

CIRCULAR DATED 16 AUGUST 2018

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. PLEASE READ IT CAREFULLY.

This Circular is issued by Singapore Myanmar Investco Limited (the “**Company**”). If you are in any doubt about its contents or the action you should take, you should consult your bank manager, stockbroker, solicitor, accountant or other professional adviser immediately.

If you have sold or transferred all your ordinary shares in the capital of the Company held through The Central Depository (Pte) Limited (“**CDP**”), you need not forward this Circular with the Notice of Extraordinary General Meeting and the attached Proxy Form to the purchaser or transferee as arrangements will be made by CDP for a separate Circular with the Notice of EGM and the attached Proxy Form to be sent to the purchaser or transferee. If you have sold or transferred all of your ordinary shares in the capital of the Company represented by physical share certificate(s), please forward this Circular, the Notice of Extraordinary General Meeting and the accompanying Proxy Form immediately to the purchaser or to the transferee or to the bank, stockbroker or agent through whom the sale or transfer was effected, for onward transmission to the purchaser or to the transferee.

The Singapore Exchange Securities Trading Limited assumes no responsibility for the accuracy, completeness or correctness of any statements or opinions made or reports contained in this Circular.



SINGAPORE MYANMAR INVESTCO LIMITED

(Company Registration No. 200505764Z)
(Incorporated in the Republic of Singapore)

CIRCULAR TO SHAREHOLDERS

in relation to

**THE PROPOSED DISPOSAL OF THE ENTIRE SHAREHOLDING INTEREST OF
TPR MYANMAR LIMITED HELD BY THE COMPANY**

IMPORTANT DATES AND TIMES

Last date and time for lodgement of Proxy Form	:	29 August 2018 at 10.00 a.m.
Date and time of Extraordinary General Meeting	:	31 August 2018 at 10.00 a.m.
Place of Extraordinary General Meeting	:	TKP Conference Centre, 55 Market Street #03-01, Singapore 048941

CONTENTS

DEFINITIONS.....	3
LETTER TO SHAREHOLDERS	
1. INTRODUCTION.....	6
2. THE PROPOSED DISPOSAL.....	8
3. RATIONALE FOR AND BENEFITS OF THE PROPOSED DISPOSAL.....	10
4. VALUE OF AND NET PROFIT/LOSS ATTRIBUTABLE TO THE SALE SHARES BASED ON THE AUDITED FINANCIAL STATEMENTS OF THE COMPANY.....	11
5. FINANCIAL EFFECTS OF THE PROPOSED DISPOSAL BASED ON THE AUDITED FINANCIAL STATEMENTS OF THE COMPANY.....	11
6. USE OF PROCEEDS.....	12
7. SERVICE CONTRACTS.....	12
8. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS.....	12
9. DIRECTORS' RECOMMENDATION.....	13
10. EXTRAORDINARY GENERAL MEETING.....	13
11. ACTION TO BE TAKEN BY SHAREHOLDERS.....	13
12. DIRECTORS' RESPONSIBILITY STATEMENT.....	14
13. INSPECTION OF DOCUMENTS.....	14
APPENDIX 1 – KEY FINANCIAL INFORMATION OF TPR.....	15
NOTICE OF EXTRAORDINARY MEETING.....	17
PROXY FORM	

DEFINITIONS

The following definitions apply throughout this Circular unless otherwise stated:

- “Associate” : (a) in relation to any Director, chief executive officer, Substantial Shareholder or Controlling Shareholder (being an individual) means:
- (i) his immediate family;
 - (ii) the trustees of any trust of which he or his immediate family is a beneficiary or, in the case of a discretionary trust, is a discretionary object; and
 - (iii) any company in which he and his immediate family together (directly or indirectly) have an interest of 30% or more; and
- (b) in relation to a Substantial Shareholder or a Controlling Shareholder (being a company) means any other company which is its subsidiary or holding company or is a subsidiary of any such holding company or one in the equity of which it and/or such other company or companies taken together (directly or indirectly) have an interest of 30% or more
- “Board” : The board of Directors of the Company as at the Latest Practicable Date
- “Business Day” : A day (other than a Saturday, Sunday or gazetted public holiday) on which commercial banks are open for business in Singapore and Myanmar
- “CEO” : Chief Executive Officer
- “CDP” : The Central Depository (Pte) Limited
- “Circular” : This circular to Shareholders dated 16 August 2018
- “Companies Act” : The Companies Act (Chapter 50) of Singapore, as amended or modified from time to time
- “Company” : Singapore Myanmar Investco Limited
- “Completion” : The completion of the sale and purchase of the Sale Shares
- “Completion Date” : Has the meaning ascribed to it in Section 2.5 of this Circular
- “Control” : The capacity to dominate decision-making, directly or indirectly, in relation to the financial and operating policies of the Company
- “Controlling Shareholder” : A person who:
- (a) holds directly or indirectly 15% or more of the issued Shares excluding treasury shares and subsidiary holdings in the Company; or
 - (b) in fact exercises Control over the Company
- “Deposit” : The non-refundable deposit of US\$980,000, details of which are provided in Section 2.3.1(a)(i) of this Circular

DEFINITIONS

“Directors”	:	The directors of the Company as at the date of this Circular
“EBITDA”	:	Earnings before interest, taxes, depreciation and amortisation
“EGM”	:	The extraordinary general meeting of the Company, notice of which is set out in the Section entitled “Notice of Extraordinary General Meeting” of this Circular
“EPS”	:	Earnings per share
“FY”	:	Financial year ended or ending 31 March (as the case may be)
“GIG”	:	Golden Infrastructure Group Limited, the Company’s joint venture partner holding the remaining 3% of MIG’s total issued shares
“Group”	:	The Company and its subsidiaries as at the date of this Circular
“Latest Practicable Date”	:	8 August 2018, being the latest practicable date prior to the printing of this Circular
“Listing Manual”	:	The listing manual of the SGX-ST, as amended or modified from time to time
“MIG”	:	Myanmar Infrastructure Group Pte. Ltd.
“Net Proceeds”	:	Has the meaning ascribed to it in Section 6 of this Circular
“NTA”	:	Net tangible assets
“Ordinary Resolution”	:	The ordinary resolution to be passed by Shareholders at the EGM to be convened for Shareholders to consider and approve the Proposed Disposal
“Proposed Disposal”	:	The disposal of the Company’s entire shareholding interest in TPR, representing 99.9% of the total issued shares of TPR, and on the terms and conditions of the SSA
“Purchaser”	:	Tiger Infrastructure Pte. Ltd.
“Sale Consideration”	:	The sum of US\$10,800,000 being the sale consideration for the Proposed Disposal
“Sale Shares”	:	1,604,999 issued ordinary shares in the capital of TPR, representing approximately 99.9% equity interest in TPR held by the Company
“Sale Stock”	:	All tower stock and power equipment stock held by TPR in its warehouse and at the port, being the total inventory owned by TPR as at the date of this Circular
“SFA”	:	The Securities and Futures Act (Chapter 289) of Singapore, as amended or modified from time to time
“SGXNET”	:	Singapore Exchange Networks, 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-ST”	:	Singapore Exchange Securities Trading Limited

DEFINITIONS

“Shareholders”	:	The registered holders of the Shares as set out in the register of members of the Company, except where the registered depositor is CDP, the term “Shareholders” shall, where the context admits, mean the Depositors whose securities accounts are credited with the Shares
“Shares”	:	Ordinary shares in the capital of the Company
“SSA”	:	The share sale agreement dated 1 June 2018 entered into between the Company, MIG and the Purchaser in relation to the Proposed Disposal
“Substantial Shareholder”	:	A person (including a corporation) who holds directly or indirectly 5% or more of the total issued voting Shares (excluding treasury shares and subsidiary holdings) in the Company
“Telecom Business”	:	The business of the construction, operation and leasing of telecommunications infrastructure in Myanmar
“TPR”	:	TPR Myanmar Limited, being a 99.9%-owned subsidiary of MIG, which builds, leases and operates telecommunication infrastructure and towers in Myanmar
“S\$”	:	Singapore dollars
“US\$” or “cents”	:	United States dollars and cents, respectively
“%” or “per cent.”	:	Percentage or per centum

The terms “Depositor”, “Depository Agent” and “Depository Register” shall have the same meanings ascribed to them, respectively, in Section 81SF of the SFA. The term “Subsidiary” shall have the same meaning ascribed to it in Section 5 of the Companies Act.

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 and *vice versa*. References to persons shall include corporations.

Any reference in this Circular to any statute or enactment is a reference to that statute or enactment as for the time being amended or re-enacted. Any word or term defined under the Companies Act, the SFA, the Listing Manual or any statutory modification thereof and used in this Circular shall, where applicable, have the meaning ascribed to it under the Companies Act, the SFA, the Listing Manual or any statutory modification thereof, as the case may be, unless otherwise provided.

Any reference to any agreement or document shall include such agreement or document as amended, modified, varied, novated, supplemented or replaced from time to time.

Any reference in this Circular to shares being allotted to a person includes allotment to CDP for the account of that person.

Any discrepancies in this Circular between the sum of the figures stated and the total thereof are due to rounding. Accordingly, figures shown as totals in this Circular may not be an arithmetic aggregation of the figures which precede them.

Any reference to a time of day and to dates in this Circular shall be a reference to Singapore time and dates, unless otherwise stated.

All currency conversion rates quoted in this Circular have been extracted from Bloomberg.

LETTER TO SHAREHOLDERS

SINGAPORE MYANMAR INVESTCO LIMITED

Company Registration Number 200505764Z
(Incorporated in the Republic of Singapore)

Directors:

Mr Ho Kwok Wai	<i>(Non-Executive Director and Chairman)</i>
Mr Mark Francis Bedingham	<i>(Executive Director, President and CEO)</i>
Mr Wong Yen Siang	<i>(Non-Executive and Lead Independent Director)</i>
Mr Wee Sung Leng	<i>(Non-Executive and Independent Director)</i>
Mr Fong Sing Chak Jack	<i>(Non-Executive and Independent Director)</i>

Registered Office:

300 Beach Road
#29-01
The Concourse
Singapore 199555

16 August 2018

To: The Shareholders of Singapore Myanmar Investco Limited

Dear Sir/Madam

THE PROPOSED DISPOSAL OF THE ENTIRE SHAREHOLDING INTEREST OF TPR MYANMAR LIMITED HELD BY THE COMPANY

1. INTRODUCTION**1.1 Background**

The Board proposes to convene the EGM to be held on 31 August 2018 at 10.00 a.m. to seek the approval of the Shareholders for the Proposed Disposal.

The purpose of this Circular is to provide Shareholders with relevant information relating to the Proposed Disposal, and to seek Shareholders' approval for the same at the EGM.

1.2 Major Transaction

On 4 June 2018, the Company announced via SGXNET that it had entered into the SSA with the Purchaser for the Proposed Disposal of the Sale Shares, being 99.9% of the total issued, inter alia, shares of TPR indirectly held by the Company through the Company's 97%-owned subsidiary, MIG, as well as the Sale Stock. The Proposed Disposal will result in TPR ceasing to be a subsidiary of the Company.

The Group has decided to exit the telecommunications tower construction business in Myanmar as disclosed in page 11 of the Company's Annual Report 2017. The tower construction business is very capital intensive and the Company is of the opinion that such capital can be better deployed in the Group's other business segments which have better potential for returns, such as its duty-free, food and beverage distribution, and logistics and warehousing business segments;

Following the completion of the Proposed Disposal, the Group intends to channel its time and resources into its other businesses in Myanmar. These businesses include the following:

- (a) The operation of duty-free retail outlets at Yangon International Airport, covering approximately 6,700 square metres of commercial space with more than 30 international brands and partnerships and operation of 11 retail outlets in downtown malls;
- (b) The distribution of food and beverage items and operation of 3 international franchises in Myanmar;
- (c) The trading and distribution of heavy equipment for the construction industry including machines and spare parts;

LETTER TO SHAREHOLDERS

- (d) The provision of car-rental and limousine services under the brand name of “Europcar”, with a current fleet of approximately 190 cars;
- (e) The operation of serviced offices and provision of corporate, office administration and other related services; and
- (f) The provision of logistics and warehousing services.

The Sale Stock comprises items bought by the Group in the ordinary course of business for the purpose of constructing telecommunications infrastructure and towers in connection with the Telecom Business. As the Group prepares for its exit from the Telecom Business, it has taken steps to dispose of the Sale Stock as soon as it has the opportunity to do so. The sale of the Sale Stock is a separate transaction from the sale of the Sale Shares, and the former will have to take place regardless of the sale of the Sale Shares, hence the transactions are conducted on different terms. For the purpose of the Proposed Disposal, no assets or liabilities of TPR are excluded from the scope of the SSA.

The Proposed Disposal is governed by the rules of Chapter 10 of the Listing Manual. The relative figures computed on the bases set out in Rule 1006 of the Listing Manual are as follows:

For the financial year ended 31 March 2018 (“FY2018”) based on the audited financial statements of the Company

Rule 1006 (a)	The net asset value of the assets to be disposed of, compared with the Group’s net asset value as at 31 March 2018 ⁽¹⁾	15%
Rule 1006 (b)	The net profits attributable to the assets acquired or disposed of, compared with the Group’s net profits for FY2018 ⁽²⁾	70%
Rule 1006 (c)	The aggregate value of the consideration given or received, compared with the Company’s market capitalisation based on the total number of issued shares excluding treasury shares ⁽³⁾	17%
Rule 1006 (d)	The number of equity securities issued by the Company as consideration for an acquisition, compared with the number of equity securities previously in issue	Not applicable
Rule 1006 (e)	The aggregate volume or amount of proven and probable reserves to be disposed of compared with the aggregate of the group’s proven and probable reserves. This basis is applicable to a disposal of mineral, oil or gas assets by a mineral, oil and gas company, but not to an acquisition of such assets	Not applicable

Notes:-

- (1) Based on TPR’s audited net assets value attributable to the Sale Shares (including the Sale Stock) of US\$4,540,918 as at 31 March 2018 and the Group’s audited consolidated net assets value of US\$29,446,662 as at 31 March 2018. After taking into consideration MIG’s waiver of US\$6,157,139, being debts owing by TPR (see Section 4 of this Circular for further details), the relative figure is 36%.
- (2) Based on TPR’s audited net loss before tax, attributable to the Sale Shares (including the Sale Stock) of US\$(7,500,504) for FY2018 and the Group’s audited consolidated loss before tax of US\$(10,729,347) for FY2018.
- (3) The Company’s weighted average share price as at 31 May 2018 being the market day preceding the date of the SSA is S\$0.2809. Source: Bloomberg L.P.

The market capitalisation of the Company is S\$85,111,799, based on 302,996,792 shares in issue as at 31 May 2018 (being the market day preceding the date of the SSA) and the weighted average share price of the Company’s shares transacted on the SGX-ST on the same date of S\$0.2809. Based on the Sale Consideration of US\$10,800,000 and exchange rate of US\$:S\$1.3376.

LETTER TO SHAREHOLDERS

As the relative figure under Rule 1006(b) above exceeds 20%, the Proposed Disposal constitutes a “major transaction” as defined in Rule 1014 of the Listing Manual. Accordingly, the approval of the Shareholders at the EGM is required for the Proposed Disposal.

TPR impaired US\$5.5 million in its property, plant and equipment in FY2018 (details of which are found in the Company’s announcements dated 28 May 2018 and 6 July 2018). There was no impairment in TPR in FY2016 and FY2017.

2. THE PROPOSED DISPOSAL

2.1 Information on TPR

The Company’s 97%-owned subsidiary, MIG, was incorporated in Singapore on 12 March 2014. As at the Latest Practicable Date, the Company holds 21,022,600 issued ordinary shares of MIG, GIG holds 650,184 issued ordinary shares of MIG as the Company’s joint venture partner, and the Company’s 100% owned subsidiary SMI Infrastructure Services Pte Ltd holds 1 issued ordinary share of MIG. MIG is an investment holding company holding 99.9% of the issued share capital of TPR, which was incorporated in Myanmar on 5 May 2014 and builds, leases and operates telecommunication infrastructure and towers in Myanmar. The remaining 1 issued ordinary share of TPR is held by a nominee of the Company. The nominee has agreed to sell the remaining 1 issued ordinary share of TPR together with the sale of the Sale Shares by MIG to the Purchaser or its nominee on the same terms save that he shall be paid US\$1 for his 1 issued ordinary share. In addition, TPR also owns the Sale Stock to be sold on the terms set out in Section 2.3.1(b) of this Circular.

The Company had previously entered into a sale and purchase agreement dated 20 October 2016 for the proposed disposal of MIG, details of which can be found in the circular to Shareholders dated 8 December 2016. The sale and purchase agreement ipso facto ceased and determined as the condition precedent to obtain all third party consents necessary for the proposed disposal of MIG was not fulfilled by the long stop date of 30 June 2017, being the Company’s inability to obtain Form 11 to be filed with the Myanmar Investment Commission (“MIC”) of the commencement of commercial operations in accordance with Foreign Investment Rule 97, to obtain MIC’s approval of certain tax concessions under Myanmar’s Foreign Investment Law. Further details of the lapse of the sale and purchase agreement can be found in the Company’s announcements dated 1 July 2017, 10 July 2017 and 17 July 2017.

As disclosed by the Company in its previous announcements of 20 December 2016, 18 January 2017, 27 January 2017 and 8 May 2017 respectively, the Company’s joint venture partner, GIG has made certain allegations against the Company in respect of the joint venture in MIG (which is the holding company of TPR), including matters relating to the joint venture shareholder agreement dated 1 June 2014 (“JVSA”) governing MIG. Please refer to further details set out in the aforesaid announcements. On 20 June 2018, GIG’s legal solicitors have filed an originating summons against the Company, MIG and the Purchaser (the “Defendants”) seeking, *inter alia*, the following:

- (a) A declaration that any directors’ resolution passed by MIG’s board of directors approving the SSA is in breach of the terms of the JVSA;
- (b) An injunction restraining the Company and MIG from passing any ordinary resolution purporting to authorize the proposed disposal of the entire shareholding interest of TPR until a directors’ resolution is passed in accordance with the terms of the JVSA; and
- (c) An injunction restraining the Defendants from completing the SSA until a directors’ resolution is passed in accordance with the terms of the JVSA.

In addition, GIG’s legal solicitors have concurrently filed an ex parte summons against the Defendants seeking, *inter alia*, an interim injunction to prevent the Defendants from completing the SSA until the originating summons has been resolved.

LETTER TO SHAREHOLDERS

As at the Latest Practicable Date, the Company has successfully applied for a stay of both the originating summons and the interim injunction application taken out by GIG against the Defendants, in favour of arbitration as the JVSA provides for any dispute to be decided through arbitration and the court agreed with the Company in this regard.

2.2 Information on the Purchaser

The Purchaser is Tiger Infrastructure Pte. Ltd., involved in the supply of infrastructure engineering design and consultancy services. The Purchaser's 99%-owned subsidiary Tiger Infrastructure Myanmar (TIM) Co., Ltd builds, leases and operates telecommunication infrastructure and towers in Myanmar. The Purchaser is an independent third party purchaser owned by KPR Towers Holding APS, a company based in Denmark and Daily Life Renewable Energy Holding Pte. Ltd. respectively. The shareholders of the Purchaser are respectively involved in the tower construction and renewable energy industries.

2.3 Sale Consideration

2.3.1 The aggregate sale consideration for the Proposed Disposal will be a sum of approximately US\$10,800,000 (the "**Sale Consideration**") to be satisfied in cash as follows:

- (a) the purchase price for the sale of the Sale Shares, being an amount in cash equal to the sum of approximately US\$9,800,000 (the "**Purchase Price**"), which will be paid by the Purchaser to MIG in the following manner:
 - i. an amount of US\$980,000 (being the Deposit) within 3 business days of the date of the SSA, non-refundable unless the SSA is terminated due to the failure of MIG to meet the conditions precedent set out in Section 2.4 of this Circular or a material breach by MIG and/or the Company, or if MIG terminates the SSA due to a material breach by the Purchaser; and
 - ii. the balance Purchase Price on the date of completion; and
- (b) the consideration for the sale of the Sale Stock, being an amount in cash equal to the sum of US\$1,000,000, which will be paid by the Purchaser to MIG within 3 business days from the date of the SSA. As at the Latest Practicable Date, the Company has received the full amount of US\$1,000,000 for the Sale Stock and has transferred the rights and interest in all the Sale Stock to the Purchaser.

2.3.2 The Sale Consideration was arrived at by the parties on a willing-buyer-willing-seller basis. In arriving at the Sale Consideration, the Board also took into account, *inter alia*, the following factors, including but not limited to the reasons described in Section 3 of this Circular:

- (a) The historical financial position and performance of TPR, which is loss-making; and
- (b) The unaudited net assets value and EBITDA loss of TPR as at 31 March 2018, of US\$10.0 million and US\$0.4 million respectively.

2.4 Conditions Precedent

Completion of the Proposed Disposal is conditional upon, *inter alia*, the following:

- (a) The Company having received the approval of its shareholders in a general meeting to be convened for the Proposed Disposal;
- (b) The passing at a general meeting of the Purchaser of an ordinary resolution in the agreed form to approve the terms of the SSA;

LETTER TO SHAREHOLDERS

- (c) All third party consents from appropriate governments, governmental, supranational or trade agencies, courts or other regulatory bodies which are necessary in connection with the transfer of the Sale Shares having been obtained (including but not limited to the Myanmar Investment Commission), and if subject to conditions, on such conditions acceptable to the Purchaser; and
- (d) TPR owning and leasing 100 revenue generating towers to TPR's customers. TPR currently operates 98 revenue generating towers. The remaining 2 towers are in the process of being built, both of which are expected to be completed by the long stop date of 31 December 2018.

2.5 Completion

Completion shall take place five Business Days after the conditions precedent set out in Section 2.4 of this Circular are fulfilled or waived, whereby MIG shall transfer the Sale Shares against payment of the Sale Consideration as provided in Section 2.3.1 of this Circular.

2.6 Other Material Terms

The material terms of the Proposed Disposal, *inter alia*, are as follows:

- (a) The Company shall provide the Purchaser office space for the staff of TPR for a period of up to six months after the Completion Date at a one-time fee of US\$50,000, payable within 7 days of the Completion Date; and
- (b) In the event any sum due under the SSA is not paid by the deadline stipulated therein, the party due to pay the sum shall pay interest on that sum at the rate of 6% per annum from the date payment is due until the date of actual payment. Interest shall accrue on a daily basis and be compounded quarterly.
- (c) The long stop date for the fulfilment of the conditions precedent set out in Section 2.4 of this Circular is 31 December 2018 or such later date as the parties may agree.

3. RATIONALE FOR AND BENEFITS OF THE PROPOSED DISPOSAL

The rationale for and benefits of the Proposed Disposal are, *inter alia*, as follows:

- (a) The Telecom Business is a capital intensive undertaking. In light of the Company's expansion into other businesses in Myanmar, the Proposed Disposal will allow the Company to focus its efforts on less capital intensive and potentially better performing business segments for faster returns on investments, such as its duty-free, food and beverage distribution and logistics and warehouse business, in order to improve the Company's performance and strengthen its balance sheet.
- (b) The telecommunications infrastructure market is undergoing rapid consolidation leaving limited opportunities for smaller players. TPR with its small market share is likely to underperform versus its larger competitors. The Company has been in negotiations with 3 tower companies in addition to the Purchaser, of which the most favourable price and sale terms were offered by the Purchaser.
- (c) The Proposed Disposal will strengthen the Company's balance sheet and improve its overall liquidity with the funds being received as Sale Consideration following Completion. The Proposed Disposal will also allow the Group to restructure its existing businesses to achieve a stronger financial performance and free up cash resources that were allocated for the construction of the telecommunications towers, which is capital intensive in nature. Such cash resources can then be channelled to in a more advantageous manner to grow and further develop other business segments.

LETTER TO SHAREHOLDERS

4. VALUE OF AND NET PROFIT/LOSS ATTRIBUTABLE TO THE SALE SHARES BASED ON THE AUDITED FINANCIAL STATEMENTS OF THE COMPANY

The audited net asset value, net loss before tax and EBITDA loss attributable to the Sale Shares (including the Sale Stock) for FY2018 were US\$4,540,918, US\$(7,500,504) and US\$5,873,834 respectively.

As part of the Proposed Disposal, MIG will waive the debts owed by TPR. These debts were incurred as MIG (being the majority shareholder of TPR) financed TPR's operations by providing intercompany advances for TPR's working capital, which were mainly used to pay for the construction of the towers and purchase of power generation equipment. The aggregate amount of intercompany advances extended by MIG to TPR is approximately US\$6,157,139 as at 31 March 2018.

The parties agreed to the waiver of the indebtedness owing by TPR to MIG as the Purchaser has agreed to the Sale Consideration for the Proposed Disposal on the basis that TPR will not have any outstanding liabilities (save for trade debts). As disclosed in Section 3(b) of this Circular, the terms offered by the Purchaser, which include the amount of Sale Consideration on the basis that TPR's indebtedness to MIG would be waived, were the most favourable compared to the other offers received by the Company for the Telecom Business.

After adjustment for the waiver of the indebtedness owing by TPR to MIG, the audited net asset value of the Sale Shares (including the Sale Stock) at 31 March 2018 would be US\$10,697,874.

The excess of sale proceeds based on the Sale Consideration compared to the audited net asset value of TPR of US\$10,697,874 at 31 March 2018 is US\$102,126, resulting in a gain of US\$102,126 being recognised on the Proposed Disposal as at 31 March 2018. The Company's share of the gain, being 97%, is US\$99,062.

No valuation report was commissioned by the Company in respect of the Sale Shares (including the Sale Stock).

5. FINANCIAL EFFECTS OF THE PROPOSED DISPOSAL BASED ON THE AUDITED FINANCIAL STATEMENTS OF THE COMPANY

The financial effects of the Proposed Disposal set out below are purely for illustrative purposes only and do not reflect the future financial position of the Company or the Group after completion. The transactional costs are disregarded for the purposes of calculating the financial effects.

5.1 NTA

The effect of the Proposed Disposal on the NTA per share of the Group for FY2018, assuming that the Proposed Disposal had been effected at the end of FY2018 is as follows:

	Before the Proposed Disposal	After the Proposed Disposal
NTA (US\$'000) ⁽¹⁾	29,447	29,546
Number of Shares (thousands) ⁽²⁾	302,997	302,997
NTA per share (US\$/cents)	9.72	9.75

Notes:

(1) Based on net tangible assets of the Group as at 31 March 2018.

(2) Based on 302,996,792 issued ordinary shares of the Company as at the Latest Practicable Date.

LETTER TO SHAREHOLDERS

5.2 EPS

The effect of the Proposed Disposal on the earnings per share of the Group for FY2018, assuming that the Proposed Disposal had been effected at the end of FY2018 is as follows:

	Before the Proposed Disposal	After the Proposed Disposal
Net loss attributable to ordinary shareholders of the Company (US\$'000) ⁽¹⁾	(10,729)	(10,630)
Weighted average number of Shares (thousands) ⁽²⁾	273,775	273,775
Basic EPS (US cents) ⁽³⁾	(3.92)	(3.88)

Notes:

- (1) Based on losses incurred by the Group as at 31 March 2018.
- (2) Based on 273,775,383 weighted average number of shares of the Company for FY2018.
- (3) Assuming the Proposed Disposal had been effected at the beginning of FY2018, the EPS would have been US cents (1.15) before the Proposed Disposal and US cents (1.11) after the Proposed Disposal.

6. USE OF PROCEEDS

The Company expects to utilise the net proceeds from the Proposed Disposal of approximately US\$10,700,000 ("**Net Proceeds**") (after deducting transaction expenses of approximately US\$100,000) largely towards funding its working capital, servicing bank loans and other operating requirements.

Pending the deployment of the Net Proceeds for the purposes mentioned above, such proceeds may be deposited with banks and/or financial institutions, invested in short-term money markets and/or marketable securities, or used for any other purpose on a short-term basis, as the Directors may deem appropriate in the interests of the Group.

7. SERVICE CONTRACTS

There is no director proposed to be appointed to the Company in connection with the Proposed Disposal.

8. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

8.1 Interests in the Company

The interests of the Directors and Substantial Shareholders in the capital of the Company as at the Latest Practicable Date are as follows:

Directors	Direct interest		Deemed interest	
	No. of Shares	%(¹)	No. of Shares	%(¹)
Ho Kwok Wai ⁽²⁾	–	–	164,749,871	54.37
Mark Francis Bedingham ⁽³⁾	–	–	24,508,321	8.09
Wong Yen Siang	–	–		
Wee Sung Leng	–	–	–	–
Fong Sing Chak Jack ⁽⁴⁾	–	–	1,000,000	0.33

LETTER TO SHAREHOLDERS

Substantial Shareholders (other than Directors)	Direct interest		Deemed interest	
	No. of Shares	% ⁽¹⁾	No. of Shares	% ⁽¹⁾
Jet Palace Holdings Limited ⁽⁵⁾	–	–	33,400,000	11.02
Taipan Grand Investments Limited ⁽⁶⁾	–	–	77,933,000	25.72

Notes:-

- (1) The percentage shareholding interest is calculated based on 302,996,792 total issued Shares as at the Latest Practicable Date.
- (2) 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).
- (3) Mr Mark Francis Bedingham is deemed to be interested in 24,508,321 Shares held by Bank Julius Baer.
- (4) Mr Fong Sing Chak Jack's 1,000,000 shares are registered in the name of a nominee account.
- (5) Jet Palace Holdings Limited's 33,400,000 Shares are registered in the name of a nominee account.
- (6) Taipan Grand Investments Limited's 77,933,000 Shares are registered in the name of a nominee account.

8.2 Interests in the Proposed Disposal

As at the Latest Practicable Date, none of the Directors, Controlling Shareholders or their Associates has any interest, direct or indirect, in the Proposed Disposal, save through their shareholding interest in the Company (if any).

9. DIRECTORS' RECOMMENDATION

Having considered and reviewed, amongst others, the terms of the SSA, the rationale for and the financial effects of the Proposed Disposal and all other relevant facts set out in this Circular, the Directors are of the opinion that the Proposed Disposal is in the interest of the Company. Accordingly, they recommend that Shareholders vote in favour of the Ordinary Resolution set out in the Notice of EGM.

10. EXTRAORDINARY GENERAL MEETING

The EGM, notice of which is set out on page 17 of this Circular, will be held at TKP Conference Centre, 55 Market Street #03-01, Singapore 048941 on 31 August 2018 at 10.00 a.m. for the purpose of considering and, if thought fit, passing the Ordinary Resolution set out in the notice of EGM.

11. ACTION TO BE TAKEN BY SHAREHOLDERS

Shareholders who are unable to attend the EGM and wish to appoint a proxy to attend and vote at the EGM on their behalf must complete, sign and return the Proxy Form attached to this Circular in accordance with the instructions printed thereon as soon as possible and in any event so as to arrive at the Company's Share Registrar, Tricor Barbinder Registration Services at 80 Robinson Road, #11-02, Singapore 068898, not less than 48 hours before the time fixed for the EGM. The completion and return of a Proxy Form by a Shareholder does not preclude him from attending and voting in person at the EGM should he subsequently decide to do so, although the appointment of the proxy shall be deemed to be revoked by such attendance. A Depositor shall not be regarded as a member of the Company entitled to attend the EGM to speak and vote thereat unless his name appears in the Depository Register as at 72 hours before the EGM.

Shareholders should note that the Company's Controlling Shareholder, Mr Ho Kwok Wai, has given an undertaking to the Purchaser to vote and to procure his Associates to vote in favour of the Proposed Disposal.

LETTER TO SHAREHOLDERS

12. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Circular and confirm after making all reasonable enquiries, that to the best of their knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the Proposed Disposal (save for the information regarding the Purchaser), 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 information in this Circular 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 Circular in its proper form and context.

13. INSPECTION OF DOCUMENTS

The following documents are available for inspection at the registered office of the Company at 300 Beach Road #29-01, The Concourse, Singapore 199555, during normal business hours for 3 months from the date of this Circular:

- (a) the constitution of the Company;
- (b) the annual report of the Company for FY2018; and
- (c) the SSA.

Yours faithfully
For and on behalf of the Board

Mark Francis Bedingham
Executive Director, President and CEO
Singapore Myanmar Investco Limited
16 August 2018

APPENDIX I – KEY FINANCIAL INFORMATION OF TPR

TPR MYANMAR LIMITED

(Registered in the Republic of the Union of Myanmar)
Registration No. 99 FC of 2014-2015

**STATEMENT OF PROFIT OR LOSS AND COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2018**

	Note	2018 USD	2017 Restated USD	2017 USD
Revenue		2,492,079	1,747,720	1,810,738
Cost of sales		(7,928,831)	(1,821,133)	(1,821,133)
Gross profit		(5,436,752)	(73,413)	(10,395)
Expenses	3	(2,063,752)	(2,561,131)	(2,561,131)
Profit/ (Loss)		(7,500,504)	(2,634,544)	(2,571,526)
Exchange gain/(loss)		–	–	–
Loss before tax		(7,500,504)	(2,634,544)	(2,571,526)
Income tax expense		–	(77,633)	(77,633)
Loss for the year		(7,500,504)	(2,712,177)	(2,649,159)
Other comprehensive income		–	–	–
Total comprehensive loss for the year		<u>(7,500,504)</u>	<u>(2,712,177)</u>	<u>(2,649,159)</u>

APPENDIX I – KEY FINANCIAL INFORMATION OF TPR

TPR MYANMAR LIMITED

(Registered in the Republic of the Union of Myanmar)
Registration No. 99 FC of 2014-2015

STATEMENT OF FINANCIAL POSITION AS AT 31 March 2018

	Note	2018 USD	2017 Restated USD	2017 USD
ASSETS				
<i>Non-current assets</i>				
Property, plant and equipment	4	13,508,579	18,981,626	18,981,626
Intangibles	5	31,168	42,857	42,857
Total non-current assets		13,539,747	19,024,483	19,024,483
<i>Current assets</i>				
Other current assets	6	471,269	194,646	194,646
Trade & other receivables	7	580,409	576,080	642,339
Cash & cash equivalents	8	194,246	198,063	198,063
Total current assets		1,245,924	968,789	1,035,048
TOTAL ASSETS		14,785,671	19,993,272	20,059,531
EQUITY AND LIABILITIES				
EQUITY				
Share capital	9	16,050,000	16,050,000	16,050,000
Retained loss		(11,509,082)	(4,008,578)	(3,945,560)
Total equity		4,540,918	12,041,422	12,104,440
LIABILITIES				
<i>Non-current liabilities</i>				
Asset retirement obligation	10	1,418,500	1,265,600	1,265,600
Long term trade and other payables		–	–	–
Total non-current liabilities		1,418,500	1,265,600	1,265,600
<i>Current liabilities</i>				
Trade and other payables	11	8,826,253	4,722,422	4,725,663
Finance Lease		–	948,144	948,144
Short term provision		–	1,015,684	1,015,684
Total current liabilities		8,826,253	6,686,250	6,689,491
Total liabilities		10,244,753	7,951,850	7,955,091
Total equity and liabilities		14,785,671	19,993,272	20,059,531

NOTICE OF EXTRAORDINARY GENERAL MEETING

SINGAPORE MYANMAR INVESTCO LIMITED

Company Registration Number 200505764Z
(Incorporated in the Republic of Singapore)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting (“EGM”) of **SINGAPORE MYANMAR INVESTCO LIMITED** (the “Company”) will be held at TKP Conference Centre, 55 Market Street #03-01, Singapore 048941 on 31 August 2018 at 10.00 a.m. for the purpose of considering and, if thought fit, passing with or without modifications, the following resolution:

ORDINARY RESOLUTION: THE PROPOSED DISPOSAL OF THE ENTIRE SHAREHOLDING INTEREST OF TPR MYANMAR LIMITED HELD BY THE COMPANY

That:

- (a) approval be and is hereby given for the Proposed Disposal, on the terms and subject to the conditions set out in the share sale agreement dated 1 June 2018 entered into between the Company, Myanmar Infrastructure Group Pte. Ltd. and Tiger Infrastructure Pte. Ltd.; and
- (b) the Directors of the Company be and are hereby authorised to do all acts and things (including executing such documents as may be required) as they may consider expedient or necessary or in the interest of the Company, in connection with the subject matter of, or to give effect to, this Ordinary Resolution.

For and on behalf of the Board
Singapore Myanmar Investco Limited

Mark Francis Bedingham
Executive Director, President and CEO
16 August 2018

Notes:

- (1) A shareholder of the Company entitled to attend and vote at the Extraordinary General Meeting of the Company (“EGM”) may appoint not more than two proxies to attend and vote in his/her stead. A shareholder of the Company which is a corporation is entitled to appoint its authorised representative or proxy to vote on its behalf. A proxy need not be a shareholder of the Company.
- (2) Intermediaries such as banks and capital markets services licence holders which provide custodial services and are shareholders of the Company may appoint more than two proxies provided that each proxy is appointed to exercise the rights attached to different shares held by the shareholder.
- (3) If a proxy is to be appointed, the instrument appointing a proxy must be duly deposited at the Company’s Share Registrar, Tricor Barbinder Share Registration Services at 80 Robinson Road, #11-02, Singapore 068898, not later than 48 hours before the time appointed for the holding of the EGM.
- (4) 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.
- (5) A Depositor’s name must appear on the Depository Register maintained by The Central Depository (Pte) Limited as at 72 hours before the time fixed for holding the EGM in order for the Depositor to be entitled to attend and vote at the EGM.
- (6) Terms not defined in this Notice of EGM shall have the meanings ascribed to them in the circular to shareholders dated 16 August 2018.

NOTICE OF EXTRAORDINARY GENERAL MEETING

Personal Data Privacy:

“Personal data” in this notice has the same meaning as “personal data” in the Personal Data Protection Act 2012 (“**PDPA**”), which includes your and your proxy’s and/or representative’s name, address and NRIC/Passport No. 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 and its proxy(ies)’s or representative’s personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) 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 in order for the Company (or its agents) 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), the member has obtained the prior express consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, (iii) undertakes that the member will only use the personal data of such proxy(ies) and/or representative(s) for the Purposes; and (iv) 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. Your and your proxy and/or representative’s personal data may be disclosed or transferred by the Company to its subsidiaries, its share register and/or other agents or bodies for any of the Purposes, and retained for such period as may be necessary for the Company’s verification and record purposes.

PROXY FORM

Singapore Myanmar Investco Limited

Company Registration Number 200505764Z
(Incorporated in the Republic of Singapore)

PROXY FORM EXTRAORDINARY GENERAL MEETING

IMPORTANT:

This proxy form is not valid for use by CPF investors and shall be ineffective for all intents and purposes if used or purported to be used by them.

I/We* _____ (Name) NRIC/Passport no.* _____

of _____ (Address)

being a shareholder/shareholders* of Singapore Myanmar Investco Limited (the "Company") hereby appoint:

Name	NRIC/Passport Number	Proportion of Shareholdings	
		Number of Shares	%
Address			

and/or*

Name	NRIC/Passport Number	Proportion of Shareholdings	
		Number of Shares	%
Address			

or failing him/her*, the Chairman of the Extraordinary General Meeting ("EGM") of the Company as my/our* proxy/proxies* to attend and to vote for me/us* on my/our* behalf at the EGM of the Company to be held at TKP Conference Centre, 55 Market Street #03-01, Singapore 048941 on 31 August 2018 at 10.00 a.m., and at any adjournment thereof. I/We direct my/our proxy/proxies to vote for or against the resolution 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 discretion.

Please tick here if more than two proxies will be appointed (Please refer to note 3). This is only applicable for intermediaries such as banks and capital markets services licence holders which provide custodial services.

All resolutions put to the vote at the EGM shall be decided by way of poll.

AS ORDINARY RESOLUTION	For**	Against**
The Proposed Disposal		

* Delete where inapplicable

** Please indicate your vote "For" or "Against" with a tick [√] within the box provided. Alternatively, please indicate the number of votes as appropriate.

Dated this _____ day of _____ 2018

Total No. of Shares Held in:	No. of Shares
CDP Register	
Register of Members	

Signature(s) of Shareholder(s) or Common Seal

IMPORTANT: PLEASE READ NOTES OVERLEAF



PROXY FORM

Notes:

1. Please insert the total number of Shares held by you. If you have Shares entered against your name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act, Chapter 289), you should insert that number of Shares. If you have Shares registered in your name in the Register of Members of the Company, you should insert that number of Shares. If you have Shares entered against your name in the Depository Register and registered in your name in the Register of Members of the Company, you should insert the aggregate number of Shares. If no number is inserted, this form of proxy will be deemed to relate to all the Shares held by you.
2. A shareholder entitled to attend and vote at the EGM is entitled to appoint not more than two proxies to attend and vote on his behalf. A proxy need not be a shareholder of the Company.
3. Intermediaries such as banks and capital markets services licence holders which provide custodial services and are members of the Company may appoint more than two proxies provided that each proxy is appointed to exercise the rights attached to different shares held by the member. In such event, the relevant intermediary shall submit a list of its proxies together with the information required in this proxy form to the Company.
4. The instrument appointing a proxy or proxies, duly executed, must be deposited at the Company's Share Registrar, Tricor Barbinder Share Registration Services at 80 Robinson Road, #11-02, Singapore 068898, not later than 48 hours before the time appointed for the EGM.
5. Where a shareholder appoints more than one proxy, he shall specify the proportion of his shareholding to be represented by each proxy and, if no percentage is specified, the first named proxy shall be deemed to represent 100 per cent. of the shareholding and the second named proxy shall be deemed to be an alternate to the first named.
6. The instrument appointing a proxy or proxies must be under the hand of the appointor or his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed under its common seal or under the hand of its attorney or a duly authorised officer.
7. Where an instrument appointing a proxy or proxies is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument of proxy, failing which the instrument may be treated as invalid.
8. A corporation which is a shareholder may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the EGM, in accordance with Section 179 of the Companies Act, Chapter 50.
9. The submission of an instrument or form appointing a proxy by a shareholder does not preclude him from attending and voting in person at the EGM if he so wishes.
10. The Company shall be entitled to reject an instrument of proxy which is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified on the instrument of proxy. In addition, in the case of Shares entered in the Depository Register, the Company may reject an instrument of proxy if the shareholder, being the appointor, is not shown to have Shares entered against his name in the Depository Register as at 72 hours before the time appointed for holding the meeting, as certified by The Central Depository (Pte) Limited to the Company.
11. Terms not defined in this Proxy Form shall have the meanings ascribed to them in the circular to shareholders dated 16 August 2018.

PERSONAL DATA PRIVACY:

Where a member of the Company submits 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) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the EGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, proxy lists, minutes and other documents relating to the EGM (including any adjournment thereof), and in order for the Company (or its agents) 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), 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) 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.