



MEMORANDUM

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TO T.S. Lines Limited (德翔海運有限公司)

FROM Hogan Lovells

DATE October 24, 2024

Privileged and Confidential

SUBJECT Memorandum of Advice – Sanctions analysis in accordance with the HKEX Chapter 4.4 Guidance

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1. Introduction and Scope
 - 1.1 We have acted as the international sanctions counsel to T.S. Lines Limited (德翔海運有限公司) (the "**Company**") in connection with the proposed initial public offering (the "**Offering**") and listing of its ordinary shares on the Main Board of The Stock Exchange of Hong Kong Limited (the "**HKEX**") of the Company.
 - 1.2 In light of the Chapter 4.4 of the Guide for New Listing Applicants (the "**Chapter 4.4 Guidance**") effective from January 2024, this memorandum assesses whether (i) the Company and its subsidiaries (the Company and its subsidiaries together, the "**Group**") engaged in Primary Sanctioned Activity (as defined below) that violates applicable laws or regulations in the Relevant Jurisdiction(s) (as defined below), and/or results in any material sanctions risk to the Relevant Persons (as defined below); (ii) the Group engaged in Secondary Sanctionable Activity (as defined below) that would likely result in the imposition of any sanctions against the Relevant Persons; and (iii) the Group is a Sanctioned Target (as defined below), is located, incorporated, organized or resident in a Sanctioned Country (as defined below), or is a Sanctioned Trader (as defined below).
 - 1.3 This memorandum is provided for the purposes of the Offering only. However, our advice is applicable whether or not the Company proceeds with the Offering.
 - 1.4 For the purpose of this memorandum and consistent with the Chapter 4.4 Guidance, the following terms and expressions shall have the respective meanings set out below:

"International Sanctions" means rules and regulations related to economic sanctions programs and export controls administered by the Relevant Jurisdictions.

"Primary Sanctioned Activity" means any activity in a Sanctioned Country or (i) with; or (ii) directly or indirectly benefiting, or involving the property or interests in property of, a Sanctioned Target by the Company incorporated or located in a Relevant Jurisdiction (if applicable) or which otherwise has a nexus with such jurisdiction with respect to the relevant activity, such that it is subject to the relevant sanctions law or regulation. This definition is in line with the definition of Primary Sanctioned Activity as set out in the Chapter 4.4 Guidance.

"Relevant Jurisdiction" means any jurisdiction that is relevant to the Company and has sanctions related law or regulation restricting, among other things, its nationals and/or entities which are incorporated or located in that jurisdiction from directly or indirectly making assets or services available to or otherwise dealing in assets of certain countries, governments, persons or entities targeted by such law or regulation. For the purpose of this memorandum, the Relevant Jurisdictions include United States ("**U.S.**"), European Union and its member states ("**EU**"), United Nations ("**UN**"), the UK Overseas Territories ("**UK Overseas Territories**") and Australia. Throughout part of the Track Record Period as specified below, the United Kingdom ("**UK**") was an EU Member State and EU sanctions fully applied thereto.

"Relevant Persons" means the Company, together with its investors and shareholders and persons who might, directly or indirectly, be involved in permitting the listing, trading, clearing and settlement of its shares, including the HKEX and related group companies. This definition is consistent with the definition of Sanctioned Target as set out in the Chapter 4.4 Guidance.

"Sanctioned Activity" means Primary Sanctioned Activity and Secondary Sanctionable Activity.

"Sanctioned Country" means any country or territory subject to a general and comprehensive export, import, financial or investment embargo under sanctions related law or regulation of the Relevant Jurisdiction.

"Sanctioned Target" means any person or entity (i) designated on any list of targeted persons or entities issued under the sanctions-related law or regulation of a Relevant Jurisdiction; (ii) that is, or is owned or controlled by, a government of a Sanctioned Country; or (iii) that is the target of sanctions under the law or regulation of a Relevant Jurisdiction because of a relationship of ownership, control, or agency with a person or entity described in (i) or (ii). This definition is consistent with the definition of Sanctioned Target as set out in the Chapter 4.4 Guidance.

"Sanctioned Trader" means any person or entity that does a material portion (10% or more) of its business with Sanctioned Targets and Sanctioned Country entities or persons. This definition is consistent with the definition of Sanctioned Trader as set out in the Chapter 4.4 Guidance.

"Secondary Sanctionable Activity" means certain activity by the Company that may result in the imposition of sanctions against the Relevant Person(s) by a Relevant Jurisdiction (including designation as a Sanctioned Target or the imposition of penalties), even though the Company is not incorporated or located in that Relevant Jurisdiction and does not otherwise have any nexus with that Relevant Jurisdiction. This definition is consistent with the definition of Secondary Sanctionable Activity as set out in the Chapter 4.4 Guidance.

- 1.5 This memorandum provides preliminary analysis in accordance with the Chapter 4.4 Guidance based on the facts provided to date to assess the Group's compliance with the International Sanctions and, where appropriate, sets forth certain recommendations in regard to Sanctioned Activities. This memorandum is not intended as a full due diligence review of these issues, nor is it intended to provide any assessment of the Group's existing policies or wider procedures implemented to manage its compliance with rules and regulations related to economic sanctions programs and export controls administered by the Relevant Jurisdictions (the "**International Sanctions**").
- 1.6 In preparing this memorandum, Hogan Lovells reviewed the Company's responses to the "*International Sanctions Due Diligence Checklist*" dated April 6, 2023 (the "**Sanctions DD Checklist**"), prepared by Hogan Lovells, and related e-mail correspondence. We have reviewed the information contained in the Company's prospectus prepared in connection with the Offering, as that document being amended from time to time during the Offering (the "**Prospectus**"). The Group's responses to the Sanctions DD Checklist have included various spreadsheets of transaction records and other documents that relate to the subject matter of the Sanctions DD Checklist, and we have reviewed those documents as part of our preparation of this memorandum. As to matters of fact material to the conclusion stated herein, we have relied on the representations and statements of fact made in the documents we reviewed or made by the Company. We have not independently verified or established the facts so relied on.
- 1.7 As of the date of this memorandum, Sanctioned Countries within the meaning of the Chapter 4.4 Guidance include: Cuba, Iran, North Korea, Syria and the Crimea region of Ukraine/Russia, Kherson region and Zaporizhzhya region of Ukraine the self-proclaimed Donetsk People's Republic ("**DPR**") and the self-proclaimed Luhansk People's Republic ("**LPR**") regions. During the last five years, the Company confirmed on behalf of the Group that, it has no dealings with any of the Sanctioned Countries listed.
- 1.8 We have however identified the Group's business activities during the three years ended December 31, 2023 (the "**Track Record Period**") with the following countries or regions for which Relevant Jurisdictions maintain various forms of sanctions programs in place (albeit not a "general and comprehensive export, import, financial or investment embargo" within the meaning of the Chapter 4.4 Guidance): Hong Kong and Myanmar (these countries / regions are collectively referred as the "**Relevant Regions**", and each a "**Relevant Region**").
- 1.9 This memorandum is based on the understanding and assumptions detailed herein. Hogan Lovells relies on the completeness and accuracy of the information given to it by the Company. If any of the assumptions are incorrect, or any changes occur in or correction to the information given, the Company is recommended to inform Hogan Lovells so that it can confirm the content of this analysis.
- 1.10 This memorandum is given only with respect to International Sanctions in force up to the date of this memorandum. Hogan Lovells underlines that sanctions measures adopted by the international community remain under constant review. Therefore, the scope and application of the measures discussed below are subject to change and should be carefully monitored. We, however, have no obligation to notify any recipient or other person of any change in International Sanctions or their applications after the date of this memorandum. No opinion and/advice is expressed or implied as to the laws of any other territory, or as to matters of fact, except for International Sanctions discussed below.
2. **Conclusion**

- 2.1 On the basis of the information received from the Group and after carrying out its procedures and analysis set out below, Hogan Lovells is of the view that:
- (a) Except for the Primary Sanctioned Country Transactions as defined in paragraph 3.2(a)(viii) below, during the Track Record Period, the Group did not engage in any Primary Sanctioned Activity because it had no activity in a Sanctioned Country or (i) with; or (ii) directly or indirectly benefiting, or involving the property or interests in property of, a Sanctioned Target which have a nexus with a Relevant Jurisdiction such that they are subject to the relevant sanctions law or regulation. The Group's transactions with Myawaddy Trading Limited ("**Myawaddy**") (collectively refer as "**GL-Authorized Myawaddy Transactions**") were not in violation of International Sanctions for the reasons explained below. As such, the Group's business dealings with the Relevant Regions would not violate applicable sanctions law or regulation in the Relevant Jurisdictions nor result in any material sanctions risk to the Relevant Persons;
 - (b) The Group did not engage during the Track Record Period in Secondary Sanctionable Activity because it had no activity targeted by extra-territorial provisions of sanctions law or regulation in the Relevant Jurisdictions, except very limited dealings with Myawaddy that are not likely to be viewed as the Group's provision of "material assistance" to a sanctioned party in light of the nature of the transactions (i.e., such transactions are authorised by GL 4 (as defined below) as explained in details below) and very low value of such sales. As such, it is unlikely that the Group's activities (including the business dealings with the Relevant Regions) would result in the imposition of sanctions on the Relevant Persons (including designation as a Sanctioned Target or the imposition of penalties);
 - (c) None of the Group entities has been designated as a Sanctioned Target, nor is any of them located, incorporated, organised or resident in a Sanctioned Country; and
 - (d) The Group is not a Sanctioned Trader because it did not derive a material portion of its revenue (10% or more) during the Track Record Period from business activities with Sanctioned Country entities or persons, or with Sanctioned Targets (in fact, no such revenue was identified).
- 2.2 As no apparent or material sanctions risks are present involving the Group's transactions with the Relevant Regions, the Company and/or its shareholders are not required to make undertakings pursuant to the Chapter 4.4 Guidance.
- 2.3 There is no material change to the matters set out in paragraphs 2.1 and 2.2 after the Track Record Period and up to the Latest Practicable Date (as defined in the Prospectus, i.e. October 17, 2024).
- 2.4 In connection with the potential sanctions risk, we understand the Company intend to implement the following internal control measures to ensure compliance with International Sanctions as of the Latest Practicable Date (as defined in the Prospectus, i.e. October 17, 2024):
- (a) the Group will set up and maintain a separate bank account upon the Listing, which will be designated for the sole purpose of the deposit and deployment of the proceeds from the Global Offering or any other funds raised through the Stock Exchange;

- (b) to further enhance the Group's existing internal risk management functions, the Group's Marketing Department is responsible for monitoring the Group's exposure to sanctions risks and the Group's implementation of the related internal control procedures. the Group's Marketing Department will hold a meeting at least every six months to monitor the Group's exposure to sanctions risks and to review the Group's procedures implemented over sanctions screening;
- (c) the Group will evaluate the sanctions risks prior to determining whether the Group should embark on any business opportunities in regions subject to International Sanctions or Sanctioned Persons. According to the Group's internal control procedures, the Group's Legal and Compliance Department needs to review and approve all relevant business transaction documentation from customers, consignors or potential customers or potential consignors from regions subject to International Sanctions or Sanctioned Persons. In particular, the Group is in the process of setting up a screening process to identify if the potential transaction counterparty of the Group is a person or entity on the various lists of restricted parties and countries maintained by the U.S., the EU, the UN, the U.K., the United Kingdom Overseas Territories or Australia, including, without limitation, any government, individual or entity that is the subject of any OFAC-administered sanctions which lists are publicly available. The transactions that fail the internal review, regardless of whether it fails upon onboarding or during the course of transaction, will not proceed. At the same time, the Group's Marketing Department should, semiannually review the existing customers lists to ensure that the Group does not engage in transactions with countries, regions, entities or individuals on the sanction lists. If any potential sanctions risk or suspicious transaction is identified, the Company may seek advice from reputable external legal counsel with necessary expertise and experience in International Sanctions matters;
- (d) the Company's Directors will continuously monitor the use of proceeds from the Global Offering, as well as any other funds raised through the Stock Exchange, to ensure that such funds will not be used to finance or facilitate, directly or indirectly, activities or business with, or for the benefit of, Sanctioned Countries or Sanctioned Persons where this would be in breach of International Sanctions;
- (e) the Group's Legal and Compliance Department will periodically review the Group's internal control policies and procedures with respect to sanctions matters. As and when the Group's Legal and Compliance Department considers necessary, the Group will retain external legal counsel with necessary expertise and experience in sanctions matters for recommendations and advice; and
- (f) the Company will further engage external legal counsel to provide compliance training relating to International Sanctions to the Company's Directors, the Company's senior management and other relevant personnel to assist them in evaluating the potential sanctions risks in the Company's daily operations, in particular, to perform screening procedures in respect of counterparties to the Group's business to ensure none of them are Sanctioned Persons. the Company's external legal counsel will provide the latest list of Sanctioned Countries to the Company's Directors, senior management and other relevant personnel, who will in turn disseminate such information internally. Specifically, the Company's in-house counsel, is tasked with monitoring and ensuring compliance with sanctions.

Hogan Lovells' assessment is that, having reviewed and evaluated these internal control measures, the aforementioned internal control measures, if properly and strictly

implemented, appear adequate and effective for the Company, based on the Group's business activities and risk assessment, to comply with applicable international sanction laws and the Company's undertakings to the Stock Exchange.

3. **Executive Summary**

3.1 The Group is an Asia region focused container shipping companies group. The Group had implemented internal control policies, the Group entities are required to screen the counterparties against the list of person or entity designated on any list of targeted persons or entities issued under the sanctions-related law or regulation of the Relevant Jurisdictions before entering or formalising any business activities. During the Track Record Period, the Group had transactions involving the Relevant Regions, none of the vessels owned, controlled or chartered in by the Group for the businesses involving the Relevant Regions is a Sanctioned Target.

3.2 **United States**

(a) On the basis of our due diligence conducted and the Company's confirmations that:

- (i) there are no U.S. persons (as defined below) for purposes of U.S. sanctions in the Group, neither the Company nor any of its Group entities are incorporated in the United States and the Company does not otherwise maintain any subsidiaries, branches or affiliates which are either incorporated, domiciled or otherwise located in the territory of the United States;
- (ii) no U.S. persons employed or otherwise engaged by the Company or its Group entities have been involved in any way (either directly or indirectly), including in the negotiation or approval of, or with the on-going performance of, any activities of the Company or its Group entities involving the Relevant Regions;
- (iii) no financing or financial assistance has been received by the Group, either directly or indirectly, from any company, entity or body incorporated or located in the United States;
- (iv) no vessel operated or chartered by the Group was of U.S. origin nor did they incorporate more than 25% of U.S.-origin content;
- (v) the Group has not undertaken, either directly or indirectly, a contract or any other activity with a counterparty, nor has otherwise provided goods or services to any person in, nor has operated or chartered vessels to/from, Sanctioned Countries;
- (vi) save for the Group's transactions with Myawaddy, the Group has not, during the Track Record Period, undertaken a contract or any other activity with a counterparty from, nor has procured goods or services from any individuals, entities or organizations, nor has used vessels that have been designated as Specially Designated Nationals and Blocked Persons ("SDNs"), or designated on another sanctions list maintained by the Relevant Jurisdictions (collectively as "**Sanctioned Persons**", and each a "**Sanctioned Person**"), or any person or entity that is owned or controlled by, or acting as an agent of a Sanctioned Person;

- (vii) save for the Group's transactions with Myawaddy, no services have been exported by the Group (either directly or indirectly) to any persons or entities identified on the U.S. Department of Commerce, Bureau of Industry and Security's Entity List, Denied Persons List, or Unverified List (collectively, the "**BIS List**");
- (viii) the Group's transactions with Myawaddy were limited to the provision of shipping service. Based on our Accuity search dated April 20, 2023 and May 22, 2024, Myawaddy Trading Limited is 100% owned by Myanma Economic Holdings Public Company Limited. Myanma Economic Holdings Public Company Limited was designated by the OFAC (as defined below) on the SDN list on March 25, 2021 and designated by the BIS on the Entity list on March 8, 2021. Entities designated by the BIS on the Entity List are restricted from receiving items subject to the EAR (as defined below) without a license from the BIS (as defined below). The Group has confirmed (i) its activities involving Myawaddy did not involve supply, transport or export of items subject to the EAR to Myawaddy; and (ii) the transactions were denominated in USD.
- (ix) the Group has confirmed its activities involving the Relevant Regions were limited to the provision of shipping services to/from the Relevant Regions, and based on this confirmation provided by the Group, Hogan Lovells' assessment is that the Group's business did not involve the Group operating in industries or sectors in Myanmar (Burma) that are currently subject to specific sanctions by the United States; and
- (x) the Company has reviewed all transaction records since January 1, 2018, there were no transactions related to any Sanctioned Countries (as explained above, the Relevant Region is not a Sanctioned Country for purposes of the Chapter 4.4 Guidance);

Hogan Lovells' assessment is that

- (a) the Group's transactions with Myawaddy that involved USD payments were authorised by OFAC Burma General License 4 – Authorizing the Wind Down of Transactions Involving Myanmar Economic Corporation Limited and Myanma Economic Holdings Public Company Limited dated March 25, 2021 ("**GL 4**"). The Group transactions and activities, that seemed prima facie prohibited by the Executive Order 14014 with Myawaddy took place during March 31, 2021 through April 29, 2021, were duly authorised by GL 4 in effect at the time as (i) the GL-Authorized Myawaddy Transactions took place during the wind-down period; (ii) the Company was providing shipping services under pre-existing agreement and these said shipments were only part of winding down the pre-existing agreement, henceforth, GL-Authorized Myawaddy Transactions are ordinarily incident and necessary to the wind down of transactions involving Myanmar Economic Corporation Limited (MEC), Myanma Economic Holdings Public Company Limited (MEHL), or any entity in which MEC or MEHL owns, whether individually or in the aggregate, directly or indirectly, a 50 percent or greater interest; and
- (b) the other business dealings of the Group with the Relevant Regions do not appear to be inconsistent with the applicable U.S. sanctions laws and regulations.

3.3 United Nations ("UN")

(a) On the basis that:

- (i) the Group's activities involving the Relevant Regions were limited to the provision of shipping services and did not involve any products that are export-controlled; and
- (ii) the Company, for and on behalf of the Group, has confirmed that it does not have business dealings with parties targeted by UN sanctions,

Hogan Lovells' assessment is that the Group's business dealings do not implicate restrictive measures adopted by the UN.

3.4 European Union, UK and UK Overseas Territories

- (a) EU sanctions applied to the UK and were extended to apply to the UK Overseas Territories until December 31, 2020 and the EU sanctions analysis fully applies thereto for the part of the Track Record Period ended December 31, 2020. For the part of the Track Record Period starting January 1, 2021, the UK has adopted its own independent sanctions regimes, which it has extended to the UK Overseas Territories.
- (b) Based on the Company's confirmation and Hogan Lovells' review of the factual information provided by the Group that:
 - (i) all activities involving the Relevant Regions were negotiated, entered into and performed without any involvement (including in any approval or decision making capacity) by any EU or UK incorporated entities of the Group;
 - (ii) all activities involving the Relevant Regions (including the transaction with Myawaddy) were negotiated, entered into and performed without any involvement (including in any approval or decision making capacity) by any national of or person domiciled, or otherwise located in either the territories of the EU, the UK or the UK Overseas Territories;
 - (iii) the Group's activities are limited to the provision of shipping services that are not export-controlled or subject to sectoral sanctions in the EU, the UK or the UK Overseas Territories;
 - (iv) save for the transactions with Myawaddy, neither the Group nor any of its affiliates, agents, directors, officers, or employees are engaged in transactions, business or financial dealings that directly or indirectly involve or benefit a person or entity listed under EU or UK sanctions, or engage in any other activity subject to restrictions under sectoral EU or UK sanctions; and
 - (v) the Group has not been, directly or indirectly, involved in the export from the EU, the UK or the UK Overseas Territories, of any items listed in the EU Common Military List or the EU Dual Use list (Annex I to Regulation (EU) 2021/821), the UK Military List or any items listed under Schedule 3 of the UK's Export Control Order 2008,

Hogan Lovells' assessment, based on a review of the confirmations provided by the Company on behalf of the Group, is that the prohibitions and wider restrictions under EU and UK sanctions measures as applicable during the Track Record Period, including those extended to the UK Overseas Territories, are not implicated by the Group's business activities with the Relevant Regions.

3.5 **Australia**

(a) On the basis that:

(i) the Group or any of its subsidiaries is not:

- (1) a person in Australia;
- (2) an Australian citizen or Australian-registered body;
- (3) owned or controlled by Australians or persons in Australia;
- (4) a person using an Australian flag vessel or aircraft to transport goods or transact services subject to Australian autonomous sanctions; or
- (5) engaged in any activities in Australia; and

(ii) the Group's dealings do not involve products or services that are restricted under Australian export controls,

Hogan Lovells' assessment is that International Sanctions measures administered and enforced by the Government of Australia do not appear to be implicated by the Group's activities.

4. **Company Background**

- 4.1 T.S. Lines Limited was incorporated in Hong Kong with limited liability on March 2, 2021. We have relied on the Prospectus for the Group's shareholding structure immediately prior to the Reorganization, immediately before the completion of the Global Offering and Capitalization Issue, immediately upon completion of the Capitalization Issue and the Global Offering, respectively.
- 4.2 The Company has confirmed that it is not owned by one or more U.S. persons as defined under U.S. economic sanctions laws and regulations.
- 4.3 The Company has confirmed that none of it, its subsidiaries, or the Group's Directors or Shareholders is a U.S., EU, UK or Australian national.
- 4.4 The following table sets out the information regarding Directors of the Company as of the date of this memorandum.

Director	Name	Nationality
Executive Directors	Mr. Chen Teh-Sheng (陳德勝)	Chinese (Taiwan)
	Mrs. Chen Chuang Chuang-Li (莊壯麗)	Chinese (Taiwan)

	Mr. To Hung-Lin (涂鴻麟)	Chinese (Taiwan)
	Mr. Chow Hong Man (周航敏)	Chinese (Hong Kong)
	Mr. Chen Shao-Hsiang (陳劭翔)	Chinese (Taiwan)
Independent Non-executive Directors	Mr. Wu Youn-Ger (吳榮貴)	Chinese (Taiwan)
	Mr. Chang Shan-Hui (張山輝)	Chinese (Taiwan)
	Mr. Yang Li-Yen (楊豐彥)	Chinese (Taiwan)

4.5 The Company has confirmed on behalf of the all entities in the Group that, to its best knowledge, none of the vessels operated or chartered by the Group and none of the products transported by the Group on behalf of its customers to/from the Relevant Regions are controlled under U.S. export controls or are otherwise restricted for transfer, either directly or indirectly, from the United States (or by U.S. persons) to or for use in any third country. On the basis of this confirmation and our understanding of the nature of the Group's vessels and services formed by our due diligence process, an analysis of the Group's activities against U.S. export control restrictions has not been undertaken by Hogan Lovells.

4.6 Based on the information provided by the Company, the Company believes that none of the vessels operated or chartered by the Group and none of the products transported by the Group on behalf of its customers to/from the Relevant Regions are controlled or otherwise restricted for transfer either directly or indirectly, from the EU (or by EU persons), the UK (or by UK nationals), or from the UK Overseas Territories (or by UK Overseas Territories nationals) to or for use in any Relevant Region. On this basis and our understanding of the nature of the Group's vessels and services, an analysis of the Group's activities against EU, UK and/or UK Overseas Territories export control restrictions has not been undertaken by Hogan Lovells.

4.7 The Company confirms that, to its best knowledge:

- (a) none of the vessels operated or chartered by the Group or products transported by the Group on behalf of its customers to/from Relevant Regions are controlled under Australian export controls or are otherwise restricted for supply, sale, export or transfer, either directly or indirectly, from Australia (or by Australian citizens) to or for use in any Relevant Region; and
- (b) no services were supplied, sold, exported or transferred by the Group to any country subject to International Sanctions from (or via) Australia.

On the basis of the above confirmations and our understanding of the nature of the Group's business, an analysis of the services supplied to the Relevant Regions under Australian export control laws has not been undertaken by Hogan Lovells.

4.8 The table below sets forth the revenues received by the Group from business activities with/in Myanmar and the corresponding percentage of the Group's total revenues during the Track Record Period.

Year/Period Ended	Total consolidated revenues (USD'000)	Consolidated revenues attributable to Myanmar (USD'000)	Percentage of the Group's total revenues (%)
Year ended December 31, 2021	1,837,436	450	0.02
Year ended December 31, 2022	2,443,470	nil	nil
Year ended December 31, 2023	874,602	31	less than 0.01
Four months ended April 30, 2024	318,027	3	less than 0.01

- 4.9 The table below sets forth the revenues received by the Group from business activities with/in Hong Kong and the corresponding percentage of the Group's total revenues during the Track Record Period.

Year/Period Ended	Total consolidated revenues (USD'000)	Consolidated revenues attributable to Hong Kong (USD'000)	Percentage of the Group's total revenues (%)
Year ended December 31, 2021	1,837,436	157,083	8.55
Year ended December 31, 2022	2,443,470	119,319	4.88
Year ended December 31, 2023	874,602	41,070	4.70
Four months ended April 30, 2024	318,027	12,215	3.84

5. U.S. Sanctions: Economic Sanctions and Export Controls

5.1 U.S. Economic Sanctions

- (a) There are two types of U.S. economic sanctions potentially applicable to the Group:

- (i) "Primary" U.S. sanctions applicable to "U.S. persons" or activities involving a U.S. nexus (e.g., funds transfers in U.S. currency or activities involving U.S.-origin goods, software, technology or services even if performed by non-U.S. persons);
- (ii) "Secondary" U.S. sanctions applied extraterritorially to the activities of non-U.S. persons even when the transaction has no U.S. nexus;

(b) **Primary Sanctions Applicable to U.S. Persons**

- (i) The U.S. Treasury Department's Office of Foreign Assets Control ("**OFAC**") administers primary U.S. sanctions programs against targeted countries, entities, and individuals. As the economic sanctions are intended to further the foreign policy goals of the United States, they vary considerably from program to program. Likewise, OFAC has wide latitude to interpret and enforce its regulations based on the foreign policy goals of the U.S. Government.
- (ii) When the U.S. Government imposes economic sanctions against a foreign country, entity, or individual, U.S. law prohibits (with limited exceptions that do not apply in this case) U.S. companies or U.S. persons from engaging in any transaction with or providing almost any goods or services for the benefit of the targeted country, entity or individual. Depending on the sanctions program and/or parties involved, U.S. law also may require a U.S. company or a U.S. person to "block" any assets/property interests owned, controlled or held for the benefit of a Sanctioned Country, entity, or individual when such assets/property interests are in the United States or within possession or control of a U.S. person. A "blocked" asset means no transaction may be undertaken or effected with respect to the asset/property interest – no payments, benefits, provision of services or other dealings or other type of performance (in case of contracts/agreements) – except pursuant to an authorization or license from OFAC.

(iii) **Persons Governed by U.S. Sanctions**

- (1) In general, U.S. economic sanctions apply to "U.S. persons." The term "U.S. persons" includes:
 - (a) entities organized under U.S. Law (such as U.S. companies and their U.S. subsidiaries);
 - (b) any U.S. company's domestic and foreign branches;
 - (c) any individual who is a U.S. citizen or permanent resident alien ("green card" holder), regardless of his or her location in the world;
 - (d) any individual, regardless of his or her nationality, who is physically present in the United States; and
 - (e) U.S. branches or U.S. subsidiaries of non-U.S. companies.
- (2) In the case of U.S. sanctions applicable to Iran and Cuba, primary sanctions specifically apply to all foreign subsidiaries of U.S.

companies and any other entities owned or controlled by U.S. persons (such as 50/50 joint ventures, for example). See Section 218 of the Iran Threat Reduction and Syria Human Rights Act of 2012, H.R. 1905 (PL 112-158), implemented by OFAC as section 560.215 of the Iranian Transactions and Sanctions Regulations ("ITSR"), which makes parent companies liable for their foreign subsidiaries' Iranian sanctions violations, and Section 515.329 of the Cuban Assets Control Regulations ("CACR").

- (3) In the case of U.S. sanctions applicable to other countries in the Relevant Regions, such primary sanctions only apply to U.S. persons as defined above, not to their foreign subsidiaries or to non-U.S. companies.
- (4) In addition, primary sanctions prohibit U.S. persons, wherever located, from approving, financing, facilitating, or guaranteeing any transaction by a foreign person where the transaction by that foreign person would be prohibited if performed by a U.S. person or within the United States. This is generally known as the "facilitation" prohibition and is a broad extension of the jurisdictional reach of U.S. sanctions applicable to U.S. persons in countries subject to comprehensive sanctions prohibitions. See, e.g., ITSR, 31 C.F.R. § 560.208. The processing of payments by U.S. banks or U.S. payment processors for Iran-related trade by non-U.S. companies would constitute "facilitation" of such trade and is prohibited.
- (5) The facilitation concept is broad. In general, a U.S. person is not permitted to facilitate in any way activities of a third party with a Sanctioned Country or a sanctioned person if the U.S. person itself could not directly engage in the underlying activity. Usually it arises in the context of parent companies and their subsidiaries or between affiliates, where one entity is jurisdictionally required to comply but the other is not. The issue may also arise in the dealer/sub-dealer context, where the dealer is dependent on support from its supplier/partner. "Facilitation" may include the following activities:

"...a prohibited facilitation or approval of a transaction by a foreign person occurs, among other instances, when a U.S. person:

- (a) Alters its operating policies or procedures, or those of a foreign affiliate, to permit a foreign affiliate to accept or perform a specific contract, engagement or transaction involving a party in or the government of Iran without the approval of the U.S. person, where such transaction previously required approval by the U.S. person and such transaction by the foreign affiliate would be prohibited by this part if performed directly by a U.S. person or from the United States;
- (b) Refers to a foreign person purchase orders, requests for bids, or similar business opportunities involving a party in or the government of Iran to which the U.S. person could not

directly respond as a result of U.S. sanctions laws or regulations; or

- (c) Changes the operating policies and procedures of a particular affiliate with the specific purpose of facilitating transactions that would be prohibited by this part if performed by a U.S. person or from the United States." ITSR § 560.417.

(iv) **Targets of Primary U.S. Sanctions Programs**

- (1) There are two types of primary U.S. sanctions programs – country-based programs (which are territorial in nature) and list-based programs (which are not territorial in nature, as they do not apply to the entire country or all of its territory). Violations of either type of primary U.S. sanction program can result in "strict" civil liability (not a negligence standard) where fines and penalties may be imposed. In addition, wilful violations may result in criminal liability punishable by imprisonment and elevated fines.

- (a) *Country-based sanctions programs. U.S. sanctions programs targeting specific countries fall into two categories: programs that are comprehensive in scope and programs that are limited in scope.*

- (I) Comprehensive sanctions programs prohibit U.S. persons from dealing in any manner with Sanctioned Countries and their governments, as well as with any persons or entities in those countries or territories. Currently, the United States maintains comprehensive sanctions against: Cuba, Iran, North Korea, Syria and the Crimea region of Ukraine/Russia, LPR or DPR regions (comprehensive OFAC sanctions against Sudan were terminated as of October 12, 2017). Generally, comprehensive country sanctions prohibit transactions with or services in, from or benefitting the targeted country or any persons/entity in it. However, the comprehensive country sanctions may also be applicable to transactions outside the country (for example, restricting dealings in goods or services originating from a Sanctioned Country, or with persons who ordinarily reside in the Sanctioned Country).

- (II) Limited sanctions programs prohibit U.S. persons from participating in certain types of transactions with sanctioned countries and/or governments, such as the provision of services, financing, investments, exports, and/or imports. Prohibited activities vary from program to program, and they generally are not

as broad (for example, they do not target activities with all persons or entities in that country). Currently, the U.S. government maintains limited sanctions programs in relation to countries such as Iraq and Libya, and OFAC has issued a series of general licenses authorizing numerous activities.

- (b) *List-based sanctions programs.* In addition to country-based sanctions programs, primary U.S. sanctions include list-based sanctions that prohibit U.S. persons from dealing with or facilitating dealings with individuals, entities and organizations that have been designated as SDNs by OFAC for a variety of reasons. Although some of these programs reflect the name of a particular country in its title (e.g., Belarus, Burundi, Central African Republic, the Democratic Republic of Congo, Lebanon, Somalia, South Sudan, Yemen, Zimbabwe), these sanctions are not territorial in nature and do not apply to the country as a whole, and they do not target the government of such country as a whole nor all persons and entities in the country. Instead, the restrictions apply only to persons and entities that are on the SDN List, which may include some government officials or other parties designated for a variety of reasons (the restrictions also apply to entities owned, at 50% or higher level, by designated SDNs). The names of these designated parties are published on the OFAC SDN List; they include persons or entities targeted for a variety of reasons including but not limited to:
- (I) terrorists and terrorist organizations;
 - (II) narcotics traffickers;
 - (III) persons involved in the proliferation of weapons of mass destruction;
 - (IV) persons or entities undermining democratic processes, freedom of expression, or those involved in human rights abuses or censorship activities, among other targeted activities; and
 - (V) individuals and entities that the U.S. Government considers to be "arms" of the sanctioned governments identified above.
- (c) U.S. persons are not permitted to have any dealings whatsoever with or facilitate dealings with parties designated on the SDN List (or entities owned at 50% or higher level, directly or indirectly, by SDNs) unless authorized by OFAC. The SDN List is updated often, and is available on OFAC's website at <https://sdnsearch.ofac.treas.gov/>. Numerous vendors also provide screening solutions that can be tailored to fit a particular business' needs and IT systems.

(v) **Application to Hong Kong**

- (1) On July 14, 2020, the Hong Kong Autonomy Act (the "**Act**") became law authorizing the imposition of sanctions on certain parties related to certain activities in the Hong Kong Special Administrative Region ("**HKSAR**"). The Act provides a range of sanctions available to the U.S. government to target foreign persons or foreign financial institutions determined to have engaged in "significant transactions" with certain foreign persons, such as designated senior Hong Kong or Chinese government officials or Chinese companies involved in the erosion of Hong Kong's autonomy. The Act did not designate any foreign officials; instead, the Act requires the Secretary of State to prepare a list of foreign persons who are materially contributing, have materially contributed, or attempt to materially contribute to China's failure to meet its obligations under the Joint Declaration of the Government of the United Kingdom of Great Britain and Northern Ireland and the Government of the People's Republic of China on the Question of Hong Kong (December 19, 1984) and the Basic Law of the Hong Kong Special Administrative Region of the People's Republic of China. If such persons are designated under the Act, then foreign financial institutions could face exposure themselves to restrictive measures if they engage in "significant" transactions with such designated persons.
- (2) On the same day, the President issued the Executive Order on Hong Kong Normalization ("**EO 13936**"). This EO, among other actions, authorizes the imposition of sanctions on foreign persons determined to be involved in developing, adopting, and/or implementing China's National Security Law, among other actions. The EO blocks any transactions or transfers involving any and all property and/or interests in the United States of anyone the Secretary of State in consultation with the Secretary of Treasury (or vice versa):
 - (a) To be or have been involved, directly or indirectly, in the coercing, arresting, detaining, or imprisoning of individuals under the authority of, or to be or have been responsible for or involved in developing, adopting, or implementing, the Law of the People's Republic of China on Safeguarding National Security in the Hong Kong Administrative Region.
 - (b) To be responsible for or complicit in, or to have engaged in, directly or indirectly, any of the following:
 - (I) Actions or policies that undermine democratic processes or institutions in Hong Kong.
 - (II) Actions or policies that threaten the peace, security, stability, or autonomy of Hong Kong.
 - (III) Censorship or other activities with respect to Hong Kong that prohibit, limit, or penalize the exercise of freedom of expression or assembly by citizens of

Hong Kong, or that limit access to free and independent print, online, or broadcast media.

- (IV) The extrajudicial rendition, arbitrary detention, or torture of any person in Hong Kong or other gross violations of internationally recognized human rights or serious human rights abuse in Hong Kong.
- (c) To be or have been a leader or official of:
 - (I) An entity, including any government entity, that has engaged in, or whose members have engaged in, any of the activities described above.
 - (II) An entity whose property and interests in property are blocked pursuant to EO 13936.
 - (III) To have materially assisted, sponsored, or provided financial, material, or technological support for, or goods or services to or in support of, any person whose property and interests in property are blocked by EO 13936.
 - (IV) To be owned or controlled by, or to have acted or purported to act for or on behalf of, directly or indirectly, any person whose property and interests in property are blocked by EO 13936.
- (3) To be a member of the board of directors or a senior executive officer of any person whose property and interests in property are blocked by EO 13936.
- (4) Under the authority of EO 13936, OFAC has already designated as SDNs several government officials in Hong Kong, including those in top political leadership. As a result of their SDN designation, US sanctions extend to dealings with any non-listed entity in which those SDNs hold, directly or indirectly, a 50% or greater interest.
- (5) On September 25, 2020, OFAC issued Frequently Asked Question (FAQ) 840 on the effect of designating several political leaders of Hong Kong. FAQ 840 states that the designation of an official of the Government of the HKSAR does not itself block the HKSAR government or any government agency where the SDN is an official or otherwise exercises control. Accordingly, engaging in a routine interaction with an agency in which an SDN is an official, but which does not involve the SDN directly or indirectly, is not prohibited. FAQ 840 further states that U.S. persons may enter into HKSAR government contracts signed by a non-SDN official of the HKSAR to whom the HKSAR government has delegated the authority to enter such contracts.

(vi) **Application to Myanmar/Burma**

- (1) The United States historically had imposed comprehensive sanctions against Myanmar/Burma, which primarily prohibited new investment in the country and exports of financial services (exports of goods to non-SDNs were not widely restricted even in the past). Responding to democratic reforms in Myanmar/Burma, the United States eased these sanctions in 2012, allowing for the export of financial services and certain new investment, while generally continuing to prohibit transactions involving SDNs.
- (2) Under the Burmese Sanctions Regulations ("**BSR**"), 31 C.F.R. 537, after 2012, U.S. persons were generally not prohibited from exporting goods, software or technology to Myanmar/Burma unless an SDN is involved. Property and interest in property belonging to SDNs generally may not be transferred, paid, exported, withdrawn or otherwise dealt with by U.S. persons.
- (3) New investment in Myanmar/Burma and the exportation of financial services to Myanmar/Burma were authorized after the 2012 easing under the general licenses contained in the regulations. However, given human rights considerations, the general licenses imposed certain restrictions on transactions involving the Burmese Ministry of Defense, state or non-state armed groups (which includes the military), or entities owned by these organizations.
- (4) On December 7, 2015, in an effort to facilitate the flow of trade with Myanmar/Burma, OFAC further authorized most transactions ordinarily incident to the export of goods, technology, or non-financial services to or from Myanmar/Burma when an SDN is involved indirectly (not as a recipient/sender of the goods). However, transactions to, from, or on behalf of any SDN were still prohibited.
- (5) On October 7, 2016, OFAC's comprehensive sanctions against Myanmar/Burma were lifted in their entirety. There are no remaining comprehensive sanctions against Myanmar/Burma, although certain restricted parties in the country may continue to be designated by OFAC for their involvement in narcotics trafficking or other illicit activities. On August 17, 2018, OFAC added four Burmese Military and Border Guard Police ("**BGP**") commanders and two Burmese military units to the SDN List. Effective June 16, 2017, the BSR have been removed from the OFAC's regulations in Part V of the Code of Federal Regulations.
- (6) On February 10, 2021, OFAC issued Executive Order 14014 ("**EO 14014**"), which provides the Secretary of the Treasury with authority to designate persons
 - (a) determined to be operating in the defense sector of the Burmese economy or any other sector of the Burmese economy as may be determined by the Secretary of the Treasury;

- (b) who have been responsible for, complicit in, or engaged or attempted to engage in:
 - (I) actions or policies that undermine democratic processes or institutions in Burma;
 - (II) actions or policies that threaten the peace, security, or stability of Burma;
 - (III) actions or policies that prohibit, limit, or penalize the exercise of freedom of expression or assembly by people in Burma, or that limit access to print, online, or broadcast media in Burma; or
 - (IV) the arbitrary detention or torture of any person in Burma or other serious human rights abuse in Burma;
 - (c) to be a leader or official of:
 - (I) the military or security forces of Burma, or any successor entity to any of the foregoing;
 - (II) the Government of Burma on or after February 2, 2021;
 - (III) an entity that has, or whose members have, engaged in any activity described in subsection (B) above relating to the leader's or official's tenure; or
 - (IV) an entity whose property and interests in property are blocked pursuant to this order as a result of activities related to the leader's or official's tenure;
 - (d) to be a political subdivision, agency, or instrumentality of the Government of Burma;
 - (e) to be a spouse or adult child of any person whose property and interests in property are blocked pursuant to EO 14014;
 - (f) to have materially assisted, sponsored, or provided financial, material, or technological support for, or goods or services to or in support of any person whose property and interests in property are blocked pursuant to EO 14014; or
 - (g) to be owned or controlled by, or to have acted or purported to act for or on behalf of, directly or indirectly, the military or security forces of Burma or any person whose property and interests in property are blocked pursuant to EO 14014.
- (7) OFAC has designated as SDNs persons and entities under EO 14014. Restrictions extend to any entity which such SDNs own at 50% or greater level, directly or indirectly.

(vii) **Application to the Group**

- (1) there are no U.S. persons for purposes of U.S. sanctions in the Group, neither the Company nor any of its Group entities are incorporated in the United States and the Company does not otherwise maintain any subsidiaries, branches or affiliates which are either incorporated, domiciled or otherwise located in the territory of the United States;
- (2) no U.S. persons employed or otherwise engaged by the Company or its Group entities have been involved in any way (either directly or indirectly), including in the negotiation or approval of, or with the on-going performance of, any activities of the Company or its Group entities involving the Relevant Regions;
- (3) no financing or financial assistance has been received by the Group, either directly or indirectly, from any company, entity or body incorporated or located in the United States;
- (4) no vessel operated or chartered by the Group was of U.S. origin nor did they incorporate more than 25% of U.S.-origin content;
- (5) the Group has not undertaken, either directly or indirectly, a contract or any other activity with a counterparty, nor has otherwise provided goods or services to any person in, nor has operated or chartered vessels to/from, Sanctioned Countries;
- (6) save for the Group's transactions with Myawaddy, the Group has not, during the Track Record Period, undertaken a contract or any other activity with a counterparty from, nor has procured goods or services from any individuals, entities or organizations, nor has used vessels that have been designated as SDNs, or designated on another sanctions list maintained by the Relevant Jurisdictions (collectively as "Sanctioned Persons", and each a "Sanctioned Person"), or any person or entity that is owned or controlled by, or acting as an agent of a Sanctioned Person;
- (7) save for the Group's transactions with Myawaddy, no services have been exported by the Group (either directly or indirectly) to any persons or entities identified on the U.S. Department of Commerce, Bureau of Industry and Security's Entity List, Denied Persons List, or Unverified List (collectively, "BIS List");
- (8) the Group's transactions with Myawaddy were limited to the provision of shipping service. Based on our Accuity search dated April 20, 2023 and May 22, 2024, Myawaddy Trading Limited is 100% owned by Myanmar Economic Holdings Public Company Limited. Myanmar Economic Holdings Public Company Limited was designated by the OFAC on the SDN list on March 25, 2021 and designated by the BIS on the Entity list on March 8, 2021. Entities designated by the BIS on the Entity List are restricted from receiving items subject to the EAR without a license from BIS. The Group has confirmed (i) its activities with Myawaddy did not involve supply,

transport or export of items; and (ii) the transactions were denominated in USD.

- (9) the Group has confirmed its activities involving the Relevant Regions were limited the provision of shipping services to/from the Relevant Regions, and based on this confirmation provided by the Group, Hogan Lovells' assessment is that the Group's business did not involve the Group operating in industries or sectors in Myanmar (Burma) that are currently subject to specific sanctions by the United States; and
- (10) the Company has reviewed all transaction records since January 1, 2018, there were no transactions related to any Sanctioned Countries (as explained above, the Relevant Region is not a Sanctioned Country for purposes of the Chapter 4.4 Guidance);

Hogan Lovells' assessment is that:

- (a) the Group's transactions with Myawaddy that involved USD payments were authorised by GL 4. The Group transactions and activities, that seemed prima facie prohibited by the Executive Order 14014 with Myawaddy took place during March 31, 2021 through April 29, 2021, were duly authorised by GL 4 in effect at the time as (i) the GL-Authorized Myawaddy Transactions took place during the wind-down period; (ii) the Company was providing shipping services under pre-existing agreement and these said shipments were only part of winding down the pre-existing agreement, henceforth, GL-Authorized Myawaddy Transactions are ordinarily incident and necessary to the wind down of transactions involving Myanmar Economic Corporation Limited (MEC), Myanma Economic Holdings Public Company Limited (MEHL), or any entity in which MEC or MEHL owns, whether individually or in the aggregate, directly or indirectly, a 50 percent or greater interest; and
 - (b) the other business dealings of the Group with the Relevant Regions do not appear to be inconsistent with the applicable U.S. sanctions laws and regulations.
- (c) **Secondary Sanctions Applicable to Non-U.S. Persons**
- (i) The U.S. has also enacted secondary sanctions targeting non-U.S. persons who are engaged in certain defined activities, including:
 - (1) those who are dealing in "confiscated" property in Cuba;
 - (2) those who are engaging in certain Syria- or Iran-related activities, including certain targeted sectors of Iranian, North Korean, Belarussian, Russian and Venezuelan economy;
 - (3) those who are found to "operate in" the Crimea or DPR/LPR regions or in the targeted sectors of Venezuelan economy (gold, oil, financial, defense/security), Burmese economy (defense) or Russian economy (quantum computing, defense, technology, financial services, aerospace, marine, electronics, accounting, management consulting and trust/corporate formation sectors),

North Korean (construction, energy, financial services, fishing, information technology, manufacturing, medical, mining, textiles, or transportation), or Belarussian (defense and related materiel, security, energy, potassium chloride (potash) sector, tobacco products, construction, or transportation);

- (4) those engaging in "significant" transactions with Iranian or Russian SDNs; and
 - (5) those who are engaging in the provision of "material assistance" or support to most types of SDNs (including SDNs designated under the Ukraine/Russia sanctions programs, among others).
- (ii) The Company has, for and on behalf of the Group has confirmed that based on their due diligence process, it has no dealings involving Crimea, DPR/LPR, Kherson/Zaporizhzhia regions, Cuba, Iran, North Korea, Sudan, Syria, and Venezuela or with any SDNs (including SDN vessels), excluding the Group's transactions with Myawaddy as explained in 3.2(a)(viii) above. Accordingly, secondary sanctions are not likely to be triggered by the Group's business operations, based on our due diligence process, the Group's due diligence in this respect, as well as the information provided by the Group. For those reasons, Hogan Lovells' assessment is that the Group or Relevant Persons would not face exposure to secondary U.S. sanctions.

(d) The Offering

- (i) The Group will be required to make standard representations, warranties and covenants to the Joint Sponsors in the Hong Kong Underwriting Agreement and the International Underwriting Agreement (each as defined in the Prospectus) that the proceeds of the offering will not be used in any manner that could be found to violate any International Sanctions laws or regulations, including representing that the Group will not make any of the proceeds of the offering, directly or indirectly, available to (i) a person on the SDN List or (ii) fund any activity that is prohibited by International Sanctions laws or regulations.
- (ii) We note from the Prospectus dated October 24, 2024 under which the Group's intended uses of the proceeds of the offering are set out in detail, and we have relied on those statements in connection with our analysis; the Group has confirmed that such statements are accurate in all respects. In those statements, the Group confirms that the proceeds will be used:
 - (1) to expand and optimize the Group's vessel fleet;
 - (2) to reinforce the Group's ship management capabilities by setting up new offices in strategic locations such as Shanghai, Greece, Philippines and Japan by renting office premises, and (ii) expand Group's current ship management operations in Qingdao, Ningbo and Fuzhou;

- (3) to adopt digital technologies and implement advanced information technology in the Group's business operations; and
 - (4) for the Group's general working capital and other general corporate purpose.
- (iii) As such, there is no risk of any proceeds being used in any manner that could be found to violate any International Sanctions laws or regulations, as they could not be made available to (i) a person or entity on the SDN List or (ii) fund any activity that is prohibited by International Sanctions laws or regulations. The Group has not engaged during the Track Record Period in Secondary Sanctionable Activity because it had no business activities targeted by extra-territorial provisions of sanctions law or regulation in the Relevant Jurisdictions. As such, it is highly unlikely that the Group's activities would result in the imposition of sanctions on the Relevant Persons (including designation as a Sanctioned Target or the imposition of penalties).
- (iv) We also note that none of the Company and its subsidiaries, their respective shareholders, directors or officers disclosed in the Prospectus is a person or entity named on the SDN List.

5.2 U.S. Export/Re-Export Controls

- (a) Unlike U.S. economic sanctions that follow the persons or parties involved, U.S. export controls follow the product involved. Any item that is sent from the United States to a foreign destination is an export. "Items" include commodities, software or technology, including but not limited to circuit boards, automotive parts, blueprints, design plans, retail software packages and technical information. How an item is transported outside of the United States does not matter in determining export license requirements. For example, an item can be sent by regular mail, hand-carried on an airplane, sent via facsimile, software can be uploaded to or downloaded from an Internet site, or technology can be transmitted via e-mail or during a telephone conversation. Regardless of the method used for the transfer, the transaction is considered an export (or a re-export if such U.S.-origin item is transferred from one foreign country to another).
- (b) The U.S. Department of Commerce, Bureau of Industry and Security (the "**BIS**") controls exports and re-exports of commercial and dual-use products, software and technology. These controls are implemented by the United States Export Administration Regulations, 15 C.F.R. Parts 730-774 (the "**EAR**"), administered by BIS.
- (c) The EAR applies to exports of commodities, software and technology from the United States to foreign countries and to re-exports from one foreign country to another. In addition, they apply to shipments from one foreign country to another of foreign-made products that incorporate more than *de minimis* amount of controlled U.S. origin parts, components or materials, or are the foreign direct product of certain controlled U.S. technology. The *de minimis* threshold varies, from 25% for most countries to less than 10% for Iran (other comprehensively Sanctioned Countries have the 10% threshold), and what items are considered controlled (and thus are included in the *de minimis* calculation) also varies. To the

best knowledge of the Company, none of its counterparties reflects any parties on the BIS List.

- (d) The United States has also instituted export-related restrictions for certain commercial and dual-use items subject to the EAR when destined to Russia for certain end-uses or end-users, as well as restrictive licensing policies under the U.S. International Traffic in Arms Regulations ("ITAR") for export-related transactions involving defence articles and defence services intended for end-use in Russia. The ITAR export controls are administered by the U.S. Department of State Directorate of Defense Trade Controls.
- (e) We have been informed by the Group that:
 - (i) it does not sell any products nor does it operate or charter any vessels subject to the EAR and only provides services that, to the Group's knowledge, do not involve transportation to/from Relevant Regions of any Items subject to the EAR.

Therefore, these U.S. export controls do not apply to the Group.

6. UN Sanctions

6.1 UN sanctions measures are adopted via a Resolution of the UN Security Council (UNSC). The UNSC can take action to maintain or restore international peace and security under Chapter VII of the United Nations Charter. UN Security Council Resolutions are binding upon all members of the UN, including the United States, Member States of the European Union and Australia. UN Member States are required to bring into force (i.e. implement, administer and enforce) national measures to ensure compliance with the measures prescribed in the UN Resolution. The main aim of UN sanctions measures, as set out in the UN Charter, is to maintain or restore international peace and security. Sanctions measures encompass a broad range of enforcement options that do not involve the use of armed force. Since 1966, the UNSC has established 30 sanctions regimes. Decision of UNSC bind members of the UN and override other obligations of UN member states.

6.2 The UNSC sanctions have taken a number of different forms, in pursuit of a variety of goals. The measures have ranged from comprehensive economic and trade sanctions to more targeted measures such as arms embargoes, travel bans, and financial or commodity restrictions. The UNSC has applied sanctions to support peaceful transitions, deter non-constitutional changes, constrain terrorism, protect human rights and promote non-proliferation. There are 14 ongoing sanctions regimes which focus on supporting political settlement of conflicts, nuclear non-proliferation, and counter-terrorism. Each regime is administered by a sanctions committee chaired by a non-permanent member of the UNSC. There are ten monitoring groups, teams and panels that support the work of the sanctions committees. United Nations sanctions are imposed by the UNSC, usually acting under Chapter VII of the United Nations Charter.

6.3 Application to Hong Kong

- (a) During the five-year period prior to the date of this memorandum, the UN has not imposed any sanctions on Hong Kong.

6.4 Application to Myanmar/Burma

- (a) During the Track Record Period, the UN has not maintained sanctions on Myanmar/Burma. This means that the Group would not have been able to breach any UN sanctions in its activities with Myanmar/Burma.

6.5 Application to the Group

- (a) On the basis of the Company's confirmations that neither the Company nor any of its affiliates, agents, directors, officers, or employees is engaged in transactions that directly or indirectly involve or benefit a person on the sanctions list of the UN;
- (b) Based on the Company's confirmations that the Group's business dealings in the Relevant Regions do not implicate the restrictive measures adopted by UN because the Group does not have any business dealings with persons on the list of persons and entities designated by the UN with whom member states of the UN are prevented from doing business with; and
- (c) Based on the Company's confirmations that all of the Group's business in relation to the Relevant Regions was in relation to the provision of shipping services, which were not conducted in relation to, or otherwise involve any export-controlled products,

Hogan Lovells' assessment is therefore that the Group's business dealings do not implicate restrictive measures adopted by the UN and implemented by the US, EU, UK, UK Overseas Territories and Australia.

7. EU Sanctions

7.1 Overview of EU Sanctions Measures

Sanctions are one of the EU's tools to promote the objectives of its Common Foreign and Security Policy ("**CFSP**"), being peace, democracy and the respect for the rule of law, human rights and international law.

- (a) Sanctions applicable in the EU stem from:
 - (i) sanctions adopted by the UN; or
 - (ii) autonomous sanctions regimes adopted by the EU without any UN action.
- (b) The EU implements sanctions measures via a unanimous decision of the Council of the European Union (the "**Council**"). Members States of the EU are then legally bound to act in conformity with the decision.
- (c) Certain sanctions, such as arms embargoes and travel bans, are implemented directly by EU Member States. Such measures only require a decision by the Council. Economic sanctions measures require separate implementing legislation in the form of a Council Regulation.
- (d) Council Regulations are directly applicable in EU Member States. However, some Member States may nevertheless enact national legislation implementing the EU sanctions measures. In addition, individual Member States are responsible for establishing measures to set and impose penalties and their implementation and enforcement, and for establishing relevant competent licensing authorities.

- (e) EU sanctions regimes are generally targeted, meaning that the relevant prohibitions or restrictions are focused on individual people or organizations, certain sectors of the target's economy, specified goods, technology, technical assistance and wider associated services, or specific activities.

7.2 Overview of UK sanctions

- (a) Sanctions are one of the UK's tools to promote the objectives of its foreign policy, being peace, democracy and the respect for the rule of law, human rights and international law.
- (b) The sanctions applicable in the UK stem from:
 - (i) Sanctions adopted by the UN; or
 - (ii) Autonomous sanctions regimes adopted by the UK; Some of which have been retained from EU legislation and have been transitioned into UK law.
- (c) UK sanctions are in force under the Sanctions and Anti-Money Laundering Act 2018 (the "**UK Sanctions Act**"), which enables the transition of existing EU sanctions programs and the establishment of autonomous UK regimes. The UK Sanctions Act is implemented through regulations setting out the specific measures under each UK sanctions regime.
- (d) Specifically, Section 63(3)(c) of the UK Sanctions Act provides that the UK may by way of Order extend the application of the sanctions regulations to any of the Channel Islands, the Isle of Man, and any of the British Overseas Territories. UK sanctions measures have also been extended by the UK on a regime by regime basis to apply to and in the UK Overseas Territories (without requiring enactment of any further legislation by them), including the Cayman Islands.

7.3 Application of Sanctions Measures

- (a) EU and UK sanctions measures broadly apply to: (i) any company incorporated under the laws of the EU or the UK; (ii) any EU or UK national; and (iii) any business done in whole or in part within the EU or the UK.
- (b) EU and UK sanctions measures will therefore apply to:
 - (i) The Company as a company incorporated in the Cayman Islands and any of the Group's subsidiaries or affiliates incorporated in the EU, UK or a UK Overseas Territory;
 - (ii) any EU and UK nationals employed by or otherwise engaged on behalf of the Group regardless of where they are located, such as in China, in the EU, the UK or in any other country;
 - (iii) any business of the Group conducted within the EU, the UK, or a UK Overseas Territory;
 - (iv) any counterparty incorporated in the EU, the UK or a UK Overseas Territory with whom the Group does business including for example, suppliers, customers, distributors, agents, manufacturers, shipping agents and freight forwarders;

- (v) any EU or UK incorporated financial institution that the Group or any of its companies uses to provide payment processing services, trade finance services, short or long term debt financing or any other service; and
 - (vi) any entity incorporated in the EU or the UK, or national of these regions who subscribes for shares in the Group.
- (c) EU and UK sanctions will not apply to:
- (i) Non-EU and non-UK nationals in their personal capacity, including the Company's Directors (to the extent that they are not carrying out business of the Group in the territory of the EU or the UK); and
 - (ii) Any company subsidiary that is not incorporated under the laws of an EU Member State or the UK, which acts in a wholly independent manner from its parent company and which does not carry out any activities in the EU or the UK.

7.4 Restrictions under EU and UK Sanctions Measures

- (a) The restrictions applied under an EU or UK sanctions regime depend on the jurisdiction targeted by the regime. However, there are broadly four main offences:
- (i) making any funds or economic resources (see below) directly or indirectly available to or for the benefit of a sanctioned person or entity (a **"Designated Person"**);
 - (ii) dealing with any funds or economic resources that are owned, held or controlled by a Designated Person;
 - (iii) exporting, selling, transferring or making certain controlled or restricted products¹ available (either directly or indirectly) to, or for use in, a jurisdiction subject to sanctions measures (a **"Prohibited Activity"**); and
 - (iv) participating knowingly and intentionally in activities the object or effect of which is to: (i) directly or indirectly circumvent the offences listed above; or, (ii) enable or facilitate the commission of the offences.
- (b) The meaning of "economic resources" is defined widely to be "assets of every kind, whether tangible or intangible, movable or immovable, which are not funds, but may be used to obtain funds, goods or services". Therefore, the Group's products would fall within the definition of "economic resources".
- (c) Under EU and UK sanctions measures, there is no "blanket" ban on doing business in or with a jurisdiction targeted by sanctions measures. While it is prohibited for a person or entity to whom EU or UK sanctions apply to make any product of the Group available directly or indirectly to or for the benefit of a Designated Person, or to finance such activity, it is not generally prohibited (or otherwise restricted) for that person or entity to do business (involving non-controlled or restricted items)

¹

An analysis of the parameters of what amounts to a controlled product is outside the scope of this advice memorandum. Hogan Lovells can provide further advice on this point as required.

with a counterparty in a country subject to EU or UK sanctions that is not a Designated Person or engaged in non-Prohibited Activities.

7.5 **EU and UK sanctions: Dealing with Relevant Jurisdictions**

- (a) As noted above, under EU and UK sanctions legislation it is prohibited for any person or entity to whom EU sanctions apply to:
 - (i) make any product of the Group directly or indirectly available to, or for the benefit of, a Designated Person; or
 - (ii) export, finance, or facilitate the transfer of any controlled or restricted products to a third country including a Relevant Jurisdiction.
- (b) **Application to Hong Kong**
 - (i) During the Track Record Period, the EU and the UK have not imposed any sanctions on Hong Kong.
- (c) **Application to Myanmar/Burma**
 - (i) The EU sanctions on Myanmar (Burma) are set out in Council Decision 2013/184/CFSP of April 22, 2013, as last amended through Council Decision (CFSP) 2022/2178 of November 8, 2022, and Council Regulation (EU) No 401/2013 of May 2, 2013, as last amended by Council Implementing Regulation (EU) 2022/2177 of November 8, 2022.
 - (ii) The EU Myanmar sanctions restrict:
 - (1) the sale, supply, transfer or export, directly or indirectly, equipment which might be used for internal repression, whether or not originating in the EU, to any natural or legal person, entity or body in, or for use in Myanmar/Burma;
 - (2) the provision of technical assistance related to military activities and to the provision, manufacture, maintenance and use of arms and related materiel of any type, including weapons and ammunition, military vehicles and equipment, paramilitary equipment, and spare parts for the aforementioned, directly or indirectly to any natural or legal person, entity or body in, or for use in Myanmar/Burma;
 - (3) the provision of technical assistance related to the equipment which might be used for internal repression, directly or indirectly to any natural or legal person, entity and/or body in, or for use in Myanmar/Burma;
 - (4) the provision of financing or financial assistance related to military activities, including, in particular, grants, loans and export credit insurance for any sale, supply, transfer or export of arms and related materiel, directly or indirectly to any natural or legal person, entity or body in, or for use in Myanmar/Burma;
 - (5) the export of dual-use goods for military and Border Guard Police end-users;

- (6) the export of equipment for monitoring communications that might be used for internal repression; and
 - (7) impose asset-freezing measures against certain natural persons from the Myanmar Armed Forces (Tatmadaw) and the Border Guard Police.
- (iii) The UK replaced the EU sanctions on Myanmar by the Burma (Sanctions) (EU Exit) Regulations 2019 which came into effect on December 31, 2020, as amended by the Sanctions (EU Exit) (Miscellaneous Amendments) (No. 2) and (No. 4) Regulations 2020. On April 29, 2021, the Burma (Sanctions) (EU Exit) Regulations 2019 have been replaced by the Myanmar (Sanctions) Regulations 2021 (the "**UK Myanmar Regulations**").
- (iv) The UK Myanmar Regulations impose financial, trade and immigration sanctions for the purposes of promoting peace, stability and security in Myanmar; promoting respect for democracy, the rule of law and good governance in Myanmar, including in particular promoting the successful completion of Myanmar's transition to a democratic country; discouraging actions, policies or activities which repress the civilian population in Myanmar; and promoting compliance with international human rights law and respect for human rights in Myanmar. The UK Myanmar Regulations impose asset freeze on designated persons and prohibitions on making funds or economic resources available. This involves the freezing of funds and economic resources (non-monetary assets, such as property or vehicles) of designated persons and ensuring that funds and economic resources are not made available to or for the benefit of designated persons or entities, either directly or indirectly.
- (v) The restrictions in the UK Myanmar Regulations impose trade prohibitions relating to:
 - (1) military goods and military technology (as specified in Schedule 2 to the Export Control Order 2008);
 - (2) dual-use goods and technology (as specified in Annex 1 to the UK Dual-Use Regulation);
 - (3) goods and technology which might be used for internal repression in Myanmar (as specified in Schedule 2 to the UK Myanmar Regulations);
 - (4) goods and technology which might be used for the monitoring and interception of telecommunications (as specified in Schedule 3 to the UK Myanmar Regulations);
 - (5) provision of interception and monitoring services to or for the benefit of the Government of Myanmar; and
 - (6) provision of technical assistance, armed personnel, financial services or funds or associated brokering services to or for the benefit of the Tatmadaw (or persons acting on its behalf or under its direction) where such provision relates to the military activities of

the recipient, or otherwise enables or facilitates the conduct of armed hostilities, in Myanmar.

- (vi) The UK Myanmar Regulations prohibit the export to Myanmar of dual-use goods for military use, the export of dual-use goods for military use in Myanmar and the export of dual-use goods to, or for use by, the Myanmar security forces. In addition, regulation 31 prohibits a person from directly or indirectly supplying or delivering dual-use goods for military use from a third country to a place in Myanmar and supplying or delivering dual-use goods from a third country to, or for use by, the Myanmar security forces.
 - (vii) The UK Myanmar Regulations also prohibit making available certain goods and technology. Regulation 32 of the UK Myanmar Regulations prohibits a person from directly or indirectly making available dual-use goods for military use or dual-use technology for military use to a person connected with Myanmar or for military use in Myanmar, and also prohibits the direct or indirect making available of dual-use goods to or for use by the Myanmar security forces. In addition, the transfer of dual-use technology for military use to a place in Myanmar, to a person connected with Myanmar and the transfer of dual-use technology to the Myanmar security forces is also prohibited.
 - (viii) The UK Myanmar Regulations also prohibit the direct or indirect provision of technical assistance relating to restricted goods or technology to a person connected with Myanmar or for use in Myanmar.
 - (ix) The UK Myanmar Regulations also prohibit the direct or indirect provision of financial services or funds in pursuance of or in connection with specific arrangements as set out in regulation 27 or regulation 35. The UK Myanmar Regulations prohibit the direct or indirect provision of brokering services where they relate to specific arrangements as set out in regulation 28 and 36.
 - (x) The UK Myanmar Regulations allow for certain exemptions to the prohibitions. For example, UK Myanmar Regulations include an exception in relation to any prohibition for actions which a responsible officer has determined to be in the interests of national security, or the prevention or detection of serious crime in the UK or elsewhere.
- (d) **Application to the Group**
- (i) On the basis of our due diligence process and the Company's confirmations (for and on behalf of the Group) that:
 - (1) all activities involving the Relevant Regions were negotiated, entered into and performed without any involvement (including in any approval or decision making capacity) by any EU or UK incorporated entities of the Group;
 - (2) all activities involving the Relevant Regions (including the transaction with Myawaddy) were negotiated, entered into and performed without any involvement (including in any approval or decision making capacity) by any national of or person domiciled,

or otherwise located in either the territories of the EU, the UK or the UK Overseas Territories;

- (3) the Group's activities are limited to the provision of shipping services that are not export-controlled or subject to sectoral sanctions in the EU, the UK or the UK Overseas Territories;
- (4) neither the Group nor any of its affiliates, agents, directors, officers, or employees are engaged in transactions, business or financial dealings that directly or indirectly involve or benefit a person or entity listed under EU or UK sanctions, or engage in any other activity subject to restrictions under sectoral EU or UK sanctions; and
- (5) the Group has not been, directly or indirectly, involved in the export from the EU, the UK or the UK Overseas Territories, of any items listed in the EU Common Military List or the EU Dual Use list (Annex I to Regulation (EU) 2021/821), the UK Military List or any items listed under Schedule 3 of the UK's Export Control Order 2008,
- (6) the Group has not, during the Track Record Period, undertaken a contract or any other activity with a counterparty from, nor has procured goods or services from any individuals, entities or organizations, nor has used vessels that have been designated, or any person or entity that is owned or controlled by, or acting as an agent of a Sanctioned Person;
- (7) the Group's transactions did not potentially fund or facilitate sanctions-prohibited activity, nor grant any benefit towards any sanctioned person or entity;
- (8) the Group has not exported or directly or indirectly supplied arms and related materiel, or equipment which might be used for internal repression;
- (9) the Group has not provided technical assistance related to military activities, or to the provision, manufacture, maintenance and use of arms and related materiel of any type; and
- (10) the Group has not provided financing or financial assistance related to any activities referred to above;

On this basis, Hogan Lovells' conclusion is that the Group's business dealings with respect to the Relevant Regions have not breached the prohibitions or wider restrictions adopted by the EU or the UK, including those extended to the UK Overseas Territories.

(e) EU and UK export controls

- (i) In addition to EU sanctions measures, the EU applies export controls on dual-use items, including technology. Until September 9, 2021, EU export controls were set out in Council Regulation (EC) No 428/2009 of May 5, 2009, which applied to the UK until December 31, 2020. As of September 9, 2021, the EU export control framework has been replaced by Regulation

(EU) No 2021/821 of May 20, 2021 setting up a Union regime for the control of exports, brokering, technical assistance, transit and transfer of dual-use items, as last amended by Commission Delegated Regulation (EU) 2022/1 of October 20, 2021, which governs: (i) the export of certain controlled dual-use products and technology from the EU to any non-EU country jurisdiction (not just jurisdictions subject to sanctions); (ii) the provision of technical assistance relating to controlled items; and (iii) the brokering of transactions that involve the transfer of controlled goods, certain wider restricted products and non-controlled products which may be destined for a prohibited end-use from one non-EU country to another non-EU country (again any third country jurisdiction not just jurisdictions subject to sanctions).. The UK export control framework is set out in Export Control Act 2002, the Export Control Order 2008 and the Retained Dual-Use Regulation.

The Group has confirmed its understanding that it has not been, directly or indirectly, involved in the export from the EU, the UK and/or UK Overseas Territories of any items listed in the EU Common Military List or the UK Military List. The Group has not been involved in the export from the EU (including the UK) of items listed in the EU Dual Use list (Annex I to Regulation 428/2009 and Regulation 2021/821) to any Relevant Region. As such, no further analysis (e.g. any assessment against the specific list of items controlled under the EU Dual Use Regulation) has been carried out by Hogan Lovells. Our conclusion is that such analysis is unnecessary based on the Group's confirmation that it is not directly or indirectly involved in the export from the EU and/or UK Overseas Territories of any items listed in the EU Common Military List or on the EU Dual Use list to any Relevant Region.

Based on the information provided by the Company, Hogan Lovells understands that the EU export rules are not implicated by the Group's activities.

8. **Australian Sanctions**

8.1 **Overview**

- (a) Australia has a dual sanctions regime consisting of sanctions measures imposed by the UN, together with Australian autonomous sanctions imposed by the Australian Government as a matter of its foreign policy. Australia's dual sanctions regime is administered by the Australian Sanctions Office ("**ASO**"), the Australian Government sanctions regulator, which sits within the Department of Foreign Affairs and Trade ("**DFAT**").
- (b) The Australian restrictions and prohibitions arising from the sanctions laws apply broadly to:
 - (i) any person in Australia;
 - (ii) any Australian anywhere in the world;
 - (iii) companies incorporated overseas that are owned or controlled by Australians or persons in Australia; and/or

- (iv) any person using an Australian flag vessel or aircraft to transport goods or transact services subject to UN sanctions;
- (c) The ASO maintains the Consolidated List of all persons and entities designated for the purposes of sanctions regimes implemented under Australian sanction laws.
- (d) A criminal offence is committed if an individual or a body corporate to whom Australian sanctions measures apply, engages in conduct and the conduct contravenes a sanction law.
- (e) The Australian autonomous sanctions regimes are primarily implemented under the Act Autonomous Sanctions 2011 (Cth) (the "**Act**") and the Autonomous Sanctions Regulations 2011 (Cth) (the "**Regulations**").
- (f) The Act prohibits a person from engaging in conduct that is in breach of the sanctions laws.
- (g) Part 3 of the Regulations specifies that section 15.1 of the Criminal Code (being Schedule 1 to the Criminal Code Act 1995 (Cth)) applies to a person that makes an unauthorised sanctioned supply. This has the effect of making the offence extra territorial if the alleged offence occurs outside of Australia by a person who is an Australian citizen or a body corporate incorporated under Australian law.
- (h) The prohibited conduct applies to conduct committed entirely inside or outside Australia if at the time of the alleged offence, the alleged offender is an Australian citizen or a body corporate incorporated under Australian law.

8.2 Application to Hong Kong

- (a) Australia has not imposed any targeted sanctions (autonomous or otherwise) in relation to Hong Kong during the Track Record Period.

8.3 Application to Myanmar/Burma

The Regulations currently prohibit:

- (a) the direct or indirect supply, sale or transfer to Myanmar/Burma, for use in Myanmar/Burma, or for the benefit of Myanmar/Burma, of arms or related materiel;
- (b) the provision to Myanmar/Burma, or to a person for use in Myanmar/Burma, of technical advice, assistance or training, financial assistance, a financial service or other service if it assists with or is provided in relation to the direct or indirect supply, sale or transfer of arms or related materiel to Myanmar/Burma, for use in Myanmar/Burma, or for the benefit of Myanmar/Burma; and
- (c) the provision to Myanmar/Burma, or to a person for use in Myanmar/Burma, of technical advice, assistance or training, financial assistance, a financial service or other service if it assists with or is provided in relation to the manufacture or use of arms or related materiel.

8.4 Application to the Group

- (a) The Company has confirmed that no Australian citizens employed or otherwise engaged by the Group have been involved in any way, including in the negotiation or approval of, or with the on-going performance of, or in any wider decision making

capacity, with respect to any of the Group's dealings involving the Relevant Regions; and

- (b) On the basis of the Company's confirmations that the Group is not:
- (i) a person in Australia;
 - (ii) an Australian citizen or Australian-registered body;
 - (iii) owned or controlled by Australians or persons in Australia; or
 - (iv) a person using an Australian flag vessel or aircraft to transport goods or transact services subject to Australian autonomous sanctions;
 - (v) engaged in any activities in Australia; or
 - (vi) the Group's dealings do not involve products or services that are restricted under Australian export controls,

Hogan Lovells' assessment is that the Group's activities do not implicate the prohibitions or wider restrictions under international sanctions measures administered and enforced by the Government of Australia.

* * * * *

The conclusion stated in this memorandum is not binding on OFAC, the U.S. Department of State, the European Commission, the competent authorities of European Union Member States, Australia, or on any other regulatory or judicial authority, which have substantial discretion in determining whether to investigate particular transactions or relationships or to pursue sanctions or other enforcement. Accordingly, there can be no assurances that OFAC, the U.S. Department of State or any other such authority will not ultimately pursue sanctions or otherwise take actions that are contrary to the conclusions set forth in this memorandum. Such conclusion is based solely on our interpretation of the applicable laws referred to herein; and we assume no liability based on any conclusion or holding of any such authority that is inconsistent with our interpretation and conclusion.

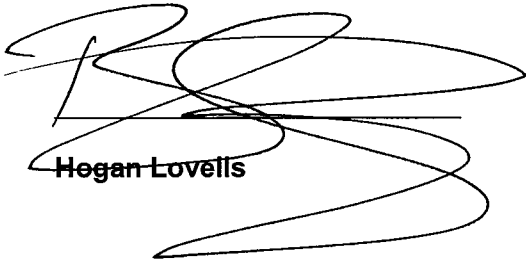
This memorandum is only intended for the benefit of the person(s) to whom it is addressed.

This memorandum may also be disclosed for information only to (but not relied on by) the Joint Sponsors, the underwriter(s) of and the professional parties involved in the Offering, the HKEX, the Securities and Futures Commission, the Companies Registry, and within the period and in accordance with procedure specified in the Prospectus, available for inspection to the public, and is not to be used or otherwise referred to for any other purpose other than as required by laws, regulations or court order or is requested by other relevant governmental, regulatory or judicial authorities, and such disclosure and non-reliance and the liability waiver referred to above are governed by and construed in accordance with the laws of England and Wales.

Save as the above, no recipient may disclose this memorandum to any other person or quote or refer to it in any public document or file it with any person, without our prior written consent in each specific case.

The statements set forth in the Prospectus dated 24 October 2024, the Preliminary Offering Circular dated 24 October 2024, each prepared by the Company in connection with its global offering of shares, under the headings "Definitions", "Risk Factors", "Regulatory Overview" and "Business", to the extent such statements relate to matters of the sanctions laws or regulations or legal conclusions with respect thereto are true and accurate in all material respects and not misleading. Our understanding and judgements of the facts underlying such statements are based solely on the documents, materials, statements and representations provided to us by the Company. We have not verified the facts underlying such statements and assumed the accuracy as to factual matters of such documents, materials, statements and representations provided to us by the Company.

If you have questions or comments regarding this memorandum, or would otherwise like to discuss the information herein, please contact Ben Kostrzewa at ben.kostrzewa@hoganlovells.com or Aleksandar Dukic at aleksandar.dukic@hoganlovells.com.



Hogan Lovells