



BUSINESS UPDATE IN RESPECT OF POLITICAL DEVELOPMENTS IN MYANMAR

The Board of Directors of Memories Group Limited (the “**Company**” or together with its subsidiaries, the “**Group**”) refers to the news on 1 February 2021 that Aung San Suu Kyi, the State Counsellor of Myanmar and other top government leaders from the National League Democracy party in Myanmar have been detained. Myanmar’s military has also announced a one-year state of emergency, during which the military would be taking over the affairs of Myanmar, and the removal of 24 ministers and deputies with 11 replacements in its new administration. It has further pledged to hold new elections after one year and operate in line with existing laws (the “**Political Development**”).

The political situation in Myanmar continues to evolve and remains unclear at this stage. In light of these developments, office employees have been asked to work from home since 1 February 2021 for the week and take any necessary precautions to stay safe. Some of the Group’s businesses were disrupted intermittently on 1 February 2021 due to outages in the telecommunications network which has since recovered. As at the date of this Announcement, certain essential services including financial services, the F&B restaurants and logistic businesses largely remain in operation. The Yangon Stock Exchange has halted trading since 1 February 2021 and is expected to reopen on 3 February 2021. As the situation evolves, there could potentially be a change in business sentiment.

The COVID-19 pandemic has already greatly affected the tourism sector in Myanmar. The Group has refocused its sales and marketing efforts towards the domestic market and as at the date of this Announcement, one of the Group’s hotels, Awei Metta, remains open and continues to receive guests. As for the Group’s other assets such as the remaining four hotels, Balloons Over Bagan and Burma Boating, they remain closed due to COVID-19 related travel restrictions. As the situation is still evolving, it is still too early to ascertain the financial and operational impact(s) of the Political Development to the Group’s tourism businesses, although it could be reasonably assumed that interest of tourists from Western countries would be dampened in the near future. The outlook on the tourism sector in Myanmar would largely depend on how long it would take for Myanmar to return to normalcy.

The Company will continue to closely monitor the political developments in Myanmar and its financial and operational impacts to the Group as and when there are material developments.

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

BY ORDER OF THE BOARD

Cyrus Pun
Chief Executive Officer
2 February 2021



This announcement has been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "**Sponsor**"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "**Exchange**") and the Exchange assumes no responsibility for the contents of this document, including the correctness of any of the statements or opinions made or reports contained in this document.

The contact person for the Sponsor is Ms. Lim Hui Ling, 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318, sponsorship@ppcf.com.sg