

**SINGAPORE MYANMAR INVESTCO LIMITED**  
(Incorporated in Singapore)  
(Company Registration No. 200505764Z)

**SUBSCRIPTION FOR 8,300,000 NEW SHARES OF THE COMPANY  
FOR AN AGGREGATE CONSIDERATION OF S\$249,000**

*In this Announcement, the terms **Exercise, New Shares, Option** and **Option Shares** shall have the meanings defined in the Company's announcement of 21 June 2021 on SGXNET, and the term **The9 Subscription** shall refer to the subscription of 11,083,333 new Shares (as defined below) by The9 Limited ("**The9**"), announced in the Company's announcement of 21 June 2021 on SGXNET.*

## 1. INTRODUCTION

The Board of Directors ("**Board**") of Singapore Myanmar Investco Limited ("**Company**") and together with its subsidiaries, "**Group**") wishes to announce that the Company had on 23 June 2021, entered into subscription agreements ("**Subscription Agreements**") with Jonathan Paul and Ong Toon Wah (collectively, the "**Subscribers**" and each, a "**Subscriber**") for the allotment and issuance of an aggregate of 8,300,000 new fully-paid ordinary shares in the capital of the Company ("**Shares**") to the Subscribers ("**Subscription Shares**") in the proportions set out in the table below, at the issue price of S\$0.03 ("**Issue Price**") for each Subscription Share, for an aggregate consideration of S\$249,000 to be paid by the Subscribers to the Company ("**Subscription Proceeds**") pursuant to the terms and subject to the conditions of the Subscription Agreements (collectively, the "**Subscriptions**").

<b>Name of Subscriber</b>	<b>Number of Subscription Shares to be Allotted and Issued</b>	<b>Subscription Proceeds to be Received by the Company</b>	<b>% Interest in Enlarged Share Capital of the Company<sup>(1)</sup></b>
Jonathan Paul	3,300,000	S\$99,000	0.87%
Ong Toon Wah	5,000,000	S\$150,000	1.32%
<b>Total</b>	<b>8,300,000</b>	<b>S\$249,000</b>	<b>2.19%</b>

**Notes:**

(1) Including the Subscription Shares, the Introducer Shares (as defined below) and the New Shares.

## 2. THE SUBSCRIPTIONS

2.1 **Subscribers.** Jonathan Ian Paul and Ong Toon Wah are independent private investors who have expressed their interest to invest in the Company through the Subscriptions for their own private investment purposes. Jonathan Ian Paul and Ong Toon Wah are both entrepreneurs with businesses in Singapore.

The Subscribers have no prior connections (including any business relationship) with the Company, the directors of the Company ("**Directors**"), or the Company's substantial shareholders. As at the date of this announcement, the Subscribers and/or the Introducer do not hold, directly or indirectly, any Shares. The Subscribers and the Introducer are not interested persons as defined under Chapter 9 of the Listing Manual of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") ("**Listing Rules**") and do not fall under the class of restricted persons as specified in Rule 812 (1) of the Listing Rules.

2.2 **Introducer.** No placement agent was appointed by the Company for the purposes of the Subscriptions. The Subscribers were introduced to the Company through Blackrun Corporate Pte. Ltd., a global investment firm headquartered in Singapore. The Company will allot and issue to the Introducer, 1,245,000 new Shares at the Issue Price, amounting in value to S\$37,350 as finder's fees due to the Introducer ("**Introducer Shares**").

2.3 **Securities and Futures Act (Cap 289) of Singapore (“SFA”)**. The Subscription Agreements and the transactions thereunder, including the allotment and issuance of the Subscription Shares and Introducer Shares, were entered into pursuant to the ‘safe harbour’ exemptions for a private placement under section 272B of the SFA and in compliance with the conditions of these exemptions in the SFA, and the Subscribers and Introducer are not accepting the Company’s offer of the Subscription Shares and Introducer Shares respectively with a view to such offer being subsequently offered to another person in Singapore, where such subsequent offer is contrary to the provisions of the SFA. No prospectus, offer information statement or offer document will be issued by the Company or registered with the Monetary Authority of Singapore in connection with the Subscriptions.

2.4 **Principal Terms**. The principal terms of the Subscription Agreements are summarised as follows:

**The Subscriptions** : Subject to the terms and conditions of the Subscription Agreements, the Company shall allot and issue to the Subscribers, the Subscription Shares, in the proportions set out in the table in Section 1 above, and the Subscribers shall subscribe for, their proportion of the Subscription Shares at the Issue Price, fractional entitlements to be disregarded, in consideration for the aggregate sum of S\$249,000.

**Issue Price** : The Issue Price represents a 1.32% discount to the volume weighted average price of the Shares traded on the main board of the SGX-ST (“**Mainboard**”) of S\$0.0304 (“**VWAP**”) on 23 June 2021, being the last full market day on which the Shares were traded on the Mainboard prior to the signing of the Subscription Agreements.

**Subscription Shares** : An aggregate of **8,300,000** new Shares (constituting approximately 2.58% of the Company’s entire existing equity share capital as at the date of this announcement and 2.19% of the Company’s entire enlarged equity share capital (including the Subscription Shares, Introducer Shares and New Shares), to be allotted and issued by the Company to the Subscribers, and listed and quoted on the Mainboard.

**Status** : The Subscription Shares and Introducer Shares shall be allotted and issued (a) free from all encumbrances, (b) ranking *pari passu* in all respects with and carry all rights similar to the existing Shares, except that they will not rank for any dividend, right, allotment or other distribution, accruing on a record date which falls on or before the completion of the Subscriptions, and (c) not subject to any rights of pre-emption or first refusal or any restriction on disposal placed by any party or by contractual undertaking or otherwise or under any restrictions by any law or authority restricting the sale and transfer of the Subscription Shares and the Introducer Shares, and (d) in reliance by the Company on the Subscribers’ representations, warranties and undertakings in the Subscription Agreements.

**No Other Entitlements** : Save pursuant to the express terms and conditions of the Subscription Agreements, the Subscriptions do not confer on the Subscribers and/or the Introducer, any rights or entitlements to participate in any distributions and/or offers of further securities made by the Company.

**Additional Listing Application** : The Company will cause to be submitted to the SGX-ST, an additional listing application (“**ALA**”) for the listing and quotation of the Subscription Shares and the Introducer Shares on the Mainboard.

2.5 **Authority**. The Subscription Shares and Introducer Shares will be allotted and issued pursuant to the general mandate obtained from the shareholders of the Company (“**Shareholders**”) at the annual general meeting of the Company held on 27 October 2020 (“**2020 General Mandate**”) to allot and issue new Shares whether by way of rights, bonus or otherwise, 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 provided always that the aggregate number of Shares to be issued pursuant to the 2020 General Mandate (including Shares to be issued in pursuance of instruments or granted pursuant to the 2020 General Mandate) does not exceed fifty per cent (50%) of the total number of issued Shares (excluding treasury

shares and subsidiary holdings), of which the aggregate number of Shares (including shares to be issued in pursuance of instruments made or granted pursuant to the 2020 General Mandate) to be issued other than on a *pro rata* basis to Shareholders does not exceed twenty per cent (20%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings).

Upon completion of the Subscriptions, Jonathan Paul's and Ong Toon Wah's aggregate interest in the Company will be 3,300,000 Shares and 5,000,000 Shares respectively representing 0.87% and 1.32% of the Company's entire enlarged equity share capital (including the Subscription Shares, Introducer Shares and New Shares) respectively. No transfer of controlling interest (as defined in the Listing Rules) will arise from the Subscriptions.

2.6 **Conditions Precedent.** The Subscriptions are subject to, *inter alia*, certain conditions precedent, including the following ("**Conditions Precedent**"):

- (a) the 2020 General Mandate being in full force and effect, not revoked by the Shareholders and being sufficient to authorise the Directors to allot and issue the Subscription Shares to the Subscribers and the Introducer Shares to the Introducer;
- (b) the approval-in-principle of the SGX-ST for, *inter alia*, the listing and quotation of the Subscription Shares and the Introducer Shares on the Mainboard;
- (c) the Shares not being suspended by the SGX-ST from trading on the Mainboard other than in relation to trading halts not exceeding three (3) market days pending announcements of the Company;
- (d) all licenses, consents, permits, approvals, waivers, authorisations or other orders of and all notices, registrations, submissions or filings with all relevant regulators, entitled third-parties, counterparties, financing or facility providers of the Company and the Subscribers as may be required for or in connection with the transactions under the Subscription Agreements and such other transactions in connection therewith and incidental thereto having been obtained, and not having been withdrawn, revoked or amended and if subject to any conditions, such conditions being reasonably acceptable to the Company and the Subscribers and are fulfilled on or before the date falling not later than 5 business days after all the Conditions Precedent have been fulfilled or waived or such other date as may be agreed to in writing by the Company and Subscribers, and all other actions having been taken by or on behalf of the Company and the Subscribers to comply with all applicable legal and other requirements necessary to ensure that the allotment and issuance of the Subscription Shares and the Introducer Shares by the Company is in accordance with, and do not infringe any existing law, statute, regulation, decision, ruling, judgment, award, code, practice, direction, decree, order, contract or agreement, including without limitation the approval-in-principle of the SGX-ST for, *inter alia*, the listing and quotation of the Subscription Shares and the Introducer Shares on the Mainboard;
- (e) No relevant regulator taking, instituting, implementing or threatening to take, institute or implement any action, enforcement, proceeding, suit, investigation, inquiry, reference or decision, and no law, statute, regulation, decision, ruling, award, direction, practice, judgment, decree or order having been made, proposed, enacted or implemented, and no steps having been taken, and there not continuing to be in effect or outstanding any law, statute, regulation, decision, ruling, award, direction, practice, judgment, decree or order which would or might:
  - (i.) make any transaction contemplated in the Subscription Agreements or any other transactions in connection herewith and incidental hereto, void, illegal and/or unenforceable or otherwise restrict, restrain, prohibit or otherwise frustrate or be adverse to the same, and/or
  - (ii.) render the Subscribers unable to be allotted and issued all or any of the Subscription Shares in the manner set out in the Subscription Agreement.

2.7 **Representations and Warranties of the Subscribers.** Each of the Subscribers have represented and warranted to the Company, *inter alia*, that:

- (a) each Subscriber acknowledges that its subscription for its proportion of the Subscription Shares is made pursuant to the Company's reliance on the 'safe harbour' exemptions for a private

placement under section 272B of the SFA and in compliance with all the conditions of these exemptions in the SFA therein;

- (b) each Subscriber is subscribing for their respective Subscription Shares as a principal for its own benefit and will not be holding their respective Shares on trust or for the benefit of other parties;
- (c) each Subscriber shall comply with all the conditions of the 'safe harbour' exemptions for a private placement under section 272B of the SFA and is not accepting the Company's offer of the Subscription Shares with a view to such offer being subsequently offered to another person in Singapore, where such subsequent offer is contrary to the provisions of the SFA;
- (d) each Subscriber is an accredited investor as defined in the SFA and has full power and capacity to enter into and perform their respective Subscription Agreements, which when executed, will constitute valid and legally binding obligations enforceable against the respective Subscriber in accordance with the terms therein; and
- (e) each Subscriber has no prior connections (including any business relationships) with the Company, the Directors or the substantial shareholders of the Company and is not an associate (as defined in the Listing Manual) of and not a person acting in concert (as defined in the Singapore Code on Take-overs and Mergers) with any (i.) Director, (ii.) other substantial shareholders of the Company, (iii.) the other Subscriber, (iv.) The9 and/or (v.) the Introducer.

2.8 **Rationale and Use of Proceeds.** The Subscription Proceeds of S\$249,000 will be used by the Company for the following:

- (a) 50% for business investments; and
- (b) 50% to meet the Group's anticipated general working capital requirement for the purposes of meeting general overheads and other operating expenses of the Group (such as rent, salaries, administrative expenses and professional fees), as well as the expenses of approximately S\$12,000 incurred by the Company for the Subscriptions.

Pending deployment of the Subscription Proceeds, such proceeds may be placed as deposits with financial institutions in short term money markets or debt instruments or for any other purposes on a short term basis, but in accordance with the terms of the Subscription Agreements, as the Directors may, in their absolute discretion, deem fit.

The Board is of the view that the Subscriptions are beneficial to and in the interests of the Company and in line with the Board's continuing efforts to search for new businesses and investment opportunities, as they will assist to bolster the Company's working capital and fund the Company's operating expenses while the Company explores new business opportunities and activities. The Subscriptions are also a show of confidence by the Subscribers in the future plans, viability and anticipated performance of the Group.

The Board is of the opinion that after taking into consideration

- (a) the present financial position of the Group, including its banking facilities, its bank and cash balances, the working capital available to the Group is sufficient to meet its present requirements, and
- (b) the present bank facilities and the Subscription Proceeds, the working capital available to the Group is sufficient to meet its present requirements.

The Company will make periodic announcement(s) on the utilization of the Subscription Proceeds as and when such funds are materially disbursed and provide a status report on the use of the Subscription Proceeds in the Company's half and full year financial statements issued under Rule 705 of the Listing Rules and in its annual report. Where the Subscription Proceeds have been used for working capital purposes, the Company will disclose a breakdown with specific details on how they been applied in the Company's announcements and annual reports. Where there is any material deviation from the stated use of the Subscription Proceeds, the Company will announce the reasons for such deviations.

2.9 **Financial Effects.** As at the date of this announcement, the issued and paid-up share capital of the Company is S\$88,204,275, comprising 321,496,792 Shares. For illustration only, the *pro forma* effects on

the share capital and the financial effects of the Subscription are set out below and are prepared based on the following bases and assumptions:

- (a) the effects on the share capital are computed as at the date of this announcement;
- (b) The9 will Exercise their Option in respect of all and not some of the Option Shares on the date of expiry;
- (c) the financial effects on the net tangible assets (“**NTA**”) and gearing are computed based on the latest announced consolidated financial results of the Group for FY2020 and the assumption that the Subscription, The9 Subscription and Option had been effected on 31 March 2020; and
- (d) the financial effects on the loss per share (“**LPS**”) are computed based on the latest announced consolidated financial results of the Group for FY2020 and the assumption that the Subscription, The9 Subscription and Option had been effected on 1 April 2019; and
- (e) an exchange rate of US\$1.00:S\$1.33.

#### Share Capital

	<b>Before the Subscriptions and The9 Subscription</b>	<b>After The9 Subscription and issue of shares to the introducer of The9 Subscription</b>	<b>After the Subscription and issue of Introducer Shares</b>	<b>After The9’s Exercise of the Option and issue of shares to the introducer of The9 Subscription</b>
No. of Shares	321,496,792	334,580,125	344,125,125	379,375,125
Paid-up capital (S\$)	88,204,275	88,596,775	88,883,125	89,940,625

#### NTA

	<b>Before the Subscriptions and The9 Subscription</b>	<b>After The9 Subscription and issue of shares to the introducer of The9 Subscription</b>	<b>After the Subscription and issue of Introducer Shares</b>	<b>After The9’s Exercise of the Option and issue of shares to the introducer of The9 Subscription</b>
NTA (US\$’000)	14,364	14,614	14,801	15,551
No. of Shares	321,496,792	334,580,125	344,125,125	379,375,125
NTA per Share (US cents)	4.47	4.37	4.30	4.10
NTA per Share (Singapore cents)	5.94	5.81	5.72	5.45

#### LPS

	<b>Before the Subscriptions and The9 Subscription</b>	<b>After The9 Subscription and issue of shares to the introducer of The9 Subscription</b>	<b>After the Subscription and issue of Introducer Shares</b>	<b>After The9's Exercise of the Option and issue of shares to the introducer of The9 Subscription</b>
Loss attributable to owners of the Company (US\$'000)	(10,335)	(10,335)	(10,335)	(10,335)
Basic weighted average number of Shares	315,314,161	331,582,186	338,898,271	351,016,062 <sup>(1)</sup>
LPS (US cents)	(3.28)	(3.12)	(3.05)	(2.94)
LPS (Singapore cents)	(4.36)	(4.15)	(4.06)	(3.92)

### Gearing

	<b>Before the Subscriptions and The9 Subscription</b>	<b>After The9 Subscription and issue of shares to the introducer of The9 Subscription</b>	<b>After the Subscription and issue of Introducer Shares</b>	<b>After The9's Exercise of the Option and issue of shares to the introducer of The9 Subscription</b>
Total borrowings (US\$'000)	12,738 <sup>(4)</sup>	12,738	12,738	12,738
Total equity attributable to owners of the Company (US\$'000)	14,856	15,106	15,293	16,043
Debt-to-equity ratio <sup>(2)</sup> (times)	0.86	0.84	0.83	0.79
Total assets (US\$'000)	41,505	41,755	41,942	42,692
Debt ratio <sup>(3)</sup> (times)	0.31	0.31	0.30	0.30

#### Notes:

- (1) The Option is assumed to be Exercised by The9 on the date of expiry.
- (2) Debt-to-equity ratio is computed using total borrowings divided by total equity attributable to owners of the Company.
- (3) Debt ratio is computed using total borrowings divided by total assets.
- (4) With the inclusion of an additional US\$200,000 loan extended by Mark Bedingham to the Company in April and May 2021.

### 3. ALA

The Company will submit an application to SGX-ST for the listing and quotation of the Subscription Shares and the Introducer Shares on the Mainboard.

### 4. INTERESTS OF DIRECTORS, CONTROLLING SHAREHOLDERS AND SUBSTANTIAL SHAREHOLDERS

Save for their respective shareholding interests in the Company (as the case may be), none of the Directors, controlling Shareholders or substantial Shareholders, or their respective associates has any interest, direct or indirect, in the Subscription Agreements, the Subscriptions or the Subscription Shares.

	Before the Subscription and The9 Subscription				After The9 Subscription <sup>(1)</sup>		After the Subscriptions		After The9's Exercise of the Option <sup>(2)</sup>	
	Direct Interest (No. of Shares)	Deemed Interest (No. of Shares)	Total Interest (No. of Shares)	Voting Rights (%) <sup>(4)</sup>	After The9 Subscription (No. of Shares)	Voting Rights (%) <sup>(5)</sup>	After the Subscriptions (No. of Shares)	Voting Rights (%) <sup>(6)</sup>	After the Option (No. of Shares)	Voting Rights (%) <sup>(7)</sup>
<b>Director</b>										
Ho Kwok Wai <sup>(8)</sup>	–	164,749,871	164,749,871	51.24%	164,749,871	49.24%	164,749,871	47.87%	164,749,871	43.43%
Mark Francis Bedingham <sup>(9)</sup>	–	43,008,321	43,008,321	13.38%	43,008,321	12.85%	43,008,321	12.50%	43,008,321	11.34%
Fong Sing Chak Jack <sup>(10)</sup>	–	1,000,000	1,000,000	0.31%	1,000,000	0.30%	1,000,000	0.29%	1,000,000	0.26%
Wong Yen Siang	–	–	–	–	–	–	–	–	–	–
Wee Sung Leng	–	–	–	–	–	–	–	–	–	–
<b>Substantial Shareholders (other than Directors)</b>										
Jet Palace Holdings Limited <sup>(11)</sup>	–	33,400,000	33,400,000	10.39%	33,400,000	9.98%	33,400,000	9.71%	33,400,000	8.80%
Taipan Grand Investments Limited <sup>(12)</sup>	–	77,933,000	77,933,000	24.24%	77,933,000	23.29%	77,933,000	22.65%	77,933,000	20.54%
The9 Limited	–	–	–	–	11,083,333	3.31%	11,083,333	3.22%	44,333,000 <sup>(13)</sup>	11.69%

#### Notes:

- Following The9 Subscription, the free float of Shares in the hands of the public will increase to 37.61% (above the minimum 10% prescribed under Rule 723 of the Listing Rules).
- Following the Subscriptions, the free float of Shares in the hands of the public will increase to 39.34% (above the minimum 10% prescribed under Rule 723 of the Listing Rules).
- Following the The9's Exercise of the Option, assuming the allotment and issuance of all and not some of the Option Shares to The9 and 4,000,000 new Shares to the Introducer pursuant to The9 Subscription, the free float of Shares in the hands of the public will decrease to 33.29% (above the minimum 10% prescribed under Rule 723 of the Listing Rules).
- Percentage is calculated based on 321,496,792 Shares as at the date of this application.
- Percentage is calculated based on 334,580,125 Shares as adjusted for the The9 Subscription and the allotment and issuance of 2,000,000 new Shares to the Introducer pursuant to The9 Subscription.

- (6) Percentage is calculated based on 344,125,125 Shares as adjusted for the Subscriptions and the allotment and issuance of 1,245,000 Introducer Shares.
- (7) Percentage is calculated based on 379,375,125 Shares as adjusted for (upon The9's Exercise) the allotment and issuance of all the Option Shares to The9 and all remaining 2,000,000 new Shares to the Introducer pursuant to The9 Subscription.
- (8) Mr Ho Kwok Wai is deemed to be interested in the Shares held by Jet Palace Holdings Limited (33,400,000 Shares), Taipan Grand Investments Limited (77,933,000 Shares) and EFG Bank AG (53,416,871 Shares).
- (9) Mr Mark Francis Bedingham is deemed to be interested in 35,508,321 Shares held by Bank Julius Baer.
- (10) Mr Fong Sing Chak Jack's 1,000,000 Shares are registered in the name of a nominee account.
- (11) Jet Palace Holdings Limited's 33,400,000 Shares are registered in the name of a nominee account.
- (12) Taipan Grand Investments Limited's 77,933,000 Shares are registered in the name of a nominee account.
- (13) The number of Shares held by the The9 assumes the allotment and issuance (upon and subject to the The9's Exercise) of all and not some of the Option Shares to The9.

## **5. DOCUMENTS AVAILABLE FOR INSPECTION**

A copy of the following documents will be available for inspection during normal business hours at the Company's registered office at 300 Beach Road, the Concourse #31-03, Singapore 199555 for a period of three (3) months from the date of this announcement:

- (a) the Constitution of the Company;
- (b) the Subscription Agreements; and
- (c) the Annual Report of the Company for FY2020.

Shareholders who wish to inspect these documents at the registered office of the Company are required to send an email request to [enquiries@sin-mi.com](mailto:enquiries@sin-mi.com) to make an appointment in advance. The Company will arrange a date when each Shareholder can come to the registered office to inspect the documents accordingly. The inspection of documents will be arranged with each Shareholder to limit the number of people who are present at the registered office at any one point in time and such arrangements are subject to the prevailing regulations, orders, advisories and guidelines relating to safe distancing which may be implemented by the relevant authorities from time to time.

## **6. DIRECTORS' RESPONSIBILITY STATEMENT**

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this announcement and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this announcement constitutes full and true disclosure of all material facts about the Subscription Agreements, the Subscriptions, the Subscribers, the Introducer, the Subscription Shares, and the Group, and the Directors are not aware of any facts the omission of which would make any statement in this announcement misleading. Where information in this announcement has been extracted 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 those sources and/or reproduced in this announcement in its proper form and context.

## **7. FURTHER ANNOUNCEMENTS**

The Company will make further and other announcements at the relevant time as and when there are material developments in relation to the Subscriptions, in particular, when the approval-in-principle of the



SGX-ST for the listing and quotation of the Subscription Shares and Introducer Shares on the Mainboard, is received. The listing and quotation notice to be given by the SGX-ST in respect of the Subscription Shares and the Introducer Shares is not an indication of the merits of the Subscriptions, the Subscribers, the Group and/or the Shares.

## **8. CAUTION IN TRADING**

As at the date of this announcement, Shareholders should be cautioned that the Subscription Agreements and the Subscriptions are subject to, *inter alia*, fulfilment of the Conditions Precedent, including the approval of the SGX-ST for the listing and quotation of the Subscription Shares on the Mainboard, and there is no assurance that the Subscriptions will proceed or proceed on the present terms.

Shareholders are advised to read this announcement and any further announcements by the Company carefully. Shareholders are advised to refrain from taking any action in respect of their Shares which may be prejudicial to their interests, and to exercise caution when dealing in their Shares. In the event of any doubt, Shareholders should consult their stockbrokers, bank managers, solicitors, accountants or other professional advisers.

## **BY ORDER OF THE BOARD**

Mark Bedingham  
President & CEO  
23 June 2021