
UPDATE ON ANNOUNCEMENT OF CAPITAL INCREASE IN THE COMPANY

The Board of Directors of First Myanmar Investment Public Company Limited (the “**Company**” and with its subsidiaries, the “**Group**”) wishes to announce that the Company has on 23 March 2022 (a) entered into a new loan agreement (“**New Loan Agreement**”) with Ayala Corporation (“**Ayala**”) to restructure the existing convertible loan amounting to US\$ 82.5 million (“**Restructured Loan**”) which has already been disbursed in 2020 into a perpetual loan; and (b) terminated the convertible loan agreement dated 13 November 2019 save for the indemnity provisions. Please refer to the Company’s announcement on 14 November 2019 for information on the convertible loan (“**14 November Announcement**”).

(collectively, the **Parties**, and each, a **Party**).

Salient Terms of the New Loan Agreement

The Restructured Loan can only be redeemed by way of allotment and issuance of ordinary shares in the capital of the Company (“**Redemption Shares**”) in accordance with the terms and conditions of the New Loan Agreement, the salient terms of which are as follows:-

Principal Amount	:	US\$82.5 million which has been disbursed in 2020.
Use of Proceeds from the Restructured Loan	:	The Restructured Loan has been used by the Company in the manner disclosed in the 14 November Announcement.
Number of Redemption Shares	:	8,277,424 ¹ based on the share issue price of MMK15,000 ² per Redemption Share and represents twenty per cent. (20%) of the enlarged issued and paid up share capital of the Company.
Redemption Right	:	Parties may redeem the Restructured Loan (in full and not in parts) into Redemption Shares upon the satisfaction of the prescribed conditions and following which, either party may deliver to the other party a notice fourteen (14) business days prior to the date fixed for redemption (the “ Redemption Date ”).
Conditions for Redemption	:	The Restructured Loan must be redeemed upon the satisfaction of certain conditions including:- (a) the Company having convened an special general meeting and obtained the requisite shareholders’ approval for the allotment and issuance of the Redemption Shares to Ayala; and (b) the 7-day volume weighted average price of a share of the Company is equal to or exceeds MMK15,000, being the issue price per Redemption Share.

¹ Based on the total issued and paid up share capital of the Company as at the date of the New Loan Agreement comprising 33,109,694 shares.

² This represents a premium of 36.5% over the closing price of the share of the Company on the date of the convertible loan agreement.

Repayment by way of Redemption Shares	:	Repayment of the Restructured Loan may only be made by way of the Redemption Shares.
Status of Redemption Shares	:	The Redemption Shares, when issued and delivered, shall rank <i>pari passu</i> with and shall carry all rights similar to the existing issued Shares; and they will rank <i>pari passu</i> for any dividend, rights, allotment or other distributions that are declared on the record date for which falls after the Redemption Date.
Distribution	:	The amount equivalent to any dividends that may be declared and paid by the Company based on the number of Redemption Shares.
Maturity Date	:	The Restructured Loan is a perpetual loan with no fixed maturity date ³ .
Appointment of Ayala Director	:	Ayala is given the right to nominate a person to be a non-executive director on the Board for so long as the Restructured Loan remains unredeemed, or if redemption has taken place, for so long as Ayala holds the Redemption Shares.

Rationale

Given the current economic and business environment in Myanmar, the parties feel that it would be in their respective interests to restructure the convertible loan into a perpetual loan.

By Order of the Board

Tun Tun
Executive Director
23 March 2022

First Myanmar Investment Public Co., Ltd.
YSX Code 00001
The Campus
1 Office Park, Rain Tree Drive
Pun Hlaing Estate, Hlaing Thayar Township,
Yangon 11401, Myanmar
Tel: (01) 3687766

³ The Restructured Loan does not have a maturity date, and based on its terms, it will be accounted for within the capital and reserves attributable to equity holders of the Company under equity and not as a borrowing under liabilities.