

# EXECUTIVE SUMMARY



APIP- a Mongolian real estate developer and operating business- is pioneering a new food and beverage offering to respond to the growing demand for high quality casual dining and recreational facilities in Ulaanbaatar's central business district. Leveraging its existing assets, strategically located in prime areas of the city, APIP can swiftly conceptualize, construct and operate a range of new restaurants and bars under the Eatopia brand. Drawing on a proprietary database of Mongolian consumers- honed through two decades of marketing luxury apartments and retail space- APIP is able to efficiently identify and assess gaps in the market.

Ulaanbaatar's culinary scene has enjoyed a renaissance in recent years. Since the partial resolution of structural and economic challenges in early 2017, Mongolian consumer spending has been evident across the city. COVID 19 had the paradoxical effect of encouraging expenditure domestically, as wealthy Mongolians accustomed to traveling overseas to recreate, began to spend money at home. In response, a host of new restaurants and drinking establishments were created, changing the character of the city, never before considered a gastronomic destination. These have since become embedded in spite of the resumption of international travel.

Incumbents have, however, faced a series of challenges. There have been useful attempts to diversify the culinary offering, however, local restaurateurs have a limited appreciation of the full spectrum of options, now evident from Bangkok to Kuala Lumpur, Hong Kong to Singapore. They have been smaller 'mom and pop' businesses, struggling against high local costs of capital and rising rents in prime areas with high footfall. New entrants, meanwhile, have had limited access to macro and micro consumer data, necessary for client acquisition and retention.

Against this backdrop, APIP identified a strategic opportunity to better serve this growing segment of demand. With a team of international staff, and crucially, Mongolian staff, educated, trained and with exposure to multiple countries around the world, APIP introduced Eatopia, initially on a trial basis to act as proof of concept. There have been notable successes- and operational lessons learnt- meaning we are now in a position to extrapolate and grow. As in all of APIP's past initiatives, we recognize the value brought by integrating international debt capital, to help swiftly capture market share in a manner impossible to legacy operators.

In our presentation, you will find details of the specific concepts, roll out potential, indicative financials and market context. Management believe- and market data corroborates- this was an area of notable growth over the last twelve months. Now with Mongolia's long awaited Oyu Tolgoi functionally operational, the story of heightened consumer spending and demand is reinforced.



# PROPOSED TERM SHEET

## SENIOR SECURED TERM LOAN



This confidential Term Sheet summarizes the principal terms relating to a proposed private placement of Senior Secured Term Loan interests by Eatopia and is intended solely as a basis for further discussion. The indicative terms and conditions herein are subject to change, and neither the Term Sheet nor any related discussions or negotiations shall be construed to create any legally binding obligation on the Company. The issuance of any interests will be at the Company's sole discretion and subject to the execution of separate binding transaction documents executed by the parties.

Indicative terms and conditions	
Issue date	March 2023
Borrower:	Eatopia
Lenders:	Individual lenders with a minimum loan size of US\$50,000, increasing in multiples of US\$10,000
Use of proceeds:	Design, construction, and fit out
Facility:	Up to US\$500,000
Issue type:	Term Loan
Closing date:	April 2023
Term:	Eighteen months
Extension option:	Six months at option of the borrower with a 2% increase in interest rate per annum
Repayment:	In full at the maturity of the Facility
Interest rate:	12% per annum
Interest payment period:	Semi-annually in arrears
Voluntary prepayment	The Borrower may repay any outstanding drawings on the Facility, provided they have given not less than 10 days' written notice to the Lenders in advance of such prepayment. Any prepayment amount will be by a minimum amount of US\$50,000 and thereafter increasing in multiples of US\$10,000





**DISCLAIMER:**

*This Term Sheet shall not be construed as an offer or solicitation of an offer or an invitation to subscribe for, to buy or to sell any securities or other financial instruments or as an advertisement or financial promotion in any jurisdiction. The shares offered to be pledged as security interest (the "Shares") have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "Securities Act"), and accordingly may not be offered or sold in the United States absent registration or an exemption from the registration requirements of the Securities Act and in accordance with applicable U.S. state securities laws. Mongolian Cement Limited does not intend to register the offer and sale of the Shares in the United States or to conduct a public offering of the Shares in the United States. This Term Sheet may not be distributed (a) to "U.S. person" within the meaning of Regulation S under the Securities Act or (b) to persons who are not "accredited investors" within the meaning of Regulation D of the Securities Act. In any EEA Member State that has implemented the Prospectus Directive, this Term Sheet is addressed to and is only directed at "qualified investors" in that Member State within the meaning of the Prospectus Directive. This Term Sheet is only being distributed to and is only directed at persons in the United Kingdom that are (a) investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "Order") or (b) high net worth entities, and other persons to whom this Term Sheet may lawfully be communicated, falling within Article 49(2)(a) to (d) of the Order. In Hong Kong, this Term Sheet is intended solely for the "professional investors" as defined in the Securities and Futures Ordinance of Hong Kong (Cap. 571, Laws of Hong Kong) and rules made thereunder. In Singapore, this Term Sheet is intended solely for the "institutional investors" as defined under Section 275 of the Singapore Securities and Futures Act, Chapter 289 (all such persons together being referred to as "relevant persons"). This Term Sheet must not be acted on or relied on by persons who are not relevant persons. By signing below, the prospective investor confirms that it has read and understood and is in compliance with the foregoing restrictions and any similar restrictions applicable to it under relevant law and regulations.*

[Signature page follows.]

Signatures	
EATOPIA	PROSPECTIVE INVESTOR
	INDICATIVE INVESTMENT AMOUNT:
By: _____	USD _____
Name: Lee Cashell	FULL NAME: _____
Title:	ADDRESS: _____
Date:	_____
	Signed by: _____
	Name:
	Title:
	Date: