.
- 4.3 No requisition on road, MRT, LRT, drainage and other government proposals has been made by us. Such information will not be tendered unless specifically requested for and we be properly reimbursed.
- 4.4 We do not hold ourselves to be experts in environmental contamination. Unless otherwise stated, our inspection of the site did not reveal any contamination or pollution affectation, and our valuation has been prepared on the assumption that that the land is not contaminated and has not been affected by pollutants of any kind. We would recommend that that this matter be checked by a suitably qualified environmental consultant. Should subsequent investigation show that the site is contaminated, our valuation may require revision.
- 5. Floor/Building Areas And Lettable Areas**
- 5.1 Where a survey is provided to Us for consideration, We will assume that information contained in the survey is accurate and has been prepared in accordance with the prevailing Professional Property Practice Standards.
- 5.2 If you do not provide Us with a survey, We will estimate floor/building and/or lettable areas based only upon available secondary information (including but not limited to building plans, deposited plans, and our own measurements). Such estimates do not provide the same degree of accuracy or certainty as would be provided by a survey prepared by an appropriately qualified professional in accordance with the prevailing Professional Property Practice Standards.
- 5.3 Where such a survey is subsequently produced which differs from the areas estimated by us then You will refer the valuation back to Us for comment or, where appropriate, amendment.
- 6. Other Assumptions**
- 6.1 Unless otherwise notified by You, We will assume:
- (a) There are no easements, mortgages, leases, encumbrances, covenants, caveats, rights of way or encroachments except those shown on the Title.
- (b) All licences and permits can be renewed and We have not made any enquires in this regard.
- 6.2 Where third party expert or specialist information or reports are provided to Us or obtained by Us in connection with Services (including but not limited to surveys, quantity surveyors reports, environmental audits, structural/ dilapidation reports), we will rely upon the apparent expertise of such experts/ specialists. We will not verify the accuracy of this information or reports, and assume no responsibility for their accuracy.
- 6.3 Our services are provided on the basis that the client has provided us with a full and frank disclosure of all information and other facts which may affect the service, including all secrecy clauses and side agreements. We accept no responsibility or liability whatsoever for the valuation unless such a full disclosure has been made.
- 6.4 Any plans, sketches or maps included in this report are for identification purposes only and should not be treated as certified copies of areas or other particulars contained therein.
- 6.5 The study of possible alternative development options and the related economics are not within the scope of this report, unless otherwise stated.
- 6.6 Our opinion about the Market Value of the property is free from any influence and/ or point of views of any other parties.
- 6.7 All Location Plans are obtained from www.streetdirectory.com. Whilst we do make every endeavor to update the maps as far as it is possible, we do not vouch for the accuracy of the maps and shall not be responsible if it is otherwise.
- 6.8 Values are reported in Singapore currency unless otherwise stated.

APPENDIX E: VALUATION SUMMARY LETTERS



7. Estimated Selling Price

- 7.1 Where you instruct Us to provide an Estimated Selling Price, You agree that the Services:
- (a) Are limited to the provision of an opinion based on Our knowledge of the market and informal enquiries.
 - (b) We are not required to carry out a full inspection of the property; any inspection of comparable properties; a search of Title(s) or other enquiries as to encumbrances, restrictions or impediments on Title(s); or other investigations which would be required for a formal valuation.
 - (c) Provide an indicative figure only which is not suitable for use for any purpose other than as general information or guide as to sale expectations. It is not suitable to be relied upon for the purpose of entry into any transaction.
- 7.2 No responsibility will be accepted either to You or to any third party for loss or damage that may result from the issue of such an Estimated Selling Price.

8. Currency Of Valuation

- 8.1 Due to possible changes in market forces and circumstances in relation to the property the Services can only be regarded as relevant as at the Currency Date.
- 8.2 Where You rely upon Our valuation report after the Currency Date, You accept the risks associated with market movements between the Currency Date and the date of such reliance.
- 8.3 Without limiting the generality of 9.1, You should not rely upon Our valuation:
- (a) After the expiry of 3 months from the Currency Date;
 - (b) Where circumstances have occurred during that period which may have a material effect on the value of the property or the assumptions or methodology used in the valuation report.

9. Market Projections

- 9.1 Any market projections incorporated within our Services including, but not limited to, income, expenditure, associated growth rates, interest rates, incentives, yields and costs are projections only and based on information currently available to us and not representative of what actual values of the property will be as at future date. Accordingly, such market projections should be interpreted as an indicative assessment of potentialities only, as opposed to certainties.
- 9.2 Where Our Services include market projections such projections require the dependence upon a host of variables that are highly sensitive to varying conditions. Accordingly, variation in any of these conditions may significantly affect these market projections.
- 9.3 Where market projections form part of Our Services, We draw your attention to the fact that there will be a number of variables within acceptable market parameters that could be pertinent to Our Services and the projections adopted are representative of only one of these acceptable parameters.
- 9.4 All statements of fact in the valuation report which are used as the basis of our analyses, opinions, and conclusions will be true and correct to the best of our knowledge and belief. We do not make any representation or warranty, express or implied, as to the accuracy or completeness of the information or the state of affairs of the Property furnished to us by you.

10. Your Obligations

- 10.1 You warrant that the instructions and subsequent information supplied by You contain a full and frank disclosure of all information that is relevant to Our provision of the Services.
- 10.2 You warrant that all third party expert or specialist reports provided to Us by You for the purpose of Us providing the Services are provided with the authority of the authors of those reports.
- 10.3 You authorise and license Us to incorporate Your intellectual property within Our report(s).
- 10.4 You will not release any part of Our valuation report or its substance to any third party without Our written consent. When we consent for You to release Our report or any part of Our report to any third party, we do so on the basis that these terms and conditions will apply to the new addressee(s) as if it/ they had been a party to the original letter of instruction between us. Where we consent to such reliance, You agree to furnish the addressee with a copy of any reliance letter issued by Us and/ or a copy of these terms and conditions.
- 10.5 We reserve the right to reconsider or amend the valuation advice, or the Fee set out in Our Quotation to You, if;
- (a) Certificates, surveys, leases, side agreements or related documentation that were not provided to Us prior to the provision of the Services are subsequently provided, and contain matters that may affect the value of the advice; or
 - (b) Where subsequent site inspections made in relation to any of the matters raised in Clause 3 materially affect or may alter the value of the property, the subject of the Services.
 - (c) The information provided to Us by You prior to the provision of services is in any way incomplete, misleading or wrong.

APPENDIX E: VALUATION SUMMARY LETTERS



- 10.6 If You release any part of the valuation advice or its substance without written consent, You agree to defend, You agree to defend and indemnify Us against claims by a third party who has reviewed the report if We have not, at or subsequent to the time of engagement, provided our specific written consent to such party reviewing and replying on the report. We have no responsibility to any other person even if that person suffers damage as a result of You providing this valuation without Our prior consent.
- 10.7 You agree that the only remedy for losses or damages relating to the breach of this Agreement shall be limited to three times Our contracted fee for the assignment and no claim shall be made any consequential or punitive damages.
- 10.8 You agree not to bring any claim for any losses against any director, consultant or any employee of Ours. You hereby agree that Our director, consultant or any employee does not have a personal duty of care to You and any claim for losses must be brought against Colliers International.
- 10.9 Where any loss is suffered by You for which We and any other person are jointly and severally liable to You the loss recoverable by You from Us shall be limited so as to be in proportion to our relative contribution to the overall fault.

11. Confidentiality

- 11.1 This report and each part of it is prepared and intended for the exclusive use of the Client for the sole purpose stated in our valuation report, and in accepting this report, the Client expressly agrees not to use or rely upon this report or any part of it for any other purpose. No person other than the Client shall use or rely upon this report or any part of it for any purpose unless we have given Our express written consent. Similarly neither the whole nor any part of this report nor any reference there to may be included in any document, circular or statement nor published in any way without our written approval of the form and context in which it may appear.
- 11.2 If consent to disclose the Confidential Information is provided by Us, You agree to abide by any additional terms and conditions that We may apply to that disclosure.
- 11.3 You agree that You will indemnify, hold harmless and defend Us from and against any and all loss, liability, costs or expenses (including but not limited to professional or executive time) We may suffer or reasonably incur, directly or indirectly, as a result of a breach of this clause.
- 11.4 Unless otherwise directed in writing by Client, Colliers International retains the right to include references to the Services in its promotional material. Such references shall not contain confidential material.

12. Privacy

- 12.1 We may obtain personal information about You in the course of performing Our Services. We respect your privacy and advise You that we will only obtain information that is necessary to assist us in the course of performing Our Services. If it is necessary for Us to engage third parties, we will inform these parties that they are not to disclose any personal information about You to any person or organisation other than Us.

13. Subcontracting

- 13.1 We may sub-contract or otherwise arrange for another person to perform any part of the Services or to discharge any of Our obligations under any part of these Terms and Conditions, with Your consent.

14. Limitation Of Colliers Liability

- 14.1 To the extent permissible under applicable laws, in no event shall Colliers International be liable to Client or anyone claiming by, through or under Client, including insurers, for any lost, delayed, or diminished profits, revenues, production, business, use or opportunities, or any incidental, special, indirect, or economic losses, wasted costs, diminution of value or consequential damages, of any kind or nature whatsoever, however caused.
- 14.2 We shall be released from Our obligations to the extent that performance thereof is delayed, hindered or prevented by any circumstances beyond Our reasonable control (example being a strike, act of God or act of terrorism). All the costs and benefits forecasted will, ultimately, be determined by future market conditions. Forecasts of these elements are based on assumptions of certain variable factors, which, in turn, are extremely sensitive to changes in the market and economic contexts. For this reason, the figures mentioned in this report were not computed under any known or guaranteed conditions. Rather, these are forecasts drawn from reliable sources of data and information and made in the best judgment and professional integrity of Colliers international. Notwithstanding this, Colliers International reiterates that it will not accept any responsibilities in the face of damage claims that might result from any error, omission or recommendations, viewpoints, judgments and information provided in this report.

APPENDIX E: VALUATION SUMMARY LETTERS



- 14.3 Neither Colliers nor any employee of Ours shall be required to give testimony or to appear in court or any other tribunal or at any government agency by reason of this valuation report or with reference to the property in question, except by court summons/ judicial notification, and unless prior arrangements have been made and we are properly reimbursed for reasonable time and expenses incurred. The hourly billing pertain to court preparation, waiting and travel time, document review and preparation (excludes valuation report) and all meetings related to court testimony.
- 14.4 We are free from any possible legal and/ or non-legal issue which may attach to the Property's title documents.
- 14.5 All statements of fact in the valuation report which are used as the basis of our analyses, opinions, and conclusions will be true and correct to the best of our knowledge and belief. We do not make any representation or warranty, express or implied, as to the accuracy or completeness of the information or the state of affairs of the Property furnished to Us by You.
- 14.6 Our liability for loss and damage attributable to Our negligence, breach of contract, misrepresentation or otherwise (but not in respect of fraud, fraudulent misrepresentation, death or personal injury) shall be limited to a maximum of three times Our contracted fee for the assignment per property for any single case. A single case of damages is defined as the total sum of all damage claims of all persons entitled to claim, which arise from one and the same professional error/ offence. In the case of damages suffered from several offences brought about by the same technical error within the scope of several coherent services of a similar nature, we are only to held liable for an amount of three times Our contracted fee for the assignment per property.
- 14.7 Where the agreement is addressed to more than one Client, the above limit of liability applies to the aggregate of all claims by all such Clients and not separately to each Client.
- 14.8 No third party will be entitled to rely on any part of Our valuation report or its substance or advice except with our written consent. Should any third party rely on Our report without obtaining Our written consent, We are not bound by any liability which arises from the use of or reliance upon Our valuation report by such unauthorized party.
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- 14.10 Responsibility for Our valuation extends only to the party(ies) to whom it is addressed. However in the event of Us being asked by You to re-address Our report to another party or other parties or permit reliance upon it by another party or other parties, We will give consideration to doing so, to named parties, and We reserve the right to charge additional fee for doing so although We will agree such fee with You before commencing the work.
- 15. Entire Agreement**
- 15.1 No further agreement, amendment or modification of these Terms and Conditions shall be valid or binding unless made in writing and executed on behalf of the Parties by their duly authorised officers.
- 15.2 If there is inconsistency between these Terms and Conditions and the Quotation, any letter of instruction from You, or other specific request or information shall prevail to the extent of the inconsistency.
- 15.3 Copyright in any reports, documents or other material provided to You by Us shall remain Our property at all times unless otherwise stated
- 16. Anti Bribery And Corruption Measures**
- 16.1 We represent, in connection with any services to be provided to You, that neither We nor Our contractors, employees or agents (collectively, "Consultant") has made or will make, either directly or indirectly, any payments (i) to or for the use or benefit of any Government Official (ii) to any other person either for an advance or reimbursement, if Consultant knows or has reason to know that any part of such payment has been or will be given to any Government official or (iii) to any person or entity, the payment of which would violate laws and regulations in Australia, the United States, the United Kingdom or any other government entity having jurisdiction over the activities carried out by Consultant. The term "Government Official" in this paragraph means any officer or employee of a government or any governmental department or agency, or any person acting in an official capacity for or on behalf of any such government or governmental department or agency, including employees of state-owned or controlled entities and candidates for political office.
- 16.2 We represent that, in connection with any services to be provided to You, We will conduct operations at all times in compliance with applicable financial recordkeeping and reporting requirements, including all applicable money laundering-related laws of any jurisdictions where We conduct business or own assets.

NOTICE OF EXTRAORDINARY GENERAL MEETING

MEMORIES GROUP LIMITED

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

NOTICE OF EXTRAORDINARY GENERAL MEETING

All capitalised terms used in this Notice which are not defined herein shall, unless the context otherwise requires, have the same meaning ascribed to them in the circular to shareholders dated 3 November 2022 (“Circular”).

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting (“**EGM**” or “**Meeting**”) of Memories Group Limited (“**Company**”) will be held at 9.30 a.m. on 18 November 2022 at Metropolitan YMCA Singapore, The Vine Ballroom Level 2, 60 Stevens Road, Singapore 257854 for the purpose of considering and, if thought fit, passing (with or without amendments) the following resolution (on a poll to be taken) to be passed in accordance with the requirements of the Listing Manual Section B: Rules of Catalist (“**Catalist Rules**”) of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) (“**Delisting Resolution**”):

DELISTING RESOLUTION

THAT:

- (1) the voluntary delisting of the Company from the Catalist of the SGX-ST under Rules 1307 and 1308 of the Catalist Rules (“**Delisting**”), pursuant to which the Exit Offer (as defined in the Circular) to the shareholders of the Company (“**Shareholders**”) would be made to the Shareholders on the terms and conditions set out in the Circular, be and is hereby approved; and
- (2) the directors of the Company and each of them be and is hereby authorised and empowered to complete and to do all such acts and things as they or he may consider necessary or expedient to give effect to the Delisting and/or this Delisting Resolution, with such modification thereto (if any) as they or he shall think fit in the interests of the Company.

BY ORDER OF THE BOARD

Basil Chan
Lead Independent Director
3 November 2022

IMPORTANT: PLEASE READ NOTES ON THE REVERSE

NOTICE OF EXTRAORDINARY GENERAL MEETING

Notes:

- (1) Printed copies of this Notice, the Circular and the Proxy Form will not be sent to members. Instead, this Notice, the Circular and the Proxy Form will be made available to Shareholders on the website of the SGX-ST at the URL <https://www.sgx.com/securities/company-announcements> and may be accessed at the Company's website at the URL <https://www.memoriesgroup.com>.
- (2) A member who is not a relevant intermediary is entitled to appoint not more than two (2) proxies. Where such member's instrument appointing a proxy(ies) appoints more than one (1) proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the instrument.
- (3) A member who is a relevant intermediary is entitled to appoint more than two (2) proxies, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member's instrument appointing proxy(ies) appoints more than two (2) proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the instrument. Where a relevant intermediary appoints more than 2 proxies, separate Proxy Forms should be used.
- (4) "Relevant intermediary" has the meaning ascribed to it in Section 181(6) of the Companies Act 1967 of Singapore.
- (5) Persons who hold shares through relevant intermediaries (including CPFIS Investors / SRS Investors) and wish to exercise their votes by appointing the Chairman of the EGM as proxy should approach their respective relevant intermediaries (which would include the CPF Agent Bank and SRS Agent Bank (as the case may be)) through which they hold such shares in order to submit their voting instructions at least seven working days before the EGM (i.e. by 9.30 a.m. on 9 November 2022) in order to allow sufficient time for their respective relevant intermediaries to in turn submit a Proxy Form to appoint the Chairman of the EGM to vote on their behalf by 9.30 a.m. (Singapore time) on 16 November 2022.
- (6) A proxy need not be a member of the Company.

The Proxy Form, duly executed together with the power of attorney or other authority, if any, under which the Proxy Form is signed or a notorially certified copy of that power of authority, must be submitted either:

- (a) via post to the office of the Company's share registrar, B.A.C.S. Private Limited at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896; or
- (b) via email to main@zicoholdings.com,

in each case, by 9.30 a.m. (Singapore time) on 16 November 2022, being not less than forty-eight (48) hours before the time appointed for holding the EGM.

- (7) The instrument appointing a proxy must be signed by the appointor or his attorney duly authorised in writing. Where the instrument appointing a proxy is executed by a corporation, it must be executed either under its common seal or under the hand of any officer or attorney duly authorised. A copy of the power of attorney or such other authority must be submitted together with the instrument appointing a proxy.
- (8) A depositor's name must appear in the Depository Register (as defined in Section 81SF of the Securities and Futures Act 2001) maintained by The Central Depository (Pte) Limited at least 72 hours before the time set for the EGM for the depositor to be entitled to attend and vote at the EGM.

Submission of Questions

- (9) Shareholders may submit questions which are substantial and relevant to the Delisting Resolution tabled for approval at the EGM by writing to the Company in advance of the EGM. Alternatively, Shareholders may also pose such questions during the EGM.

Substantial and relevant questions related to the agenda of the EGM must be submitted in the following manner:

- (a) via post to the Company's registered office at 63 Mohamed Sultan Road, #02-14 Sultan-Link, Singapore 239002; or
- (b) via email to info@memoriesgroup.com,

in either case, by 9.30 a.m. on 11 November 2022 for the purposes of the EGM.

- (10) For verification purposes, when submitting any questions via email, Shareholders MUST provide the Company with their particulars (comprising full name (for individuals) / company name (for corporates), email address, contact number, NRIC/passport number / company registration number, shareholding type and number of shares held), failing which the submission will be treated as invalid.

In view of the current COVID-19 advisories issued by the relevant authorities and the related safe distancing measures in Singapore, Shareholders are strongly encouraged to submit their questions electronically via email.

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- (11) For questions submitted in advance of the EGM, the Company will endeavour to address the questions which are substantial and relevant to the agenda of the EGM prior to the EGM and by publication on the SGXNET and the Company's website at <https://www.memoriesgroup.com/> by 14 November 2022. Where substantial and relevant questions submitted by Shareholders are unable to be addressed prior to the EGM, including any questions received by the Company after 9.30 a.m. on 11 November 2022, the Company will address them during the EGM.
- (12) The Directors will endeavour to address as many substantial and relevant questions as possible during the EGM. However, Shareholders should note that there may not be sufficient time available at the EGM to address all questions raised. Please note that individual responses will not be sent to Shareholders.
- (13) The Company will also publish the minutes of the EGM on SGXNET and the Company's website within one month after the date of the EGM.

Personal Data Privacy Terms:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the EGM and/or any adjournment thereof, a member of the Company: (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the purpose of the processing, administration and analysis by the Company (or its agents or service providers) of proxies and representatives appointed for the EGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the EGM (including any adjournment thereof), and for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"); (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents or service providers), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such proxy(ies) and/or representative(s) for the Purposes; and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

PROXY FORM

MEMORIES GROUP LIMITED

(Company Registration No.: 201201631D)
(Incorporated in the Republic of Singapore)

PROXY FORM Extraordinary General Meeting

IMPORTANT:

This Proxy Form is not valid for use by investors who hold shares in the Company through relevant intermediaries (as defined in Section 181 of the Singapore Companies Act), including CPFIS Investors / SRS Investors, and shall be ineffective for all intents and purposes if used or purported to be used by them. Such investors (including CPFIS Investors and SRS Investors), if they wish to vote, should contact their respective relevant intermediaries as soon as possible to specify voting instructions. CPFIS Investors / SRS Investors should approach their respective CPF Agent Bank or SRS Agent Bank (as the case may be) at least 7 working days before the EGM (i.e. by 9.30 a.m. on 9 November 2022) to specify voting instructions.

This form of proxy has been made available on SGXNet and the Company's website at <https://www.memoriesgroup.com>. A printed copy of this form of proxy will NOT be despatched to Shareholders.

I/We* _____ (Name) _____ (NRIC/Passport No./Company No.*)
_____ (Address)

being a Shareholder/Shareholders* of Memories Group Limited ("Company"), hereby appoint

Name	Email Address	NRIC/ Passport No.	Number of Shares/ Proportion of Shareholding (%)

and/or (delete as appropriate)

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or failing whom, the Chairman of the extraordinary general meeting of the Company ("EGM/Meeting"), as my/our* proxy/proxies to vote for me/us* on my/our* behalf at the EGM to be held at 9.30 a.m. on 18 November 2022 at Metropolitan YMCA Singapore, The Vine Ballroom Level 2, 60 Stevens Road, Singapore 257854 and at any adjournment thereof. I/We* direct the my/our* proxy/proxies to vote for or against, or abstain from voting on the resolution to be proposed at the EGM as indicated hereunder. If no specific direction as to voting is given or in the event of any other matter arising at the EGM and at any adjournment thereof, the proxy/proxies will vote or abstain from voting at his/her own discretion.

Please note that where the Chairman is appointed as proxy, the Chairman must be directed, i.e., the shareholder must indicate for each resolution whether the Chairman of the meeting is directed to vote "for" or "against" or "abstain" from voting.

The Resolution put to the vote at the EGM shall be decided by way of poll.

No.	RESOLUTION	For	Against	Abstain
1.	Approval for the voluntary delisting of the Company pursuant to Rule 1307 and 1308 of the Catalist Rules			

Notes: If you wish to exercise all your votes "For", "Against" or "Abstain", please tick within the box provided. Alternatively, please indicate the number of shares the proxy(ies), is directed to vote "For", "Against" or "Abstain".

Dated this _____ day of _____ 2022

Total number of Shares in:	No. of Shares
(a) CDP Register	
(b) Register of Members	

Signature(s) of Shareholder(s)/Common Seal

**Delete where inapplicable*

IMPORTANT: PLEASE READ NOTES ON THE REVERSE



PROXY FORM

Notes:

- (1) Please insert the total number of Shares held by you: (a) if you have Shares entered against your name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act 2001), you should insert that number; (b) if you have Shares registered in your name in the Register of Members of the Company, you should insert that number; (c) if you have Shares entered against your name in the Depository Register and Shares registered in your name in the Register of Members of the Company, you should insert the aggregate of the numbers. If no number is inserted, this Proxy Form shall be deemed to relate to all the Shares held by you.
- (2) A member who is not a relevant intermediary is entitled to appoint not more than two (2) proxies. Where such member's instrument appointing a proxy(ies) appoints more than one (1) proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the instrument.
- (3) A member who is a relevant intermediary is entitled to appoint more than two (2) proxies, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member's instrument appointing proxy(ies) appoints more than two (2) proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the instrument. Where a relevant intermediary appoints more than 2 proxies, separate Proxy Forms should be used.
- (4) "Relevant intermediary" has the meaning ascribed to it in Section 181(6) of the Companies Act 1967 of Singapore.
- (5) A proxy need not be a member of the Company.
- (6) This Proxy Form, duly executed together with the power of attorney or other authority, if any, under which this Proxy Form is signed or a notorially certified copy of that power of authority, must be submitted either:
 - (a) via post to office of the Company's share registrar, B.A.C.S. Private Limited at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896; or
 - (b) via email to main@zicoholdings.com,in each case, by 9.30 a.m. (Singapore time) on 16 November 2022, being not less than forty-eight (48) hours before the time appointed for holding the EGM.
- (7) The appointment of a proxy or proxies shall not preclude a member from attending and voting in person at the EGM. If a member attends the EGM in person, the appointment of a proxy or proxies shall be deemed to be revoked, and the Company reserves the right to refuse to admit such proxy or proxies to the EGM.
- (8) The instrument appointing a proxy must be signed by the appointor or his attorney duly authorised in writing. Where the instrument appointing a proxy is executed by a corporation, it must be executed either under its common seal or under the hand of any officer or attorney duly authorised. A copy of the power of attorney or such other authority must be submitted together with the instrument appointing a proxy.
- (9) The Company shall be entitled to reject this Proxy Form if it is incomplete, improperly complete or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in this Proxy Form (including any related attachment). In addition, in the case of a member whose shares are entered in the Depository Register, the Company may reject any Proxy Form lodged if the member, being the appointor, is not shown to have shares entered against his name in the Depository Register at least 72 hours before the time appointed for holding the EGM, as certified by The Central Depository (Pte) Limited to the Company.
- (10) CPFIS Investors / SRS investors who wish to vote should approach the CPF Agent Bank or SRS Agent Bank (as the case may be) to submit their votes at least seven (7) working days before the EGM (i.e. by 9.30 a.m. on 9 November 2022) in order to allow sufficient time for their respective relevant intermediaries to submit a Proxy Form to vote on their behalf by the cut-off date.
- (11) By submitting this Proxy Form, a member accepts and agrees to the personal data privacy terms set out in the Notice of EGM dated 3 November 2022.