

Media Release

SHC Capital Lodges Circular for Proposed RTO of Memories Group¹

- The Memories Group has a unique business model with an Integrated Tourism Platform which is able to derive synergy from its various tourism offerings and services under the “Memories Group” brand
- Headed by a dedicated and experienced management team with a combination of expertise and experience drawn from other established international markets, and knowledge in developing new and emerging tourism markets including Myanmar

Singapore, 20 November 2017 – SGX Catalist-listed SHC Capital Asia Limited (“SHC Capital”) is pleased to announce that it has lodged a circular (“**Circular**”) with the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) today for the proposed acquisition of all of the issued and paid-up shares of MM Myanmar Pte. Ltd. (“**MM Myanmar**”) for approximately S\$69.7 million (“**Proposed Acquisition**”). The Proposed Acquisition is to be satisfied by the issuance of 264,997,065 new ordinary consolidated shares in the capital of SHC Capital at an issue price of S\$0.263 per share which is subsequent to a proposed share consolidation of every seven (7) existing shares into one (1) consolidated share (“**Consolidated Shares**”). As part of the Proposed Acquisition, SHC Capital proposes to change its name to “Memories Group Limited,” and also undertake a compliance placement of up to 93,000,000 new Consolidated Shares.

Integrated Tourism Platform

The Memories Group is engaged in tourism-related businesses focused on Myanmar and predominantly in three (3) business segments namely, the Experiences Segment, Services Segment and the Hotel Segment. The Experience segment currently comprises Balloons Over Bagan (“**BOB Business**”) and the Bagan Land (“**BL Business**”), the Services Segment comprises “Asia Holidays” a destination management company (“**DMC Business**”) and the Hotels Segment comprises Hpa-An Lodge (“**HAL Business**”), and Pun Hlaing Lodge (“**PHL Business**”) (collectively, the “**Memories Businesses**”).

¹ Memories Group refers to MM Myanmar and its subsidiaries which own, manage and/or hold the Memories Businesses

The Memories Group has developed an Integrated Tourism Platform that brings its Experiences, Services and Hotels Segments under one cohesive brand. This platform will allow the Memories Group to enjoy operational synergies, economies of scale and opportunities for cross-selling of the various tourism offerings and services, with the aim of giving tourists a seamless and holistic tour experience in Myanmar.

To further establish its position as a leading tourism company, the Memories Group's integrated business model and extensive local network allows it to leverage on its first mover advantage and have an edge over its competitors in Myanmar's relatively fragmented tourism industry.

Tourism Offerings and Services

The Memories Group's Experiences, Services and Hotels Segments comprise the following:

1. The Experiences segment consists of the BOB Business that operates hot air balloon flights in Bagan and Inle Lake regions. The BOB Business with its easily recognisable branding and red coloured balloons, is one of Myanmar's most iconic tourist attractions. The Memories Group intends to develop the BL Business into a proposed commercial and tourism-related hospitality development located in Nyaung U Township, Bagan, Myanmar (subject to obtaining the relevant regulatory approval).
2. The Services segment consists of the DMC Business, which is operated under Asia Holidays Travel & Tours Co. Ltd ("**AHTT**"). AHTT specialises in designing and implementing customised tours, organisation of unique excursions, activities and cultural experiences, the management of travel logistics, as well as organisation of events.
3. The Hotels segment consists of the HAL Business and PHL Business. Hpa-An Lodge is a luxury 19-room boutique resort hotel located in the foothill of Mount Zwegabin in Hpa-An Township of Karen State, Myanmar. At Hpa-An Lodge, guests are treated to a traditional living experience in Karen architecture-inspired cottages and get to experience cultures unique to the Karen state. Pun Hlaing Lodge, when completed, will be a 46-room unique 'urban resort' located within Pun Hlaing Estate in Hlaing Tharyar Township of Yangon, where in addition to modern facilities, guests have priority access to the Gary Player designed 18-hole golf course. Pun Hlaing Lodge is currently under construction and is expected to be completed in FY2019.

Dedicated and experienced Management Team



The Memories Group is supported by a dedicated and experienced management team led by its Chief Executive Officer, Mr Michel Novatin and its Chief Operating Officer, Mr Jean-Michel Romon, who have collectively more than 40 years of experience in the hotel and tourism business operations across a number of regions including Asia, Europe and the Middle East.

Mr Michel Novatin has taken on key positions with a number of notable hospitality groups over the years, including chief executive officer of Shaza Hotels, chief operating officer of Kempinski Hotels and the managing director of the Société des Bains de Mer in Monte Carlo. As managing director of the Société des Bains de Mer in Monaco, Mr Michel Novatin was employed by Prince Rainer and Goldman Sachs to oversee the reorganisation of the company. He was last appointed as chief operating officer of Steigenberger Hotels Group in Germany prior to joining the Memories Group.

Supporting Mr Michel Novatin is Mr Jean-Michel Romon, who has had extensive experience in the Myanmar hospitality and tourism industry, and has been based in Myanmar since 1997. He is the founder and managing director of AHTT and was instrumental in the founding of the HAL Business. He was also a key contributor in the establishment of the Sala Lodges in Cambodia. Both Mr Michel Novatin and Mr Jean-Michel Romon are supported by a highly qualified management team comprising both locals and expatriates with experience in the tourism industry.

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Note: This media release is to be read in conjunction with the Circular lodged by SHC Capital on SGXNet on the same date.

About MM Myanmar

MM Myanmar is a leading tourism company in Myanmar that operates an “Integrated Tourism Platform” which synergistically connects its Experiences, Services and Hotels Segments under the group to provide a seamless, one-of-a-kind experience aimed at creating lasting memories. Its businesses include (i) the Balloons Over Bagan, which is an iconic Myanmar tourist attraction, that operates hot air balloon flights in the Bagan and Inle Lake regions; (ii) the Bagan Land is intended to be developed into a proposed commercial and tourism-related hospitality development located in Nyaung U Township, Bagan; (iii) a destination management company operated under Asia Holidays Travel & Tours Co. Ltd; (iv) Hpa-An Lodge, a luxury 19-room boutique resort hotel located in the foothill of Mount Zwegabin in Hpa-An Township of Karen State; and (v) Pun Hlaing Lodge, a 46-room unique ‘urban resort’ located within Pun Hlaing Estate in Hlaing Tharyar Township of Yangon, when completed.

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This press release has been prepared by the Company and its contents have been reviewed by the sponsor, PrimePartners Corporate Finance Pte. Ltd. (“Sponsor”) for compliance with the Singapore Exchange Securities Trading Limited (“SGX-ST”) Listing Manual Section B: Rules of Catalist. The Sponsor has not verified the contents of this announcement.

This press release has not been examined or approved by the SGX-ST. The Sponsor and the SGX-ST assume no responsibility for the contents of this announcement including the accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in this announcement.

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