

**NOT FOR DISTRIBUTION TO ANY PERSON LOCATED OR RESIDENT IN ANY JURISDICTION
WHERE IT IS UNLAWFUL TO DISTRIBUTE THIS ANNOUNCEMENT**

**Mongolian Mortgage Corporation HFC LLC Announces the Early Settlement of Notes Tendered pursuant to
the Tender Offer for its 9.75% Senior Notes due 2022**

February 10, 2021



Mongolian Mortgage Corporation HFC LLC

(incorporated under the laws of Mongolia with limited liability)

**Offer to Purchase for Cash
Any and All of the Outstanding 9.75% Senior Notes due 2022**

(CUSIP: Y6142G AA1 and 60938E AA8; ISIN: USY6142GAA14 and US60938EAA82; Common Code: 194408382 and 194441045)

Mongolian Mortgage Corporation HFC LLC (the “**Company**”) hereby announces the early settlement of the Notes (as defined below) pursuant to its previously announced offer to repurchase for cash (the “**Tender Offer**”) from each Holder, on the terms and subject to the conditions set forth in the tender offer memorandum dated January 18, 2021 (the “**Tender Offer Memorandum**”), any and all of its 9.75% Senior Notes due 2022 issued by the Company (the “**Notes**”) and irrevocably and unconditionally guaranteed by MIK Holding JSC (the “**Guarantor**”). All capitalized terms used but not defined in this announcement have the respective meanings specified in the Tender Offer Memorandum.

The Company paid a total of U.S.\$197,432,821.13, comprised of (i) the Early Tender Consideration in the amount of U.S.\$1,020 per U.S.\$1,000 principal amount of the Notes, and (ii) accrued and unpaid interest with respect to U.S.\$193,049,000 aggregate principal amount of the Notes validly tendered on or prior to 5:00 P.M., New York City time, on February 5, 2021 (such time and date, the “**Extended Early Tender Deadline**”) and accepted for purchase by the Company on February 8, 2021 (the “**Tendered Notes**”). The Company has arranged for the Tendered Notes, which represent 68.78% of the total principal amount outstanding of the Notes, to be cancelled on February 9, 2021. The aggregate principal amount of Notes that remains outstanding as of February 9, 2021 is U.S.\$87,631,000.

The Tender Offer was conditioned upon, among other things, the successful completion of the Company’s concurrent offering (the “**New Notes Issuance**”) of new notes (the “**New Notes**”) issued by the Company and irrevocably and unconditionally guaranteed by the Guarantor in reliance on an exemption from the registration requirements of the U.S. Securities Act of 1933 (the “**Securities Act**”). The Company successfully completed and settled the New Notes Issuance on February 8, 2021, satisfying the Financing Condition of the Tender Offer.

Extended Expiration Time and Final Results Announcements

The Extended Expiration Time of the Tender Offer is 11:59 P.M., New York City time, on February 22, 2021, unless extended or earlier terminated (the “**Extended Expiration Time**”). The Extended Final Payment Date is expected to be February 24, 2021 (the “**Extended Final Payment Date**”), two Business Days after the Extended Expiration Time.

The deadlines set by any intermediary or clearing system will be earlier than the deadlines set out above.

Any Notes validly tendered at or prior to the Extended Expiration Time but after the Extended Early Tender Deadline that are accepted for purchase will be eligible to receive the Tender Offer Consideration of U.S.\$1,000 for each U.S.\$1,000 principal amount of Notes tendered pursuant to the Tender Offer. In addition to the payment of the Tender Offer Consideration, the Company will also pay accrued and unpaid interest on each of the Notes that is validly tendered at or prior to the Extended Expiration Time but after the Extended Early Tender Deadline that is accepted for purchase pursuant to the Tender Offer up to, but excluding, the Extended Final Payment Date.

The Company will announce the aggregate principal amount of Notes tendered as at the Extended Expiration Time, whether the conditions to the Tender Offer have been satisfied or waived, the principal amount of Notes accepted for purchase by the Company and the aggregate principal amount of Notes that will remain outstanding following completion of the Tender Offer as soon as reasonably practicable following the Extended Expiration Time.

The information in this announcement is only a summary. Before making a decision with respect to the Tender Offer, Holders should carefully consider all of the information in the Tender Offer Memorandum. You may request a copy of the Tender Offer Memorandum by contacting the Information and Tender Agent at the addresses, and telephone numbers set forth below, or you may download the Tender Offer Memorandum at the Tender Offer website: <https://bonds.morrowsodali.com/mik>.

The Information and Tender Agent for the Tender Offer is:

Morrow Sodali Limited

In London:
103 Wigmore Street
W1U 1QS
London
Telephone: +44 208 089 3287

In Stamford:
470 West Ave., Suite 3000
Stamford, CT 06902
United States of America
Telephone: +1 203 609 4910

In Hong Kong:
Unit 13-101, 13/F
40-44 Bonham Strand, Sheung Wan Hong Kong
Telephone: +852 2319 4130

Email: mik@investor.morrowsodali.com
Tender Offer Website: <https://bonds.morrowsodali.com/mik>

The Dealer Manager for the Tender Offer is:

Credit Suisse (Singapore) Limited

1 Raffles Link, #03-01
One Raffles Link
Singapore 039393
Telephone: +852 2101 7700
Attention: Investment Banking & Capital Markets – Legal
Email: list.hkdcmsyndicate@credit-suisse.com

This announcement is not an offer or a solicitation of offers. The Tender Offer is made solely by means of the Tender Offer Memorandum. The Tender Offer does not constitute, and may not be used in connection with, an offer or solicitation by anyone in any jurisdiction where an offer or solicitation is not authorized or in which the person making such offer or solicitation is not qualified to do so or to any person to whom it is unlawful to make such offer or solicitation.

This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, any New Notes and shall not constitute an offer, solicitation or sale in any jurisdiction in which such offer, solicitation or sale would be unlawful.

With respect to persons in Hong Kong, (1) The Tender Offer is not being made to the public in Hong Kong, by means of any document, other than (i) to “professional investors” as defined in the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the “SFO”) and any rules made thereunder; or (ii) in other circumstances which do not result in the document being a “prospectus” as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of that Ordinance; and (2) no advertisement, invitation or document relating to the Tender Offer will be issued, whether in Hong Kong or elsewhere, which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the laws of Hong Kong) other than with respect to Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to “professional investors” as defined in the SFO and any rules made thereunder.

Neither the Tender Offer Memorandum nor any other documents or materials relating to the Tender Offer (together, the “**Tender Offer Documents**”) constitute an offer to sell or the solicitation of an offer to buy any Notes in the People's Republic of China (the “**PRC**”, excluding Hong Kong, Macau and Taiwan) to any person to whom it is unlawful to make the offer or solicitation in the PRC. The Company and the Dealer Manager do not represent that the Tender Offer Documents may be lawfully distributed in compliance with any applicable registration or other requirements in the PRC, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Company which would permit a public offering of any Notes or distribution of the Tender Offer Documents in the PRC. Accordingly, the Notes are not being offered or sold within the PRC by means of the Tender Offer Documents or any other document. Neither the Tender Offer Document nor any advertisement or other offering material may be distributed or published in the PRC, except under circumstances that will result in compliance with any applicable laws and regulations.

Neither the Tender Offer Memorandum nor any other documents or materials relating to the Tender Offer have been submitted to or will be submitted for approval or recognition to the FSMA (Autorité des services et marchés financiers / Autoriteit financiële diensten en markten) and, accordingly, the Tender Offer may not be made in Belgium by way of a public offering, as defined in Articles 3, §1, 1° and 6 of the Belgian Takeover Law as amended or replaced from time to time. Accordingly, the Tender Offer may not be advertised and the Tender Offer will not be extended, and neither the Tender Offer Memorandum nor any other documents or materials relating to the Tender Offer (including any memorandum, information circular, brochure or any similar documents) has been or shall be distributed or made available, directly or indirectly, to any person in Belgium other than (i) to “qualified investors” in the sense of Article 10 of the Belgian Law of June 16, 2006 on the public offer of placement instruments and the admission to trading of placement instruments on regulated markets, acting on their own account; or (ii) in any circumstances set out in Article 6, §4 of the Belgian Takeover Law. The Tender Offer Memorandum have been issued only for the personal use of the above qualified investors and exclusively for the purpose of the Tender Offer. Accordingly, the information contained in the Tender Offer Memorandum may not be used for any other purpose or disclosed to any other person in Belgium.

The Tender Offer Memorandum and any other documents or materials relating to the Tender Offer are only addressed to and directed at persons in member states of the European Economic Area (the “EEA”) who are “Qualified Investors” within the meaning of Article 2(1)(e) of the Prospectus Directive. The Tender Offer is only available to Qualified Investors. None of the information in the Tender Offer Memorandum and any other documents and materials relating to the Tender Offer should be acted upon or relied upon in any member state of the EEA by persons who are not Qualified Investors.

The Tender Offer does not constitute a public offering in Indonesia under Law Number 8 of 1995 regarding Capital Market and its implementing regulations (the “**Indonesian Capital Market Law**”). None of the Tender Offer Memorandum or any other documents or materials relating to the Tender Offer may not be offered within the territory of the Republic of Indonesia or to Indonesian citizens using mass media (which includes newspapers, magazines, film, television, radio and other electronic media, letter and brochures as well as any printed matter) or offered to more than 100 Indonesian parties and/or sold to more than 50 Indonesian parties or Indonesian residents, wherever they are domiciled, whether in or outside Indonesia within a certain time, in a manner which constitutes a public offering under the Indonesian Capital Market Law.

Under Luxembourg law, the Tender Offer is not considered as an offer to the public subject to the Luxembourg rules on public offers, since no securities are offered to the investors and the Tender Offer therefore falls outside of the scope of the Luxembourg law of July 10, 2005 on prospectuses for securities, as amended.

The Tender Offer Memorandum has not been and will not be approved by the Netherlands Authority for the Financial Markets (Autoriteit Financiële Markten) in accordance with Article 5:2 of the Dutch Act on Financial Supervision (Wet op het financieel toezicht).

None of the Tender Offer Memorandum or any other documents or materials relating to the Tender Offer have been or will be submitted to the clearance procedure of the Commissione Nazionale per le Società e la Borsa (the “**CONSOB**”) pursuant to Italian laws and regulations. The Tender Offer is being carried out in the Republic of Italy as an exempted offer pursuant to article 101-bis, paragraph 3-bis of the Legislative Decree No. 58 of February 24, 1998, as amended (the “**Financial Services Act**”) and article 35-bis, paragraph 4 of CONSOB Regulation No. 11971 of May 14, 1999, as amended (the “**Issuers’ Regulation**”), as the case may be. The Tender Offer is also being carried out in compliance with article 35-bis, paragraph 7 of the Issuers’ Regulation. A Holder located in the Republic of Italy can tender the Notes through authorized persons (such as investment firms, banks or financial intermediaries permitted to conduct such activities in the Republic of Italy in accordance with the Financial Services Act, CONSOB Regulation No. 16190 of October 29, 2007, as amended from time to time, and Legislative Decree No. 385 of September 1, 1993, as amended) and in compliance with applicable laws and regulations or with requirements imposed by CONSOB or any other Italian authority. Each intermediary must comply with the applicable laws and regulations concerning information duties vis-à-vis its clients in connection with the Notes or the Tender Offer.

None of the Tender Offer Memorandum or any other documents or materials relating to the Tender Offer have been or will be registered as a prospectus with the Monetary Authority of Singapore under the Securities and Futures Act, Chapter 289 of Singapore (the “**SFA**”). The Tender Offer does not constitute a public tender offer for the purchase of the Notes nor an offering of securities in Singapore pursuant to the SFA.

The Tender Offer is made in Switzerland to Holders only. Neither the Tender Offer Memorandum nor any other document related to the Tender Offer constitutes a prospectus within the meaning of Art. 652a or Art. 1156 of the Swiss Code of Obligations.

The Tender Offer Memorandum is not being distributed in the context of a public offer in France and has accordingly not been submitted to the Autorité des marchés financiers for prior approval and clearance. The Tender Offer Memorandum are not to be further distributed or reproduced (in whole or in part) by the addressees. Each of the Company and the Dealer Manager represents and agrees that the Tender Offer has not been and will not be made, directly or indirectly, to the public in France and it has not distributed or caused to be distributed and will not distribute or cause to be distributed to the public in France, the Tender Offer Memorandum or any other offering material relating to the Tender Offer, and that such offers, sales and distributions have been and shall only be made in France to (i) qualified investors other than individuals acting for their own account or (ii) providers of investment services relating to portfolio management for the account of third parties as defined in and in accordance with Articles L.411-1, L.411-2 and D.411-1 of the French Code monétaire et financier.

None of the communication of the Tender Offer Memorandum or any other documents or materials relating to the Tender Offer is being made, and such documents and/or materials have not been approved, by an authorized person for the purposes of section 21 of the Financial Services and Markets Act 2000 (the “**FSMA**”). Accordingly, such documents and/or materials are not being distributed to, and must not be passed on to, the general public in the United Kingdom. The communication of such documents and/or materials as a financial promotion is only being made to those persons in the United Kingdom falling within (i) the definition of investment professionals (as defined in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the “**Financial Promotion Order**”), (ii) Article 34 of the Financial Promotion Order, or (iii) any other applicable provision or provisions, of the Financial Promotion Order, or to persons to whom it may lawfully be communicated in accordance with the Financial Promotion Order.