

Notice of submission of updated Disclosure Document for Listing of Myanmar Thilawa SEZ Holdings Public Limited (MTSH)

In connection with the proposed listing of shares with the Yangon Stock Exchange (YSX), MTSH filed this updated Disclosure Document for Listing with the YSX on the 11th of May 2016 (the “**Updated Disclosure Document**”) for the purpose of reflecting minor corrections to the Disclosure Document for Listing which was earlier filed with, and approved by the YSX on the 6th of May 2016 (the “**Disclosure Document**”).

A summary of the minor corrections as integrated into the Updated Disclosure Document is described in this notice. These minor corrections do not change the substance or affect the conclusions of the Disclosure Document, and all other matters described therein, including all qualifications, limitations and disclaimers, remain unchanged and unaffected.

These minor corrections, as integrated into the Updated Disclosure Document, are itemized as follows:

1. The table on the Statement of Financial Position on Page 9 of the Section “Financial Information – Introduction – Our Company –Statement of Financial Position” in the Disclosure Document, to wit:

Statement of Financial Position

Currency – Ks	Fiscal Year ended 31 March			Unaudited <i>Pro-Forma</i> as at 30 September 2015 Consolidated
	FY2014	FY2015	FY2015 Consolidated	
Assets				
Total Non-Current Assets	7,264,402,225	26,428,570,238	25,428,570,238	32,164,810,345
Total Current Assets	15,912,744,392	30,452,970,769	32,034,311,493	38,713,075,161
Total Assets	23,177,146,617	56,881,541,007	57,462,881,731	70,877,885,505
Equity and Liabilities				
Total Non-Current Liabilities	-	334,100,000	334,100,000	3,904,260,000
Total Current Liabilities	11,850,920,000	1,865,461,356	-	1,326,260,852
Total Liabilities	11,850,920,000	2,199,561,356	2,451,721,293	5,230,520,852
Equity				
Issued and Paid-up Capital	11,790,000,000	38,929,150,000	38,929,150,000	38,929,150,000
Retained profits/(Accumulated Loss)	(463,773,383)	15,752,829,651	15,747,910,438	23,611,708,244
Total Equity	11,326,226,617	54,681,979,651	54,677,060,438	65,647,364,654
Total Equity and Liabilities	23,177,146,617	56,881,541,007	57,462,881,731	70,877,885,505

is replaced with the following table on the Statement of Financial Position:

Statement of Financial Position

Currency – Ks	Fiscal Year ended 31 March			Unaudited Pro-Forma as at 30 September 2015 Consolidated
	FY2014	FY2015	FY2015 Consolidated	
Assets				
Total Non-Current Assets	7,264,402,225	26,428,570,238	25,428,570,238	32,164,810,345
Total Current Assets	15,912,744,392	30,452,970,769	32,034,311,493	38,713,075,161
Total Assets	23,177,146,617	56,881,541,007	57,462,881,731	70,877,885,505
Equity and Liabilities				
Total Non-Current Liabilities	-	334,100,000	334,100,000	3,904,260,000
Total Current Liabilities	11,850,920,000	1,865,461,356	2,451,721,293	1,326,260,852
Total Liabilities	11,850,920,000	2,199,561,356	2,785,821,293	5,230,520,852
			2,451,721,293	
Equity				
Issued and Paid-up Capital	11,790,000,000	38,929,150,000	38,929,150,000	38,929,150,000
Other reserve	-	-	-	3,106,506,410
Retained profits/(Accumulated Loss)	(463,773,383)	15,752,829,651	15,747,910,438	23,611,708,244
Total Equity	11,326,226,617	54,681,979,651	54,677,060,438	65,647,364,654
Total Equity and Liabilities	23,177,146,617	56,881,541,007	57,462,881,731	70,877,885,505

2. The paragraph on Page 65 of the Section “Management’s Discussion and Analysis of Financial Condition and Results of Operations - Financial Condition – Current Liabilities – FY2015” in the Disclosure Document, to wit:

As at 31 March 2015 our consolidated current liabilities were Ks1,865,461,356. The reduction in the current liabilities from Ks11,850,920,000 to Ks1,865,461,356 is attributable to the inclusion of the amount of share applications which were received in FY 2014 period.

is replaced with the following:

As at 31 March 2015 our consolidated current liabilities were Ks1,865,461,356. The reduction in the current liabilities from Ks11,850,920,000 to Ks1,865,461,356 is attributable to the inclusion of the amount of share applications which were received in FY 2014 period.

3. Footnote no. 9 on Page 63 of the Disclosure Document, to wit:

⁹ The figures from the Group’s audited consolidated financial statements for FY 2015 are being used for comparison with the Company’s consolidated financial statements.

is replaced with the following:

⁹ The figures from the Group’s audited consolidated financial statements for FY 2015 are being used for comparison with the Company’s consolidated financial statements

**DISCLOSURE DOCUMENT FOR LISTING DATED 11TH DAY OF MAY 2016
(FILED WITH THE YANGON STOCK EXCHANGE ON 11TH DAY OF MAY 2016)**

THIS DOCUMENT IS IMPORTANT. IF YOU ARE IN ANY DOUBT AS TO THE ACTION YOU SHOULD TAKE, YOU SHOULD CONSULT YOUR LEGAL, FINANCIAL, TAX OR OTHER PROFESSIONAL ADVISER.

This Disclosure Document is issued by Myanmar Thilawa SEZ Holdings Public Limited (“**MTSH**” or “**Company**”) in connection with the listing of the Company and its 3,892,915 Shares with the Yangon Stock Exchange (“**YSX**”), representing 100.0% of the issued and outstanding Shares of the Company (“**Listing**”).

As of the date of this Disclosure Document, the Company has authorized capital stock of Ks500,000,000,000 divided into 50,000,000 Shares each with a par value of Ks10,000 each, and the Company’s issued and outstanding share capital consists of 3,892,915 Shares.

The Company believes that the price of the Shares is of such amount, and the Shares would be so widely held that, their adequate marketability when listed can be assumed. Consequently, there will be no change in the total number of issued and outstanding Shares as a result of the Listing. Nonetheless, the indicative reference opening price (“**Reference Price**”) of the Shares upon listing shall be determined by the financial adviser and lead managing securities agent, CB Securities.

Prior to the Listing, the Shares were not listed or quoted on any stock or securities exchange whether in Myanmar or elsewhere. However, the Company previously offered to the public 2,145,000 Shares.

All of the Shares of the Company are unclassified and have identical rights and privileges.

Any subsequent issue or transfer or other disposal of our Shares may only be made to Myanmar citizens or companies wholly-owned by Myanmar citizens. As and when permitted by applicable laws in Myanmar, the Shares may be transferred or otherwise disposed of, to foreign citizens or foreign companies.

All dealings in and settlement of the Shares will be in Myanmar Kyats only.

A copy of this Disclosure Document has been filed with the YSX in accordance with the YSX application requirements for listing. The YSX assumes no responsibility for the correctness of any of the statements made, reports contained or opinions expressed in this Disclosure Document. Filing of this Disclosure Document with the YSX does not imply that the Companies Act, Securities and Exchange Law or any other legal or regulatory requirements, have been complied with and admission for listing to the YSX is not to be taken as an indication of the merits of the Shares or the Company.

This Disclosure Document does not constitute an offer of, nor is it calculated to invite offers for, Shares or other securities of the Company. No Shares will be allotted or issued in connection with, or pursuant to, this Disclosure Document.

Save as described above, the Company has not lodged or registered this Disclosure Document or any other document in connection with the Listing in any other jurisdiction. No action has been or will be taken to permit the listing, offer or sale of the Shares, or the possession, circulation or distribution of this Disclosure Document, in any jurisdiction where action would be required for that purpose. Accordingly, the Shares may not be listed, offered, sold or delivered, and this Disclosure Document may not be circulated or distributed, directly or indirectly, in any jurisdiction, except in accordance with legal requirements applicable in such jurisdiction.

Investing in or otherwise holding our Shares involves risks, including those in the section “Risk Factors” of this Disclosure Document, which contains a discussion of certain factors to be considered in connection with an investment in or continued holding of our Shares.

MTSH
Myanmar Thilawa SEZ Holdings Public Limited

(Company Registration Number: 484 of 2013-2014)
(Incorporated with limited liability in the Republic of the Union of Myanmar on 3 May 2013)

Listing in respect of 3,892,915 Shares

TABLE OF CONTENTS

IMPORTANT NOTES	iii
FORWARD-LOOKING STATEMENTS	v
CERTAIN DEFINED TERMS AND CONVENTIONS	vii
CORPORATE INFORMATION.....	viii
SUMMARY	1
THE LISTING	6
FINANCIAL INFORMATION.....	8
RISK FACTORS	18
LISTING EXPENSES	29
DIVIDENDS	30
EXCHANGE RATES	32
THILAWA SEZ PROJECTS	33
OUR COMPANY	40
BUSINESS	47
MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS	61
MANAGEMENT STRUCTURE.....	67
CORPORATE GOVERNANCE	82
INTERESTED PERSON TRANSACTIONS	89
POTENTIAL CONFLICT OF INTERESTS	94
SHARE CAPITAL AND SHAREHOLDERS.....	95
LEGAL MATTERS.....	99
GENERAL AND STATUTORY INFORMATION.....	100
DEFINITIONS.....	102
APPENDIX A DESCRIPTION OF OUR SHARES.....	107
APPENDIX B SUMMARY OF OUR MEMORANDUM AND ARTICLES OF ASSOCIATION.....	109
APPENDIX C TAXATION.....	116
APPENDIX D THE MYANMAR SECURITIES MARKET.....	118
APPENDIX E SUMMARY OF RELEVANT MYANMAR LAWS AND REGULATIONS.....	120
APPENDIX F AUDITED FINANCIAL STATEMENTS	132
APPENDIX G FINANCIAL PROJECTIONS OF MJTD.....	185

IMPORTANT NOTES

No Offer For Shares

This Disclosure Document does not constitute an offer of, nor is it calculated to invite offers for, Shares or other securities of the Company. No Shares will be allotted or issued in connection with, or pursuant to, this Disclosure Document. Consequently, there will be no change in the total number of issued and outstanding Shares as a result of the Listing.

LANGUAGE

This Disclosure Document is issued in both the English language and the Myanmar language. In the event of any inconsistencies between the English and Myanmar versions of this Disclosure Document, the English version of this Disclosure Document shall prevail.

DISCLAIMER

No person is authorised to give any information or to make any representation not contained in this Disclosure Document and any information or representation not so contained must not be relied upon as having been authorised by or on behalf of us. Neither the delivery of this Disclosure Document nor any offer, sale or transfer made hereunder shall under any circumstances imply that the information herein is correct as of any date subsequent to the date hereof or constitute a representation that there has been no change or development reasonably likely to involve a material adverse change in our affairs, condition and prospects or our Shares since the date hereof. Where such changes occur and are material and required to be disclosed by Applicable Laws and/or any Governmental Authorities, we will make an announcement of the same and, if required, issue and file an amendment to this Disclosure Document or a supplementary Disclosure Document or replacement Disclosure Document. Investors should take notice of such announcements and documents and, upon release of such announcements or documents, shall be deemed to have notice of such changes. Unless otherwise required by Applicable Laws, no representation, warranty or covenant, express or implied, is made by us or any of our affiliates, directors, officers, employees, agents, representatives or advisers as to the accuracy or completeness of the information contained herein, and nothing contained in this document is, or shall be relied upon as, a promise, representation or covenant by us or our affiliates, directors, officers, employees, agents, representatives or advisers.

None of us or any of our affiliates, directors, officers, employees, agents, representatives or advisers is making any representation or undertaking to any Shareholder or investor in our Shares regarding the legality of an investment by such investor or the Listing herein contemplated under appropriate legal, investment or similar laws. In addition, Shareholders of and investors in our Shares should not construe the contents of this Disclosure Document or its appendices as legal, business, financial, tax or other advice.

This Disclosure Document is based on information and materials provided by us and other sources that we believe to be reliable. Each of the Legal Adviser to our Company on Myanmar Laws and our Financial Adviser (as both described in the section “**Corporate Information**”) do not make, or purport to make, any representation or warranty, express or implied, as to the accuracy or completeness of such information and materials, and nothing contained in this Disclosure Document, or any statement in this document or any statement upon which a statement in this document is based is, to the maximum extent permitted by law, expressly disclaimed and the Legal Advisory to our Company on Myanmar Laws and our Financial Adviser take no responsibility for any liability to any person which is based on, or arises out of, the statements, information or opinions in this document.

Shareholders and investors should be aware that they may be required to bear the financial risks of an investment in our Shares for an indefinite period of time. Shareholders and

investors should consult their own professional advisers as to the legal, business, financial, tax and related aspects of an investment in or continued holding of our Shares.

FORWARD-LOOKING STATEMENTS

All statements contained in this Disclosure Document, statements made in media advertisements and releases and oral statements that may be made by our Company or our Directors, Executive Officers or employees acting on our behalf, that are not statements of historical fact, constitute “forward-looking statements”. You can identify some of these statements by forward-looking terms such as “expect”, “believe”, “plan”, “intend”, “estimate”, “anticipate”, “may”, “will”, “would” and “could” or other similar words. You should note, however, that these words are not the exclusive means of identifying forward-looking statements. All statements regarding our Company’s expected financial position, business strategy, plans and prospects are forward-looking statements. These forward-looking statements, including statements as to:

- our Company’s revenue and profitability;
- the development plan of the Zone A Project;
- the development plan of the Residential and Commercial Component;
- the development of the proposed Zone B Project;
- financial projections of MTSH;
- financial projections of MJTD;
- financial projections of TPD;
- our Company’s dividend policy;
- our Company’s expected growth;
- expected industry trends;
- our Company’s prospects; and
- other matters discussed in this Disclosure Document regarding matters that are not historical facts,

are only predictions. These forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause our Company’s actual results, performance or achievements to be materially different from any future results, performance or achievements expected, expressed or implied by such forward-looking statements. Some of these risks, uncertainties and other factors are discussed in more detail in this Disclosure Document, in particular, under the section “**Risk Factors**”. However, they are not exhaustive and other sections of this Disclosure Document may describe additional risks, uncertainties and other factors that could materially and adversely affect our results, performance or achievements. There may also be other risks, uncertainties and other factors that are not yet known to us, or that we currently believe are not material but may subsequently turn out to be so. All forward-looking statements by or attributable to our Company, or persons acting on our Company’s behalf, contained in this Disclosure Document are expressly qualified in their entirety by all such risks, uncertainties and other factors. These forward-looking statements are applicable only as of the date of this Disclosure Document.

Given the risks and uncertainties that may cause our Company’s actual future results, performance or achievements to be materially different than expected, expressed or implied by the forward-looking statements in this Disclosure Document, we advise you not to place undue reliance on those statements. Neither our Company nor any other person represents or warrants to you that our Company’s actual future results, performance or achievements will be as discussed in those statements. Our Company’s actual future results, performance or

achievements may differ materially from those anticipated in these forward-looking statements. Further, our Company disclaims any responsibility to update any of those forward-looking statements or publicly announce any revisions to those forward-looking statements to reflect future developments, events or circumstances for any reason, even if new information becomes available or other events occur in the future.

CERTAIN DEFINED TERMS AND CONVENTIONS

We publish our financial statements in Kyats. In this Disclosure Document, references to “Kyats” or “Ks” are to the lawful currency of Myanmar, and references to “US\$” are to the lawful currency of the United States of America.

In this Disclosure Document, unless the context otherwise requires, references to our “Company”, “we”, “us”, “our”, “ourselves” refer to Myanmar Thilawa SEZ Holdings Public Limited. References to our management and Directors are to the management and directors of our Company respectively.

Words importing the singular shall, where applicable, include the plural and *vice versa* and words importing the masculine gender shall, where applicable, include the feminine and neuter genders and *vice versa*. References to persons shall include corporations.

Any reference in this Disclosure Document to any statute or enactment is a reference to that statute or enactment for the time being amended or re-enacted. Any word defined in the Securities Exchange Law, the Companies Act or any statutory modification thereof and used in this Disclosure Document shall, where applicable, have the meaning ascribed to it under the Securities Exchange Law, the Companies Act or any statutory modification thereof, as the case may be.

Any reference to a time of day in this Disclosure Document shall be a reference to Myanmar time unless otherwise stated.

Certain names with Myanmar characters have been translated into English names. Such translations are provided solely for your convenience, may not have been registered with the relevant Myanmar authorities and should not be construed as representations that the English names actually represent the Myanmar characters.

Any discrepancies in the tables, graphs and charts included in this Disclosure Document between the listed amounts and the totals thereof are due to rounding. A number of rounding conventions have been used in this Disclosure Document. Accordingly, figures shown in totals in certain tables, graphs or charts may not be an arithmetic aggregation of the figures that precede them.

Please refer to the section “**Definitions**” for definitions of other terms used in this Disclosure Document.

CORPORATE INFORMATION

Name of Applicant	: Myanmar Thilawa SEZ Holdings Public Limited
Board of Directors	: U Win Aung Chairman U Theim Wai @ Mr. Serge Pun Vice Chairman U Khin Maung Aye Vice Chairman U Thein Han @ Ko Han Thein Managing Director Dr. Aung Tun Thet Independent Director U Tin Htut Oo Independent Director U Tun Lwin Director U Nyi Khin Director Dr. Nyan Thit Hlaing Director U Tin Maung Hlaing Director U Aung Soe Tha Director
Company Registration Number	: 484 of 2013-2014
Commencement of Business Number	: 66 of 2013-2014
Registered Office and Principal Place of Business	: Room Number 1103, 11 th Floor UMFCCI Office Tower No. 29 Min Ye Kyaw Swar Road Lanmadaw Township, Yangon Republic of the Union of Myanmar
Website	: http://www.mtshmyanmar.com/
Share Transfer Office	: Room Number 1103, 11 th Floor UMFCCI Office Tower No. 29 Min Ye Kyaw Swar Road Lanmadaw Township, Yangon Republic of the Union of Myanmar
Legal Adviser to our Company on Myanmar Laws	: Kelvin Chia Yangon Ltd Level 8A, Union Financial Centre (UFC), Corner of Mahabandoola Road and Thein Phyu Road Botahtaung Township, Yangon Republic of the Union of Myanmar
Auditors and Reporting Accountants	: Win Thin & Associates Room (2B/2C) 1 st Floor, Rose Condominium No. 182/194, Botahtaung Pagoda Road Pazandaung Township, Yangon Republic of the Union of Myanmar
Financial Adviser/Lead Managing Securities Agent	: CB Securities Level 3 and 4, Union Financial Centre (UFC), Corner of Mahabandoola Road and Thein Phyu Road Botahtaung Township, Yangon Republic of the Union of Myanmar

SUMMARY

*This Summary highlights significant aspects of our business but is not complete and does not contain all of the information that you should consider before deciding to invest in or continue holding our Shares. This Summary is qualified in its entirety by and is subject to and should be read in conjunction with, the more detailed information and financial information appearing elsewhere in this Disclosure Document. You should carefully consider all the information presented in this Disclosure Document, including the financial information and the matters set out under the section “**Risk Factors**” of this Disclosure Document, before making an investment decision. This Summary contains forward-looking statements that involve risks and uncertainties. Our actual results may differ significantly from the results discussed in forward-looking statements as a result of certain factors, including those set out in the sections “**Risk Factors**” and “**Forward-Looking Statements**”.*

OVERVIEW

Introduction

Our Company is a public company that owns shares and invests in other companies engaged in real estate development in Myanmar.

Our Company was established by a Myanmar consortium comprising of nine Principal Shareholders primarily (but not exclusively) for the purpose of participating in the Zone A Project. The Zone A Project is an industrial park development located in the Zone A Area within the Thilawa SEZ, which the Myanmar Government and the Japanese Government have agreed to cooperate to develop pursuant to the Cooperation Memorandum.

On 29 October 2013, pursuant to the Cooperation Memorandum, our Company, the Thilawa SMC and MMSTD entered into the MJTD Joint Venture Agreement in connection with the establishment of a joint venture company to undertake the development, construction, marketing, sales and operation of the Zone A Project. The joint venture company was established as Myanmar Japan Thilawa Development Ltd. (“**MJTD**”).

On 19 March 2015, our Company incorporated a subsidiary called Thilawa Property Development Limited (“**TPD**”) to undertake the development, construction, marketing, lease and operation of the Residential and Commercial Component of the Zone A Project.

On 23 September 2015, our Company signed a Memorandum of Understanding with the Thilawa SMC, MMSTD and JICA for the future development, construction, marketing, sales and operation of the Zone B Project. The Zone B Project is an industrial park development to be located within the Thilawa SEZ.

On 30 March 2016, our Company executed the TPD Joint Venture Agreement with Thilawa SMC for the development, construction, marketing, lease and operation of the Residential and Commercial Component of the Zone A Project.

MJTD

Our Company holds 41.0% of the total issued and paid-up share capital of MJTD. MJTD was established as a joint venture of our Company, the Thilawa SMC and MMSTD to undertake the development, construction, marketing, sales and operation of the Zone A Project.

Under the Original MJTD Joint Venture Agreement, it is contemplated that MJTD will have an initial issued and paid-up share capital of US\$50,000,000 with the Myanmar parties holding a 51.0% interest and the Japanese parties holding a 49.0% interest, in MJTD. The initial issued and paid-up share capital was later on reduced to US\$27,000,000 when the Original MJTD Joint Venture Agreement was amended on 12 February 2015 due to the strong cash flow of

MJTD brought about by the numerous pre-booking and reservations made by future locators in the Zone A Project.

On the Myanmar side, our Company will hold a 41.0% interest in MJTD, with the balance 10.0% interest to be held by the Thilawa SMC, through which the Myanmar Government is participating in the Zone A Project.

On the Japanese side, MMSTD will hold a 39.0% interest in MJTD, with the balance 10.0% interest to be held by JICA, through which the Japanese Government is participating in the Zone A Project. MMSTD was established by a consortium of Japanese developers that are comprised of Mitsubishi Corporation, Marubeni Corporation and Sumitomo Corporation.

Our Company, MMSTD and JICA will subscribe for their respective proportions of MJTD Shares in cash. The Thilawa SMC will subscribe for its MJTD Shares in kind, by way of the grant of a leasehold interest over the Zone A Area by the Thilawa SMC to MJTD.

Based on the foregoing, pursuant to the MJTD Joint Venture Agreement, our Company will be required to subscribe for the MJTD Shares of an aggregate amount of US\$11,070,000.

Please refer to the section “**Our Company — MJTD**” for more information on MJTD.

Subscription for MJTD Shares

As at the Latest Practicable Date, our Company, MMSTD and JICA have already subscribed to MJTD Shares in cash and the Thilawa SMC has made its capital contribution to MJTD by way of granting a leasehold interest in the Zone A Area to MJTD that resulted in our Company, the Thilawa SMC, MMSTD and JICA holding respectively 41.0%, 10.0%, 39.0% and 10.0% of the total issued and paid-up share capital of MJTD of US\$27,000,000.

Please refer to the section “**Our Company — Subscription for MJTD Shares**” for more information.

TPD

TPD is our Company’s subsidiary. It was incorporated as a private limited company on 19 March 2015 with an initial issued and paid-up share capital of Ks1,000,000,000 to undertake the development, construction, marketing, lease and operation of the Residential and Commercial Component of the Zone A Project. TPD will carry out projects such as residential buildings, offices, shopping malls, banks and public facilities.

On 24 February 2016, our Company subscribed to additional TPD Shares in the amount of Ks23,000,000,000.

Our Company entered into the TPD Joint Venture Agreement on 30 March 2016 pursuant to which Thilawa SMC will subscribe to TPD Shares in the amount of Ks6,000,000,000 which will give it a 20.0% interest in TPD. Our Company will in turn hold the remaining 80.0% interest in TPD. The obligation of Thilawa SMC to subscribe to the TPD Shares is conditioned upon securing all approvals from relevant governmental authorities for such subscription.

Subscription for TPD Shares

As the subscription by Thilawa SMC of the TPD Shares under the TPD Joint Venture Agreement is yet to be implemented, our Company, to date, continues to hold 100.0% of the total issued and paid-up share capital of TPD of Ks24,000,000,000. However, upon completion of the subscription under the TPD Joint Venture Agreement, our Company will hold 80.0% interest in TPD, with the remaining 20.0% interest thereafter held by the Thilawa SMC.

Principal Business

As at the Latest Practicable Date, our principal business activities are to:

- invest in and participate in the management of MJTD, which is engaged in the development, construction, marketing, lease, sale and operation of the Zone A Project;
- market, lease and sell the Zone A Properties jointly with the Japanese consortium members;
- engage in the development of the Thilawa SEZ (other than the Zone A Area) or any part thereof as may be determined by our Directors in their discretion and which may include the proposed Zone B Project; and
- invest and participate in the management of TPD, which is engaged in the development, construction, marketing, sales and operation of the Residential and Commercial Component of the Zone A Project.

The revenue of our Company will primarily be derived from:

- (a) dividends distributed by MJTD and TPD from their respective real estate activities;
- (b) any fees/commissions earned for the marketing and sale, lease and/or disposal of Zone A Properties; and
- (c) the provision of management services to MJTD.

Our Company plans to create and ensure long-term value by investing in other real estate development projects in the Thilawa SEZ and in Myanmar (other than in the Thilawa SEZ), as may be allowed by our Memorandum and Articles of Association and Applicable Laws.

Please refer to the section “**Business**” for more information on our principal business.

Zone A Project

The Zone A Project involves the development of the Zone A Area into an industrial park. The Zone A Area covers approximately 396 hectares, out of the total land area of the entire Thilawa SEZ of approximately 2,400 hectares.

In the short term, the Zone A Project is expected to attract light-industry manufacturers with the aim of creating job opportunities and promoting exports. In the longer term, the Zone A Project aims to attract manufacturers from a wide range of industries from around the world.

The Zone A Project has been developed primarily into: (i) the Industrial Areas that will be leased to investors for construction of their own manufacturing facilities on a long-term basis for upfront payment, (ii) the Rental Factories that will be leased to investors as ready-built factories on a short-term basis for a monthly or other periodic rental and (iii) the Residential and Commercial Component that will be developed by our subsidiary, TPD.

The Zone A Project is being developed in phases over a period of time from 2013 to 2018. The construction under Phase 1 was formally launched on 30 November 2013 and the development projects are proceeding accordingly, with the opening ceremony for the Zone A Project of the Thilawa SEZ held on 23 September 2015. Phase 2 is scheduled to be completed sometime in 2016 and the Residential and Commercial Component is scheduled to be completed by TPD sometime in 2020.

The timing set out above is indicative only and is subject to change.

Please see further the section “**The Zone A Project**” for more information.

The Expansion Project - Zone B Project

The Zone B Project is a planned expansion project of MTSH. It involves the development of another industrial park in the Thilawa SEZ. The Zone B Project covers an area of approximately 500 to 700 hectares. The development of the Zone B Project is intended to commence towards the end of 2016.

Please see further the section “**The Zone B Project**” for more information.

FINANCIAL INFORMATION

Our Company was incorporated on 3 May 2013.

The audited financial statements of our Company for two consecutive fiscal years ended 31 March 2015 and the audited consolidated financial statements of our Group for the fiscal year ended 31 March 2015 “**Financial Information — Audited Financial Statements**”.

As our Company's principal business activities are primarily our investment in MJTD, our investment in TPD, the marketing and sale of Zone A Properties for MJTD and the management of MJTD, our Company's results are closely tied to the results of the operations of MJTD and TPD. Specifically, the revenue of our Company will primarily be derived from dividends distributed by MJTD and TPD and any fees/commissions earned for marketing and sale of Zone A Properties and provision of management services to MJTD.

For the information of Shareholders and investors, only the summary projections of our Company and TPD for three financial years from FY2016 to FY2018 prepared on the stated bases and assumptions is set out in the section “**Financial Information — Financial Projections**”.

The financial projections constitute forward-looking statements that involve risks and uncertainties and the actual results of our Company and TPD may differ significantly from the results reflected in these financial projections as a result of certain factors, including those set out in the sections “**Risk Factors**” and “**Forward-Looking Statements**”. The financial projections and the stated bases and assumptions have not been independently examined or reported on by any independent auditor or accounting firm.

Our Company does not guarantee that the results reflected in the financial projections will be achieved by our Company and TPD. Investors should also bear in mind that our Company holds only a 41.0% interest in MJTD and thus, the results of MJTD are not consolidated into the results of our Company. Furthermore, our Company's results may be affected by factors that do not necessarily affect the results of MJTD and TPD. For the reference and information of Shareholders and investors only, the summary projections of MJTD for FY2015 to FY2018 is set out in the section “**Appendix G – Financial Projections of MJTD**”. Investors are cautioned not to place undue reliance on the financial projections.

OUR COMPETITIVE STRENGTHS

Strategic Location of the Thilawa SEZ

We believe the strategic location of the Thilawa SEZ, which is adjacent to the existing Thilawa port and just approximately 25 kilometres from Yangon, which is Myanmar's commercial and industrial centre and handles a large proportion of Myanmar's foreign trade, significantly enhances its attractiveness as an industrial park for manufacturing activities. Further, the Residential and Commercial Component is situated between the main access corridor to Thilawa SEZ and Thilawa Reservoir making it a prime location for urban development.

Manufacturing Base in Myanmar Ready to Expand

We believe there is a manufacturing base in Myanmar built up over the years since the 1990s which will be ready to expand its manufacturing operations, capitalise on more favourable operating environment and take advantage of Myanmar's gradual emergence from economic isolation and that this will benefit the Zone A Project and any future expansion project of our Company such as the Zone B Project.

Support of the Myanmar and Japanese Governments

The development of the Thilawa SEZ, of which the Zone A Project and the prospective Zone B Project form a part, is supported and backed by the respective governments of Myanmar and Japan. We believe that the involvement of the Myanmar Government and Japanese Government will facilitate the development of the Zone A Project and the prospective Zone B Project and enhance the profile of the Zone A Project and the prospective Zone B Project amongst investors and thereby increases the chances of success of the Zone A Project and the prospective Zone B Project.

Strong Consortium of Developers

The Zone A Project and the prospective Zone B Project will be developed by a strong consortium of Myanmar and Japanese developers who will be able to leverage on their respective expertise, experience, knowhow and financial and other resources and work effectively to develop the Zone A Project and the prospective Zone B Project.

High Quality Infrastructure

The Thilawa SEZ is equipped with infrastructure and facilities which significantly enhances its attractiveness as an industrial park for manufacturing activities in comparison to other industrial zones and special economic zones and thereby increases the chances of success of the Zone A Project, the Residential and Commercial Component and the prospective Zone B Project.

Efficient One Stop Service

The One Stop Service Center of the Thilawa SEZ eliminates lengthy procedures for application for government permits and approvals enhancing its attractiveness to investors and thereby increases the chances of success of the Zone A Project, the Residential and Commercial Component and the prospective Zone B Project.

Potential for Expansion and Growth

Our Company's line-up of real estate development projects to be undertaken through its subsidiaries such as TPD include the Residential and Commercial Component of the Zone A Project and the prospective development of the Zone B Project, which are projected to generate substantial revenues to ensure our Company's growth in the medium term.

THE LISTING

The Applicant	Myanmar Thilawa SEZ Holdings Public Limited, a public company incorporated with limited liability under the laws of Myanmar.
The Listing	3,892,915 Shares each with a par value of Ks10,000, representing 100.0% of the issued and outstanding Shares of the Company.
Reference Price	The indicative reference opening price for each Share covered by the Listing as determined by the financial adviser and lead managing securities agent, CB Securities.
Eligibility to Own and Purchase Shares	Only Myanmar citizens and companies wholly-owned by Myanmar citizens are eligible to own the Shares and the Shares are currently held and may be sold and transferred only to Myanmar citizens or companies wholly-owned by Myanmar citizens. As and when permitted by applicable laws in Myanmar, the Shares may be transferred or otherwise disposed of, to foreign citizens or foreign companies.
Purpose of the Listing	The Listing will allow Shareholders to sell and trade the Shares at prevailing market value which in turn will allow Shareholders to truly realize the value of the Shares. The Listing will also ensure greater transparency and accountability of our Company towards Shareholders.
YSX	<p>Prior to the Listing, our Shares were not listed or quoted on any stock or securities exchange whether in Myanmar or elsewhere, but our Company offered to the public 2,145,000 Shares. Since then, our Company has serviced 1,798 transactions until the end of October 2015.</p> <p>It is currently expected that investors will be able to utilise the YSX to trade in our Shares, but there is no assurance that there will be an active market for trading in our Shares.</p> <p>Please see further the section “The Myanmar Securities Market” for more information.</p>
Dividends	<p>Our Company will pay dividends, if any, only out of our profits as permitted under Myanmar law. Dividends will be paid in Kyats.</p> <p>Our Board has the discretion to recommend payment of dividends. As our Company’s principal business is (apart from the marketing and sale of Zone A Properties) primarily our investment in MJTD and TPD, the receipt of dividends from MJTD and TPD will be an important factor in determining our ability to pay dividends. The dividend policy of MJTD is governed by the MJTD Joint Venture Agreement, while the dividend policy of TPD is governed by the Articles of Association of TPD. The dividend policies of MJTD and TPD are described in greater detail in the section “Dividends”. There is no assurance that we will receive dividends from MJTD and TPD. We cannot assure you that our Company will declare or pay any</p>

dividends. Investors should not assume that our Company will declare or pay any dividends.

Please see further the section “**Dividends**” for more information.

Risk Factors

Prospective investors should carefully consider the risks connected with an investment in our Shares, including those described in the section “**Risk Factors**”, which contains a discussion of certain factors to be considered in connection with an investment in our Shares.

No Lock-up Period

The Company has not issued any Shares within six months before the date of the initial listing application; as such, no Shares are subject to the prescribed lock-up period under YSX Securities Listing Business Regulations.

FINANCIAL INFORMATION

INTRODUCTION

Our Company

Our Company was incorporated on 3 May 2013. The summary of financial information set forth in the following tables has been derived from the Company's audited financial statements for two consecutive fiscal years ended 31 March 2015, the Group's audited consolidated financial statements for the fiscal year ended 31 March 2015 and the Group's unaudited *pro-forma* interim financial statements as at 30 September 2015. This should be read in conjunction with the section "**Management's Discussion and Analysis of Financial Condition and Results of Operations**" and the Company's audited financial statements and the Group's audited consolidated financial statements and notes thereto annexed as to this Disclosure Document and other financial information included herein. The Company's audited financial statements and the Group's audited consolidated financial statements were prepared in accordance with Myanmar Financial Reporting Standards and were audited by our external auditor, Win Thin & Associates, in accordance with Myanmar Standards on Auditing.

Save as discussed in the section "**Financial Information – Financial Projections**", the summary financial information set out below does not purport to project the results of operations or financial condition of the Company or the Group for any future period or date.

Statement of Comprehensive Income – Operating Results

Currency - Ks	Audited - Fiscal Year ended 31 March			Unaudited <i>Pro-Forma</i> as at 30 September 2015 Consolidated
	FY2014	FY2015	FY2015 Consolidated	
Management Fees (after commercial tax)	-	825,841,510	825,841,510	205,262,400
Sales Commission (after commercial tax)	-	1,165,773,375	1,165,773,375	528,895,771
Interest	4,062,428	1,933,429,789	1,933,429,789	528,933,546
Other Income	12,180,856	34,199,505	34,199,505	354,831,838
Total Income	16,243,284	3,959,244,179	3,959,244,179	1,617,923,554
Total Expenses	(369,423,307)	(1,445,468,351)	(1,450,387,564)	(210,997,951)
Net Profit/(Loss)	(353,180,023)	2,513,775,828	2,508,856,615	1,406,925,603
Share in Profit/(Loss) in MJTD	(110,593,360)	14,347,373,278	14,347,373,278	6,722,764,875
Income before Income Tax	(463,773,383)	16,861,149,106	16,856,229,893	8,129,690,478
Income Tax Expense	-	(644,546,071)	(644,546,072)	(265,892,673)
Net Income	(463,773,383)	16,216,603,034	16,211,683,821	7,863,797,805

Statement of Financial Position

Currency - Ks	Fiscal Year ended 31 March			Unaudited Pro-Forma as at 30 September 2015 Consolidated
	FY2014	FY2015	FY2015 Consolidated	
Assets				
Total Non-Current Assets	7,264,402,225	26,428,570,238	25,428,570,238	32,164,810,345
Total Current Assets	15,912,744,392	30,452,970,769	32,034,311,493	38,713,075,161
Total Assets	23,177,146,617	56,881,541,007	57,462,881,731	70,877,885,505
Equity and Liabilities				
Total Non-Current Liabilities	-	334,100,000	334,100,000	3,904,260,000
Total Current Liabilities	11,850,920,000	1,865,461,356	2,451,721,293	1,326,260,852
Total Liabilities	11,850,920,000	2,199,561,356	2,785,821,293	5,230,520,852
Equity				
Issued and Paid-up Capital	11,790,000,000	38,929,150,000	38,929,150,000	38,929,150,000
Other reserve	-	-	-	3,106,506,410
Retained profits/(Accumulated Loss)	(463,773,383)	15,752,829,651	15,747,910,438	23,611,708,244
Total Equity	11,326,226,617	54,681,979,651	54,677,060,438	65,647,364,654
Total Equity and Liabilities	23,177,146,617	56,881,541,007	57,462,881,731	70,877,885,505

FINANCIAL PROJECTIONS

As our Company's principal business activities are primarily our investment in MJTD and TPD and the marketing and sale of Zone A Properties, our Company's results are closely tied to the results of the operations of MJTD and TPD. For the information of Shareholders and investors only, we have included in this section the summary financial projections of our Company and TPD for FY2016, FY2017 and FY2018 (collectively "Financial Projections").

The Financial Projections constitute forward-looking statements that involve risks and uncertainties and the actual results of our Company and TPD may differ significantly from the results reflected in these Financial Projections as a result of certain factors, including those set out in the sections "Risk Factors" and "Forward-Looking Statements".

The Financial Projections have been prepared on the bases and assumptions set out below. The Financial Projections and the stated bases and assumptions have not been independently examined or reported on by any independent auditor or accounting firm. Under no circumstances should the inclusion of the Financial Projections herein be regarded as a representation, warranty or prediction with respect to the accuracy of the underlying bases and assumptions by our Company or any other person, or that these results will be achieved or are likely to be achieved. Our Company does not guarantee that the results reflected in the Financial Projections will be achieved by our Company and TPD.

Shareholders and investors should also bear in mind that our Company holds only a 41.0% interest in MJTD and thus, the results of MJTD will not be consolidated into the results of our Company. Furthermore, our Company's results may be affected by factors that do not necessarily affect the results of MJTD and TPD. For reference and the information of Shareholders and investors only, the summary projections of MJTD for FY2016 to FY2018 are set out in the section "**Appendix G – Financial Projections of MJTD**". Shareholders and investors are cautioned not to place undue reliance on the Financial Projections.

Budgeted Consolidated Statement of Income & Expenditure Statement for FY2016, FY2017 and FY2018
(in thousand Kyats)

	2015-2016	2015-2016	2015-2016	2016-2017	2016-2017	2016-2017	2017-2018	2017-2018	2017-2018
	MTSH	TPD	Group	MTSH	TPD	Group	MTSH	TPD	Group
Revenue	2,746,021	6,105,993	8,852,014	1,619,800	39,129,362	40,749,162	1,762,800	54,404,140	56,166,940
Cost of Goods Sold		(2,543,321)	(2,543,321)		(28,890,982)	(28,890,982)		(42,532,911)	(42,532,911)
Gross Profit	2,746,021	3,562,672	6,308,693	1,619,800	10,238,379	11,858,179	1,762,800	11,871,229	13,634,029
Expenses									
Marketing and Promotion Expenses	(1,899,847)		(1,899,847)	(255,667)		(255,667)	(303,333)		(303,333)
Personnel Administrative Expenses	(1,173,150)		(1,173,150)	(1,231,807)		(1,231,807)	(1,293,398)		(1,293,398)
Site Overhead Depreciation and amortization	(352,270)		(352,270)	(369,883)		(369,883)	(388,377)		(388,377)
Other Income	(27,280)		(27,280)	-		-			-
Other Expenses	(78,922)		(78,922)	(82,868)		(82,868)	(87,012)		(87,012)
Gains from associate	5,717,552		5,717,552			-			-
Loss on Assets Disposal		(314,233)	(314,233)		(936,000)	(936,000)		(936,000)	(936,000)
Total Expenditure	2,186,083	(314,233)	1,871,850	(1,940,226)	(936,000)	(2,876,226)	(2,072,120)	(936,000)	(3,008,120)
Net Profit / (Loss) before Taxation	4,932,104	3,248,439	8,180,543	(320,426)	9,302,379	8,981,954	(309,320)	10,935,229	10,625,909
Income Tax (2014 – 2015)	(1,233,026)		(1,233,026)	-		-	-		

Shares of profit from associate	11,746,153		11,746,153	8,217,393	-	8,217,393	7,616,980		7,616,980
Net Profit / (Loss) after Taxation	15,445,231	3,248,439	18,693,669	7,896,968	9,302,379	17,199,347	7,307,661	10,935,229	18,242,890
Profit Attribute									
MTSH			18,043,982			15,338,871			16,055,844
TSMC			649,688			1,860,476			2,187,046
			18,693,669			17,199,347			18,242,890

**Summary Budgeted Consolidated Statement of Cash Flow for FY2016, FY2017 and FY2018
(in thousand Kyats)**

	Group 2015-2016	Group 2016-2017	Group 2017-2018
Beginning Cash Balance	13,012,802	21,456,480	33,352,946
Cash In-flow Income			
Turnover	10,065,761	40,749,162	56,166,940
Others	4,228,085		
Dividend Received	7,173,687	7,173,687	
	<u>21,467,533</u>	<u>47,922,848</u>	<u>56,166,940</u>
Cash Out-flow Expenses			
Administrative Expenses	3,025,241	1,857,358	1,958,108
Development Cost	1,270,791	30,971,520	109,403,574
Tax Payment	709,331	1,800,000	
Other Expenses	38,396	1,397,504	1,397,504
	<u>5,043,759</u>	<u>36,026,382</u>	<u>112,786,187</u>
Other Cash (In)/Out Flows			
Dividend Paid	7,785,830		
Investment in TPD	5,242,819		
Purchase of PPE	511,835		
Proceed from Issues of Shares	(7,098,734)		
Other:	1,538,346		
	<u>7,980,096</u>	<u>0</u>	<u>0</u>

Cash (Deficit)/Surplus	21,456,480	33,352,946	(23,266,301)
Budgeted Ending Cash Balance	21,456,480	33,352,946	(23,266,301)

The Financial Projections have been prepared on the following bases and assumptions:

General bases and assumptions for the Financial Projections

1. A total of approximately 35 hectares of land within the Residential and Commercial Component will be disposed over FY2016 to FY 2020.

The income reflected above refer to the income from: (i) properties developed by TPD in the Residential and Commercial Component for sale to investors; (ii) properties developed by TPD to be leased to investors; (iii) properties rented out to and to be developed by other investors through long-term leases. The income for the Residential and Commercial Component has been computed based on the current property prices in May 2015.

2. The projected revenue from the income of sales and rental of properties in the Residential and Commercial Component assumes that the development work of the Residential and Commercial Component will continue as originally scheduled and also that there will be reasonable investments on infrastructure outside of the Residential and Commercial Component.
3. The direct costs cover (among other things) the rent payable by TPD for the grant of the leasehold interest over the Residential and Commercial Component and costs of earth works, design and construction works (including both internal and external infrastructure) and applicable commercial tax on the rent payable by TPD for leasehold interest.
4. Finance costs have not been taken into account.
5. All expenses reflected above represents reasonable estimates of our Directors as at the Latest Practicable Date based on the prevailing economic, market and other conditions in and economic prospects of Myanmar.
6. TPD will be entitled to tax incentives and will not be subject to tax on its income during the period covered by the Financial Projections.
7. The Financial Projections have been prepared by our Company based on estimates and information made available to us by TPD and reflect solely the opinion and views of our Directors and not TPD or its directors and neither TPD nor its directors are or will be responsible or liable for the Financial Projections.

8. All numbers reflected above have been rounded down to the nearest thousand.
9. Cash flow and profit and loss forecast for FY 2017 to FY 2018 indicates that the Group will have a cash deficit of Ks23,266,301,000. This is due to the required investments in TPD for the development of the Residential and Commercial Component. The cash deficit will be funded by either capital contributions or bank loans or both, subject to further discussion and resolution by the Board of Directors of our Company, considering the cost of capital and the most efficient use of it.

Bases and assumptions for the Financial Projections that are specific to MTSH

1. Cash flow and profit and loss forecast of MTSH for FY 2015 to FY2016 is based on actual cash flow and profit and loss as of the period of April 2015 to February 2016.
2. Revenue
 - a. Sales commission for FY2016 to FY2017 is based on the assumption that MTSH will get proportionate sales commission (*i.e.*, 25.0%, since there are 4 marketing agents) of the total sales commission of the value of the sublease contracts for the remaining saleable area of 60 hectares in the Zone A Project calculated at the current sales price per square meter and assuming that sales commission will be constant according to the Marketing Agreement with MJTD.
 - b. Sales commission for FY2017 to FY2018 is based on assumption that MTSH will get proportionate sales commission (*i.e.*, 25.0%, since there are 4 marketing agents) of the total sales commission of the value of the sublease contracts for 60 hectares in Phase 1 of the Zone B Project (development area is 100 hectares) calculated at the 7.0% incremental sales price per square meter and assuming that sales commission will be constant according to the Marketing Agreement with MJTD.
 - c. Annual management fees of US\$656,000 is projected based on the assumption that it will be recurring and fixed for 2 years according to the MJTD Joint Venture Agreement and the Management Agreement.
 - d. Share of profit from associates is projected based on the business plan (projection) approved by the Board of Directors of MJTD for FY2015 to FY2016 and assuming that MTSH will continue to hold the current 41.0% interest in MJTD.
 - e. Sales commission, management fees and share of profit from associates are expected to be received in US\$ and are converted to MMK using a fixed exchange rate of Ks1,300 per US\$ for the purpose of the Financial Projections.

- f. Interest income and other income for FY2015 to FY2016 are projected based on the actual results for the period of April 2015 to January 2016. It is assumed that there will be no interest income and other income for FY2016 to FY2017 and FY 2017 to FY2018.

3. Expenses

- a. Administrative and overhead expenses including employees and directors remuneration expenses for the period of April 2015 to January 2016 are actual results while that of the period of February 2016 to March 2016 are projected assuming that the results will be the same as January 2016. Administrative and overhead expenses for FY2016 to FY2017 and FY2017 to FY2018 are projected based on FY2015 to FY2016 and FY2016 to FY2017 respectively with the assumption of a 5.0% increment every year. Marketing expenses for FY 2015 to FY2016 are based on actual results while that of the period of FY2016 to FY2017 and FY2017 to FY2018 are projected assuming one-third of the sales commission revenue is used for marketing.
- b. Income taxes for FY2015 to FY2016 is projected at an income tax rate of 25.0% based on the actual results. It is assumed that there will be no income taxes payable by MTSH for FY2016 to FY2017 and FY2017 to FY2018 as it is projected that there will be net losses as of the projected profit and loss statement. It is assumed that there will be no income tax obligation for TPD due to its tax privileges under the SEZ Law 2014.
- c. It is assumed that there is no financing and financing cost.
- d. Employees' and directors' remuneration expenses are projected based on actual results of FY2015 to Fy2016 and a 5.0% increment every year for the following years.

4. Cash flow

- a. Cash flow for FY2016 to FY2017 is projected based on the assumption that the amount of dividend that will be received will be the same as the dividend received in FY2015 to FY2016 and no dividend will be paid out to the shareholders of MTSH.
- b. Cash flow for FY2017 to FY2018 is projected based on the assumption that no dividend will be received from MJTD and no dividend will be paid out to the shareholders of MTSH.

Bases and assumptions for the Financial Projections that are specific to TPD

- 1. Cash flow and profit and loss forecast of TPD for FY 2015 to FY2016 is based on actual cash flow and profit and loss as of the period of April 2015 to February 2016.

2. Revenue

- a. Revenue for TPD for FY2016 to FY2017 is projected based on the project schedule which assumes that the land lease for the 3-4 star hotel, gas station, mini-market, restaurants and clinic will be concluded. The infrastructure relating to the lease of land will be completed at the end of 2016 and TPD has potential clients inquiring about leasing the land. Sales of shop houses will also be 100.0% sold during the FY 2016 to FY2017. The workers' accommodations, lake view condos, south condos, shopping mall + office and service apartments will be partly completed in the Zone A Project according to the project schedule and the revenue from these has been recognized on a percentage completion method.
- b. Revenue for TPD for FY2017 to FY2018 is projected based on the assumption that the land lease of duplex, villas, apartments, school and neighborhood center will be 100.0% completed and the workers' accommodation, lake view condos, south condos, shopping mall + office and service apartments will be partly completed in the Zone A Project and the logistics and residential and commercial area in Phase 1 of the Zone B Project will be partially completed according to the project schedule. We assume that the monthly income from rent of the workers' accommodation will be from three buildings in FY2016 to FY2017 and FY2017 to FY2018.
- c. Revenue is inclusive of commercial tax.
- d. Sales prices for each development are assumed to be the same for each year without taking into account the effect of any price increase and inflation effect.

3. Expenses/Cost of Goods Sold

- a. Expenses/cost of goods sold (land cost + infrastructure cost + construction cost) for TPD for FY2016 to FY2017 and FY2017 to FY2018 are also projected accordingly based on the project schedule discussed above.
- b. Expenses/costs are projected based on the current rate for each year.

4. Revenue and expenses/costs are recognized according to percentage completion method.

5. The financial results and position of TPD are consolidated into MTSH based on the assumption that the implementation of the TPD Joint Venture Agreement with TSMC executed on 30 March 2016 will result to MTSH holding 80.0% share in TPD at any time during FY2016 to FY2017.

RISK FACTORS

An investment in or continued holding of our Shares involves significant risks and is suitable only for those persons who understand the risks highlighted in this Disclosure Document. You should consider carefully each of the following risks described in this section and all of the other information set out in this Disclosure Document before deciding to invest in our Shares. These are not the only risks we face. Some risks are not yet known to us and there may be others which we currently believe are not material but may subsequently turn out to be so. If any of these risks develops into actual events, our financial position, results, cash flow, business operations and prospects and any investment in our Shares could be, directly or indirectly, materially and adversely affected. In the event that this occurs, the trading price of our Shares could fluctuate or decline and you may lose all or part of your investment in our Shares.

*This Disclosure Document also contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the risks faced by us described in this section and elsewhere in this Disclosure Document. You should also consider the warning regarding forward-looking statements in the section “**Forward-Looking Statements**” of this Disclosure Document.*

Before deciding to invest in or continue holding our Shares, you should seek professional advice from your advisers about your particular circumstances.

RISKS RELATED TO OUR BUSINESS AND OPERATIONS

We are dependent on our investments in MJTD and TPD.

As a public company holding shares in other operating businesses, our Company’s profits are dependent upon the successful operations of such other operating businesses, particularly our subsidiary TPD and our affiliate MJTD. Thus, a significant portion of all of our Company’s cash flow and revenues depends upon the realization of our investments in MJTD and TPD. Our Company relies primarily on dividends distributed by MJTD and TPD, any fees/commissions earned for the marketing and sale of Zone A Properties and management fees received from the provision of management services to MJTD for compliance with its own obligations.

MJTD’s and TPD’s ability to pay dividends and make other distributions may depend on MJTD’s and TPD’s earnings and cash flows and are subject to laws and regulations in Myanmar and any restrictive loan covenants applicable to MJTD and TPD. Any restriction or prohibition on the ability of MJTD and TPD to distribute dividends or make other distributions to the Company could have a negative effect on our Company’s cash flow and therefore may adversely impact its financial condition and results of operations. In the event of MJTD’s and TPD’s liquidation, there may not be sufficient assets for us to recoup our investment. To the extent possible, our Company monitors and supervises the performance of MJTD and TPD to help generate or improve such cash distributions and proceeds. For FY2016-2017, we expect to receive from MJTD the same amount of dividends that was received during FY2015 and for FY2017-2018 we may not be able to expect dividends from MJTD as MJTD is planning to re-invest profits into the prospective Zone B Project.

We derive a significant portion of our revenue from the fees/commissions earned for marketing and sale of the Zone A Properties of MJTD.

In FY2015, our revenue from the fees/commissions earned for the marketing and sale of the Zone A Properties of MJTD was Ks1,165,773,375. The revenue from the fees/commissions earned for the marketing and sale of the Zone A Properties of MJTD is non-recurring in nature and will steadily decrease with the lease out of all of the Zone A Properties.

To make-up for the eventual loss of revenue, our Company is pursuing other real estate development projects, such as the development of the Residential and Commercial Component through our subsidiary TPD, and the prospective development of the Zone B Project in the Thilawa SEZ with the Thilawa SMC.

Our Company also plans to create and ensure long-term value by investing in other real estate development projects in the Thilawa SEZ and in Myanmar (other than in the Thilawa SEZ), as may be allowed by our Memorandum and Articles of Association and Applicable Laws.

We are exposed to the risks associated with industrial parks and property development.

The main business of the Company is the development of the Thilawa SEZ through our investment in our affiliate company MJTD, which is responsible for the development and operation of the Zone A Project, and through our investment in our subsidiary company TPD, which is responsible for the development and operation of the Residential and Commercial Component.

Given the nature of the Thilawa SEZ as an industrial park, the Company is directly affected by the risks that affect the Myanmar real estate market as a whole. For companies in the real estate market, demand for and prevailing prices of, industrial, residential and commercial properties are affected by the strength of the Myanmar economy (including overall growth levels, continued foreign investment and interest rates), and the overall levels of business activity in Myanmar.

If there is a reversal in the liberalization of Myanmar's economy, a decline in Myanmar's economy, a deterioration in the real estate market in Myanmar, a general decrease in the demand for industrial, residential and commercial properties and/or a slowdown in the interest of foreign investors in Myanmar, MJTD's and TPD's results of operations and future growth may be materially and adversely affected. Our Company's investment in MJTD and TPD may in turn be materially and adversely affected. The same factors may also affect our investment in any future expansion project of our Company.

Timely development of the Zone A Project, the Residential and Commercial Component and any future expansion project is dependent on various factors.

The main business of the Company is the development of the Thilawa SEZ through our investment in our affiliate company MJTD, which is responsible for the development and operation of the Zone A Project, and through our investment in our subsidiary company TPD, which is responsible for the development and operation of the Residential and Commercial Component.

MJTD and TPD's financial performance may be significantly affected by the factors that limit their ability to finance and complete the development and operation of the Zone A Project and the Residential and Commercial Component. Time and costs involved in completing the development of the Zone A Project and the Residential and Commercial Component respectively by MJTD and TPD can be adversely affected by many factors, including shortages of materials, equipment and labor, adverse weather conditions, natural disasters, labor disputes with contractors and subcontractors, accidents, difficulty in procuring necessary approvals from relevant regulatory authorities and government bodies, changes in laws and other unforeseen problems or circumstances. Where the Residential and Commercial Component is occupied by farmers, TPD may have to take steps and incur additional costs to relocate such occupants in accordance with applicable Myanmar law.

Any of these factors could result in project delays and cost overruns, and may have a material adverse effect on MJTD's and TPD's operations, profit margins, financial performance, financial condition and prospects. Our Company's investment in MJTD and TPD may in turn be

materially and adversely affected. The same factors may also affect the timely development of any future expansion project of our Company.

Shareholders and investors may not be able to realise returns on their investment in the Shares within a period that they would consider reasonable.

Given the differences in expectation of investors, it may not be possible for some Shareholders and investors to realise the returns on their investments within the timeframe in which the particular Shareholder or investor feels reasonable. In the circumstances, the Shares may not be suitable for short-term investment. There is also a risk that Shareholders or investors may not be able to recover or receive returns on investment in the event that we are not profitable or require longer period than expected to be profitable.

Our ability to successfully carry out our principal business activities will depend primarily on the efforts of our Board and management team.

Our ability to successfully carry out our principal business activities is dependent primarily upon the expertise and experience of our Board and our management team, as well as the ability of MJTD's and TPD's board and management team to successfully implement the operations of MJTD and TPD. The loss of any key member of our Board or management team and/or MJTD's and TPD's board or management team, without timely and suitable replacement, may have a material adverse effect on MJTD's, TPD's and our business, operations, financial performance, financial condition and prospects.

We are subject to risks associated with joint ventures.

Our investment in MJTD and TPD exposes us to risks associated with joint ventures. Joint ventures involve a certain amount of business risks such as the inability or unwillingness of joint venture partners to fulfil their obligations under the joint venture agreements, including the parties' obligations to fund the joint venture. Further, the joint venture partners of our Company may have economic or business interests or goals inconsistent with or different from those of our Company's and disputes between our Company and our joint venture partners may arise. There is no assurance that we will not, in the future, encounter such business risks with regard to MJTD and TPD which may materially and adversely affect our business, operations, financial performance, financial condition and prospects.

The Zone A Project and the Residential and Commercial Component and any future expansion project may be subject to intense competition.

The rapid liberalisation of the Myanmar economy will likely lead to more local and foreign investors establishing industrial parks and residential and commercial areas in strategic and/or choice locations in various parts of Myanmar. These industrial parks and residential and commercial areas will be in competition with the Zone A Project and the Residential and Commercial Component and the business of MJTD and TPD and any future expansion project of our Company and may attract potential customers and tenants away from the Zone A Project, the Residential and Commercial Component and any future expansion project of our Company. Our Company's investment in MJTD, TPD and any future expansion project may in turn be materially and adversely affected.

Completion of the infrastructure and supporting facilities that are planned for the Thilawa SEZ may be delayed or may not materialise.

There is no assurance that the planned infrastructure and supporting facilities for Thilawa SEZ will not face delays or non-completion. If any of the foregoing occurs, MJTD, TPD and any future expansion project of our Company could encounter difficulties in attracting potential customers and tenants. Our Company's investment in MJTD, TPD and any future expansion projects may in turn be materially and adversely affected.

The development of the Zone A Project, the Residential and Commercial Component and any future expansion project may exceed existing estimates and our Company, MJTD and TPD may not be able to secure funding.

Given the scale and nature of the development of the Zone A Project and the Residential and Commercial Component, significant capital expenditure may need to be made by MJTD and TPD. The actual amount of capital expenditure may be beyond the current amounts budgeted by our Company for MJTD and TPD. MJTD and TPD may not be able to fund such expenditure solely through shareholders' contributions and cash from operating activities. Similarly, our Company may also require significant capital expenditure for the development of any future expansion project that may exceed existing estimates and our Company may not be able to secure funding. In such event, additional capital, debt or other forms of financing may be required. If our Company, MJTD and TPD are unable to raise such additional capital, debt or other financing, our Company's, MJTD's and TPD's business, results of operations, liquidity and financial position may be materially and adversely affected. Our Company's investment in MJTD, TPD and any future expansion project may in turn be materially and adversely affected.

MJTD and TPD are subject to the risk of late payment or non-payment by the customers or tenants of the Zone A Project and the Residential and Commercial Component.

The income of MJTD and TPD will be derived mainly from the operations of the Zone A Project and the Residential and Commercial Component, respectively, including rentals and service fees. In the event of any late payment or non-payment by the customers or tenants, MJTD's and TPD's business, results of operations, liquidity and financial position may be materially and adversely affected. Our Company's investment in MJTD and TPD may in turn be materially and adversely affected.

Insurance coverage for the Zone A Project, the Residential and Commercial Component and any future expansion project may not be adequate.

Our Company, MJTD and TPD face the risk of loss or damage to their respective assets due to fire, theft and natural disasters, such as floods. These events may lead to disruption or cessation in our Company's, MJTD's and TPD's operations, thereby adversely affecting our Company's, MJTD's and TPD's business operations, financial performance and financial condition. Whilst our Company's, MJTD's and TPD's insurance policies will cover some losses in respect of damage to their respective assets, they may not be sufficient to cover all of our Company's, MJTD's and TPD's potential losses. In the event such loss exceeds the insurance coverage or is not covered by the insurance policies taken up by our Company, MJTD and TPD, our Company's, MJTD's and TPD's financial performance and financial condition may be adversely affected. Our Company's investment in MJTD, TPD and any future expansion projects may in turn be materially and adversely affected.

Our Company, MJTD and TPD may be unable to meet stringent health, safety and environmental regulations and standards.

The development of the Zone A Project, the Residential and Commercial Component and any future expansion project of our Company is subject to health, safety and environmental regulations and standards in Myanmar. These regulations and standards generally govern wastewater discharges, air emissions, the setting up and operation of underground and above-ground storage tanks, the use, storage, treatment, transportation and disposal of solid and hazardous materials and the remediation of contamination associated with such disposal.

The development of the Zone A Project entails the conversion of 396 hectares of undeveloped or agricultural land into an industrial park. Meanwhile the development of the Residential and Commercial Component entails the conversion of 34.8 hectares of undeveloped or agricultural land into a residential and commercial area. Construction (as well as the operation thereafter)

of the industrial park and the residential and commercial area may result in, amongst other things, soil erosion and pollution to the air, water and land.

Construction activities may also be hazardous in nature, which may result in workplace injuries or fatalities.

Non-compliance with or changes in the applicable health, safety and environmental regulations and standards could materially and adversely affect our Company, MJTD and TPD (including the initiation of investigations and the imposition of fines on our Company, MJTD and TPD by the regulators). Our Company's investment in MJTD, TPD and any future expansion projects may in turn be materially and adversely affected.

Operating expenses of our Company, MJTD and TPD may increase in the future and MJTD and TPD may not be able to pass on such increases to our Company's, MJTD's and TPD's customers and tenants.

Operating expenses, including expenses for fuel, utilities, labour, building materials and insurance are not fixed and may increase in the future. Unless specifically provided for in the relevant agreements, there is no assurance that MJTD and TPD will be able to pass these increases on to MJTD's and TPD's customers and tenants. Any increases that cannot be passed on to MJTD's and TPD's customers and tenants may materially and adversely affect MJTD's and TPD's cash flow and operating results. The same risks apply to any future expansion project of our Company. Our Company's investment in MJTD, TPD and any future expansion projects may in turn be materially and adversely affected.

The Thilawa SEZ is dependent on the availability of public utilities and services.

Public utilities, especially those that provide water and electricity, are essential for the smooth operation of the Thilawa SEZ. The delayed delivery or any material reduction or prolonged interruption of these services may materially and adversely affect the operation of the Thilawa SEZ and may also enable certain tenants to terminate their leases in the Zone A Project, the Residential and Commercial Component and any future expansion project of our Company in the Thilawa SEZ. Our Company's, MJTD's and TPD's operating costs may also increase as a result of having to implement remedial measures, such as using back-up generators. Such back-up generators may in any event not be sufficient to supply electricity for the operation of the facilities in the Zone A Project, the Residential and Commercial Component and any future expansion project of our Company in the Thilawa SEZ, and may result in the facilities in the Zone A Project, the Residential and Commercial Component and any future expansion project of our Company in the Thilawa SEZ being unable to carry out normal operations. Our Company's investment in MJTD, TPD and any future expansion project may in turn be materially and adversely affected.

We may face foreign exchange risks.

Our investment into MJTD and TPD and our revenues may be denominated in US\$. However, a portion of our assets and expenses is denominated in Kyats. The Kyat operates on a managed float basis, and an appreciation of the Kyat against the US\$ may materially and adversely affect our financial performance as it may reduce our revenue in Kyat terms. Accordingly, changes in the exchange rate of US\$ to Kyat could have an adverse impact on our results of operations and financial condition, including as a result of translation adjustments in converting US\$ to Kyat for financial statement purposes.

The Zone A Project, the Residential and Commercial Component and any future expansion project of our Company are exposed to risks relating to the performance of the economies of countries where potential tenants or customers are based.

Majority of the demand for the Zone A Project and the Residential and Commercial Component is from foreign investors; thus, a downturn in the economic performance of the countries and regions where a significant number of these potential tenants or customers are located, such as Japan, Thailand and Taiwan could adversely affect the demand for the Zone A Project and the Residential and Commercial Component, which could have a material adverse effect on MJTD's and TPD's operations, financial performance, financial condition and prospects. Such downturn can also affect any future expansion project of our Company. Our Company's investment in MJTD, TPD and any future expansion project may in turn be materially and adversely affected.

Change in accounting principles or standards.

The Myanmar Accountancy Council (“MAC”) is responsible for issuing and adopting the Myanmar Financial Reporting Standards (“MFRS”). MAC may in the future issue new and revised standards and interpretations which may require our Company, MJTD and TPD to adopt new accounting policies. The adoption of new accounting policies or new MFRS might or could have a significant impact on our Company, MJTD or TPD's financial position or results of operations.

Our Company's future expansion plans, including the Zone B Project and the intended joint venture with the Thilawa SMC for TPD are subject to uncertainties and therefore may not materialize.

Whether our future plans can be implemented successfully may be beyond our control and future events may affect the implementation of our expansion plans, such as changes in Applicable Laws and general market conditions.

In addition, the general economic environment in Myanmar and the development of the real estate market and foreign investments, in particular, may be unpredictable. In view of such uncertainty, there is no assurance that our Company's future expansion plans, including the Zone B Project and the intended joint venture with the Thilawa SMC for TPD will materialize.

Competition for the acquisition of land for new projects and development may adversely affect our Company's business.

Our Company also plans to create and ensure long-term value by investing in other real estate development projects in the Thilawa SEZ and in Myanmar (other than in the Thilawa SEZ), as may be allowed by our Memorandum and Articles of Association and Applicable Laws.

Our Company faces significant competition in connection with the acquisition of land for its real estate projects. Its growth depends significantly on its ability to acquire or enter into agreements to develop additional land suitable for its real estate projects. The Company may experience difficulty acquiring land of suitable size in locations and at acceptable prices. If it is unable to acquire suitable land at acceptable prices or enter into agreements with joint venture partners to develop suitable land with acceptable returns, its growth prospects could be limited and its business, financial condition and results of operations could be adversely affected.

RISKS RELATING TO MYANMAR

We may be affected by political, security, economic and social situations in Myanmar.

The economy of Myanmar (including its financial sector and its accounting system) is still developing. In addition, our Company as well as other companies may have to deal with inadequate telecommunications, transportation and other infrastructure, and shortage of utilities and other essential services, which will affect the ease and cost of doing business in Myanmar. While there has been significant progress there is no certainty that political, economic and

social reforms of the current Myanmar Government will continue or be successful and there is no certainty that the business and investment environment in Myanmar will continue to improve or be sustainable. Ethnic and sectarian tensions may possibly hamper investor confidence and the growth and stability of the economy. Any unfavourable changes in the political, economic and social conditions of Myanmar, and the existence of conditions impacting upon safety and security, may also adversely affect the attractiveness of the Zone A Project, the Residential and Commercial Component and any future expansion project to potential customers and tenants (especially those which are foreign investors investing in Myanmar). In the circumstances, the returns on our Company's investment in MJTD, TPD and any future expansion project could be adversely affected.

The Myanmar legal system is still maturing and the interpretation and application of Myanmar laws and regulations involve uncertainty.

Our operations in Myanmar will be subject to the laws and regulations promulgated by the Myanmar legislature and notifications and guidelines from various government authorities and bodies.

There have recently been significant changes to Myanmar laws and regulations which have modernized and strengthened Myanmar's legal framework, and our Directors believe such changes are likely to continue. However, the Myanmar Government is still in the process of developing its legal system to meet the needs of investors and to encourage foreign investment. As the Myanmar economy is undergoing development at a faster pace than its legal system, some degree of uncertainty exists in connection with whether and how existing laws and regulations will apply to certain events or circumstances. Specifically, whilst such changes to the laws and regulations have brought about improvement to Myanmar's legal and regulatory regime, the laws and regulations may not be comprehensive and adequately address all concerns, may conflict with each other, and may sometimes be ambiguous and subject to different interpretations.

Further, the laws and regulations of Myanmar may be supplemented or otherwise modified by unofficial or internal guidelines and practices which exist but which are not documented or which are not generally available to the public or uniformly applied. Such guidelines and practices may not have been ruled upon by the courts or enacted by legislative bodies and may be subject to change without notice or adequate notice. There are also limited precedents on the interpretation, implementation or enforcement of Myanmar laws and regulations. This may create further uncertainty over the interpretation and application of Myanmar laws and regulations.

While Myanmar adopts a mixed legal system of common law, civil law and customary law, governmental policies play an overriding role in the implementation of the laws. Furthermore, the application and administration of Myanmar laws and regulations may be subject to a certain degree of discretionary determination by the authorities and may differ in implementation across various regional governments and government authorities and bodies.

In any event, the resolution of commercial and investment disputes by domestic tribunals, either through the courts or arbitration proceedings, is, at present, limited. The experience of Myanmar courts with respect to commercial disputes is also significantly limited. There are limited local experts with the knowhow needed to preside over commercial disputes. While Myanmar has ratified and acceded to the New York Convention on the Recognition and Enforcement of Foreign Arbitral Awards 1958, it has only recently enacted the Arbitration Law and it remains to be seen if the Arbitration Law will be effective in supporting the recognition and enforcement of foreign arbitral awards by the Myanmar courts.

Furthermore, while Myanmar is also a party to the ASEAN Comprehensive Investment Agreement (2009) and bilateral investment treaties with Brunei, Indonesia, Laos, Malaysia, Philippines, Singapore, Thailand and Vietnam, it is likewise unclear as yet how disputes

covered by and the protections afforded under such agreement and investment treaties will be treated and resolved under Myanmar law or by the Myanmar courts.

The uncertainties in the Myanmar legal system and the interpretation and application of Myanmar laws and regulations may adversely affect the attractiveness of the Zone A Project, the Residential and Commercial Component and any future expansion project of our Company to potential customers and tenants (especially those which are foreign investors investing in Myanmar). In the circumstances, the returns on our Company's investment in MJTD, TPD and any future expansion project could be adversely affected.

We may be affected by sanctions imposed on Myanmar.

We may be affected by sanctions imposed on Myanmar. Some (but not all) of these sanctions imposed on Myanmar have been either lifted or temporarily suspended. It is uncertain, however, whether the suspension of the relevant sanctions will be renewed. While there have been encouraging signs that these sanctions could be lifted in the near future, it is still uncertain whether these sanctions will ultimately be lifted, or if additional sanctions will be imposed. These continuing sanctions, the non-renewal of any suspension of these sanctions or the imposition of additional sanctions may hamper the economic growth of Myanmar and may adversely affect the attractiveness of the Zone A Project, the Residential and Commercial Component and any future expansion project of our Company to potential customers and tenants (especially those which are foreign investors investing in Myanmar). Our Company's investment in MJTD, TPD and any future expansion project may in turn be materially and adversely affected.

Sources of public and private financing for Myanmar projects continue to be weak.

The existence of project financing and other financing arrangements within Myanmar is limited and may continue to be so limited. While legislation has allowed licensed domestic banks to deal with foreign currency and to extend foreign currency loans to Myanmar companies, it is uncertain whether local banks have the financial capability to lend to capital intensive foreign invested entities. And while some foreign banks have been issued licenses to operate in Myanmar, the operations of these foreign banks are limited and they are generally only allowed to extend loans to foreign invested entities. Furthermore, there are inadequate legal mechanisms available for the securitisation or collateralisation of land, operating and other assets. Although regulations on foreign loans have been issued, the practical application of these regulations is still uncertain and regulators decide on the approval of foreign loans on a case-by-case basis. These undeveloped financial structures may affect our funding options for MJTD, TPD and any future expansion project, and may also adversely affect the attractiveness of the Zone A Project, the Residential and Commercial Component and any future expansion project to potential customers and tenants (especially those which are foreign investors investing in Myanmar). In the circumstances, the returns on our Company's investment in MJTD, TPD and any future expansion project could be adversely affected.

RISKS RELATING TO THE SHARES

Substantial future sale of Shares could adversely affect the market price of our Shares.

Any future sale or availability of our Shares in the YSX can have a downward pressure on our Share price. The sale of a significant amount of Shares in the YSX after the Listing, or the perception that such sale may occur, could materially and adversely affect the market price of our Shares.

The immaturity and volatility of the Myanmar securities market may substantially limit the holder's ability to sell the Shares at a suitable price or at a time they desire.

The Myanmar securities market is new and volatile. The Reference Price could differ significantly from the price at which the Shares will trade subsequent to completion of the Listing. There can be no assurance that even after the Shares have been approved for Listing on the YSX, any active trading market for the Shares will develop or be sustained after the Listing, or that the Reference Price will correspond to the price at which the Shares will trade in the YSX subsequent to this Listing. There is no assurance that holders of the Shares may sell the Shares at prices or at times deemed appropriate.

Our Share price may be volatile, which could result in substantial losses for Shareholders or investors purchasing our Shares subsequent to the Listing.

The market price of our Shares may fluctuate significantly and rapidly as a result of, among other things, the factors mentioned below:

- differences between our actual financial and operating results against those expected by investors and analysts;
- perceived prospects for our business and operations;
- fluctuations in stock market prices and volume;
- changes in our operating results;
- changes in securities analysts' estimates of our financial performance and recommendations;
- changes in market valuation of similar companies;
- our involvement in litigation;
- additions or departures of key personnel; and
- changes in general economic and stock market conditions.

We may require additional funding for our growth plans, and such funding or future equity offering may result in a dilution of your investment.

We may require further funding in the future in order to grow and expand our operations. Under such circumstances, future equity offerings may be necessary to raise the required capital to develop these growth opportunities. If new Shares are issued and offered and placed to new and/or existing Shareholders, they may be priced at a discount to the then prevailing market price of our Shares, in which case existing Shareholders' equity interest will be diluted. If our Company fails to utilise the new equity to generate a commensurate increase in earnings, our earnings per Share may be diluted and this could lead to a decline in the market prices of our Shares. Any additional debt financing may, apart from increasing interest expense and gearing, contain restrictive covenants with respect to dividends, future fund raising exercises and other financial and operational matters.

Negative publicity, including those relating to any of our Principal Shareholders, Directors, or Executive Officers, may adversely affect our Share price.

Any negative publicity or announcement relating to any of our Principal Shareholders, Directors, or Executive Officers may adversely affect the performance of our Shares in the market, whether or not this is justifiable. Such negative publicity or announcement may include involvement in insolvency proceedings, legal disputes and failed attempts in takeovers and joint ventures.

The interests of our Company's significant shareholders and Directors may conflict with the interests of the public shareholders and the Company itself.

The interests of our Company's significant shareholders and Directors may not be consistent with the Company's interests or those of its other shareholders. It is possible that the significant shareholders and Directors will influence or not influence the Company to enter into transactions or take, or omit to take, other actions that conflict with the best interests of the public shareholders. As disclosed in the sections "**Interested Party Transactions**" and

“Potential Conflict of Interests” these significant shareholders and Directors have ownership interests in a number of companies in Myanmar, including companies that are involved in businesses related to our Company’s businesses which may potentially be in competition with the business of MJTD, TPD and our Company or that have entered into, or may enter into, business transactions with the Company. There can be no assurance that the Company’s significant shareholders or the Directors, Executive Officers or other officers will direct or make corporate opportunities available to the Company.

To mitigate these risks, our Company relies on the safeguards provided under the Companies Act (1914), specifically Section 91A which requires every director, who has an express or implied interest in any transaction entered into by or on behalf of the company, to disclose the nature of their interests at the meeting of the directors when the transaction arises or at the first meeting of the directors’ after the directors’ conflict of interests arises and Section 91B which prohibits interested directors from voting on any contract or arrangement where he is interested in and by not counting the presence of such interested directors for purposes of quorum at the time of the vote.

Our Company has also adopted a system of reviewing Interested Party Transactions pursuant to the IPT Procedures (as to which see further the section **“Interested Person Transactions”** below) and potential conflicts of interests through the Audit Committee (see further the section **“Corporate Governance – Audit Committee”** below). Further, our Company has a Code of Conduct for its employees (including Directors and Executive Officers), which requires its employees (including Directors and Executive Officers) to avoid conflict of interest situations. Pursuant to our Corporate Governance Guidelines and Roadmap, a transaction that involves a conflict of interest may also be taken up by the shareholders and Directors by a resolution in an extraordinary general meeting.

RISK RELATING TO STATEMENTS MADE IN THIS DISCLOSURE DOCUMENT

You should read the entire Disclosure Document carefully and we strongly caution you not to rely on any information contained in press articles or other media relating to us and/or the Listing.

There has been press coverage regarding us and the Listing in certain news publications in Myanmar which included certain financial information, profit forecasts, operational projections, valuations and other information about us (**“Information”**). We would emphasise to potential investors that we do not accept any responsibility for the accuracy or completeness of the Information and that the Information was not sourced from or authorised by us. We do not make any representation as to the appropriateness, accuracy, completeness or reliability of any of the Information and the underlying assumptions. To the extent that any of the Information is inconsistent with, or conflicts with, the information contained in this Disclosure Document, we disclaim it. In this regard, potential investors are cautioned to make their investment decisions on the basis of the information contained in this Disclosure Document only and should not rely on any other information.

Statistics and industry information contained in this Disclosure Document may not be accurate and should not be unduly relied upon.

Certain statistics in this Disclosure Document relating to Myanmar, the industries and markets in which our Company’s businesses compete, are derived from various publications, in particular, those produced by industry associations and research groups. This information has not been independently verified and may not be accurate, complete, up-to-date or consistent with other information compiled within or outside Myanmar.

Our future results could differ materially from those expressed or implied by the forward-looking statements and financial projections.

Included in this Disclosure Document are various forward-looking statements and financial projections that are based on various assumptions. Our future results could differ materially from those expressed or implied by such forward-looking statements and financial projections. For details of these statements and the associated risks, please refer to the section “**Forward-Looking Statements**” in this Disclosure Document.

LISTING EXPENSES

Although no proceeds will be derived from the Listing, our Company will incur the following estimated expenses:

Estimated Expenses	Amount (in Ks)
YSX Initial Listing Fees	105,000,000
Legal and Professional Fees	150,000,000
Documentation Expenses	20,000,000
Other Fees	35,000,000

DIVIDENDS

Statements contained in this section “Dividends” that are not historical facts are forward-looking statements. Such statements are subject to certain risks and uncertainties which could cause actual results to differ materially from those which may be forecasted and projected. Under no circumstances should the inclusion of such information herein be regarded as a representation, warranty or prediction with respect to the accuracy of the underlying assumptions by us or any other person. Investors are cautioned not to place undue reliance on these forward-looking statements that speak only as of the date hereof. See the section “Notice to Investors — Forward-looking statements”.

PAST DIVIDENDS

During the annual general meeting on 18 December 2015, our Company declared the payment of dividends at the rate of 20.0% of the par value per Share or Ks2,000 for every Share, which shall be paid from the Company’s unrestricted retained profits to the Shareholders who are Shareholders-of-record as at 23 November 2015.

DIVIDEND POLICY

Subject to the Companies Act, our Company may, from time to time with the approval of Shareholders in general meeting, declare dividends to be paid to the Shareholders, but no dividend shall be declared in excess of the amount recommended by our Board. We must declare and pay all dividends out of profits of our Company. Our Directors may declare an interim dividend without seeking Shareholders’ approval.

Our Board has the discretion to recommend payment of dividends.

As our Company’s principal business is (apart from the marketing and sale of Zone A Properties) our investment in MJTD and TPD, a key factor that our Board will take into account in deciding whether to recommend a dividend is the dividends that may be declared and paid by MJTD and TPD. Our Company received an interim dividend of approximately Ks7,173,687,000 from MJTD in December 2015. As at the Latest Practicable Date, the Company has not received any dividends from TPD.

For FY2016-2017, we expect to receive from MJTD the same amount of dividends that was received during FY2015 and for FY2017-2018 we may not be able to expect dividends from MJTD as MJTD is planning to re-invest profits into the prospective Zone B Project.

The dividend policy of MJTD is governed by the MJTD Joint Venture Agreement. Under the MJTD Joint Venture Agreement, MJTD will pursue a dividend policy whereby dividends shall be paid or distributed to its shareholders (including our Company) in amounts proportional to each shareholder’s percentage ownership interest to the full amount of the profits of our Company which are available for distribution from time to time in accordance with and subject to Applicable Laws of Myanmar but after making all necessary, reasonable and prudent cash provisions and reserves for:

- taxation;
- the repayment of any borrowings by MJTD;
- any capital expenditures and construction-related requirements;
- the fulfilment of MJTD’s working capital requirements; and

- any other matter required for the fulfilment of MJTD's obligations.

The dividend policy of TPD is governed by its Articles of Association. Subject to the Companies Act, TPD may, from time to time with the approval of Shareholders in general meeting, declare dividends to be paid to the Shareholders but no dividend shall be declared in excess of the amount recommended by TPD's Board. TPD must declare and pay all dividends out of profits of the company.

Further, in considering the timing, manner and amount of dividend, if any, our Board intends to take into account various factors, including:

- the level of cash, gearing, return on equity and retained earnings;
- our Company's expected financial performance;
- our Company's projected investment plans, including further investment in MJTD pursuant to the MJTD Joint Venture Agreement, further investment in TPD and further investment in other future projects in the Thilawa SEZ; and
- restrictions on payment of dividend that may be imposed on our Company under our financing arrangements.

We will pay cash dividends, if any, in Kyats.

Please see the section "**Taxation**" for information relating to taxes payable on dividends.

EXCHANGE RATES

The reporting currency of our Company is Kyats. However, our Company is committed to subscribing for MJTD Shares pursuant to the MJTD Joint Venture Agreement in US\$ and our revenues may also be denominated in US\$.

The table below sets out the high and low exchange rates between US\$ and Ks for each month for the six months prior to the Latest Practicable Date. The table indicates how many Ks can be bought with US\$1.

Month	Ks/US\$	
	High	Low
June 2015	1110	1090
July 2015	1110	1240
August 2015	1234	1285
September 2015	1273	1292
October 2015	1277	1287
November 2015	1277	1300
December 2015	1295	1307

As at the Latest Practicable Date, the exchange rate was US\$1:Ks1,309.

The exchange rates reflected in this section are quoted from the website of the Central Bank of Myanmar (<http://www.cbm.gov.mm>) and provided solely for information and should not be construed as a representation that US\$1 actually represent such Ks or could be converted into Ks at the rates indicated. The Central Bank of Myanmar has not consented to the inclusion of the exchange rates quoted under this section and is not liable for such information. While our Directors have taken reasonable steps to ensure that the information is extracted accurately and fairly and has been included in this Disclosure Document in its proper form and context, they have not independently verified the accuracy of the information set out above.

THILAWA SEZ PROJECTS

INTRODUCTION

Special Economic Zone Law 2011

The SEZ Law 2011 was enacted in January 2011, with the stated objectives to (among other things) form the framework for maintaining, protecting and safeguarding the sovereignty of Myanmar in allowing foreign investment and to develop the momentum of the economy of Myanmar by establishing and operating special economic zones. The SEZ Law 2011 provided for (among other things) certain tax incentives to investors who invest in a designated special economic zone.

Special Economic Zone Law 2014

In January 2014, the new SEZ Law 2014 was enacted and replaced the SEZ Law 2011.

The SEZ Law 2014 has the stated objectives to (among other things) support the primary objectives of the national economic development plan, create employment for a large number of people and raise their living standards, increase production and exports and increase foreign exchange income, encourage and attract domestic and foreign investments by creating sound foundations for developers and investors and encourage, promote and give incentives for the balanced development of industrial, economic and social sectors within Myanmar. The SEZ Law 2014 provides for (among other things) certain tax incentives to investors who invest in a designated special economic zone.

On August 2015, the Ministry of National Planning and Economic Development enacted the SEZ Implementing Rules 2015.

Please see further **Appendix E – Summary of Relevant Myanmar Laws and Regulations** for more information on the SEZ Law 2014 and SEZ Implementing Rules 2015.

Special Economic Zones

As at the Latest Practicable Date, a total of three special economic zones have been designated for development in Myanmar, one of which is the Thilawa SEZ. The other two designated special economic zones are the Dawei Special Economic Zone, which is located at the southern part of Myanmar in the Tanintharyi Region, and the Kyauk Phyu Special Economic Zone, which is located at the western part of Myanmar in the Rakhine State. The Thilawa SEZ is described below.

THILAWA SEZ

Introduction

The Thilawa SEZ covers an area of approximately 2,400 hectares and is located approximately 25 kilometres south of Yangon between the Thanlyin and Kyauktan townships. The Myanmar Government and the Japanese Government have agreed to cooperate to jointly develop the Thilawa SEZ, as described below.

Memorandum of Intent

On 21 April 2012, the Relevant Myanmar Ministry and the Relevant Japan Ministries entered into a Memorandum of Intent on the Cooperation for the Development of the Master Plan for Thilawa, pursuant to which they expressed their intention to cooperate in the development of

the master plan for an approximately 2,400 hectares of land in Thilawa which will be incorporated into the Thilawa SEZ.

Cooperation Memorandum

On 21 December 2012, further to the Memorandum of Intent mentioned above, the Relevant Myanmar Ministry and the Relevant Japan Ministries entered into the Cooperation Memorandum, pursuant to which they declared that they will cooperate to develop the Thilawa SEZ.

Under the Cooperation Memorandum, the Relevant Myanmar Ministry and the Relevant Japan Ministries agreed (amongst other things) that:

- developers of Japan and Myanmar will establish a joint venture as a zone-developer of the Thilawa SEZ;
- the Myanmar Government will provide concession of the development of the Thilawa SEZ to the joint venture;
- the joint venture will develop the on-site infrastructures and facilities that are inside the Thilawa SEZ;
- the Myanmar Government will develop the supporting off-site infrastructures including, but not limited to, the port in the Thilawa area, that are outside the Thilawa SEZ;
- part of the area within the Thilawa SEZ will be developed with high quality infrastructures and be dedicated for high quality manufacturing industries and multi-national industries, while another part of the area within the Thilawa SEZ will be developed with key basic infrastructures that include main roads, flood control and drainage, and be dedicated for labour intensive industries such as garment and food industries; and
- the sizes and sites of the areas described above will be decided based on the master plan, feasibility studies and market demand.



Source: Myanmar Investment Guide, Chapter 3 (Industrial Zones and Special Economic Zones), published by the Myanmar Investment Commission

Zone A Project

Subsequently, the Zone A Area, being a 396-hectare portion within the Thilawa SEZ, was designated to comprise the Zone A Project and set aside for joint development by developers from Myanmar and Japan into an industrial park. An indication of the location of the Zone A Area is set out in the map.

Consortium

The consortium of developers from Myanmar participating in the Zone A Project consists of the Principal Shareholders, which have established our Company for this purpose.

The consortium of developers from Japan participating in the Zone A Project consists of Mitsubishi Corporation, Marubeni Corporation and Sumitomo Corporation, which have established MMSTD for this purpose. Separately, Mitsubishi Corporation, Marubeni Corporation and Sumitomo Corporation also established the MMST LLP to undertake and complete a feasibility study of the Zone A Project.

Our Company, the Thilawa SMC, MMSTD and JICA have entered into the MJTD Joint Venture Agreement in connection with the establishment of MJTD to undertake the development, construction, marketing, sales and operation of the Zone A Project. This is described in the section “**Our Company**” below.

Designation of Thilawa SEZ

Under the SEZ Law 2011, the Government may, by notification, establish a special economic zone by demarcating the land area, extent and boundary of the territory in the suitable area. The Government has, pursuant to Notification No. 65/2013 issued on 23 September 2013, designated the Thilawa SEZ as a special economic zone under the SEZ Law 2011.

Section 93 of the SEZ Law 2014 provides that the notifications, orders, directives and procedures issued under the SEZ Law 2011 shall continue to be effective so long as they are not contrary to the SEZ Law 2014. Pursuant to section 93 of the SEZ Law 2014, the Notification No. 65/2013 issued by the Government on 23 September 2013 will therefore continue to be effective so long as it is not contrary to the SEZ Law 2014.

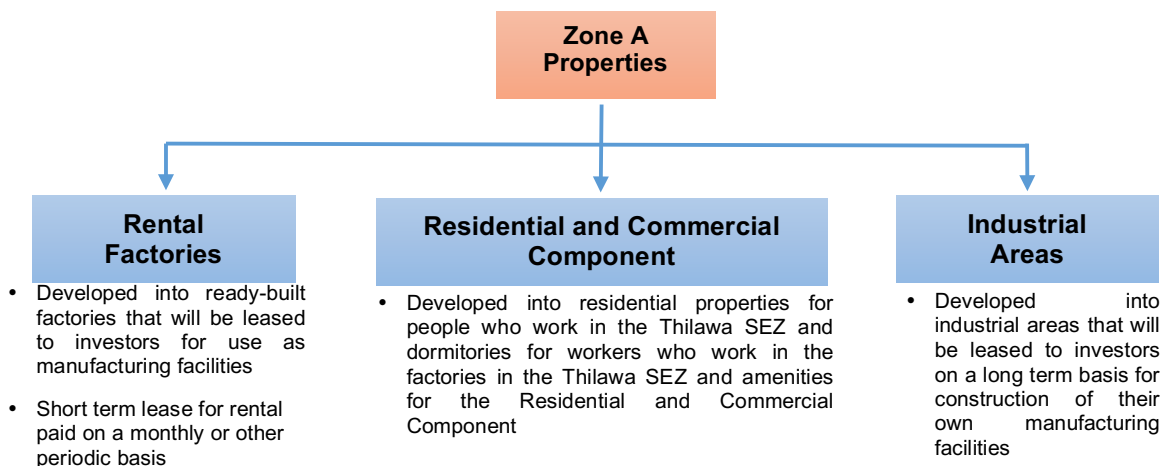
ZONE A PROJECT AND THE RESIDENTIAL AND COMMERCIAL COMPONENT

Overview

The Zone A Project involves the development of the Zone A Area into an industrial park. In the short term, the Zone A Project is expected to attract light-industry manufacturers with the aim of creating job opportunities and promoting exports of products manufactured in the industrial park. In the longer term, the Zone A Project aims to attract manufacturers from a wide range of industries from around the world.

Development Plan

The Zone A Project is comprised of the following components:



In relation to the Residential and Commercial Component, MJTD may not itself undertake the development thereof, and may instead dispose of the land to third parties for the development of the Residential and Commercial Component in such manner as it may deem appropriate. As such, our Company entered into a Reservation Agreement with MJTD for the sublease of the Residential and Commercial Component. Our Company, in partnership with the Thilawa SMC, will undertake the development, construction, marketing, sales and operation of the Residential and Commercial Component through our subsidiary, TPD, which entered into a Sublease Agreement with MJTD pursuant to the Reservation Agreement. This is described in the section “**Our Company**” below.

Development Phases

It is envisaged that the Zone A Project will be developed in separate phases as follows:

	Phase 1	Phase 2	Residential and Commercial Component	Total
Development Area (hectares)	211	150	35	396
Saleable Area – Industrial Area (hectares)	169	122	35	326
Rental Factory Area (hectares)	0	5	0	5

The saleable area represents the areas that will actually be leased to investors. As at the Latest Practicable Date, 247.1 hectares or 76.5% of the total saleable area has been leased out. The development area outside of the saleable area includes common areas which will be developed into public infrastructure, public utilities and other common facilities, and which will not be leased to investors. The Zone A Project will also include the Residential and Commercial Component that will occupy approximately 35 hectares of land. The land use plan for the Zone A Project is set out below:



Source: MJTD Website
http://mjtd.com.mm/sites/default/files/mjtd/land_use_plan_for_class_a_19.06.2014_for_website.pdf

Timing of Development

Based on the current schedule, the timing of the development and sales under Phase 1, Phase 2 and the Residential and Commercial Component are as set out below:

	Construction Period	Sales Period	Completion Period
Phase 1	December 2013 to August 2015	2014 to 2016	August 2015
Phase 2	October 2014 to 2016	2016 to 2018	July 2016
Residential and Commercial Component	2015 to 2020	2015 to 2020	April 2020

Environmental monitoring for the Zone A Project was conducted from September 2013 to March 2014, which included an environmental impact assessment and the formulation of an environmental monitoring plan for the construction.

The construction under Phase 1 was formally launched on 30 November 2013. It began in December 2013 and was completed in August 2015 (except for the Rental Factories the construction of which is currently expected to take place over a period of 10 years from 2015).

The construction period and sales period for Phase 2 and the Residential and Commercial Component set out above are indicative in nature and are subject to change and may, in particular, be varied depending on actual sales during the sales period and availability of infrastructure and utilities.

Status of Development

The Zone A Project of the Thilawa SEZ became commercially operational and was formally launched on 23 September 2015.

As at 12 January 2016, MJTD has signed reservation agreements with 56 companies for 247.1 hectares of the saleable area of the Zone A Project:

Japan	25
Taiwan	5
Thailand	4
Myanmar	3
Malaysia	3
United States of America	1
China	1
France	1
Sweden	1
Vietnam	2
Singapore	1
Korea	1
Hong Kong	1
Myanmar + Japan	4
Myanmar + Thailand	3
Myanmar + Australia	1
Total	56

Out of the 56 companies, the Thilawa SMC has granted investment permits to 48 companies and among the 48 companies with investment permits, 43 have already signed land sub-lease agreements with MJTD. There are 18 companies that have begun construction of their factories.

The investors in the Zone A Project come from manufacturing-based businesses seeking cheaper labor costs and generous incentive schemes for export-oriented activities. The industries range from low-level and labor-intensive basic garment industry to manufacturing of steel and electronic products.¹

We set out below the types of industries found in the Zone A Project:

- Construction Material Manufacturing
- Garment
- Logistics
- Car and Car Part Manufacturing
- Plastic Product Manufacturing
- Carton Box Manufacturing
- Electrical Device Manufacturing
- Shoe and Footware Manufacturing
- Pharmaceutical Product Manufacturing
- Beverage Container Manufacturing
- Conveyer Transfer System
- Wheel Chair Manufacturing
- Paint Manufacturing
- Lubricant Oil and Grease Manufacturing
- Vocational Training Center
- Camera Tripod Manufacturing
- Material for Detergent Manufacturing
- Solid Waste Treatment
- Industrial Gas Manufacturing
- Rental Business of Construction Machines
- Agriculture Manufacturing
- Telecommunication
- Food & Beverage
- Transformer
- Fertilizer
- Timber
- Tank
- Residential and Commercial Development

The Zone A Project has generated job opportunities for approximately 2,221 people. It is expected that by 2018 there will be at least 40,000 job opportunities in the Zone A Project.

For the Residential and Commercial Component, TPD is prioritizing construction of the workers' dormitory that will provide workers in the Thilawa SEZ comfortable living accommodations and easy access to the factories in the Thilawa SEZ. TPD is also starting construction of the shophouses, office buildings and the shopping mall to make way for commercial development within the Thilawa SEZ. This is intended to bring about migration of the workforce to the Thilawa SEZ and create a demand for residential development.

¹ Solidiance, *Myanmar: The Next Manufacturing Hub, with a special focus on special economic zones*, <http://www.solidiance.com/whitepaper/myanmar-manufacturing-hub-sez.pdf>, last accessed at 20 January 2016.

More than simply selling properties, TPD intends to create an ultimate and comfortable living community in the Thilawa SEZ that includes houses, condominiums, service apartments, workers' accommodation, multipurpose halls, shopping malls, office buildings, a police and fire station, banks, gas stations, clinics, hotels, a neighborhood center, restaurants and a school. TPD intends to develop these projects on its own or with other investors.

TPD has called open and international standard tenders for projects for the development of the Residential and Commercial Component. The projects were awarded as follows:

Project	Tender Date Announcement	Awardees
Workers Accommodation	3 November 2014	Super Home Co. Ltd., Myint Myat Thu Co. Ltd., Dagon Construction Co. Ltd.
Road, Platform and drain	29 March 2015	Zaw Htet Paing Co. Ltd. Myint Myat Thu Co. Ltd.,
Sewage Treatment Plant	21 July 2015	Tesco Myanmar Co Ltd.

FUTURE EXPANSION PROJECT: THE ZONE B PROJECT

On 23 September 2015, the day of the launch of the Thilawa SEZ, our Company, the Thilawa SMC, MMSTD and JICA signed a Memorandum of Understanding for the future development of the Zone B Project and on 23 February 2016, the parties signed a supplement to the Memorandum of Understanding. The Zone B Project involves the development of another industrial park in the Thilawa SEZ. The Zone B Project covers an area of approximately 500 to 700 hectares. Land selection, environmental impact assessment study and design are currently being carried out for the Zone B Project. The development of the Zone B Project is intended to commence no later than the end of 2016.

The development of the Zone B Project is still in its planning stages and there is no assurance that our Company's future expansion plans, including the Zone B Project will materialize.

OUR COMPANY

INTRODUCTION

Our Company is a public company that owns shares and invests in other companies engaged in real estate development in Myanmar.

Apart from the provision of management services in the real estate sector and the receipt of commissions from real estate transactions facilitated by our Company, a significant portion of our profits is generated through dividends received from our shares in such other real estate development companies.

Our Company was incorporated on 3 May 2013 in Myanmar under the Companies Act as a public limited company under the name of Myanmar Thilawa SEZ Holdings Public Limited. The validity of the Certificate of Incorporation issued to the Company is five years expiring on 3 May 2018, which will be renewed thereafter with the Directorate for Investments and Company Administration.

Our Company was established by the Principal Shareholders primarily (but not exclusively) to invest into MJTD to undertake the Zone A Project pursuant to the MJTD Joint Venture Agreement, as described below. The Principal Shareholders of our Company are as follows:

- First Myanmar Investment Company Limited or FMI
- Golden Land East Asia Development Limited or GLAD
- Myanmar Agribusiness Public Corporation (MAPCO) Limited or MAPCO
- Myanmar Agricultural & General Development Public Limited or MAGDPL
- Myanmar Edible Oil Industrial Public Corporation (MEICO) Limited or MEICO
- Myanmar Sugar Development Public Company Limited or MSD
- Myanmar Technologies and Investment Corporation Limited or MTI
- National Development Company Group Limited or NDCG
- New City Development Public Company Limited or New City Development

The authorized capital stock of our Company is Ks500,000,000,000 divided into 50,000,000 Shares of Ks10,000 each and our Company's issued and outstanding share capital consists of 3,892,915 Shares. On March 2014, majority share of 2,145,000 Shares of our Company were offered to the public for subscription.

Our Company has one subsidiary, TPD. Our Company also owns 41% of the total issued and outstanding capital of MJTD.

BACKGROUND

The background relating to the cooperation between the Myanmar Government and the Japanese Government pursuant to the Cooperation Memorandum to develop the Thilawa SEZ is set out in the section "**The Zone A Project**".

MJTD

Introduction

On 26 May 2013, pursuant to the Cooperation Memorandum, our Company signed a Memorandum of Understanding with MMST LLP for the purpose of establishing MJTD for the development, marketing, sales and operation of the Zone A Project.

On 29 October 2013, pursuant to the Memorandum of Understanding mentioned above, our Company, the Thilawa SMC and MMSTD entered into the MJTD Joint Venture Agreement in connection with the establishment of MJTD to undertake the development, construction, marketing, sales and operation of the Zone A Project.

MJTD

MJTD was incorporated as a private limited company on 10 January 2014 with an authorized capital stock of US\$100,000,000 divided into 100,000,000 MJTD Shares each with a par value of US\$1.

MJTD was established as a joint venture of our Company, the Thilawa SMC and MMSTD to undertake the development, construction, marketing, sales and operation of the Zone A Project. The income of MJTD will be derived mainly from the operations of the Zone A Project, including rentals and service fees.

MJTD Joint Venture Agreement

Under the Original MJTD Joint Venture Agreement, subject to the satisfaction of certain prescribed conditions precedent, our Company, the Thilawa SMC and MMSTD will collectively subscribe for MJTD Shares of an initial aggregate amount of US\$50,000,000 in the proportions of 41.0%, 10.0% and 49.0% respectively.

Our Company and MMSTD will subscribe for their respective proportions of MJTD Shares in cash. The Thilawa SMC will subscribe for its MJTD Shares in kind, by way of the grant of a leasehold interest over the Zone A Area by the Thilawa SMC to MJTD.

Based on the foregoing, pursuant to the Original MJTD Joint Venture Agreement, our Company will be required to subscribe for the MJTD Shares of an aggregate amount of US\$20,500,000.

Amendments to the Original MJTD Joint Venture Agreement

On 23 April 2014, our Company, the Thilawa SMC, MMSTD and JICA entered into an amendment of the Original MJTD Joint Venture Agreement for JICA's participation in MJTD. Under the first amendment to the Original MJTD Joint Venture Agreement, JICA will acquire 10.0% interest in MJTD by purchasing 10.0% interest in MJTD from the MJTD Shares held by MMSTD.

On 12 February 2015, our Company, the Thilawa SMC, MMSTD and JICA entered into a second amendment to the Original MJTD Joint Venture Agreement revising certain sections of the Original MJTD Joint Venture Agreement and the first amendment to the Original MJTD Joint Venture Agreement.

Change in Required Initial Subscribed Capital

A significant amendment to the Original MJTD Joint Venture Agreement is the change in the required initial subscribed capital of MJTD from US\$50,000,000 to US\$27,000,000. US\$50,000,000 was initially determined as the amount needed to develop the Zone A Project. Later on however, it was realized that MJTD had a strong cash flow because of the numerous

pre-booking and reservations made by future locators in the Zone A Project. Thus, because equity would not be required to fund the development of the Zone A Project (as funding would be sourced from such pre-booking and reservations), the subscription capital was reduced to US\$27,000,000. Under the MJTD Joint Venture Agreement (as amended), subject to the satisfaction of certain prescribed conditions precedent, our Company, the Thilawa SMC, MMSTD and JICA were required to collectively hold MJTD Shares of an initial aggregate amount of US\$27,000,000 instead of the original US\$50,000,000 in the proportions of 41.0%, 10.0%, 39.0% and 10.0% respectively. JICA was also required to acquire its respective proportions of MJTD Shares in cash from MMSTD.

Thus, our Company was required to subscribe for the MJTD Shares of an aggregate amount of US\$11,070,000 instead of US\$20,500,000.

Conditions Precedent

The prescribed conditions precedent referred to above are as follows:

- confirmation from the Myanmar Government, through the Thilawa SMC or any other relevant government agency, that the SEZ Law 2011 applies to the establishment of MJTD and the establishment and operation of the Zone A Project;
- all relevant Governmental Authorities of Myanmar having approved of the investment of the parties to the MJTD Joint Venture Agreement in the Zone A Project and registration of MJTD under the Applicable Laws of Myanmar, which shall include registration of MJTD as a “Special Company” under the Myanmar Special Companies Act (1950);
- the approval by all relevant Governmental Authorities of Myanmar of the environmental impact assessment specifically issued for the Zone A Project and the Zone A Area and the absence of any significant adverse environmental issues relating to the Zone A Project and the Zone A Area as supported by such environmental impact assessment; and
- the parties to the MJTD Joint Venture Agreement and the Myanmar Government having agreed on the form and contents of a land lease agreement, pursuant to which MJTD secures a clear and unencumbered right from the Myanmar Government to use the Zone A Area for a term of at least 50 years.

The prescribed conditions precedent have been satisfied and the initial investment commitment in the initial aggregate amount of US\$27,000,000 of our Company, the Thilawa SMC, MMSTD and JICA has been fulfilled.

Future Funding

In the event that the funding requirements of MJTD are in excess of the aggregate US\$27,000,000 initial capital described above and the net cash flow from the sale, lease and/or other disposal of immovable properties located within the Zone A Project, our Company, the Thilawa SMC, MMSTD and JICA will discuss the need to subscribe to additional MJTD Shares or to look for an alternative funding source.

Marketing of Zone A Properties

Under the MJTD Joint Venture Agreement, it is agreed that our Company and the Japanese consortium members, Mitsubishi Corporation, Sumitomo Corporation and Marubeni Corporation (collectively “**Japanese Marketing Agents**”) will be appointed as exclusive agents for the sale, lease and/or other disposal of MJTD’s leasehold interest in the Zone A Project pursuant to a separate marketing agreement to be entered into and MJTD will, subject to the

terms and conditions thereof, pay our Company and the Japanese Marketing Agents a certain percentage of the stated contract amount of each such transaction as a sales commission fee.

On 12 February 2015, MJTD entered into a Marketing Agreement with our Company and the Japanese Marketing Agents, appointing our Company and the Japanese Marketing Agents as the exclusive agents for the sale, lease and/or other disposal of MJTD's leasehold interest in the Zone A Project.

Our Company and the Japanese Marketing Agents are both independent exclusive agents of MJTD for the sale/lease of the Zone A Project. This means that both MTSH and the Japanese Marketing Agents may separately seek out and secure possible locators at the Zone A Project. Should either MTSH or the Japanese Marketing Agents confirm a locator, each will receive a sales commission fee on the contract price for every successfully executed contract with MJTD for the lease of land at the Zone A Project.

Management of MJTD

Under the MJTD Joint Venture Agreement, it is agreed that our Company will provide management services to MJTD pursuant to a separate management memorandum to be entered into and MJTD will, subject to the terms and conditions thereof, pay our Company management fees.

On 16 March 2015, MJTD, in a letter addressed to our Company, confirmed that the MJTD Board of Directors passed a resolution approving the payment of management fees amounting to US\$656,000 to our Company for the provision of management services from 10 January 2014 to 10 January 2016. On 31 December 2015, MJTD issued another letter confirming that the MJTD Board of Directors passed a resolution approving the payment of management fees amounting to US\$656,000 to our Company for the provision of management services from 10 January 2016 to 10 January 2018.

Subscription for MJTD Shares

By the Latest Practicable Date, our Company has subscribed for MJTD Shares of an aggregate amount of US\$11,070,000.

Initially, our Company subscribed for MJTD Shares of an aggregate amount of US\$272,878 representing part of our commitment to subscribe for MJTD Shares of an aggregate amount of US\$11,070,000. At the end of 1 April 2015, our Company had subscribed for MJTD Shares of a total aggregate amount of US\$7,379,700. During the year 2014-2015, our Company made additional subscriptions for MJTD Shares of an aggregate amount of US\$3,690,300.

MMSTD has also subscribed for MJTD Shares of an aggregate amount of US\$10,530,000 by the Latest Practicable Date.

By the Latest Practicable Date, the Thilawa SMC has also subscribed for MJTD Shares in kind of an aggregate amount of US\$2,700,000, by way of the grant of a leasehold interest over the Zone A Area by the Thilawa SMC to MJTD.

JICA has also acquired MJTD Shares of an aggregate amount of US\$2,700,000 by the Latest Practicable Date.

As such, as at the Latest Practicable Date, MJTD has a total issued and paid-up share capital of US\$27,000,000 and our Company holds 41.0%, Thilawa SMC holds 10.0%, MMSTD holds 39.0% and JICA holds 10.0%, of the total issued and paid-up capital of MJTD of US\$27,000,000.

TPD

Introduction

On 29 October 2014, our Company entered into a Reservation Agreement with MJTD for the sublease of the Residential and Commercial Component of the Zone A Project. On 19 March 2015, our company established TPD, through which our Company will undertake the development, construction, marketing, sales and operation of the Residential and Commercial Component.

TPD

TPD was incorporated as a private limited company on 19 March 2015 with an authorized capital stock of Ks300,000,000,000 divided into 30,000,000 TPD Shares each with a par value of Ks10,000. TPD is a subsidiary of our Company. The income of TPD will be derived mainly from the operations of the Residential and Commercial Component, including rentals and service fees.

TPD Joint Venture Agreement

For Phase 1 of the TPD Joint Venture Agreement, our Company, will subscribe for TPD Shares of an aggregate amount of Ks24,000,000,000 which is 100% of the issued and paid up capital of TPD.

For Phase 2 of the TPD Joint Venture Agreement, Thilawa SMC will subscribe for its TPD shares in an amount equivalent to Ks6,000,000,000. The subscription of Thilawa SMC to the TPD Shares is yet to be implemented; but once implemented, our Company will hold 80.0% of the total issued and paid-up share capital of TPD and the 20.0% balance shall thereafter be held by Thilawa SMC.

Sublease Agreement

On 31 March 2015, prior to the expiration of the Reservation Agreement, TPD and MJTD entered into a Sublease Agreement for the sublease, development, construction, marketing, sales and operation of the Residential and Commercial Component of the Zone A Project.

The sublease is valid until 4 June 2064 and may be extended on terms and conditions under the Sublease Agreement, provided that MJTD extends its primary leasehold over the Zone A Project.

Investment Permit

TPD was issued an Investment Permit by the Thilawa SMC on 21 July 2015 for the development, construction, marketing, sales and operation of the Residential and Commercial Component of the Zone A Project.

Subscription for TPD Shares

By 24 February 2016, our Company has subscribed for TPD Shares of an aggregate amount of US\$24,000,000,000.

Initially upon incorporation of TPD, our Company subscribed for TPD Shares of an aggregate amount of Ks1,000,000,000.

On 24 February 2016 our Company made additional subscriptions for TPD Shares of an aggregate amount of Ks23,000,000,000.

As at 24 February 2016, TPD has a total issued and paid-up share capital of Ks24,000,000,000 and with our Company holding 100.0%.

On 30 March 2016, our Company entered into the TPD Joint Venture Agreement providing for the subscription by Thilawa SMC to TPD Shares in an amount equivalent to Ks6,000,000,000. The subscription of Thilawa SMC to the TPD Shares is yet to be implemented; but once implemented, our Company will hold 80.0% of the total issued and paid-up share capital of TPD and the 20.0% balance shall thereafter be held by Thilawa SMC.

Management of TPD

Since the establishment of TPD, a new management team has been created led by Managing Director U Tun Lwin who is also a Director of our Company. To closely oversee the development of the Residential and Commercial Component, two Executive Project Directors were also assigned from our Company: (i) Project Director (Administrative) Dr. Nyan Thit Hlaing, who is also a Director of our Company; and (ii) Project Director (Technical) U Thurane Aung who is also an Executive Director of our Company. Experienced engineers and supervisors were also recruited to build the Residential and Commercial Component in accordance with international standards.

THE PUBLIC OFFERING OF MTSH SHARES UNDER THE COMPANIES ACT

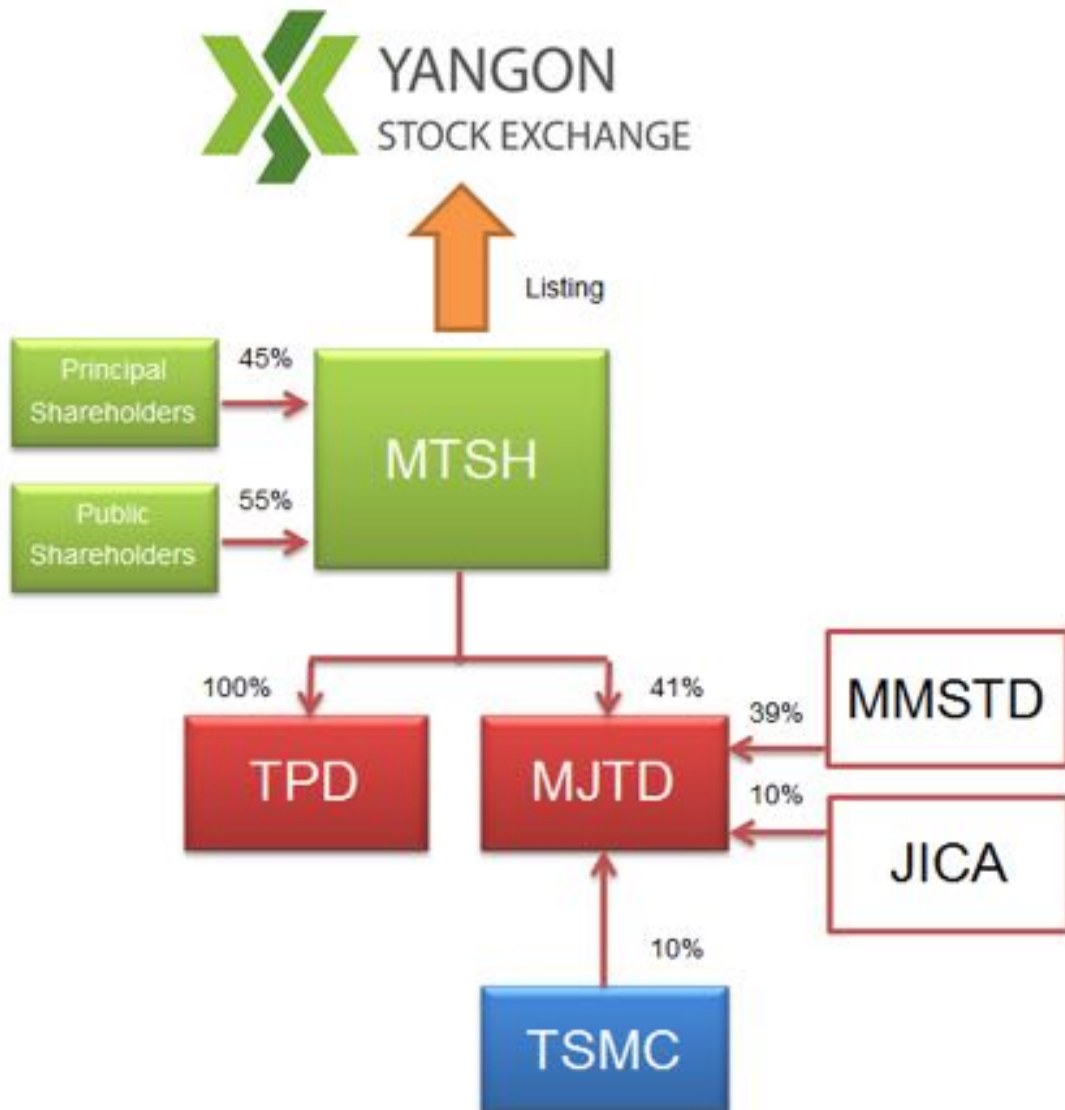
On March 2014, 2,145,000 of our Shares were offered to the public for subscription. The offering price was Ks10,000, which is based on the par value of the Shares. On October 2014, the Company also established a mechanism to facilitate transactions in our Shares, which was managed at the Company's offices where transactions between a willing seller and a willing buyer of the Shares could be completed. The role of our Company is to match a seller's offer with the corresponding offer of a buyer. The price of the Share is determined exclusively by the buyers and sellers of the Shares through the application of market forces.

Our Company maintains at its office a logbook of willing sellers with the particulars of the Shareholders who are offering to sell their Shares, as well as another logbook of willing buyers with the particular investors who are bidding for the Shares. Our Company will check the logbook on a regular basis to ascertain whether there is a match between the sellers and the buyers. Since the public offering in 2014, our Company has serviced 1,798 transactions in our Shares until October 2015.

After the public offering, our Company received share applications amounting to US\$11,841,470,000 for 1,184,147 Shares during the fiscal year ending 31 March 2014. Additional share applications were received for 2,851,414 shares until 30 June 2014. Our Company approved the subscription for 2,137,915 Shares and refunded the amounts received for the excess share applications.

CORPORATE STRUCTURE

As at the Latest Practicable Date, our corporate structure is as follows:



BUSINESS

OVERVIEW OF MYANMAR'S ECONOMY

Myanmar, formally known as the Republic of the Union of Myanmar, transitioned from a military government to an elected government in 2011. Geographically, Myanmar borders India, the People's Republic of China, Thailand, Laos and Bangladesh, serving as a crucial trading hub for the region. Although the population of Myanmar is 51.4 million, the regional potential market size including its immediate neighbors represent a potential market of 2.91 billion people, with a total combined GDP (PPP) of US\$13.05 trillion in 2014.² Myanmar is a country that is rich in natural resources such as precious gems, jade, natural gas, petroleum, copper, nickel, tin, gold, silver, zinc and other raw materials. Myanmar also has extensive agriculture and fishery resources.

Since the elected government took office in 2011, Myanmar's government has embarked on a series of economic, political and social reforms. As a result of these ambitious reform efforts, Myanmar's economy has also achieved an impressive 8.5% growth rate in the fiscal year 2014/2015. While the growth rate is slightly lower for FY2015 due to the effects from the 2015 July floods, the growth is still expected to reach 6.5%.³ The growth momentum is expected to continue into the future with the successful elections of November 2015 and the continued reforms under the new government, which is scheduled to take office at the end of March 2016.

In order to achieve and sustain the growth, Myanmar has conducted comprehensive reforms in political, economic and social sectors of the country. Myanmar's economic reforms include financial sector reforms – adopting a managed floating rate system, gradual opening of the banking and financial sector by allowing foreign banks to conduct limited banking operations and strengthening the role of the Central Bank of Myanmar. Myanmar is also in the process of reforming its investment laws and the 100 year-old Companies Act.

As a result of these reforms, investor confidence in Myanmar is high. Myanmar has achieved economic growth, with total investments reaching to US\$47.89 billion in November 2015,⁴ with a total trade volume of \$24.963 billion in the fiscal year 2013-2014.⁵

Another sign of the progress of Myanmar's economic reforms is that Myanmar is currently ranked 10 places higher in 2016 in the World Bank's Doing Business Index than in 2015, at 160th place.

While Myanmar has achieved significant growth and has demonstrated significant commitment to continue on the track of economic reforms, there are significant areas that need to continue to improve, namely the need for continued investments in infrastructure, continued improvement in the legislative framework to enable ease of doing business in Myanmar, development of capacity and skills in the country's relatively young labor force and the development of proper financial markets to facilitate business growth.

Myanmar's consistent efforts and development in the recent years show a strong signal that Myanmar will continue to strive to sustain its growth momentum and attempt to address the key areas needed to achieve sustained economic growth.

² World DataBank, The World Bank Group, accessed 31 December 2015.

³ World Bank Group, *Myanmar Economic Outlook*, (Yangon: World Bank Yangon Office, October 2015).

⁴ DICA, "Foreign Investment by Sector November 2015" <http://dica.gov.mm.x-aas.net/>, accessed 5 January 2015.

⁵ Central Statistical Organization, *Myanmar Statistical Yearbook 2015*, (Nay Pyi Taw: CSO, 2015).

OVERVIEW OF INDUSTRIAL ZONES AND SPECIAL ECONOMIC ZONES IN MYANMAR

A driving force and a necessity for the continued growth of Myanmar's economy is the development of the infrastructure, construction and real estate sector, encompassing the development of the industrial zones and the special economic zones such as the Thilawa SEZ in Myanmar. With the aim to foster foreign investments and growth of the manufacturing sector, Myanmar currently has 26 industrial zones (19 of which have already been established and operated) and three special economic zones which are in various phases of development.⁶ The other two designated special economic zones are: (i) the Dawei Special Economic Zone, which is located at the southern part of Myanmar in the Tanintharyi Region and which is being developed with Thai investors and (ii) the Kyauk Phyu Special Economic Zone, which is located at the western part of Myanmar in the Rakhine State and which is being developed with Chinese investors.

Following is a list of the industrial zones in Myanmar:

1. East Yangon Industrial Zone
 - a. South Dagon Industrial Zone (1)
 - b. South Dagon Industrial Zone (2)
 - c. South Dagon Industrial Zone (3)
 - d. Shwepoukan Industrial Zone
 - e. North Okkalapa Industrial Zone
 - f. South Okkalapa Industrial Zone
 - g. Tharkayta Industrial Zone
 - h. Dagon Seikkan Industrial Zone
 - i. East Sagon Industrial Zone
2. West Yangon Industrial Zone
3. South Yangon Industrial Zone
4. North Yangon Industrial Zone
 - a. Hlaing Thayar Industrial Zone
 - b. Shwe Pyi Thar Industrial Zone
 - c. Mingalardon Industrial Zone
5. Mandalay Industrial Zone
6. Meiktila Industrial Zone
7. Myingyan Industrial Zone
8. Yananchaung Industrial Zone
9. Pakokku Industrial Zone
10. Pyay Industrial Zone
11. Hinthada Industrial Zone
12. Myaungmya Industrial Zone
13. Patheingyi Industrial Zone
14. Monywa Industrial Zone
15. Shwebo Industrial Zone
16. Kalay Industrial Zone
17. Mawlamyain Industrial Zone
18. Myeik Industrial Zone
19. Taung Gyi Industrial Zone
20. Nya Pyi Taw Industrial Zone
21. Ponnakyu Industrial Zone
22. Myawady Industrial Zone
23. Phayathon Zu Industrial Zone
24. Phaa Industrial Zone
25. Yadanapone Industrial Zone
26. Nantoon Industrial Zone

⁶ DICA, *Myanmar Investment Guide*, (Yangon: DICA, 2014)

Given the nature of development of the industrial and special economic zones, the primary factors likely to impact the progress of the special economic zone development would be the general economic conditions which would have an influence in an investor's decision to invest in Myanmar, as well as the continued need for development of necessary infrastructure that would connect the industrial zones and special economic zones to the corresponding domestic market as well as the regional and international markets.

The success of these industrial and special economic zones will depend on Myanmar's continued efforts to develop infrastructure and strive to improve the overall business climate for foreign investments and the domestic manufacturing sector. Only through successfully attracting potential investors, would it also be possible to attract related businesses and investments which would be customers for the industrial, commercial and retail developments in the various special economic zones.

BUSINESS OVERVIEW

Our Company's principal business activities

Our Company was incorporated by the Principal Shareholders to participate in the Zone A Project. Our principal business activities are as follows:

- Investment in MJTD, which will engage in the development, construction, marketing, lease, sale and operation of the Zone A Project.

Apart from being a shareholder in MJTD, our Company is entitled to participate in the management of MJTD subject to and in accordance with the MJTD Joint Venture Agreement. In particular, our Company is entitled to nominate persons to fill certain executive positions in MJTD under the MJTD Joint Venture Agreement. Under the MJTD Joint Venture Agreement, it was also agreed that our Company will provide management services to MJTD pursuant to a separate management memorandum to be entered into and MJTD will, subject to the terms and conditions thereof, pay our Company management fees. A separate management agreement has been entered into between MJTD and our Company for this purpose.

Please see further the section "**Principal Business Activities of MJTD**" below for more information.

- Marketing and sale of the Zone A Properties as exclusive agent for MJTD jointly with the Japanese Marketing Agents. A separate marketing agreement has been entered into between MJTD, our Company and the Japanese Marketing Agents for this purpose. Our Company and the Japanese Marketing Agents are both independent exclusive agents of MJTD for the sale/lease of the Zone A Project. This means that both our Company and the Japanese Marketing Agents may separately seek out and secure possible tenants/locators at the Zone A Project. Should either our Company or the Japanese Marketing Agents confirm a tenant/locator, each will receive a sales commission fee on the contract price for every successfully executed sublease agreement with MJTD for the lease of land at the Zone A Project. Our Company recognizes the sales commission fee as revenue upon execution of the sublease agreement and actual receipt of the sales commission fee.
- Development of the Thilawa SEZ (other than the Zone A Area) or any part thereof as may be determined by our Directors in their discretion.
- Investment in TPD, which will engage in the development, construction, marketing, sale and operation the Residential and Commercial Component of the Zone A Project.

Please see further the section “**Principal Business Activities of TPD**” below for more information.

The revenue of our Company will primarily be derived from dividends distributed by MJTD and TPD, any fees/commissions earned for marketing and sale of Zone A Properties and management fees received from the provision of management services to MJTD.

Principal Business Activities of MJTD

As a key part of our business is our investment in MJTD and TPD, we set out in this section some information on the principal business activities of MJTD and TPD.

The principal business activities of MJTD are to undertake the development, construction, marketing, lease and operation of the Zone A Project. Specifically, MJTD will:

- develop and construct the Zone A Area into Industrial Areas, Rental Factories and the Residential and Commercial Component;
- sell, lease or otherwise dispose of the Industrial Areas to investors for the construction of their own manufacturing facilities on a long-term basis for lump sum upfront payment;
- lease the Rental Factories to investors for use as ready-built factories for immediate use on a short-term basis for a rental payable on a monthly or other periodic basis;
- deal with the Residential and Commercial Component in such manner as it may determine; and
- manage and operate the Zone A Project in consideration for a management fee payable by occupants of the Zone A Project.

The income of MJTD will be derived mainly from the operations of the Zone A Project, including rentals and service fees.

Lease of Zone A Properties

If an investor is interested in leasing in the Zone A Project from MJTD, the investor must first register with MJTD and present a company profile to MJTD. MJTD will then conduct an interview of the investor and prepare a quotation for the lease. Once MJTD and the investor agree on the quotation, the investor will sign a reservation agreement with MJTD.

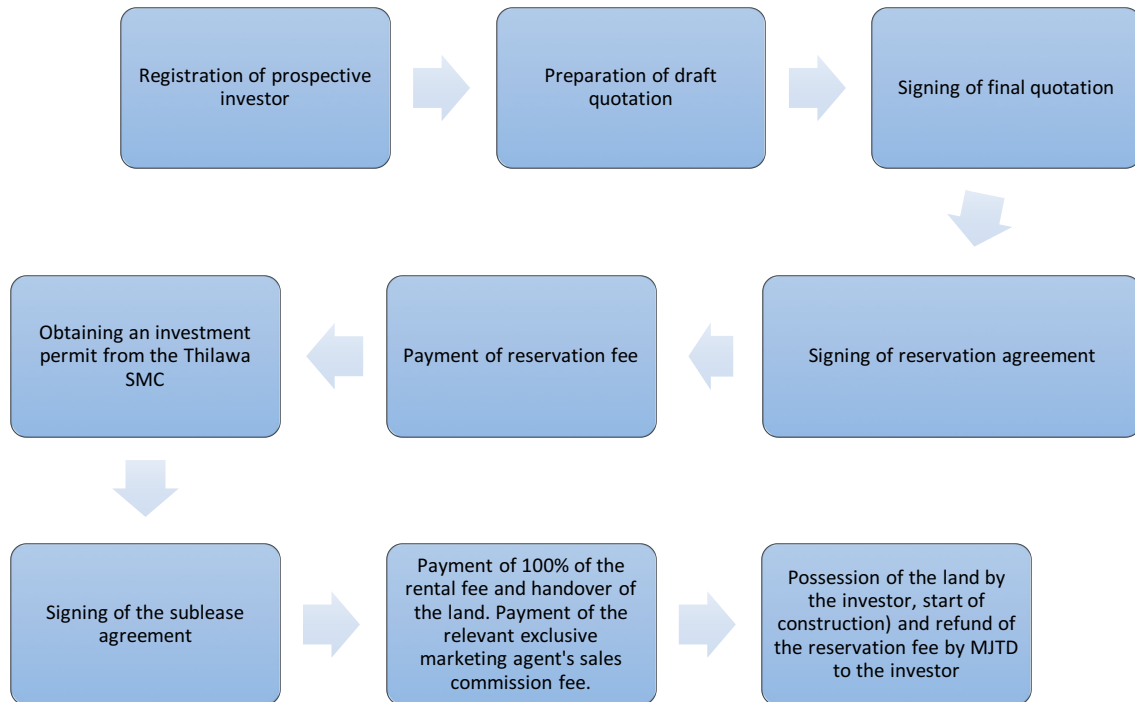
The reservation agreement is needed because the SEZ Implementing Rules 2015 requires that an investor should secure an initial written approval from the developer of the special economic zone, which in this case is MJTD, before TSMC can issue an investment permit to the investor and an investment permit is a pre-requisite to the sub-lease agreement. Further, without the investment permit, a foreign investor cannot establish a registered company in Myanmar and only when such Myanmar registered company is established can the Myanmar registered company of the investor sign the sublease agreement.

To guarantee the commitment of the investor to lease the property, a fee of 30.0% of the contract price of the sub-lease is required to be paid as reservation fee under the reservation agreement. Once the investor secures the investment permit, the 30.0% reservation fee will be refunded to the investor after the Myanmar registered company pays in full the contract price under the sublease agreement.

Should the investor be a tenant/locator introduced by our Company to MJTD, our Company will receive a sales commission fee on the contract price pursuant to the Marketing Agreement.

Upon notice of the execution of the sublease agreement and payment by the tenant/locator of 100.0% of the contract price, MTSH will issue an invoice to MJTD for payment of the sale commission fee. MTSH recognizes the sales commission fee as revenue upon issuance of the invoice to MJTD.

We set out below a flow chart of the process:



Principal Business Activities of TPD

The principal business activities of TPD are to undertake the development, construction, marketing, lease and operation of the Residential and Commercial Component of the Zone A Project. Specifically, TPD will:

- invest in the development of Residential and Commercial Component of the Zone A Project, carried out by constructing, selling and leasing of the commercial center, residences, office towers and other related development;
- carry out preliminary engineering works such as soil tests, design, cost estimates, construction, repair and maintenance with respect to the following: hospitals, schools, residences, offices, factories, workshops, roads, bridges, railway stations, bus terminals, ports, jetties, inland ports, markets, storage areas, warehouses, hotels, motels, inns, guest houses, telecommunication stations, towers, reservoirs, dams, water/sanitation and electrical installation works related to construction and other engineering works related to construction;
- engage in importing, purchasing, leasing and selling of raw materials, finished goods, machineries, equipment, vehicles and spare parts that are required for the development of the above stated construction works;
- enter into partnership or into any arrangement of sharing profits, unions of interests, cooperation, joint venture or reciprocal concession or otherwise with any person, or

company carrying on or engaged in or about to carry on, or engage in any business or transactions capable of being conducted so as directly or indirectly to benefit the company; and

- purchase or otherwise acquire for other means ownership, rights, franchises, licenses, grants, trademarks, patent rights, including land and buildings, and to utilize beneficially such properties and rights for development thereof.

The income of TPD will be derived mainly from the operations of the Residential and Commercial Component, including rentals and service fees.

The funding requirements of TPD for the development of Residential and Commercial Component may be in excess of the capital of TPD. Our Company expects however that nearly half of any additional funding required for the total development costs of the Residential and Commercial Component will be covered by the net cash flow from the sale, lease and/or other disposal of immovable properties located within the Residential and Commercial Component. In the event however that the funding requirements of TPD for the development of Residential and Commercial Component are in excess of the capital of TPD and the net cash flow from the sale, lease and/or other disposal of immovable properties located within the Residential and Commercial Component, additional funding will be sourced from capital contribution of shareholders or external financing (*i.e.*, bank loan) or both.

Please see further the section “**The Zone A Project**” for more information.

STRATEGY

Our Company plans to create and ensure long-term value by investing in other real estate development projects in the Thilawa SEZ and in Myanmar (other than in the Thilawa SEZ), as may be allowed by our Memorandum and Articles of Association and Applicable Laws. Although the Company believes that majority of its earnings in the next few years will still come from MJTD and TPD and its current projects, it recognizes that it is important for the Company to expand in order to diversify its sources of earnings and to make sure that the Company has recurring and dependable income.

COMPETITION ANALYSIS

The competition of the Thilawa SEZ lies in two general areas, namely the domestic market and the regional markets. Within the domestic market, given that the Thilawa SEZ is just one of the special economic zones in Myanmar, with the development of the Kyauk Phyu Special Economic Zone and the Dawei Special Economic Zones being two other major projects which Myanmar is developing. Further, there are other industrial zones that are being developed in Yangon. In this regard, these two special economic zones and the industrial zones in Yangon will also be potential destinations for foreign investment coming into Myanmar and a consideration in investors’ decision of where to locate their operations in Myanmar. However, of the three special economic zones, the Thilawa SEZ is the only special economic zone in Yangon and the other two special economic zones are geographically remote from the Thilawa SEZ and do not pose as a direct threat to the Thilawa SEZ.

For the Residential and Commercial Component, its potential competitors are other residential and commercial developments in the Thilawa area such as the Star City Project located 20 kilometres away with an area of 465 acres and over 9,000 planned residential units.

It is also important to note that in the competitive analysis, potential investors to Thilawa SEZ do not operate only in Myanmar’s market, they are also potential players in regional markets. The attractiveness of countries to foreign investments depend on a variety of factors and the

regional countries have a variety of differences in the practices and measures in terms of tax structure, import tariff and land leasing terms. Therefore, measures affecting attractiveness for foreign investments by the regional countries are also a consideration which our Company and the Thilawa SEZ would have to consider in evaluating their competitive position.

Incentives in Special Economic Zones in Cambodia and Laos In Comparison to Myanmar⁷

	Cambodia		Laos		Myanmar	
	Poipet	Koh Kong	Savan-seno	VITA Park		
Distance to Bangkok	300km	480km	690km	650km	-	
Year of Establishment	2005	2006	2008	2011	2015	
Corporate Tax Incentives	Normal	20%	20%	24%	24%	25%
	Exempted Years	Maximum of 9 years	Maximum of 9 years	Maximum of 10 years	Maximum of 10 years	Maximum of 7 years
	After Exempted	20%	20%	8% or 10%	8% or 10%	12.5% for 5 years
Personal Income Tax	Normal	0% to 20%	0% to 20%	24%	24%	0% to 25%
	In SEZs	0% to 20%	0% to 20%	5%	7%	0% to 25%
Import Duty Exemption	Raw materials and equipment for export oriented activities	Raw materials and equipment	Raw materials, equipment and component	All the imported goods	Different incentives for different industries	
Commercial Tax	-	-	-	-	5%	
VAT	0%	0%	0% for exported goods and imported machinery	0% for exported goods and imported machinery	-	
Land Leasing Term	Maximum of 70 Years (can be extended)	Maximum of 70 Years (can be extended)	Maximum of 75 years (free for the first 12 years if contracted over 30 years)	Maximum of 75 years (can be extended)	Maximum of 75 years	

⁷ JCCM Policy Task Force, "Policy Discussion & Investment Attractiveness", June 2015, UMFCCI, Yangon.

COMPETITIVE STRENGTHS

Strategic Location of the Thilawa SEZ

The Thilawa SEZ, in which the Zone A Project is located, is adjacent to the existing Thilawa port. The Thilawa port is a deep sea port that can handle large vessels with deep drafts and is capable of handling a wide variety of cargo.

Further, the Thilawa SEZ is located just approximately 25 kilometres from Yangon and the Yangon port. Yangon is Myanmar's commercial and industrial centre and handles a large proportion of Myanmar's foreign trade. Together the Thilawa port and the Yangon port handle 80.0% of Myanmar's foreign trade.⁸

The Thilawa SEZ is also only 45 minutes away from the Yangon International Airport.

We believe that, in comparison to other industrial zones and special economic zones, the strategic location of the Thilawa SEZ as described above significantly enhances its attractiveness as an industrial park for manufacturing activities.

The Residential and Commercial Component, which is situated between the main access corridor to the Thilawa SEZ and the Thilawa Reservoir, is also a prime location for urban development.



Manufacturing Base in Myanmar Ready to Expand

Despite Myanmar's economic isolation until recently, manufacturing activities are not new in Myanmar. Since the 1990s, Myanmar has adopted market-oriented policies and introduced economic reform, and has slowly built up over the years a manufacturing base whose growth may have been constrained by (among others) Myanmar's economic isolation from the rest of the world.

⁸ Solidiance, *Myanmar: The Next Manufacturing Hub, with a special focus on special economic zones*, <http://www.solidiance.com/whitepaper/myanmar-manufacturing-hub-sez.pdf>, last accessed at 20 January 2016.

We believe that there is a manufacturing base in Myanmar which will be ready to expand its manufacturing operations, capitalise on more favourable operating environment and take advantage of Myanmar's gradual emergence from economic isolation and accelerating economic reforms, and that this will benefit the Zone A Project and any future expansion project of our Company, such as the Zone B Project.

Support of the Myanmar and Japanese Governments

The development of the Thilawa SEZ, of which the Zone A Project, the Residential and Commercial Component and the prospective Zone B Project form a part, is supported and backed by the Myanmar Government and the Japanese Government pursuant to the Cooperation Memorandum. The Thilawa SEZ will be jointly developed by a consortium of Myanmar developers through our Company and a consortium of Japanese developers through MMSTD.

The Myanmar Government is participating in the Zone A Project through the Thilawa SMC by way of grant of a leasehold interest in the Zone A Area to MJTD in return for MJTD Shares while the Japanese Government is participating in the Zone A Project through JICA.

Thilawa SMC and JICA are also in discussions regarding the development of the prospective Zone B Project.

We believe that the involvement of the Myanmar Government and the Japanese Government will facilitate the development of the Zone A Project and the prospective Zone B Project, enhance the profile of the Zone A Project and the prospective Zone B Project and thereby increase the chances of success of the Zone A Project and the prospective Zone B Project.

Strong Consortium of Developers

The Zone A Project is being developed by a strong consortium of Myanmar and Japanese developers. Similarly the Zone B Project is intended to be developed by the same consortium.

The Myanmar consortium members comprise the Principal Shareholders which are public companies that collectively have substantial experience in conducting business in Myanmar and are familiar with the operating environment in Myanmar. The Japanese consortium members of Mitsubishi Corporation, Marubeni Corporation and Sumitomo Corporation are some of the biggest conglomerates in Japan with global business interests in various sectors, that will bring the technical expertise and knowhow and international best practices to the joint venture.

We believe that the Myanmar consortium and Japanese consortium will be able to leverage on their respective expertise, experience, knowhow and financial and other resources, and work effectively to develop the Zone A Project pursuant to the MJTD Joint Venture Agreement and the prospective Zone B Project.

High Quality Infrastructure

The Thilawa SEZ is equipped with infrastructure and facilities suited for high quality manufacturing industries and multi-national industries and for labour intensive industries such as garment and food industries.

The infrastructure and facilities in the Thilawa SEZ consists of:

- a water supply system with a water purification plant with a capacity of 6,000 m³ and with the Zarmani Reservoir as its water source
- a sewage treatment plant with a capacity of 4,800 m³

- a power supply system
- a solid waste treatment facility
- a telecommunications system with internet access
- international logistics centers

The Thilawa SEZ also has a network of access roads to the major arterial highways cutting transportation costs for investors.

Other development works for the Thilawa SEZ that are underway and which are being undertaken by the Myanmar government with corresponding grants from the Official Development Assistance fund of the Japanese Government include:

- construction of a 50 megawatt power plant and gas pipeline
- road expansion works from the Thanlyin Bridge to the Thilawa SEZ
- sea port construction
- expansion of the water supply system
- construction of an optical fiber cable network

We believe that the high quality infrastructure and facilities found in the Thilawa SEZ significantly enhances the attractiveness of the Thilawa SEZ as an industrial park for manufacturing activities in comparison to other industrial zones and special economic zones and thereby increases the chances of success of the Zone A Project, the Residential and Commercial Component and the prospective Zone B Project.

Efficient One Stop Service

The One Stop Service Center of the Thilawa SEZ eliminates lengthy procedures for application for government permits and approvals.

The application for government permits and approvals in the Thilawa SEZ (ranging from an investment permit, company registration, import/export declaration, tax registration, multiple-entry visa, stay permit, etc.) can all be made through the Thilawa One Stop Service Center. Investors are not required to contact or go to any other government organizations or ministries. Any approvals, permits and services required by any investor can be acquired from the One Stop Service Center.

Further, all the information (related to application procedures, documents required, timing and fees) are transparently mentioned in the *Standard Operational Procedures: Investors' Handbook* that can be downloaded from the Thilawa SMC website. Online application forms for some permits are also available so that investors do not even need to come to the One Stop Service Center. Necessary payments can also be made online via the electronic payment system.

We believe that the One Stop Service Center significantly enhances the Thilawa SEZ's attractiveness to investors and thereby increases the chances of success of the Zone A Project, the Residential and Commercial Component and the prospective Zone B Project.

Potential for Expansion and Growth

Our Company's line-up of real estate development projects to be undertaken through its subsidiaries such as TPD include the Residential and Commercial Component of the Zone A Project and the prospective development of the Zone B Project, which are projected to generate substantial revenues to ensure our Company's growth in the medium term.

MATERIAL CONTRACTS

The following contracts, not being contracts entered into in the ordinary course of business, have been entered into by our Company and are or may be material:

1. the Memorandum of Understanding dated 26 May 2013 between our Company and MMST LLP for the purpose of establishing MJTD for the development, marketing, sales and operation of the Zone A Project;
2. the MJTD Joint Venture Agreement (as amended);
3. the Management Agreement;
4. the Marketing Agreement;
5. the Reservation Agreement;
6. the Memorandum of Understanding; and,
7. the TPD Joint Venture Agreement dated 30 March 2016 between our Company and Thilawa SMC for the development, marketing, sales and operation of the Residential and Commercial Component of the Zone A Project.

PROPERTIES AND FIXED ASSETS

As at the Latest Practicable Date, our Company leases the following property:

Location	Lease Term	Approximate Area	Agreed Rental	Use of Property	Lessor
Room Number 1103, 11 th Floor UMFCCI Office Tower No. 29 Min Ye Kyaw Swar Road Lanmadaw Township, Yangon Myanmar	36 months (from 1 October 2013 to 30 September 2016)	2477 square feet	Ks1,624,912.60 for the first 12 months. The rental for each of the next 2 periods of 12 months shall be increased by 10.0% over the rental for the previous 12 months.	Office premises	UMFCCI

SALES AND MARKETING

MTSH and the Japanese Marketing Agents have been appointed as exclusive agents for the sale, lease and/or other disposal of MJTD's leasehold interest in the Zone A Project pursuant to the Marketing Agreement.

RESEARCH AND DEVELOPMENT

The nature of our business does not require us to undertake any intensive research and development activity other than feasibility studies on design, construction and development of

the projects our Company invests in. As at the Latest Practicable Date, our Company has initiated the following feasibility studies:

No	Name	Date	Purpose
1	Myanmar Thilawa SEZ PHASE 1 – Residential and Commercial Component	11 August 2014	Master Plan for the Residential and Commercial Component
2	Myanmar Thilawa SEZ PHASE 2 - Industrial area	30 October 2014	Guidance for the expansion of infrastructure at the Thilawa SEZ
3	Thilawa SEZ Residential and Commercial Component (Package 1 - Earth and Canal)	19 January 2015	Design guidance for infrastructure development
	Thilawa SEZ Residential and Commercial Component (Package 2 - Road, Drainage and Sewage)	10 February 2015	
	Thilawa SEZ Residential and Commercial Component (Package 3 - Drinking Water, Electrical and Telecommunication)	6 March 2015	
4	Master Plan and Infrastructure Feasibility Study Report (Zone B Project)	13 January 2016	Guidance for the expansion of infrastructure at the Thilawa SEZ, including: survey of building conditions at the Zone B Project site conceptual engineering and master planning for the Zone B Project

REGULATIONS

To the best of our Directors' knowledge, we have complied with all relevant laws and regulations of Myanmar and have obtained all material licences, permits and approvals for our business and operations in Myanmar.

A summary of the relevant Myanmar laws and regulations which our business and operations are subject to in Myanmar is set out in "**Appendix E – Summary of Relevant Myanmar Laws and Regulations**". Save as disclosed above and in Appendix E, our business and operations in Myanmar are not subject to any special policy, legislation or regulatory controls which have a material effect on our business and operations.

EMPLOYEES

As at the Latest Practicable Date, apart from the Executive Officers, our Company has a total of 52 employees, 27 of which are dedicated to the Company and 25 of which are TPD employees. Other than the Directors, Executive Officers and the Company's management team, there are

no other employees of the Company who may have significant influence in the Company's major and/or strategic planning and decision-making.

LITIGATION

We are not engaged in any legal or arbitration proceedings (either as plaintiff or defendant), including those which are pending or known to be contemplated, which may have or have had in the 12 months immediately preceding the date of this Disclosure Document, a material effect on our financial position or profitability.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion and analysis of the Company's financial position and results of operations should be read together with the section "Financial Information", the Company's audited financial statements, the Group's audited consolidated financial statements and notes thereto annexed as to this Disclosure Document and other financial information included herein. In addition to historical information, the discussion and analysis may contain forward-looking statements that involve risks, uncertainties and assumptions. The Company's actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors including those set forth under the section "Risk Factors" and elsewhere in this Disclosure Document.

OUR COMPANY'S COMPARATIVE FINANCIAL PERFORMANCE FOR FY2014 AND FY2015

Currency - Ks	Fiscal Year ended 31 March		
	FY2014	FY2015	FY2015 Consolidated
Management Fees	-	825,841,510	825,841,510
Sales Commission	-	1,165,773,375	1,165,773,375
Interest	-	1,933,429,789	1,933,429,789
Other Income	-	34,199,505	34,199,505
Total Income	16,243,284	3,959,244,179	3,959,244,179
Net Profit (Loss)	(353,180,023)	2,513,775,828	2,508,856,615
Weighted Average of Number of Ordinary Shares Outstanding	-		3,516,437
Earnings Per Share	-		4,612

RESULTS OF OPERATIONS

The following section provides information on the results of operations and financial condition of our Company for FY2014 and FY2015.

Revenues

Our Company's principal business activities are primarily our investment in MJTD, our investment in TPD, the marketing and sale of Zone A Properties and the management of MJTD. Our Company's results are closely tied to the results of the operations of MJTD and TPD. Specifically, the revenue of our Company will primarily be derived from dividends distributed by MJTD and TPD and any fees/commissions earned for the marketing and sale of Zone A Properties and the provision of management services to MJTD.

Below is a table showing the breakdown by type of revenue for the FY2014 and FY2015:

Currency - Ks	Fiscal Year ended 31 March					
	FY 2014	% to Total	FY 2015	% to Total	FY 2015 Consolidated	% to Total
Management Fees	-	-	825,841,510	21%	825,841,510	21%
Sales Commission	-	-	1,165,773,375	29%	1,165,773,375	29%
Interest	4,062,428	25%	1,933,429,789	49%	1,933,429,789	49%
Other Income	12,180,856	75%	34,199,505	1%	34,199,505	1%
Total Income	16,243,284		3,959,244,179		3,959,244,179	

Management Fees

The Company entered into a Management Agreement with MJTD to provide management services. Under the terms of the Management Agreement, the Company is entitled to receive management fees as stipulated in the Management Agreement. Accordingly, management fees, inclusive of commercial tax, were received from MJTD for the period from 10 January 2014 to 31 March 2015 for the following personnel assigned to MJTD:

1. Chairman
2. Vice-President (Myanmar Desk)
3. Head of Finance and Accounting
4. Head of Administration and Human Resources

Currency - Ks	Fiscal Year ended 31 March		
	FY2014	FY2015	FY2015 Consolidated
10 January 2014 to 31 March 2014 (US\$155,537 @ Ks1,027)	-	159,736,499	159,736,499
1 April 2014 to 31 March 2015 (US\$688,800 @ Ks1,027)	-	707,397,600	707,397,600
Total	-	867,134,099	867,134,099

Sales Commission

The Company entered into a Marketing Agreement with MJTD to provide it with marketing services. Under the terms of the Marketing Agreement, the Company is entitled to receive sales commission fees on the contract price. The term of the Marketing Agreement is the earlier of five years from 13 February 2015, which can be further extended subject to the agreement of the parties, or when all of the Zone A Properties have been leased out. Accordingly, the Company received the following sales commission fees from MJTD for contracts successfully concluded with locators that were facilitated by the Company:

Currency - Ks	Fiscal Year ended 31 March		
	FY2014	FY2015	FY2015 Consolidated
Sales Commission (US\$1,191,880 @ Ks1,027)	-	1,224,060,760	1,224,060,760
Total	-	1,224,060,760	1,224,060,760

Interest

Interest is received from the savings deposit of the Company in local banks.

Other Income

Other income of the Company consists of:

Currency - Ks	Fiscal Year ended 31 March		
	FY2014	FY2015	FY2015 Consolidated
Shares related income	-	30,051,356	30,051,356
Tender income	-	4,100,000	4,100,000
Newspapers & magazine	-	2,000	2,000
Foreign Exchange gain/(loss)	12,180,856	46,149	46,149
Total	12,180,856	34,199,505	34,199,505

Review of FY2015 versus FY2014

The total income for FY2014 as compared to the total income for FY2015 highlights a large difference considering that in FY2014 our Company was just beginning its operations. Further, the total income for FY2014 does not include the revenues from management fees relevant to the management services of MTSH, or the sales commission resulting from the Marketing Agreement with MJTD; as such, the total income for FY2014 only includes income from interests received from deposits from banks, as well as the exchange gains accrued during the FY2014.⁹

Total consolidated income amounting to Ks3,959,244,179 grew by 24,375.0% versus FY2014's Ks16,243,284.

Total consolidated net profit amounted to Ks2,508,856,615, which is 810.0% higher than FY2014's net loss of Ks353,180,023. This year's growth was driven by revenues from management fees relevant to the management services of the Company and the sales commission from MJTD for contracts successfully concluded with locators that were facilitated by the Company. Interest income for FY2015 also significantly increased.

Resulting consolidated net income after tax amounts to Ks16,211,683,821, up by 3,596.0% from FY2014's net loss after tax of Ks463,773,383.

Cost and Expenses

Consolidated general and administrative expenses amount to Ks1,450,387,564 and represents 37.0% of the consolidated total income. The level of expenses grew by 293.0%. Higher expenses were reported due to the higher level of business activities from a non-operational company to fully operational company and the consolidation of the expenses of TPD. Salaries increased due to 262.5% increase in the head count of employees from FY2014's 16 to FY2015's 52.

Share in Profit/Loss in MJTD

Our Company's 41.0% share in the net profit (or loss) in MJTD recorded a positive figure of Ks14,347,373,278 (US\$13,970,178 at Ks1,027 per US\$1) from FY2014's loss of Ks110,593,360. The improvement was due to the completion of the Zone A Project and the rental income earned by MJTD from the Zone A Properties.

MJTD (Currency – US\$)	FY2015
Income	39,414,000
Expense	5,341,000
Profit/(loss)	34,074,000
MTSH Ownership	41.0%
Share of Profit/(loss)	13,970,000

Provision for Income Tax

The Company recognized consolidated income tax expense amounting to Ks644,546,072 in comparison to zero income tax expense in FY2014, where there was a net loss.

⁹ The figures from the Group's audited consolidated financial statements for FY 2015 are being used for comparison with the Company's financial statements.

FINANCIAL CONDITION

Non-Current Assets

Our non-current assets comprise of property and equipment and our investment in MJTD. Property and equipment mainly consists of office equipment, furniture, machineries and motor vehicles. Investment in MJTD consists of our Company's subscription to 41.0% of the issued and paid-up capital of MJTD and our Company's proportionate share in the net loss of MJTD.

Property and equipment are stated at cost less accumulated depreciation. Depreciation is computed using the straight-line method over the estimated useful lives of the assets.

FY2014

As at 31 March 2014, our non-current assets were Ks7,264,402,225 which consists of property and equipment of Ks80,162,135 and investment in MJTD of Ks7,184,240,090. The investment in MJTD consists of our Company's subscription for MJTD Shares of an aggregate amount of US\$7,379,700 amounting to Ks7,294,833,450 (recognized at the transaction price and including transaction cost). Our Company's investment was subsequently adjusted to take into account 41.0% of the net loss of MJTD of US\$272,878 equivalent to Ks110,593,360 at an exchange rate of Ks988.50 per US\$1.

FY2015

As at 31 March 2015, our consolidated non-current assets were Ks25,428,570,238, which consists of property and equipment of Ks306,294,970 and investment in MJTD of Ks25,122,275,268.

The increase in non-current assets is attributable to higher investments made in property and equipment as a result of our growing operations and the operations of TPD as well as the additional investment made in MJTD amounting to US\$3,690,300 equivalent to Ks3,590,661,900 and the proportionate share in the profit of MJTD of US\$34,073,606 equivalent to Ks14,347,373,278.

Current Assets

Our current assets are composed of cash and cash equivalents, trade and other receivables, deposit and prepayments, work-in-progress and inventory.

Cash and cash equivalents consist of cash-in-hand and deposits with various local banks.

FY2014

As at 31 March 2014 our current assets were Ks15,912,744,392 consisting mainly of cash and cash equivalents and trade and other receivables. The cash and cash equivalents amount to Ks14,673,885,212. The trade and other receivables of Ks1,238,536,180 consist of receivables from MJTD for advances made by MTSH.

FY2015

As at 31 March 2015 our consolidated current assets were Ks32,034,311,493. The increase is largely attributable to the work-in-progress line item which relates to the acquisition and development costs of TPD for the Residential and Commercial Component which amount to Ks16,253,184,836.

Current Liabilities

Our current liabilities consist mainly of trade and other payables and share applications in FY 2014.

FY2014

As at 31 March 2014 our current liabilities were Ks11,850,920,000 consisting of share applications of Ks11,841,470,000 and trade and other payables of Ks9,450,000.

FY2015

As at 31 March 2015 our current liabilities were Ks1,865,461,356. The reduction in the current liabilities from Ks11,850,920,000 to Ks1,865,461,356 is attributable to the inclusion of the amount of share applications which were received in FY 2014 period.

Equity attributable to equity holders

Our equity consists of issued and paid-up share capital and retained profits/accumulated loss.

FY2014

As at 31 March 2014 our equity amounted to Ks11,326,226,617. It is comprised of issued and paid-up share capital of Ks11,790,000,000 and accumulated loss of Ks463,773,383.

FY2015

As at 31 March 2015 our equity amounted to Ks54,677,060,438. The increase is attributable to the increase in issued and paid-up share capital to Ks38,929,150,000 resulting from subscriptions brought about by the Offering and retained profits of Ks15,747,910,438.

LIQUIDITY AND CAPITAL RESOURCES

Our business growth and expansion have been financed through internal sources of funds derived from cash generated from our operating activities, as well as external sources consisting of mainly shareholders' equity. As at the Latest Practicable Date, to the best of our Director's knowledge, our Directors are of the opinion that we have adequate working capital for our present requirements after taking into account the present level of cash and bank balances, shareholders' funds and cash generated from operations.

Statement of Cash Flow

A summary of our cash flow is set out below:

Currency - Ks	Fiscal Year ended 31 March		
	FY2014	FY2015	FY2015 Consolidated
Net cash provided by (used in) operating activities	(1,578,304,486)	(12,107,005,947)	(13,107,005,947)
Net cash used in investing activities	(7,379,280,302)	(4,851,757,516)	(3,851,757,516)
Net cash provided by (used in) financing activities	23,631,470,000	15,297,680,000	15,297,680,000
Net increase (decrease)	14,673,885,212	(1,661,083,463)	(1,661,083,463)

in cash and cash equivalents			
Cash and cash equivalents, end of year	14,673,885,212	13,012,801,749	13,012,801,749

FOREIGN EXCHANGE EXPOSURE

The Company is exposed to currency risk on revenue and expenses that are denominated in currency other than Kyats, specifically United States Dollars. In respect of other monetary assets and liabilities denominated in foreign currencies, the Company ensures that its net exposure is kept to an acceptable level by buying or selling foreign exchange currencies at spot rates when necessary to address short-term imbalances. The Company, however, does not hedge its exposure to foreign exchange as the risk is not expected to be significant.

SUBSEQUENT EVENTS

During the annual general meeting on 18 December 2015, our Company declared payment of dividends at the rate of 20.0% of the par value per Share or Ks2,000 for every Share, which shall be paid from the Company's unrestricted retained profits to Shareholders who are Shareholders-of-record as at 23 November 2015.

The Board extensively discussed the Company's financial conditions before deciding to pay out dividends since the Company's founding in 2013. Even after the dividend payout, our Directors believe that the Company has a healthy cash flow and that we have adequate working capital for our present requirements after taking into account the present level of cash and bank balances, shareholders' funds and cash generated from operations. As at November 2015, before the dividend payout, our Company had a cash balance of Ks 21,870,000,000.

Further, the Company received an interim dividend of approximately Ks7,173,687,000 from MJTD in December 2015, leaving the Company with a positive cash flow of Ks21,467,533,000 once all dividends are paid out.

For FY2016-2017, we expect to receive from MJTD the same amount of dividends received during FY2015 and for FY2017-2018 we may not be able to expect dividends from MJTD as MJTD is planning to re-invest profits into the prospective Zone B Project.

On 24 February 2016, our Company subscribed to additional TPD Shares in the amount of Ks23,000,000,000. As at 24 February 2016, our Company holds 100.0% of the total issued and paid-up share capital of TPD equivalent to Ks24,000,000,000.

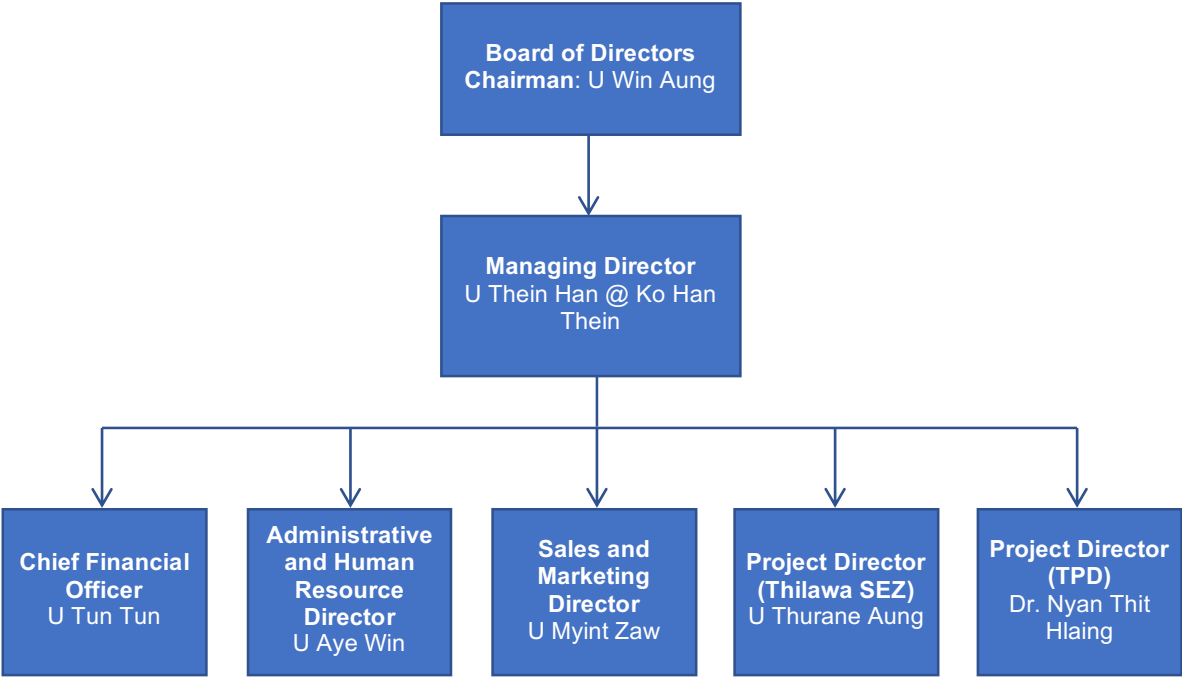
On 30 March 2016, our Company entered into the TPD Joint Venture Agreement providing for the subscription by Thilawa SMC to TPD Shares in an amount equivalent to Ks6,000,000,000. The subscription of Thilawa SMC to the TPD Shares is yet to be implemented; but once implemented, our Company will hold 80.0% of the total issued and paid-up share capital of TPD and the 20.0% balance shall thereafter be held by Thilawa SMC.

MTSH is expected to continue receiving management fees from MJTD for at least another two years. MTSH also expects to continue receiving sales commission for successful lease contracts it facilitates and interest income for cash deposits in banks.

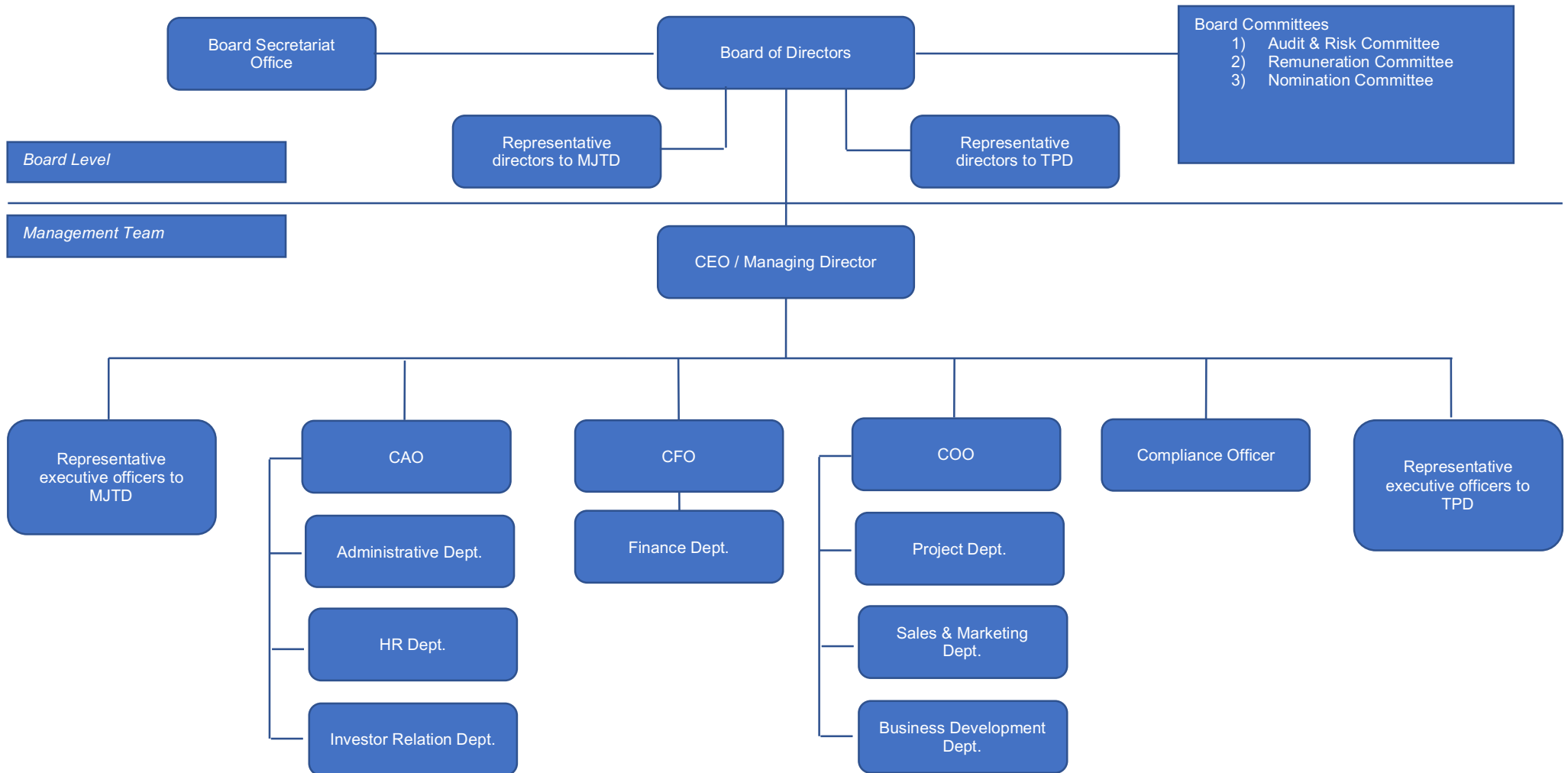
MANAGEMENT STRUCTURE

MANAGEMENT REPORTING STRUCTURE

The management structure chart showing the reporting lines and the functional responsibilities of our Directors and Executive Officers as at the Latest Practicable Date is set out below:



For our detailed organizational chart/structure, please see below:



DIRECTORS

Our Board of Directors is entrusted with the responsibility for our overall management and direction. Our Board will as frequently as required reviews and monitors our financial position and operations.

The following table sets out information regarding our Directors, all of whom are Myanmar citizens:

Name	Age	Address	Position	Date of Appointment
U Win Aung	63	No. 105, University Avenue, 10 Ward, Kamayut Township Yangon Region	Chairman	1 November 2014
U Theim Wai @ Mr. Serge Pun	63	No. 2 Jasmine Place, Pun Hlaing Golf Estate, Hlaing Thar Yar Township Yangon Region	Vice Chairman	1 November 2014
U Khin Maung Aye	52	No. C/1 Kabaraye Villa, Kabaraye Pagoda Road Mayangone Township Yangon Region	Vice Chairman	1 November 2014
U Thein Han @ Ko Han Thein	65	Building No. 67A First Floor, Bohosi Housing Wardan Street 10 Ward, Lanmadaw Township Yangon Region	Managing Director	1 November 2014
Dr. Aung Tun Thet	71	No. (135/D-1), Than Lwin Street, Kamaryut Township, Yangon Region	Independent Director	1 November 2014
U Tin Htut Oo	68	No. (53), Ground Floor, Lower Block, Lanmadaw Street, Landmadaw Township, Yangon Region	Independent Director	1 November 2014
U Nyi Khin	53	No. 417 23 rd Street, between 63 and 64 Street Ahhnake Taw Ward, Aung Myay Thar San Township Mandalay Region	Director	18 December 2015
U Tun Lwin	48	No. 785/787 11 th Floor, Maharbandoola Road 6 Ward, Lanmadaw Township Yangon Region	Director	18 December 2015
Dr. Nyan Thit Hlaing	46	No.55(A) Thu Nandar 4 Street, Thu Mingalar Housing Thingunyun Township Yangon Region	Director	18 December 2015

Name	Age	Address	Position	Date of Appointment
U Aung Soe Tha	35	No. 148E, 10 (B-9) A1 Street, 9 th Mile MaYanGone Township Yangon Region	Director	1 November 2014
U Tin Maung Hlaing	50	No.7/2 Saw Mahar Street Bo Cho Ward 2, Ba Han Township Yangon Region	Director	1 November 2014

The above Directors are nominated for appointment by our Nomination Committee.

Save as disclosed in the section “**Executive Officers**”, none of our Directors is related to each other or to our Executive Officers.

Certain information on the business and working experience of our Directors is set out below:

U Win Aung

U Win Aung is the Chairman of the Board of Directors. He is also chairman of Golden Land East Asia Development Limited, a public company that is engaged in general trading which established a Myanmar Economic Representative Office in Nanning in Southern China to promote trade and commerce cooperation between China and the ASEAN countries and to establish commercial and residential estate developments.

He brings to our Company many years of experience in business development in Myanmar and Southeast Asia, particularly in the Greater Mekong Sub-Region.

He founded and continues to be the chairman and chief executive officer of the Dagon Group of Companies since its establishment in 1990. Since 1993, the Dagon Group of Companies has successfully implemented property development projects. The Dagon Group of Companies is involved in diverse industries that include real estate, commercial development, hotel development, integrated agricultural development, value added food industry, logistics and distribution, automobile distribution, petroleum distribution and other business sectors.

He was vice president of the Union of Myanmar Federation of Chambers of Commerce and Industry (“**UMFCCI**”) from 1999 to 2011, where he closely cooperated with the United Nations Economic and Social Commission for Asia and the Pacific, which is the regional development arm of the United Nations for the Asia Pacific. He was elected as the president of the UMFCCI in 2011 and continues to serve as its president.

He was the chairman of the Greater Mekong Subregion (“**GMS**”) Business Forum from 2003 to 2004. He was again appointed as chairman of the GMS Business Forum in 2012 to 2014. The GMS Business Forum is a joint initiative of the chambers of commerce of the 6 GMS countries and plays a key role in promoting and facilitating cross-border trade and investment in the region.

Along with others, he initiated and founded the Myanmar Construction Entrepreneurs Association, the Myanmar Hotelier Association, the Myanmar Farm Crop Producers’ Association and the Myanmar Fruit and Vegetable Producers and Exporters Association.

U Win Aung is a member of the National Economic and Social Advisory Council of Myanmar (“**NESAC**”) and also a member of the Business Advisory Council of the United Nations

Economic and Social Commission for Asia and the Pacific (“UN-ESCAP”) and of the ASEAN Business Advisory Council (“ABAC”). He served as chairman of the ABAC from 2013 to 2014.

U Theim Wai @ Mr. Serge Pun

U Theim Wai @ Mr. Serge Pun is a Vice Chairman of the Board of Directors of the Company. He is the executive chairman of FMI, which is one of the Principal Shareholders of our Company.

Mr. Pun is a Myanmar national and the chairman of the SPA Group. He founded Serge Pun & Associates Limited in 1983 in Hong Kong which was then primarily active in real estate development and consultancy services. Mr. Pun has led many real estate development and consultancy services. In these partnerships, he was involved in the organisation, development, promotion and management of all the projects. In 1988, Serge Pun & Associates Limited opened its first overseas branch in Bangkok. Branches and subsidiaries in Shenzhen (1988), Kuala Lumpur (1990) and Chengdu (1992) followed in the ensuing years.

In 1991, Mr. Pun decided to return to his hometown in Myanmar and set up the SPA Group, which has today grown to become one of the country’s leading corporations with over 40 operating companies active in eight key business sectors including financial services (Yoma Bank Limited), real estate development, automobile service and distribution, agriculture, manufacturing, the services industry, tourism, transportation and infrastructure development.

Most projects are undertaken in conjunction with its local flagship company FMI and since 2006 together with its overseas flagship company Yoma Strategic Holdings Limited (“YSH”). FMI is a Myanmar public company established in 1992 and has more than 5,000 shareholders. YSH has been listed on the Main Board of the Singapore Exchange Securities Trading Limited since 2006, and Mr. Pun is its Executive Chairman.

Mr. Pun was appointed as honorary business representative of the International Enterprise Singapore for Myanmar from 2004 to 2007. He has been a member of the Chinese People Political Consultative Conference of Dalian, People’s Republic of China, since 2007. Serge Pun & Associates (Myanmar) Limited was elected to be one of the first founding members from Myanmar to the World Economic Forum in 2013.

U Khin Maung Aye

U Khin Maung Aye is a Vice Chairman of the Board of Directors of the Company. He is the chairman of New City Development, which is one of the Principal Shareholders of our Company. New City Development is a public company that is engaged in town planning and infrastructure development, with the objective of improving the living standards of rural areas in Myanmar and relieving the population pressure in the big cities in Myanmar.

U Khin Maung Aye established Kaytumadi Co., Ltd. in 1991 and is also the founder and chairman of the Kaung Myanmar Aung group. He is also the chairman of the KMA Shipping Co., Ltd., Citizen Business Insurance Public Limited, Myanmar Microfinance Bank Limited and Golden Myanmar Airlines Public Company Limited (all of which are associated with the Kaung Myanmar Aung group). He is also the chairman and chief executive officer of Co-Operative Bank Limited.

U Khin Maung Aye was elected as chairman of the Myanmar Banks Association at its 15th Annual General Meeting that took place on 4 December 2015. He was also elected as the chairman of the Central Cooperative Society. He is also currently the vice chairman of the Myanmar Hotel Association and the patron of Parami Hospital.

U Khin Maung Aye was also elected as vice chairman of NESAC. In addition to his expansive entrepreneurial duties, he is a well-known philanthropist. He accomplishes the humanitarian work with a unique passion and innovation.

U Khin Maung Aye graduated with a Bachelor of Science (Maths) Q2 degree from the University of Yangon in 1985.

U Thein Han @ Ko Han Thein

U Thein Han @ Ko Han Thein is the Managing Director of the Company. He is chairman of MEICO, which is one of the Principal Shareholders of our Company. MEICO is an industrial public company engaged in manufacturing, importing and exporting all kinds of edible oil and oil-related products.

He is the managing director of Golden Horse Company Limited established in 1990 and a director of Golden Horse Industry Company Limited, both of which are engaged in the business of manufacturing, importing, exporting and distributing oil-related products such as sesame seeds, groundnuts, Niger seeds, groundnut oil, sesame oil and palm oil. He is also a director of Shwe Taung Cement Company Limited and Future Energy Company Limited, both of which are part of the Shwe Taung group in Myanmar. U Thein Han is a patron of the Myanmar Edible Oil Dealers' Association and also serves as vice president of the UMFCCI. He also serves as chairman of the board of directors of MJTD.

U Thein Han graduated with a Bachelor of Science (Chemistry) from Yangon University in 1972.

Dr. Aung Tun Thet

Dr. Aung Tun Thet is an Independent Director of the Company. He was appointed on 1 November 2014. He also serves as member of the Myanmar Investment Commission, advisor to the Union of Myanmar Federation of Commerce and Industries, senior advisor to the UN Resident Coordinator's Office in Yangon, a visiting professor at Yangon Institute of Economics, Yangon University and National Defense College, honorary professor at the University of British Columbia, in Vancouver, Canada and a member of the Governing Board at the United Nations Educational, Scientific and Cultural Organization ("UNESCO") India Mahatma Gandhi Institute of Education for Peace and Sustainable Development in New Delhi, India.

He was also President U Thein Sen's Economic Advisor and was also a vice chairman of President U Thein Sen's NESAC.

Dr. Aung Tun Thet holds a Bachelor of Commerce from Yangon University, a post-graduate Diploma in Management Studies from the University of Brighton, M.Sc. in Operations Research from the University of Warwick and a Ph.D. in Management Sciences from the University of Marburg. He was awarded an Honorary Doctorate D. Litt. degree by the Yangon University of Economics in 2015.

U Tin Htut Oo

U Tin Htut Oo is an Independent Director of the Company. He was appointed on 1 November 2014. He is the chairman of Agriculture Group of Yoma Strategic Holdings Ltd and Agribusiness and Rural Development Consultants. He served as economic advisor to the President U Thein Sein and the chairman of the NESAC.

He has worked with UN organizations as consultant and as senior advisor to the Special Unit on Countries with Special Needs, Office of the Executive Secretary and UNESCAP from 2009 to 2011. He also held executive committee member positions in regional bodies such as Southeast Asian Regional Center for Graduate Study and Research in Agriculture ("SEARCA"),

Center on Integrated Rural Development for Asia and the Pacific (“**CIRDAP**”) and Association of Southeast Asian Nations (ASEAN) Ministers on Agriculture and Forestry (“**ASEAN-AMAF**”). He is a retired director-general of the Department of Agricultural Planning and before that held various posts in the Ministry of Agriculture and Irrigation since 1974.

He has been awarded excellent Performance in Administrative Field (First Class) in 2002. He holds a Bachelor’s degree from the Institute of Agriculture, Mandalay, Myanmar and a master’s degree from the Ohio State University, USA.

U Tun Lwin

U Tun Lwin is a Director of the Company. He is chairman of the MAGDPL since 2012, which is one of the Principal Shareholders of our Company. MAGDPL is a public company engaged in (among others) the construction of containers and general cargo handling international terminal at Thilawa Port Plot 29.

He is also serving as the executive director of MAPCO and MEICO, both of which are our Principal Shareholders. He is also the executive director of Myanmar Citizens Bank Limited. He also serves as the vice chairman of the National Resources Development Company Limited. He is also the chairman of the Myanmar Pulses, Beans and Sesame Seeds Merchants Association and treasurer of the UMFCCI as well as the Myanmar-Japan Association.

He has also been the managing director of Shwe Me Group of companies since 1995.

The companies that he is involved in operate in various areas of businesses including export of agricultural products, import of construction materials and general cargo, production of finished wood products, provision of logistics services, development at Thilawa Port Terminal and teak plantations.

U Nyi Khin

U Nyi Khin is a Director of the Company. He is the chairman of MSD, which is one of the Principal Shareholders of our Company. MSD was jointly set up by enterprises in the sugar and sugar-related industries with the objective of developing the sugar and sugar-related industries in Myanmar. He brings with him more than 25 years of experience in the food production industry.

U Nyi Khin owns and operates three sugar factories under the “Shwe Pyi Aung” name.

U Tin Maung Hlaing

U Tin Maung Hlaing is the Director of the Company. He is an executive director of MAPCO, which is one of the Principal Shareholders of our Company. MAPCO is a public company formed to mobilise public savings and to foster broader investment in agriculture and agro-based industries of Myanmar.

He served as an executive director in the Myanmar Automobile Development Public Company Limited that engaged in manufacturing and distribution of motor vehicles. He has also been working as a managing director in Evergreen Autos Co., Ltd. since the founding of the company. He is also involved in the public company, Myanmar National Telecom Holdings Public Ltd. that focuses on helping with the development of telecommunication sectors in Myanmar.

U Tin Maung Hlaing is also actively involved in Myanmar Japan Association as Central Executive Committee member. He graduated with a Bachelor of Science in Physics from the Yangon University in 1988. He is fluent in the Japanese language.

Dr. Nyan Thit Hlaing

Dr. Nyan Thit Hlaing is a Director of the Company and the project director for TPD for the development of the Residential and Commercial Component of the Zone A Project. He is currently co-managing director of the NDCG, which is one of the Principal Shareholders of our Company. NDCG is a public company engaged primarily in the business of construction, trading and general services.

He is also a director of Proven Technology Industrial Co. Ltd. and the managing director of Zodiac E Corridor Company Limited. He is also the secretary of the Myanmar Tourism Federation, joint secretary of Myanmar Construction Entrepreneur Association and the treasurer of the Peti Foundation.

Dr. Nyan Thit Hlaing graduated with a Bachelors of Medicine from the University of Medicine (1) Yangon in 1996.

U Aung Soe Tha

U Aung Soe Tha is a Director of the Company. He is also a Director of MJTD.

He is a director of MTI, which is one of the Principal Shareholders of our Company. MTI is a public company established to invest and to become a leading player in the info-communications and telecommunications and telecommunications-related fields in Myanmar. He is also a director of Myanmar Information Technology Pte Ltd. since 2002.

U Aung Soe Tha is the chairman of the Myanmar ComBiz group, which is engaged in the business of trading products in the information communications and technology sector, trading in the agricultural sector and trading of petroleum products and a variety of commodities. Myanmar ComBiz group is also involved in the services sector and, in particular, in the travel and tourism industry.

He is a central executive committee member of the UMFCCI, vice president of the Myanmar Young Entrepreneurs Association, vice chairman of the Myanmar Computer Industries Association, vice president of the Yangon Region Computer Industries Association and joint-treasurer of the Myanmar Rice Industry Association.

U Aung Soe Tha was conferred the ASEAN Outstanding Entrepreneur Award in Vietnam in 2011.

He holds a Master of Business Administration, as well as degrees in Economics and Information Technology, from the Yangon Institute of Economics.

Present and past principal directorships of our Directors

The present and past principal directorships held by our Directors in the last five years preceding the Latest Practicable Date, excluding those held in our Company, are as follows:

Name	Principal Present Directorships	Principal Past Directorships
U Win Aung	GLAD Dagon International Ltd.	
U Theim Wai @ Mr. Serge Pun	7 Focus Investment Ltd. FMI FMI Air Ltd. FMI Garden Development Ltd. FMI Syndication Ltd.	Group Synergetic Force Co., Ltd. Meeyahta International Hotel Ltd. Seven Golden Gates Co., Ltd. Yangon Sand Industries Ltd. Agribusiness and Rural

Name	Principal Present Directorships	Principal Past Directorships
	Hlaing River Golf & Country Club Co., Ltd.	Development Consultant Co., Ltd.
	JJ-Pun Ltd.	Myanmar Agri-Tech Carbon Capital Ltd.
	Myanmar Agri-Tech Ltd.	SPA Project Management Ltd.
	Pun Hlaing Capital Co., Ltd.	Yoma Telecom Co., Ltd.
	Pun Hlaing International Hospital Ltd.	
	Pun Hlaing Links Services Co., Ltd.	
	Pun Plus Projects Ltd.	
	Serge Pun & Associates (Myanmar) Ltd.	
	Thanlyin Estate Development Ltd.	
	Yangon Land Co., Ltd.	
	Yangon Nominees Ltd.	
	Yoma Bank Ltd.	
	Yoma Thitsar Commercial Co., Ltd.	
	Access Myanmar Distribution Company Limited	
	Chindwin Bagan Company Limited	
	Chindwin Investment Limited	
	Chindwin Pindaya Company Limited	
	Eletra Trading Company Limited	
	FMI Development Group Limited	
	FMI Riverside Development Limited	
	Meeyahta International Hotel Limited	
	Myanmar Dairy Nutrition Company Limited	
	Myanmar Milk Farm Company Limited	
	SBA Company Limited	
	SGG Motor Services Limited	
	Summit Brands Restaurant Group Limited	
	SPA Assets Management Limited	
	SPA Aviation Holdings Limited	
	SPA Project Management Services Limited	
	Star City International School Company Limited	
	Yoma Fleet Limited	
	Yoma Development Group Limited	
	Yoma Myittar Development Company Limited	
	Yoma Nominee Limited	
	Yoma Siloam Hospital Pun Hlaing Limited	
	Yoma Venture Company Limited	

Name	Principal Present Directorships	Principal Past Directorships
	Le Planteur Company Limited Le Planteur Inya Lake Company Limited Pun Plus Project Limited SPA Project Management Services Limited Vehicle Lease Management Limited Yoma Development Group Limited Yoma German Motors Limited	
U Khin Maung Aye	New City Development Co-Operative Bank Limited Kaung Myanmar Aung Shipping Co., Ltd. Citizen Business Insurance Public Limited Myanmar Microfinance Bank Limited Golden Myanmar Airlines Public Company Limited	Nil.
U Thein Han @ Ko Han Thein	MJTD MEICO Golden Horse Company Limited Golden Horse Industry Company Limited Shwe Taung Cement Company Limited Future Energy Company Limited	Nil.
Dr. Aung Tun Thet	FMI	Nil.
U Tin Htut Oo	Nil.	Nil.
U Tun Lwin	Shwe Me' Co., Ltd. Shwe Me' Industry Co., Ltd. Shwe Me' Logistics Services Co., Ltd. National Resources Development Company Limited MAPCO MEICO MAGDPL Myanmar Citizens Bank Limited	Nil.
U Nyi Khin	MSD Shwe Own Pwint Co., Ltd.	Nil.
U Tin Maung Hlaing	MAPCO Evergreen Autos Co., Ltd.	Myanmar Automobile Development Public Company
Dr. Nyan Thit Hlaing	NDCG Proven Technology Industrial Co.	Nil.

Name	Principal Present Directorships	Principal Past Directorships
	Ltd. Zodiac E Corridor Company Limited	
U Aung Soe Tha	MJTD MTI Myanmar ComBiz Group	Nil.

Term of office

In accordance with our Articles of Association at each subsequent annual general meeting of our Company, one-third of our Directors for the time being (or, if their number is not a multiple of three, the number nearest to one-third) is required to retire from office by rotation.

Our Directors who are required to retire by rotation in each year shall be those who have been longest in office since their last re-election, but as between persons who became Directors on the same date, those to retire (unless they otherwise agree amongst themselves) shall be determined by lot.

During the annual general meeting on 18 December 2015, three of our Directors were re-elected and became Directors of our Company on the same date. Those to retire during the next annual general meeting (unless they otherwise agree amongst themselves) shall be determined by lot.

A retiring Director is eligible for re-election.

EXECUTIVE OFFICERS

Our Executive Officers are responsible for our day-to-day management and operations. The following table sets out information regarding our Executive Officers.

Name	Age	Address	Position
U Tun Tun	41	O22A, Orchid Garden, FMI City Hlaing Thayar Township Yangon	Chief Financial Officer
U Aye Win	47	No. 42, Shwe Tharaphy Yeik Mon Bayint Naung Road, Kamayut Township Yangon	Administrative and Human Resource Director
U Myint Zaw	42	No.11, Yadanarmon 3 rd Street, Ayeyeikmon Housing, Hlaing Township, Yangon	Sales and Marketing Director
U Thurane Aung	33	No. 105, University Avenue Road 10 th Quarter, Kamayut Township Yangon	Project Director (Thilawa SEZ)
Dr. Nyan Thit Hlaing	46	No. 55(A) Thu Nandar 4 Street, Thu Mingalar Housing Thingunyun Township Yangon Region	Project Director (TPD)

Save as disclosed below, none of our Executive Officers is related to each other or to our Directors.

Our Project Director, U Thurane Aung, is the son of our Chairman, U Win Aung.

Our Executive Officers are not working exclusively for our Company. Please see further the section “**Employment Agreements and Remuneration**”.

Information on the business and working experience of our Executive Officers is set out below:

U Tun Tun

U Tun Tun is the Chief Financial Officer of our Company.

U Tun Tun is an executive director and chief financial officer of the SPA Group and FMI (one of our Principal Shareholders). He joined the SPA Group in late 1998, and developed his career within the SPA Group, where he assumed many different positions which gave him exposure and experience in many areas, including corporate finance, share registration, company secretarial practice, legal, corporate governance, information technology, property development, estate management, valuation, mergers and acquisitions, business development and stock exchange listing work.

He graduated in 1998 from, and currently holds an associate membership in, the Institute of Chartered Secretaries and Administrators (United Kingdom).

U Aye Win

U Aye Win is the Administrative and Human Resource Director of our Company.

U Aye Win has, since 2012, been the managing director of MEICO, one of our Principal Shareholders, which engages in manufacturing, trading, importing and exporting all kinds of edible oil and oil-related products. He is concurrently the managing director of Thuriya Win Company Limited, which is involved mainly in the food processing, distribution and agribusiness. He is one of the founders and a board member of Myanmar Industries Alliances Public Limited which carries out business in the industrial development sector, information and telecommunication service and energy sector.

He is an active central executive committee member of the UMFCCI. He also holds the post of secretary general of the Myanmar Food Processors and Exporters Association and central executive committee member of the Myanmar Industries Association.

U Aye Win graduated with a Bachelor of Commerce from the Yangon Institute of Economics in the year 1992.

U Myint Zaw is the Sales and Marketing Director of our Company

U Myint Zaw is a director of the MAGDPL. He has 20 years of experience in managing an import and export business. He has also been working as a director of the Lim Family Co., Ltd. since 1996. He was also appointed as managing director in Aung Si Linn International (Trading House) and Mahar Shwe Yadanar Myay Co. Ltd., which deal with importing of palm oils and wholesale distribution. In 2006, he became a director of Proven Technology Industry Co., Ltd., Yangon Metal Industry Ltd., Myanmar Poly World Ltd. and Green Myanmar Group Limited. He graduated with a Bachelor of Science (Chemistry) from the Yangon University and received a Masters Degree in Business Administration (MBA) from the University of Thai Chamber of Commerce in 2014.

U Thurane Aung

U Thurane Aung is the Project Director of the Thilawa SEZ of our Company.

U Thurane Aung has more than 10 years of working experience in the Dagon group, which is one of the leading conglomerates in Myanmar with diversified businesses in sectors that include property development and construction, hospitality, timber, agriculture, commodity trading, plantation, retail and distribution, petroleum, automobile and food processing.

His primary responsibility is planning and implementation in real estate project including town planning, commercial & residential developments. His 10 years of experience in property development sector also gives him a greater understanding of project management and project implementation.

He is also responsible for the business strategies and expansion plans for the Dagon Group and specializes in identifying new business areas for the Dagon Group to expand into. He actively leads and works on feasibility studies on the Dagon Group's expansion into new industries in Myanmar through the establishment of new business, privatizations and acquisitions.

He holds a Bachelor of Arts (Honours) in Business Information Management in Finance, which he obtained from the University of Westminster in 2004.

Dr. Nyan Thit Hlaing is a Director of the Company and the project director for TPD for development of the Residential and Commercial Component of the Zone A Project. He is currently co-managing director of the NDCG, which is one of the Principal Shareholders and which is a public company engaged primarily in the business of construction, trading and general services.

He is also a director of Proven Technology Industrial Co. Ltd. and the managing director of Zodiac E Corridor Company Limited. He is also the secretary of the Myanmar Tourism Federation, joint secretary of Myanmar Construction Entrepreneur Association and the Treasurer of the Peti Foundation.

Present and past principal directorships of our Executive Officers

The present principal and past directorships held by our Executive Officers in the five years preceding the Latest Practicable Date are as follows:

Name	Principal Present Directorships	Principal Past Directorships
U Tun Tun	7 Focus Investment Ltd. Chindwin Investments Ltd. Convenience Prosperity Co., Ltd. FMI FMI Air Ltd. FMI Garden Development Ltd. FMI Pearl City Development Ltd. FMI Riverside Development Ltd. FMI Syndication Ltd. Hexagon System Co., Ltd. Hlaing River Golf & Country Club Co., Ltd. JJ-Pun Ltd. Mandalay Cement Industries Co., Ltd. Meeyahta International Hotel Ltd. Myanmar Agri - Tech Ltd. Northern Island Co., Ltd. Pun Hlaing Capital Co., Ltd.	Asia Green Valley Co., Ltd. Butterfly Trading Co., Ltd. Group Synergetic Force Co., Ltd. May Enterprise Ltd. Norther Island Co., Ltd. Smart & Trust Services Co., Ltd. Thanlyin Estate Development Ltd. Trusted Persons Co., Ltd. Yoma Bank Ltd. Yoma Yarzar Manufacturing Co., Ltd.

Name	Principal Present Directorships	Principal Past Directorships
	Pun Hlaing International Hospital Ltd. Pun Hlaing Landscaping Ltd. Pun Hlaing Links Services Co., Ltd. Pun Hlaing Lodge Ltd. Pun Plus Projects Ltd. Serge Pun & Associates (Myanmar) Ltd. Serge Pun & Associates Marketing Ltd. Seven Golden Gates Co., Ltd. SGG Motor Services Ltd. SPA Elevator Ltd. Yangon Land Co., Ltd. Yangon Nominees Ltd. Yangon Sand Industries Ltd. Yoma Myittar Development Ltd. Yoma Thitsar Commercial Co., Ltd.	
U Aye Win	MEICO Thuriya Win Manufacturing Co., Ltd. Thuriya Win International Co., Ltd. Unity Force International Co., Ltd. Myanmar Industries Alliance Public Ltd.	Nil
U Myint Zaw	Myanma Agriculture and General Development Public Ltd. Lim Family Co., Ltd. Aung Si Linn International (Trading House) Proven Technology Industry Co., Ltd., Yangon Metal Industry Ltd., Myanmar Poly World Ltd., Green Myanmar Group Limited	Nil
U Thurane Aung	Dagon International Ltd. Dagon Rubber Plantation Ltd Dagon Communication Limited Kyaiklat Rice Production Co., Ltd Thuriya Energy Co., Ltd Thuriya Energy Depot Management Co., Ltd Dagon Foods Limited Global Star Co., Ltd Global Star Financing Co., Ltd Dagon Precast Ltd. DMC Machinery Ltd. Andaman Alliance Healthcare Limited	Nil.

Name	Principal Present Directorships	Principal Past Directorships
Dr. Nyan Thit Hlaing	NDCG Proven Technology Industrial Co. Ltd. Zodiac E Corridor Company Limited	Nil.

SHARES HELD BY THE DIRECTORS AND EXECUTIVE OFFICERS

As of the Latest Practicable Date, save as disclosed below, none of our Directors, Executive Officers hold Shares in our Company:

Name	No. of Shares registered in the name of the Director/Executive Officer	No. of Shares in which the Director/Executive Officer is deemed to have an interest
U Win Aung	25,634	220,750
U Tun Lwin	52,385	197,101
U Thein Han	Nil	195,000
U Theim Wai	Nil	195,000
U Nyi Khin	Nil	195,000
Dr. Nyan Thit Hlaing	Nil	195,516
U Khin Maung Aye	Nil	198,336
U Aung Soe Tha	Nil	195,000
U Tin Maung Hlaing	Nil	195,610
Dr. Aung Tun Htet	Nil	Nil
U Tin Htut Oo	Nil	Nil
U Thurane Aung	49,354	14,315
U Aye Win	1,102	
U Myint Zaw	1,121	
U Tun Tun	Nil	

EMPLOYMENT AGREEMENTS WITH DIRECTORS AND EXECUTIVE OFFICERS AND REMUNERATION

None of our Directors (to the extent they act in an executive capacity) or Executive Officers has entered into employment agreements with our Company. Our Directors and Executive Officers are nominated by our Nomination Committee and (to the extent relevant) take up executive positions in our Company without any compensation except as set out below:

Total of Remuneration and allowances received by Directors and Executive Officers		
	FY2013 to FY2014	FY2014 to FY2015
Directors	-	Ks29,885,700
Executive officers	US\$66,794	US\$348,000

Our Directors also received a bonus of 2% of the income of the Company after taxes, which was approved by the Shareholders during the annual general meeting of the Company held on 18 December 2015.

CORPORATE GOVERNANCE

INTRODUCTION

Our Directors recognise the importance of corporate governance and the maintenance of high standards of accountability to our Shareholders and adopt corporate governance practices which are generally consistent with prevailing international principles, to the extent reasonably practicable taking into account local conditions in Myanmar.

Our Company has adopted a set of Corporate Governance Guidelines and a Roadmap which expresses our Company's commitment to implement corporate governance through its Board of Directors and top level management and in making corporate governance the culture of our Company. The Corporate Governance Guidelines and Roadmap shows the steps that our Company intends to take towards implementing good corporate governance.

The Corporate Governance Guidelines and Roadmap sets out the mission and goals of our Company in implementing good corporate governance:

Mission

1. To realize the achievement of corporate sustainability through governance based upon the principles of transparency, accountability, responsibility, independence and fairness.
2. To realize the empowerment of the function and independence of each corporate body: the general shareholders' meeting, the Board of Directors and the executive management.
3. To realize a condition in which all corporate bodies make their decisions and implement them on the basis of high moral values and adherence to existing laws and regulations.

Goals

1. To improve our Company's performance through the creation of decision-making processes, improving operational efficiency and improving services to stakeholders.
2. To improve corporate value by improving financial performance and minimizing investment decision risks that contain conflicts of interest.
3. To improve investor trust.
4. To achieve stakeholder satisfaction resulting from corporate values and Company dividends.

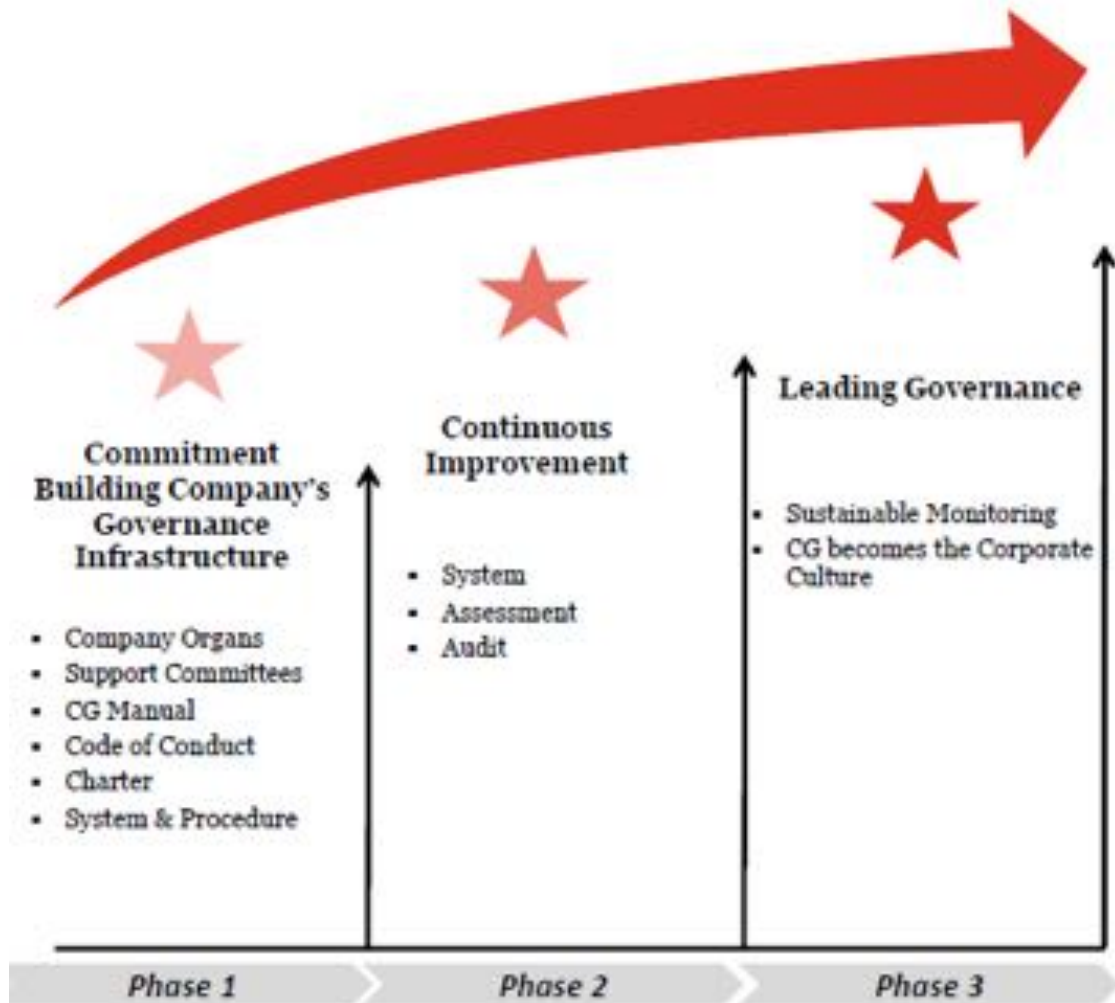
Through a strong commitment and consistency with respect to the application of good corporate governance, our Company believes it will improve business performance and sustainable growth, so that ultimately, corporate value will improve for shareholders and other stakeholders.

The Corporate Governance Guidelines and Roadmap also provide for our Company's governance structure and mechanism and how the Company will implement the structure and mechanism in phases. The Corporate Governance Guidelines further describe the roles and responsibilities of the general meeting of shareholders, Board of Directors, the executive management, the Managing Director or Chief Executive Officer and the Chairman of our Company.

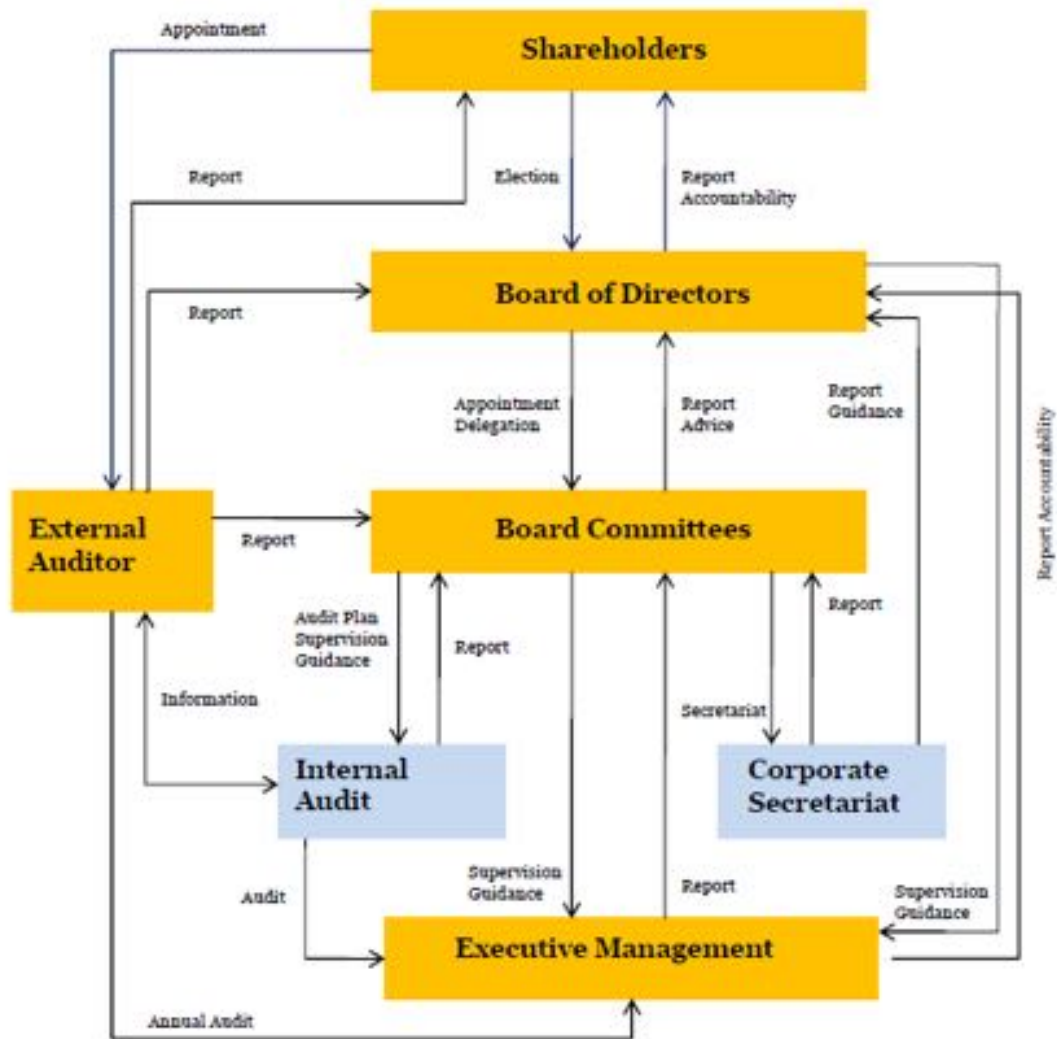
Our Company intends to implement the following structures and policies for corporate governance:

Infrastructure	Soft Structure
General Meeting of Shareholder	Corporate Governance Roadmap
Board of Directors	Corporate Governance Code
Executive Management	Code of Conduct Manual
Board Support Committees Audit Committee Corporate Governance Committee Nominating Committee Remuneration Committee	Committee Charter
Corporate Secretariat	Internal Audit Charter
Risk Management	Conflict of Interest Policy
Internal Audit	Whistle Blower Policy
External Audit	

Our Company will implement the governance structure and mechanism as follows:



Our Company's Governance Reporting Structure is as follows:



CORPORATE CODE OF CONDUCT

Pursuant to the Corporate Governance Guidelines and Roadmap our Company has adopted a Corporate Code of Conduct: Guidelines for Business and Work Ethics on 27 January 2016 (the “**Corporate Code of Conduct**”).

The Corporate Code of Conduct lays down our Company’s vision, mission and corporate values. The Corporate Code of Conduct also provides for the business ethics, behavioral rules, work ethics and the disclosure manual, that all members of MTSH, including the Board of Directors and Executive Directors, must follow.

Vision

To invest in the development of the Thilawa SEZ for all-around social and economic growth of Myanmar and to become a regional leader attracting foreign direct investment.

Mission

To create value for all stakeholders, investors, partners, employees and communities by investing and providing reliable, sustainable business environment through the development of world class industrial and commercial infrastructure with responsible international practices and good governance ensuring long term growth.

Corporate Values

Sustainability, Transparency, Responsibility, Efficiency, Notable, Goal Oriented, Learning and Health and Safety.

WHISTLEBLOWING POLICY

Our Company has also implemented a whistleblowing policy for protection of employees for reporting any improper conduct of the Company's management.

INDEPENDENT DIRECTORS

Our Company has appointed two Independent Directors to the Board, with a view of introducing a strong and independent element to the Board. It is intended that three Independent Directors will be appointed and that the Independent Directors will be able to exercise objective judgment on corporate affairs independently, in particular, from management and major Shareholders of our Company.

The Independent Directors of our Company are: Dr. Aung Tun Thet and U Tin Htut Oo who were first appointed during the first annual general meeting of the Shareholders and who were re-appointed during the last annual general meeting of Shareholders on 18 December 2015.

BOARD COMMITTEES

Our Board has established three committees: (a) the Audit Committee; (b) the Nomination Committee; and (c) the Remuneration Committee.

Audit Committee

The Audit Committee is composed of Dr. Aung Tun Thet, U Khin Maung Aye, U Thein Han and U Thein Han @ Ko Han Thein. The Chairman of the Audit Committee is Dr. Aung Tun Thet, an Independent Director of the Company.

Our Audit Committee assists our Board in discharging its responsibility to safeguard our assets, maintain adequate accounting records and develop and maintain effective systems of internal control, with the overall objective of ensuring that our management creates and maintains an effective control environment in our Company.

Our Audit Committee provides a channel of communication between our Board, our management and our external auditors on matters relating to audit.

Our Audit Committee meets periodically to perform the following functions:

- (a) review the audit plans of the external auditors and our internal auditors (if any), including the results of the review and evaluation of our system of internal controls by our external auditors and internal auditors (if any);
- (b) review the annual financial statements and the external auditors' report on those financial statements, and discuss any significant adjustments, major risk areas,

changes in accounting policies, compliance with applicable financial reporting standards, concerns and issues arising from their audits including any matters which the auditors may wish to discuss in the absence of management, where necessary, before submission to our Company for approval;

- (c) review the periodic financial statements comprising the profit and loss statements and the balance sheets and such other information required by law, before submission to our Company for approval;
- (d) review and discuss with external and internal auditors (if any), any suspected fraud, irregularity or infringement of any relevant laws, rules or regulations, which has or is likely to have a material impact on our Company's operating results or financial position and our management's response;
- (e) review the co-operation given by our management to our external auditors;
- (f) consider the appointment and re-appointment of the external auditors;
- (g) review and approve Interested Person Transactions pursuant to the IPT Procedures (as to which see further the section "**Interested Person Transactions**" below);
- (h) review any potential conflicts of interests;
- (i) review the procedures by which employees of our Company may, in confidence, report to the Chairman of the Audit Committee possible improprieties in matters of financial reporting or other matters and ensure that there are arrangements in place for independent investigation and follow-up actions in relation thereto;
- (j) undertake such other reviews and projects as may be requested by our Board, and report to our Board its findings from time to time on matters arising and requiring the attention of our Audit Committee; and
- (k) undertake generally such other functions and duties as may be required by law.

Apart from the duties listed above, the Audit Committee may also commission and review the findings of internal investigations into matters where there is any suspected fraud or irregularity, or failure of internal controls or infringement of any Myanmar law, rule or regulation which has or is likely to have a material impact on our Company's operating results and/or financial position. Each member of the Audit Committee must abstain from voting on any resolutions in respect of matters in which he is interested.

In 2015, our Company's Audit Committee had three meetings.

Nomination Committee

Our Nomination Committee is composed of U Tin Maung Hlaing, Dr. Nyan Thit Hlaing and U Nyi Khin. The Chairman of the Nomination Committee is U Tin Maung Hlaing. The Board currently intends that the Chairman of the Nomination Committee will be an Independent Director. It is contemplated that one of the three Independent Directors to be appointed in due course will also be appointed as Chairman of the Nomination Committee.

Our Nomination Committee is responsible for (a) re-nomination of our Directors having regard to a Director's contribution and performance, (b) determining annually whether or not a Director is independent and (c) deciding whether or not a Director is able to and has been adequately carrying out his duties as a Director.

The Nomination Committee decides on how the Board's performance is to be evaluated and proposes objective performance criteria, subject to the approval of the Board, which address how the Board has enhanced long-term Shareholders' value. The Board intends to implement a process to be carried out by the Nomination Committee for assessing the effectiveness of the Board as a whole and for assessing the contribution by each individual Director to the effectiveness of the Board. Each member of the Nomination Committee is required to abstain from voting on any resolutions and making any recommendations and/or participating in any deliberations of the Nomination Committee in respect of the assessment of his performance or re-nomination as Director.

In 2015, our Company's Nomination Committee had two meetings.

Remuneration Committee

Our Remuneration Committee is composed of U Tin Htut Oo, U Win Aung, U Theim Wai @ Mr Serge Pun and U Aung Soe Tha. The Chairman of the Remuneration Committee is U Tin Htut Oo, an Independent Director of the Company.

Our Remuneration Committee is responsible for recommending to our Board a framework of remuneration for our Directors and key executives, and determining specific remuneration packages for each Director and key executives. The recommendations of our Remuneration Committee are submitted for endorsement by the entire Board. All aspects of remuneration, including but not limited to Directors' fees, salaries, allowances, bonuses, options and benefits in kind are covered by our Remuneration Committee. Each member of the Remuneration Committee is required to abstain from voting on any resolutions and making recommendations and/or participating in any deliberations of the Remuneration Committee in respect of his remuneration package.

In 2015, our Company's Remuneration Committee had two meetings.

OTHER CORPORATE GOVERNANCE EFFORTS

To further strengthen our Company's commitment to transparency, corporate governance and corporate social responsibility, our Company has also formulated a corporate social responsibility policy. Our Company has joined the United Nations Global Compact. The United Nations Global Compact is a voluntary initiative for corporate sustainability for companies to align strategies and operations with universal principles on human rights, labour environment and anti-corruption. Seminars and trainings on corporate governance and corporate social responsibility have also been conducted for the Board of Directors and every level of employee.

Our Company has also issued an employee handbook that contains the Company's employee policies and procedures and the rules and regulations that all employees must satisfy.

Our Company has also adopted a Code of Conduct for Prevention of Insider Trading in anticipation of its listing with the YSX.

INTERESTED PERSON TRANSACTIONS

INTRODUCTION

As at the Latest Practicable Date, there is no legal or regulatory framework in Myanmar directly governing transactions between a Myanmar public company or its subsidiaries and any person connected with a director or major shareholder.

As our Company is a public company with minority Shareholders, our Directors acknowledge the need for the interests of minority Shareholders to be safeguarded. In view of the foregoing, our Directors have voluntarily adopted the IPT Procedures (as set out below).

Further, our Company has disclosed in its financial statements its related party transactions pursuant to the related party disclosure requirements under Myanmar Accounting Standard 24.

RELATED PARTY TRANSACTIONS

The following are the related party transactions of our Company as disclosed in the audited consolidated financial statements of our Group for the fiscal year ended 31 March 2015:

Related Party Transactions (sales and purchase of goods and service) according to the Company's Audited Consolidated Financial Statement for FY2015	Amount
Myanmar Japan Thilawa Development ("MJTD")	US\$822,919.88
Other related parties	*Ks425,725,973
Payments made on behalf of the Company's subsidiary, Thilawa Property Development ("TPD")	Ks1,467,364,761
Management fees received from MJTD	US\$804,130
Sales commission received from MJTD	US\$1,135,125

* Other related parties comprise mainly of companies which are controlled or significantly influenced by the Company's key management personnel which are as follows:

No.	Company Name and Transaction	Related Key Management Personnel	Position in Company	Amount in Ks
1.	Dagon International Limited (Rent of machineries)	U Win Aung	Chairman	308,609,212
2.	Thuriya Energy Depot Management Company Limited (Rent of land for sand stock pile)	U Win Aung	Chairman	45,728,750
3.	Shwe Pyi General Trading (Container charges)	U Tun Lwin	Director	25,525,320
4.	Myint Myat Htut Khaung Co., Ltd. (Purchase of diesel)	U Aung Win	Chief Financial Officer of MJTD	28,638,622
5.	Union of Myanmar Federation of Chamber of Commerce & Industry (Rent of office room)	U Win Aung U Thein Han	President Vice President	17,224,069
TOTAL				425,725,973

We have not entered into any employment agreement with our Directors (to the extent that they act in an executive capacity) or our Executive Officers. All of our Directors and Executive Officers are nominated by our Nomination Committee to take up executive positions in our

Company without any compensation except as set out in the section “**Management Structure – Employment Agreements with Directors and Executive Officers and Remuneration**”.

Our Company’s principal bankers are APEX Bank, Kanbawza Bank Ltd., Yoma Bank Limited and Co-operative Bank Limited. Our Vice Chairman, U Theim Wai @ Mr. Serge Pun, is the major shareholder and a director of Yoma Bank Limited. Our Director, U Khin Maung Aye, is the major shareholder and chairman of Co-operative Bank Limited.

Save as disclosed above, our Directors do not currently expect that there will be other ongoing recurring related party transactions.

IPT PROCEDURES

Our Directors have resolved to adopt the IPT Procedures with a view to ensuring that Interested Person Transactions are on normal commercial terms and are transacted on an arm’s length basis on terms and prices not more favourable to the Interested Persons than if they were transacted with a third party and are not prejudicial to the interests of our Company and our minority Shareholders. Our Directors may from time to time revise the IPT Procedures in such manner as may be considered appropriate by our Board.

1. Definitions

For the purpose of the IPT Procedures, unless the context otherwise requires:

“**associate**” means:

- (a) in relation to any Director, the Managing Director or controlling shareholder of our Company (being an individual):
 - (i) his immediate family;
 - (ii) the trustees of any trust of which he or his immediate family is a beneficiary or, in the case of a discretionary trust, is a discretionary object; and
 - (iii) any company in which he and his immediate family together (directly or indirectly) have an interest of 30.0% or more;
- (b) in relation to a controlling shareholder of our Company (being a company), any other company which is its subsidiary or holding company or is a subsidiary of such holding company or one in the equity of which it and/or such other company or companies taken together (directly or indirectly) have an interest of 30.0% or more;

“**associated company**” means a company in which at least 20.0% but not more than 50.0% of its shares are held by our Company or our Group;

“**control**” means, in relation to a company, the capacity to dominate decision-making, directly or indirectly, in relation to the financial and operating policies of that company;

“**controlling shareholder**” means a person who:

- (a) holds directly or indirectly 15.0% or more of the total issued and paid-up share capital of our Company, unless the Board reasonably determines that a person who satisfies this paragraph is not a controlling shareholder; or

(b) in fact exercises control over our Company;

“Entity at Risk” means (a) our Company; (b) a subsidiary of our Company that is not listed on a stock or securities exchange recognised by our Board for this purpose; or (c) an associated company of our Company that is not listed on a stock or securities exchange recognised by our Board for this purpose, provided that our Group, or our Group and its Interested Person(s), has control over the associated company;

“Group” means our Company and our subsidiaries (if any);

“immediate family” means, in relation to a person, the person’s spouse, child, adopted child, step-child, sibling and parent;

“Interested Person” means: (a) a Director, the Managing Director or controlling shareholder of our Company; or (b) an associate of such Director, Managing Director or controlling shareholder;

“Interested Person Transaction” means a transaction between an Entity at Risk and an Interested Person; and

“transaction” includes, without limitation:

- (a) the provision or receipt of financial assistance;
- (b) the acquisition, disposal or leasing of assets;
- (c) the provision or receipt of services;
- (d) the issuance or subscription of securities;
- (e) the granting of or being granted options; and
- (f) the establishment of joint ventures or joint investments; whether or not in the ordinary course of business and whether or not entered into directly or indirectly (for example, through one or more interposed entities).

2. General Procedures

The following procedures will be implemented by our Group in relation to Interested Person Transactions:

- (a) when purchasing any products or procuring any services from an Interested Person, 2 additional quotations from non-Interested Persons will be obtained as a comparison to ensure that our Group’s interests and minority Shareholders’ interests are not disadvantaged. The purchase price or fee for services shall not be higher than the most competitive price or fee of the 2 additional quotations from non-Interested Persons. Pertinent factors, including but not limited to quality, requirements, specifications, delivery time and track record will be considered in determining the most competitive price or fee;
- (b) when selling any products or supplying services to an Interested Person, the price or fee and terms of 2 other successful transactions of a similar nature with non-Interested Persons will be used as comparison to ensure that the interests of our Group and minority Shareholders are not disadvantaged. The price or fee for the sale of products or the supply of services shall not be lower than the lowest price or fee of the 2 other successful transactions with non-Interested Persons;

- (c) when renting properties from or to an Interested Person, appropriate steps will be taken to ensure that such rent is matched with prevailing market rates, including adopting measures such as making relevant enquiries with landlords of similar properties and obtaining suitable reports or reviews published by property agents (including an independent valuation report by a property valuer, where considered appropriate). The amount payable shall be based on the most competitive market rental rates of similar properties in terms of size, suitability for purpose and location, based on the results of the relevant inquiries; and
- (d) where it is not possible to compare against the terms of other transactions with unrelated third parties and given that the products or services may be purchased only from an Interested Person, the Interested Person Transaction will be approved by either our Managing Director or Chief Financial Officer, if he has no interest in the transaction, or failing which, our Audit Committee, in accordance with our usual business practices and policies. In determining the transaction price payable to the Interested Person for such products and/or service, factors such as, but not limited to, quantity, requirements and specifications will be taken into account.

3. Review and Approval Procedures

- (a) All Interested Person Transactions entered into by our Group will be categorised in the following manner:
 - (i) Category 1: An Interested Person Transaction where the value thereof is equal or in excess of 3.0% of the latest audited net tangible asset of our Group.
 - (ii) Category 2: An Interested Person Transaction where the value thereof is below 3.0% of the latest audited net tangible asset of our Group but is equal to or in excess of Ks100,000,000.
 - (iii) Category 3: An Interested Person Transaction where the value thereof is below Ks100,000,000.
- (b) The relevant thresholds applicable in determining each category of Interested Person Transaction may be revised by our Board from time to time as may be considered appropriate by our Board.
- (c) Category 1 Interested Person Transactions must be approved by our Audit Committee prior to entry.
- (d) Category 2 Interested Person Transactions need not be approved by our Audit Committee prior to entry, but must be approved by our Managing Director and Chief Financial Officer prior to entry and shall be reviewed on a quarterly basis by our Audit Committee.
- (e) Category 3 Interested Person Transactions need not be approved by our Audit Committee or Managing Director or Chief Financial Officer prior to entry, but shall be reviewed on a quarterly basis by our Audit Committee.
- (f) Our Audit Committee will review all Interested Person Transactions, if any, on a quarterly basis to ensure that they are carried out on an arm's length basis. In accordance with the procedures outlined above, our Audit Committee will take into account all relevant non-quantitative factors.

- (g) We shall prepare all the relevant information to assist our Audit Committee in its review and will keep a register recording all Interested Person Transactions. The basis for entry into the transactions, including the quotations and other evidence obtained to support such basis, shall also be recorded in the register.
- (h) The following will apply to the review and approval process for all categories of Interested Person Transactions:
 - (i) If our Managing Director or Chief Financial Officer has an interest in the transaction or is a nominee for the time being of the relevant Interested Person, the review and approval process shall be undertaken by the Chairman of our Audit Committee or another member of our Audit Committee (who is not a nominee of the Interested Person and has no interest in the transaction) designated by the Chairman of our Audit Committee from time to time for such purpose.
 - (ii) If a member of our Audit Committee has an interest in a transaction or is a nominee for the time being of the relevant Interested Person, he shall abstain from participating in the review and approval process of the Audit Committee in relation to that transaction

4. Disclosure

We will disclose in our annual report the aggregate value of Interested Person Transactions entered into during the financial year under review. The aggregate value of the Interested Person Transactions entered into with the same Interested Person (as determined reasonably by our Board) will also be disclosed.

POTENTIAL CONFLICT OF INTERESTS

INTRODUCTION

Except in very limited circumstances specified under the Companies Act, there is no legal or regulatory framework in Myanmar dealing with potential conflict of interests or requiring disclosure of potential conflict of interests in the context of the Listing. The disclosure of potential conflict of interests below is made by the Shareholders on a strictly voluntary basis and may therefore not be complete. Our Board does not assume any responsibility for any incomplete disclosure and/or any conflicts of interests not so disclosed.

POTENTIAL CONFLICT OF INTERESTS

The following potential conflict of interests have been disclosed by the relevant Shareholders and Directors appointed to the Board:

1. FMI and its subsidiaries ("**FMI Group**") are part of the SPA Group and are controlled by our Vice Chairman, U Theim Wai @ Mr. Serge Pun. Mr. Pun and our Chief Financial Officer, U Tun Tun, are also executive chairman and executive director of FMI respectively.

FMI has informed our Board that the FMI Group is engaged in (among others) the development of real estate projects in Myanmar, and has developed or is developing projects that include the Pun Hlaing Golf Estate and FMI City projects in Hlaing Thayar Township, Thanlyin Star City and Pun Hlaing Links project in Thanlyin Township and The Landmark project in Pabedan Township, Yangon Region. The FMI Group conducts real estate development projects which may potentially be in competition with the business of MJTD, TPD and our Company.

2. Dagon International Ltd. and its group of companies ("**Dagon Group**") are controlled by our Chairman, U Win Aung. U Win Aung and our Project Director, U Thurane Aung are also the chairman and chief executive officer, and director, of Dagon International Ltd. respectively.

U Win Aung has informed our Board that the Dagon Group is involved in real estate development projects in Yangon, which may potentially be in competition with the business of MJTD, TPD and our Company.

SHARE CAPITAL AND SHAREHOLDERS

SHARE CAPITAL OF OUR COMPANY

Our Company (Registration No. 484 of 2013-2014) was incorporated in Myanmar on 3 May 2013 under the Companies Act as a public limited company under the name of Myanmar Thilawa SEZ Holdings Public Limited. As at the Latest Practicable Date, our authorised share capital is Ks500,000,000,000 divided into 50,000,000 Shares and the total issued and paid-up capital is Ks38,929,150,000 divided into 3,892,915 Shares, of which 45.0% or 1,755,900 are held by our Principal Shareholders and 55.0% or 2,137,015 Shares are held by the public Shareholders.

Our Company has only one class of shares, being ordinary shares with a par value of Ks10,000 each in our share capital. As at the Latest Practicable Date, no redeemable preference shares are intended to be issued. The rights and privileges of our Shares are stated in the Articles of Association of our Company, a summary of which is set out in “**Appendix B – Summary of our Memorandum and Articles of Association**”. There are no founder, management or deferred shares in the capital of our Company.

PRINCIPAL SHAREHOLDERS’ SHARES

The Principal Shareholders initially subscribed for an aggregate of 1,179,000 Shares (including a total of 9,000 Shares that were subscribed for by our Principal Shareholders upon incorporation of our Company) for an aggregate amount of Ks11,790,000,000. The Principal Shareholders thereafter additionally subscribed for an aggregate of 576,000 Shares for an aggregate amount of Ks5,760,000,000.

Our Principal Shareholders’ total subscription is comprised of an aggregate of 1,755,000 Shares at the price of Ks10,000 for each Share for an aggregate amount of Ks17,550,000,000.

PUBLIC OFFERING OF SHARES

On March 2014, majority share of 2,145,000 Shares of our Company were offered to the public for subscription. The offering price was Ks10,000, which is based on the par value of the Shares. On October 2014, the Company also established a mechanism to facilitate transactions in our Shares, which was managed at the Company’s offices where transactions between a willing seller and a willing buyer of the Shares could be completed. The role of our Company is to match a seller’s offer with the corresponding offer of a buyer. The price of the Share is determined exclusively by the buyers and sellers of the Shares through the application of market forces.

MTSH maintains at its office a logbook of willing sellers with the particulars of the Shareholders who are offering to sell their Shares, as well as another logbook of willing buyers with the particular investors who are bidding for the Shares. MTSH will check the logbook on a regular basis to ascertain whether there is a match between the sellers and the buyers. Since the public offering in 2014, our Company has serviced 1,798 transactions in our Shares until October 2015.

As at the Latest Practicable Date, the total issued and paid-up capital of our Company is Ks38,929,150,000 divided into 3,892,915 Shares, of which 45.0% or 1,755,900 Shares are held by our Principal Shareholders and 55.0% or 2,137,015 Shares are held by the public Shareholders.

SHAREHOLDERS

We set out below the interest in Shares of our top 10 Shareholders as at the Latest Practicable Date:

No.	Name	Chairman's Name/Father's Name	Nationality	Occupation	Address	Date and number of certificate of citizenship	No./Type of Shares	% No. of Shares
1	Golden Land East Asia Development Limited	Win Aung, U	Myanmar	Merchant	No. 29, Min Ye Kyaw Swar Rd., Lanmadaw Township, Yangon Division	1372/2006-2007 (28-2-2007)	195,000 Ordinary	5.01%
2	First Myanmar Investment Company Limited	Theim Wai, U @ Mr. Serge Pun	Myanmar	Merchant	FMI Centre, (10-11) Floor, No. 380, Bogyoke Aung San Rd., Pabedan Township, Yangon Division	159/1992-1003 (3-7-1992)	195,000 Ordinary	5.01%
3	Myanmar Development Company Limited	Sugar Public Nyi Khin, U	Myanmar	Merchant	No. 3, Block-164, 23 rd St., Between 80 & 81 St., Eastern of pyigyikyethayay Quarter, Aung Myay Thar San Township, Mandalay Division	1138/2012-2013 (22-6-2012)	195,000 Ordinary	5.01%
4	Myanmar Edible Oil Industrial Public Corporation (MEICO) Limited	Oil Corporation Han Thein, U @ Han Thein, U	Myanmar	Merchant	No-B (81/82), Kantkaw St., Bayint Naung Warehouse, Mayangone Township, Yangon Division	2609/2012-2013 (27-9-2012)	195,000 Ordinary	5.01%
5	Myanmar Agricultural & General Development Public Limited (MAGDPL)	Tun Lwin, U	Myanmar	Merchant	UMFCCI Tower, No. 29, Rm. No. 803, Min Ye Kyaw Swar St., Lanmadaw Township, Yangon Division	2346/2012-2013 (11-9-2012)	195,000 Ordinary	5.01%
6	National Development Company Group Limited	Nyan Thit Hlaing, U	Myanmar	Merchant	No. 3/A, Thanthumar Rd., Thuwunna Junction, Thingayun Township, Yangon Division	567/1998-1999 (25-8-1998)	195,000 Ordinary	5.01%
7	New City Development Public Company Limited	Khin Maung Aye, U	Myanmar	Merchant	5 th Floor, Saya San Plaza cor. of New University Avenue Road, Bahan Township, Yangon Division	3053/2012-2013 (24-10-2012)	195,000 Ordinary	5.01%
8	Myanmar Technologies and Investment Corporation Limited	Aung Soe Tha, U	Myanmar	Merchant	No. 615(F), Mar Lar Lane, Pyay Road, Kamayut Township, Yangon Division	3493/2012-2013 (26-11-2012)	195,000 Ordinary	5.01%
9	Myanmar Agribusiness	Tin Maung	Myanmar	Merchant	No. 17, Kuon Gyi St.,	134/2012-2013	195,000	5.01%

10	Public Corporation Limited Naing Moe, U	Hlaing, U Aung Youk Mo @ Jaw Ni, U	Myanmar	Merchant	Lanmadaw Township, Yangon No. 171, Anawratha Rd., 7 district, Lanmadaw Township, Yangon	(5-4-2012) 12/LAMATA(N)01 1754	Ordinary 52,598 Ordinary	1.35%
----	--	--	---------	----------	--	--------------------------------------	--------------------------------	-------

SHAREHOLDERS STATISTICS

We set out below our Company's Shareholder Statistics as at 6 November 2015:

Range of Shares	No. of Shareholders	Percentage (%)	No. of Shares	Percentage (%)
1-100	13,565	81.13	437,162	11.23
101-200	952	5.69	170,186	4.37
201-300	544	3.25	151,972	3.90
301-400	102	0.61	38,755	1.00
401-500	551	3.30	274,479	7.05
501-600	859	5.14	450,202	11.56
601-700	44	0.26	29,114	0.75
701-800	12	0.07	9,176	0.24
801-900	4	0.02	3,444	0.09
901-1000	5	0.03	4,926	0.13
1001-10,000	57	0.34	151,636	3.90
10,001-100,000	16	0.10	416,863	10.71
100,001 and above	9	0.05	1,755,000	45.08
Total	16,720	100.0%	3,892,915	100.0%

DIVIDEND PAYOUT

During the annual general meeting on 18 December 2015, our Company declared payment of dividends at the rate of 20.0% of the par value per Share or Ks2,000 for every Share, which shall be paid from the Company's unrestricted retained profits to the Shareholders who are Shareholders of record as at 23 November 2015.

For information on the Company's dividends and dividend policy, please refer to the section entitled "Dividend and Dividend Policy".

LEGAL MATTERS

Certain legal matters in connection with this Listing will be passed upon for us by Kelvin Chia Yangon Ltd. with respect to matters of Myanmar law.

Kelvin Chia Yangon Ltd. does not make, or purport to make, any statement in this Disclosure Document and is not aware of any statement in this document which purports to be based on a statement made by it, and it makes no representation, express or implied, regarding, and takes no responsibility for, any statement in or omission from this document.

GENERAL AND STATUTORY INFORMATION

SUBSIDIARY

Our Company has a single subsidiary, TPD, which was originally registered as a wholly owned subsidiary on 19 March 2015. On 30 March 2016, our Company executed the TPD Joint Venture Agreement through which Thilawa SMC is to subscribe to TPD Shares in the amount of Ks.6,000,000,000. To date, the subscription of Thilawa SMC is yet to be implemented; however, once implemented, our Company will hold 80.0% of the issued and paid-up capital of TPD and the balance of 20.0% shall thereafter be held by Thilawa SMC.

Following the further subscription for MJTD Shares by our Company, the Thilawa SMC, MMSTD and JICA, our Company now only holds 41.0% of the total issued and paid-up share capital of MJTD. As a result, MJTD has ceased to be our subsidiary.

SHARE CAPITAL

1. Save as disclosed in the sections “**Our Company**” and “**Share Capital and Shareholders**”, there were no changes in the issued and paid-up capital of our Company and our subsidiaries during the period from date of incorporation to the Latest Practicable Date.
2. Save as disclosed in the section “**Share Capital and Shareholders**”, no Shares or debentures were issued or were agreed to be issued by our Company for cash or for a consideration other than cash during the period from the date of incorporation to the Latest Practicable Date.

MATERIAL CONTRACTS

The following contracts, not being contracts entered into in the ordinary course of business, have been entered into by our Company and are or may be material:

1. the Memorandum of Understanding dated 26 May 2013 between our Company and MMST LLP for the purpose of establishing MJTD for the development, marketing, sales and operation of the Zone A Project;
2. the MJTD Joint Venture Agreement (as amended);
3. the Management Agreement;
4. the Marketing Agreement;
5. the Reservation Agreement;
6. the Memorandum of Understanding; and,
7. the TPD Joint Venture Agreement dated 30 March 2016 between our Company and Thilawa SMC for the development, marketing, sales and operation of the Residential and Commercial Component of the Zone A Project.

LITIGATION

We are not engaged in any legal or arbitration proceedings (either as plaintiff or defendant), including those which are pending or known to be contemplated, which may have or have had in the 12 months immediately preceding the date of this Disclosure Document, a material effect on our financial position or profitability.

MISCELLANEOUS

1. As at the Latest Practicable Date, our Company has appointed Win Thin & Associates as the Company's external auditor.
2. Except as disclosed herein, none of our Directors has any interest in the promotion of, or in any property proposed to be acquired by, our Company, whether in his own capacity or in his capacity as a partner in a firm, and no sum has been paid or agreed to be paid to a Director or his firm to induce him to become, or to qualify him as, a Director or otherwise for services rendered by him or his firm in connection with the promotion or formation of our Company. As at the Latest Practicable Date, all of our Directors are nominated by our Nomination Committee for appointment to the Board.

DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents (or authorized extracts thereof presenting matters that are not confidential in nature) may be inspected at our registered office at Room Number 1103, 11th Floor, UMFCCI Office Tower, No. 29 Min Ye Kyaw Swar Road, Lanmadaw Township, Yangon during normal business hours for a period of six months from the date of filing of this Disclosure Document with the YSX:

1. the Memorandum and Articles of Association of our Company;
2. the Memorandum and Articles of Association of our subsidiary, TPD; and
3. the material contracts referred to in the section "**Material Contracts**".

DEFINITIONS

Companies, Organisations and Agencies

“Company”	: Myanmar Thilawa SEZ Holdings Public Limited. The terms “we”, “our”, “our Company” and “us” have correlative meanings
“FMI”	: First Myanmar Investment Company Limited, one of our Principal Shareholders
“GLAD”	: Golden Land East Asia Development Limited, one of our Principal Shareholders
“Japanese Marketing Agents”	: Has the meaning ascribed to it under the section “Our Company — Joint Venture Agreement — Marketing of Zone A Properties”
“JICA”	: Japan International Cooperation Agency
“MJTD”	: The joint venture company established under the laws of Myanmar with the name of “Myanmar Japan Thilawa Development Ltd.” and whose registered office is at UBC Tower, Room 01-09, Level I, Nat Mauk Road, Bo Cho Quarter, Near Japan Embassy, Bahan Township, Yangon
“MMSTD”	: MMS Thilawa Development Co. Ltd., formed by the consortium of Japanese developers to participate in the Zone A Project
“MMST LLP”	: MMS Thilawa Limited Liability Partnership, formed by the consortium of Japanese developers to undertake and complete a feasibility study of the Zone A Project
“MAGDPL”	: Myanmar Agricultural & General Development Public Limited, one of our Principal Shareholders
“MAPCO”	: Myanmar Agribusiness Public Corporation (MAPCO) Limited, one of our Principal Shareholders
“MEICO”	: Myanmar Edible Oil Industrial Public Corporation (MEICO) Limited, one of our Principal Shareholders
“MSD”	: Myanmar Sugar Development Public Company Limited, one of our Principal Shareholders
“MTI”	: Myanmar Technologies and Investment Corporation Limited, one of our Principal Shareholders
“NDCG”	: National Development Company Group Limited, one of our Principal Shareholders
“New City Development”	: New City Development Public Company Limited, one of our Principal Shareholders
“Principal Shareholders”	: The nine (9) principal shareholders of our Company, being FMI, GLAD, MAPCO, MAGDPL, MEICO, MSD, MTI,

NDCG and New City Development

- “Relevant Japan Ministries”** : The Ministry of Foreign Affairs and the Ministry of Economy, Trade and Industry of Japan, which entered into the Cooperation Memorandum with the Relevant Myanmar Ministry
- “Relevant Myanmar Ministry”** : The Ministry of National Planning and Economic Development of Myanmar, which entered into the Cooperation Memorandum with the Relevant Japan Ministries
- “SPA Group”** : Serge Pun & Associates (Myanmar) Ltd and its group of companies
- “TPD”** : The joint venture company established under the laws of Myanmar with the name of “Thilawa Property Development Limited” and whose registered office is at Room Number 1103, 11th Floor, UMFCCI Office Tower, No. 29 Min Ye Kyaw Swar Road, Lanmadaw Township, Yangon, Republic of the Union of Myanmar
- “Thilawa SMC”** : Thilawa SEZ Management Committee, through which the Myanmar Government is participating in the development of the Thilawa SEZ, having its address at No. 55 Yarza Thingaha Road (Central Bank of Myanmar), Thilawa SEZ Management Committee Office, Nay Pyi Taw, Myanmar
- “UMFCCI”** : Union of Myanmar Federation of Chambers of Commerce and Industry, the biggest business federation in Myanmar

General

- “Applicable Laws”** : The laws, statutes, rules, regulations and by-laws for the time being having force and effect including all notifications, orders, directives, procedures and policies of any Governmental Authority
- “Articles of Association”** : Articles of association of our Company
- “Audit Committee”** : The audit committee of our Company
- “Board” or “Board of Directors”** : Our Company’s board of directors
- “Companies Act”** : The Myanmar Companies Act 1914 (as amended and supplemented from time to time)
- “Cooperation Memorandum”** : The Memorandum of Cooperation for the Development of the Thilawa SEZ dated 21 December 2012 between the Relevant Myanmar Ministry and the Relevant Japan Ministries
- “Directors”** : Our Company’s directors as at the date of this Disclosure Document

“Disclosure Document”	: This Disclosure Document dated 11 th day of May 2016
“Executive Officers”	: The executive officers of our Company as at the date of this Disclosure Document
“FY”	: Financial year ended or ending 31 March, as the case may be
“Governmental Authority”	: Any foreign, domestic, federal, national, provincial, territorial, state or local governmental authority, quasi-governmental authority, court, governmental or self-regulatory organization, commission, tribunal, organization or any regulatory, administrative or other agency, or any political or other subdivision, department or branch of any of the foregoing, as the context or the terms of this Disclosure Document may require
“Industrial Areas”	: The parts of the Zone A Area that will be developed into industrial areas for investors to construct their own manufacturing facilities
“Interested Persons”	: Has the meaning ascribed to it under the section “Interested Person Transactions — IPT Procedures”
“Interested Person Transaction”	: Has the meaning ascribed to it under the section “Interested Person Transactions — IPT Procedures”
“Japanese Company”	: A <i>kabushiki kaisha</i> or a company, corporation or any other form of entity incorporated or organized under the laws of Japan, whether with limited or unlimited liability
“Latest Practicable Date”	: 31 December 2015, being the latest practicable date prior to the filing of this Disclosure Document with the YSX
“Listing”	: The listing of the Company and its 3,892,915 Shares with the YSX, representing 100.0% of the issued and outstanding Shares of the Company
“Management Agreement”	: Letters dated 16 March 2015 and 31 December 2015 confirming the provision of management services to MJTD by our Company
“Marketing Agreement”	: Marketing Agreement dated 12 February 2015 entered into between MJTD, our Company and the Japanese Marketing Agents, with appointing our Company and the Japanese Marketing Agents as the exclusive agents for the sale, lease and/or other disposal of MJTD’s leasehold interest in the Zone A Project
“Memorandum”	: Memorandum of association of our Company
“Memorandum of Understanding”	: Memorandum of Understanding dated 23 September 2015 entered into between our Company Thilawa SMC, MMSTD and JICA for the development, construction, marketing, sales and operation of the Zone B Project, as amended or supplemented on 23 February 2016

“MJTD Joint Venture Agreement”	: Joint Venture Agreement dated 29 October 2013 entered into between our Company, the Thilawa SMC and MMSTD for the development, construction, marketing, sales and operation of the Zone A Project as amended on 23 April 2014 and 12 February 2015
“MJTD Shares”	: Ordinary shares in the capital of MJTD
“Myanmar Company”	: A company incorporated under the Companies Act or the Myanmar Special Companies Act (1950)
“Nomination Committee”	: The nominating committee of our Company
“Original MJTD Joint Venture Agreement”	: Joint Venture Agreement dated 29 October 2013 entered into between our Company, the Thilawa SMC and MMSTD for the development, construction, marketing, sales and operation of the Zone A Project
“Reference Price”	: The indicative reference opening price of the Shares upon listing as determined by the financial adviser and lead managing securities agent, CB Securities
“Remuneration Committee”	: The remuneration committee of our Company
“Rental Factories”	: The parts of the Zone A Area that will be developed into ready-built factories for immediate use by investors
“Residential and Commercial Component”	: The parts of the Zone A Area that will be developed by our subsidiary TPD into residential properties and dormitories, as well as amenities for persons working in the Thilawa SEZ
“Reservation Agreement”	: Reservation Agreement dated 29 October 2014 between our Company and MJTD for the sublease of the 35 hectare Residential and Commercial Component of the Zone A Project
“SEZ Implementing Rules 2015”	: The implementing rules of the SEZ Law 2014, issued by the Ministry of National Planning and Economic Development as Notification No. 1/2015 on 27 August 2015
“SEZ Law 2011”	: The Myanmar Special Economic Zone Law No. 8/2011, which has been repealed by the SEZ Law 2014
“SEZ Law 2014”	The Myanmar Special Economic Zone Law No. 1/2014 or any amendment or replacement to such law as may be in force from time to time
“Shareholders”	: Registered holders of Shares
“Shares”	: Ordinary shares of Ks10,000 each in the capital of our Company
“Sublease Agreement”	: Sublease Agreement dated 31 March 2015 between MJTD and TPD for the sublease, development, construction, marketing, sales and operation of the Residential and Commercial Component of the Zone A Project

“TPD Joint Venture Agreement”	: Joint Venture Agreement dated 30 March 2016 entered into between our Company and the Thilawa SMC for the development, construction, marketing, sales and operation of the Residential and Commercial Component of the Zone A Project
“TPD Shares”	: Ordinary shares in the capital of TPD
“Zone A Area”	: The area of approximately 396 hectares within the Thilawa SEZ that has been identified for development into the Zone A Project
“Zone A Project”	: The development of the Zone A Area into an industrial park by the joint venture formed pursuant to the Cooperation Memorandum, as further described under the section “The Zone A Project”
“Zone A Properties”	: The immovable property or immovable properties found within the Zone A Project located in the Zone A Area, comprising primarily the Industrial Areas, the Rental Factories and the Residential and Commercial Component
“Zone B Project”	: The development of the another industrial park in the Thilawa SEZ pursuant to the Memorandum of Understanding as further described under the section “The Zone B Project”

Currencies, Units and Others

“hectares”	: Metric unit of area that is equivalent to 10,000 square metres
“Kyats” or “Ks”	: The lawful currency of the Republic of the Union of Myanmar
“per cent” or “%”	: Per centum or percentage
“US\$”	: The lawful currency of the United States of America

APPENDIX A

DESCRIPTION OF OUR SHARES

The following statements are brief summaries of the rights and privileges of our Shareholders conferred by the laws of Myanmar and the Articles of Association. These statements summarise the material provisions of the Articles of Association but are qualified in entirety by reference to the Articles of Association.

Ordinary Shares

Our Company has one class of shares, namely, ordinary shares, which have identical rights in all respects and rank equally with one another.

New Shares

New shares in the capital of our Company may only be issued with the prior approval of our Shareholders in a general meeting. Unless a contrary instruction is provided in such resolution approving the issue, all such new shares shall first be offered to our existing Shareholders in proportion to their respective interests in our Company. All Shares shall be paid up in full upon allotment.

Shareholders

Only persons who are registered in our register of members are recognized as our Shareholders. A registered shareholder shall include any person who has acquired shares in the Company in accordance with the rules and regulations prescribed by a corresponding stock exchange in which shares of the Company are traded.

Transfer of Shares

Shares in our Company may be transferred in any usual or common form which our Directors approve, and for shares traded on listed and traded in a duly constituted stock exchange (such as the YSX), the transfer of any share in the Company shall be in the usual or common form prescribed by the corresponding stock exchange or by any depository or clearing organization designated by the stock exchange. Except with respect to shares listed and traded in a duly constituted stock exchange (such as the YSX), our Directors may suspend registration of transfers during the 14 days immediately preceding any ordinary annual general meeting.

General Meeting of Shareholders

The ordinary general meeting of our Shareholders shall be held within 18 months from the date of our Company's incorporation, and thereafter, at least once in every year, at such time and place as may be determined by our Company. Such general meeting may also be called by any two Shareholders.

The Board of Directors may convene an extraordinary general meeting whenever it thinks fit and must do so if Shareholders representing not less than 10.0% of the total voting rights of all Shareholders request in writing that such a meeting be held.

Unless otherwise required by law or by the Articles of Association, voting at general meetings is by ordinary resolution, requiring an affirmative vote of a simple majority of the votes cast at the meeting. An ordinary resolution suffices, for example, for the appointment of directors. A special resolution, requiring the affirmative vote of at least 75.0% of the votes cast at the meeting, is necessary for certain matters under the Companies Act, including voluntary winding up, amendments to the Memorandum and the Articles of Association, a change of the corporate name and a reduction in the share capital.

Our Company must give at least 14 days' notice in writing for every general meeting convened for the purpose of passing an ordinary resolution. Special resolutions generally require at least 21 days' notice in writing. The notice must set forth the place, the day and the hour of the meeting and, in the case of special business, the general nature of that business.

Voting Rights

Our Shareholders are entitled to attend, speak and vote at any general meeting. Our Shareholders may exercise their voting rights in person or by proxy, and proxies need not be a Shareholder. The instrument appointing a proxy, and the power-of-attorney or other authority (if any) under which it is signed, must be deposited at our Company's registered office no less than 72 hours before the time for holding the meeting at which the proxy shall vote.

Dividend

We may, by ordinary resolution of our Shareholders, declare dividends at a general meeting, but we may not pay dividends in excess of the amount recommended by our Directors. Our Directors may also, from time to time, pay to our Shareholders such interim dividends as appear to them to be justified by the profits of our Company. In any event, we must pay all dividends out of our profits and no dividend declared and payable shall bear interest against our Company.

Bonus and Rights Issues

The Board of Directors may, with approval of our Shareholders at a general meeting, capitalize any reserves and distribute the same as bonus shares credited as paid-up to our Shareholders in proportion to their shareholdings.

Takeovers

Myanmar does not have any laws or regulations that may delay, deter or prevent a future takeover or change in control of our Company as a public company.

Liquidation or Other Return of Capital

If our Company liquidates or in the event of any other return of capital, holders of Shares will be entitled to participate in any surplus assets in proportion to their Shareholdings, subject to any special rights attaching to any other class of shares.

Limitations on Rights to Hold or Vote on Shares

Under current laws, only Myanmar nationals are allowed to hold or vote Shares in our Company.

APPENDIX B

SUMMARY OF OUR MEMORANDUM AND ARTICLES OF ASSOCIATION

Our Company is registered with the CRO under the Registration No. 484 of 2013-2014.

MEMORANDUM OF ASSOCIATION

Limited Liability

The Memorandum of Association of our Company states, among others, that the liability of members of our Company is limited and that its authorized capital is Ks500,000,000,000 divided into 50,000,000 shares of Ks10,000 each.

Objects of our Company

Our Memorandum of Association also sets out the following objects for which our Company was formed:

1. To invest in the development of the Thilawa SEZ situated in Kyauktan Township, Yangon Division of Myanmar.
2. To assist and facilitate in the development and establishment of the Thilawa SEZ including, but not limited to, making necessary arrangements and payments towards clearance of the land site and the borrowing of funds for the development of the Thilawa SEZ.
3. To invest in any kind of construction business, industrial business, trading and services business, in accordance with the laws for the time being in force, which are calculated to enhance the profitability of our Company, and to do such other things as are incidental or conducive to the attainment of the above objects or any of them in accordance with the laws for the time being in force; provided that such activities are performed within the Thilawa SEZ or related to the development thereof.
4. To promote any company or companies for the purpose of acquiring all or any of the property, rights and liabilities of our Company or any subsidiary of our Company or for any other purpose which may seem directly or indirectly calculated to benefit our Company.
5. To purchase or otherwise acquire and undertake in accordance with the laws of Myanmar all or any part of the business, property and liabilities of any company or persons as our Company may deem expedient.
6. To amalgamate with any company having objects altogether or in part similar to those of our Company and to enter into partnership or into any arrangement for sharing profits, union of interests, cooperation, joint venture or reciprocal concession with any company carrying on or engaged in any business or transaction which our Company is authorized to carry on or engage in, or any business or transaction which our Company would or might derive any benefit directly or indirectly; to lend money to, guarantee the contracts of or otherwise assist any such company and to take or otherwise acquire shares and securities of any such company, and to sell, hold, re-issue, with or without guarantee, or otherwise deal with the same.
7. To sell, improve, develop, turn to account, exchange, lease, grant licenses, easements and other rights over and in any manner deal with or dispose of all or any part of the undertaking, property rights, assets and effects of our Company or any part thereof for

such consideration (if any) as may be thought fit and, in particular, for any securities (whether fully or partly paid) of any other company or person and to hold, deal with or dispose of such consideration.

8. To purchase or otherwise acquire for any estate or interest any property or assets or any concessions, licenses, grants, patents, trade marks, copy rights or other exclusive or non-exclusive rights of any kind and to develop and turn to account and deal with the same in such manner as may be thought it and to make experiments and tests and to carry on all kinds of research work.

Signatories to the Memorandum of Association

The signatories to the Memorandum and their respective particulars and the number of Shares taken by them are set out below:

No.	Name and Address of Signatory	Nationality and Description	Number of Shares Taken
1.	Golden Land East Asia Development Limited No. 29, Min Ye Kyaw Swar Road Lanmadaw Township Yangon Region Represented by: U Win Aung No. 105, University Avenue 10 Ward, Kamaryut Township Yangon Region	Company incorporated in Myanmar Merchant / Myanmar Citizen	1,000
2.	Myanmar Sugar Development Public Company Limited No. 3, Block 164 23 rd Street between 80 and 81 Street East of Pyigyikyethayay Ward Aung Myay Thar San Township Mandalay Region Represented by: U Nyi Khin No. 417 23 rd Street between 63 and 64 Street Ahnake Taw Ward Aung Myay Thar San Township Mandalay Region	Company incorporated in Myanmar Merchant / Myanmar Citizen	1,000
3.	Myanmar Edible Oil Industrial Public Corporation (MEICO) Limited No. B (81/82), Kantkaw Street Bayint Naung Warehouse Mayangone Township Yangon Region Represented by: U Thein Han (a) Ko Han Thein Building No. 67A 1 st Floor Bahosi Housing, Wardan Street 10 Ward, Lanmadaw Township	Company incorporated in Myanmar Merchant / Myanmar Citizen	1,000

	Yangon Region		
4.	<p>First Myanmar Investment Company Limited FMI Centre, 10-11 Floor No. 380, Bogyoke Aung San Road Pabedan Township Yangon Region</p> <p>Represented by: U Theim Wai @ Mr. Serge Pun No. 2, Jasmine Place, Pun Hlaing Golf Estate Hlaing Thar Yar Township Yangon Region</p>	<p>Company incorporated in Myanmar</p> <p>Merchant / Myanmar Citizen</p>	1,000
5.	<p>Myanmar Agricultural & General Development Public Limited UMFCCI Tower, Room No. 803 No. 29 Min Ye Kyaw Swar Street Lanmadaw Township Yangon Region</p> <p>Represented by: U Tun Lwin No. 785/787 11th Floor, Maharbandoola Road 6 Ward, Lanmadaw Township Yangon Region</p>	<p>Company incorporated in Myanmar</p> <p>Merchant / Myanmar Citizen</p>	1,000
6.	<p>National Development Company Group Limited No. 3/A, Thanthumar Road Thuwana Junction Thingangyun Township Yangon Region</p> <p>Represented by: U Zay Thiha No. 77F Universities Avenue Road Shwe Taung Kyar 1 Ward Bahan Township Yangon Region</p>	<p>Company incorporated in Myanmar</p> <p>Merchant / Myanmar Citizen</p>	1,000
7.	<p>New City Development Public Company Limited 5th Floor, Saya San Plaza Corner of New University Avenue Bahan Township Yangon Region</p> <p>Represented by: U Khin Maung Aye No. C/1 Kabaraye Villa Kabaraye Pagoda Road Mayangone Township Yangon Region</p>	<p>Company incorporated in Myanmar</p> <p>Merchant / Myanmar Citizen</p>	1,000
8.	<p>Myanmar Technologies and Investment Corporation Limited No. 615(F), Mar Lar Lane, Pyay Road</p>	<p>Company incorporated in Myanmar</p>	1,000

	Kamayut Township Yangon Region		
	Represented by: U Aung Soe Tha No. 362, Yin Mar Myaing Street 23 Ward, Thingangyun Township Yangon Region	Merchant / Myanmar Citizen	
9.	Myanmar Agribusiness Public Corporation (MAPCO) Limited No. 29, Room No. 901/903 Min Ye Kyaw Swar Road Lanmadaw Township Yangon Region Represented by: U Aung Than Oo No. 18, Phoe Myay Street Myo Ma Taung Ward Thanlyin Township Yangon Region	Company incorporated in Myanmar Merchant / Myanmar Citizen	1,000

ARTICLES OF ASSOCIATION

Summarised below are extracts from our Articles of Association relating to, among others, the rights, preferences and restrictions on the transferability of our shares and the voting and other rights of our Shareholders and the borrowing and other powers of our Directors. We have also included provisions from our Articles of Association pertaining to changes in the capital of our Company. The extracts provide only a summary of the above matters, and are qualified in their entirety by our Memorandum and Articles of Association, a copy of which is available for inspection at the registered office of our Company in accordance with the section “**General and Statutory Information — Documents Available for Inspection**” of this Disclosure Document.

Provisions relating to the appointment, qualification and removal of Directors

Our Articles of Association provide for the appointment of not less than seven and not more than 15 Directors, including the Chairman and the independent Directors.

Our Articles of Association currently provide that the qualification of a Director shall be the holding of at least 1,000 Shares and it is his duty to comply with the provisions of section 85 of the Companies Act. As at the Latest Practicable Date, our Directors do not hold the qualification Shares required under our Articles, although all of our Directors are appointed by our Principal Shareholders each of which holds 131,000 Shares. Since the Directors are official representatives of the Principal Shareholders which hold more than the required qualifying shares, we believe our Directors comply with the requirement. Nonetheless, our Board expects to amend our Articles of Association in due course to remove the requirement for a Director to hold at least 1,000 Shares.

Our Articles of Association provide for the rotation of the members of the Board of Directors, such that at the first ordinary general meeting of our Company, all of our Directors shall retire from office, and at the ordinary general meeting in every subsequent year, one-third of our Directors shall retire from office. However, a retiring Director shall, in all events, be eligible for re-election.

Any Director may be removed by an extraordinary resolution of our Shareholders before the expiration of his period of office, and our Shareholders may, by ordinary resolution, appoint another person as Director in his stead. The person so appointed shall be subject to retirement at the same time as if he had become a Director on the day on which the Director in whose place he is appointed was last elected.

Provisions relating to appointment of Chairman, Vice Chairman and Managing Director

Our Directors may from time to time elect from among themselves to the office of Chairman, two Vice Chairmen and a Managing Director and from non-Shareholders to the office of such Director for such term, and at such remuneration (whether by way of salary, commission or participation in profits, or partly in one way and partly in another) as our Directors may think fit, provided that any person chosen by our Directors to fill a casual vacancy shall be subject to retirement at the same time as if he had become a Director on the day on which the Director in whose place he is appointed was last elected a Director.

Provision relating to the voting rights of our interested Directors

Our Directors are required to declare their interest in, but shall not be entitled to vote in respect of, any contract between our Company and him or a company of which he is a member or a firm of which he is a partner or work done for our Company, or any work done by him or a company of which he is a member or a firm of which he is a partner or work done for our Company, and if he does so vote, his vote shall not be counted.

Provision relating to the borrowing powers of our Directors

Our Articles of Association provide that the amount for the time being undischarged of moneys borrowed or raised by our Directors for the purpose of our Company (otherwise than by the issue of share capital) must not at any time exceed the issued and paid-up share capital of our Company without the approval of our Company in general meeting.

Provisions relating to the voting rights of our Shareholders

Our Company has one class of shares, namely, ordinary shares, which have identical rights in all respects and rank equally with one another.

Only persons who are registered in our register of members are recognized as our Shareholders. A registered shareholder shall include any person who has acquired shares in the Company in accordance with the rules and regulations prescribed by a corresponding stock exchange in which shares of the Company are traded.

Our Shareholders are entitled to attend, speak and vote at any general meeting. Our Shareholders may exercise their voting rights in person or by proxy, and proxies need not be a Shareholder. The instrument appointing a proxy and the power-of-attorney or other authority (if any) under which it is signed, must be deposited at our Company's registered office no less than 72 hours before the time for holding the meeting at which the proxy shall vote.

Except as otherwise provided in our Articles of Association, five or more Shareholders must be present to constitute a quorum at any general meeting. A resolution put to a vote during the general meeting shall be decided on show of hands, unless a poll (before or on the declaration of the result of the show of hands) is demanded by at least two Shareholders, and unless a poll is so demanded, a declaration by the Chairman that a resolution has, on a show of hands, been carried or lost (and an entry to that effect entered in the book of proceedings of our Company), shall be conclusive evidence of the fact, without proof of the number or proportion of the votes recorded in favor of, or against, the resolution. In the case of an equality of votes, whether on a show of hands or a poll, the chairman of the meeting shall be entitled to a casting vote.

Provisions relating to the issuance and classification of shares in our Company

Shares may be issued with such preferred, deferred or other special rights, in accordance with a special resolution passed for such purpose and any preference share may be issued on terms that it is or at the option of our Company is liable to be redeemed.

Subject to the Companies Act, whenever the share capital of our Company is divided into different classes of shares, the special rights attached to any class may be varied or abrogated either with the consent in writing of the holders of three-fourths of the issued shares of that class or with the sanction of an extraordinary resolution passed at a separate general meeting of the holders of the shares of that class. To every such separate general meeting the provisions of our Articles of Association relating to general meetings of our Company and to the proceedings thereat shall *mutatis mutandis* apply, except that the necessary quorum shall be three persons at least holding or representing by proxy at least one-third of the issued shares of that class.

Provisions relating to changes in capital

We are required to obtain approval of our Shareholders by way of an extraordinary general resolution in order to increase our share capital.

We are required to obtain approval of our Shareholders by way of an ordinary resolution in order to: (a) consolidate and divide our share capital into shares of larger amount than its existing shares; (b) by subdivision of our existing shares or any of them, divide the whole or any part of our share capital into shares of smaller amount than is fixed by our Memorandum, subject, nevertheless, to relevant provisions of the Companies Act; or (c) cancel any shares which, at the date of passing of the resolution, have not been taken or agreed to be taken by any person.

We are required to obtain our Shareholders' approval by way of a special resolution for any reduction of our share capital, subject to the conditions prescribed by law.

Provisions relating to the transfer and transmission of shares in our Company

Shares in our Company may be transferred in any usual or common form which our Directors approve and for shares traded on listed and traded in a duly constituted stock exchange (such as the YSX), the transfer of any share in the Company shall be in the usual or common form prescribed by the corresponding stock exchange or by any depository or clearing organization designated by the stock exchange. Except with respect to shares listed and traded in a duly constituted stock exchange (such as the YSX), our Directors may suspend registration of transfers during the 14 days immediately preceding any ordinary annual general meeting.

A Shareholder registered in the register of members of our Company shall be the only person recognized by our Company as having any title to the share, and any Shareholder who transfers shares in our Company shall be deemed to remain holder of such share until the name of the transferee is entered in the register of members of our Company.

Provisions relating to the dividend rights of our Shareholders

We may, by ordinary resolution of our Shareholders, declare dividends at a general meeting, but we may not pay dividends in excess of the amount recommended by our Directors. Our Directors may also, from time to time, pay to our Shareholders such interim dividends as appear to them to be justified by the profits of our Company. In any event, we must pay all dividends out of our profits and no dividend declared and payable shall bear interest against our Company.

Provisions relating to the right of Shareholders to inspect the books and other documents of our Company

The books of accounts and other documents of our Company shall be kept at our registered office or at such other place as our Directors may deem fit, and shall be open to the inspection to the Shareholders only upon specific authorization of our Directors or by our Company in a general meeting.

APPENDIX C

TAXATION

The discussion below is not intended to constitute a complete analysis of all tax consequences relating to ownership of the Shares. It is a discussion of certain tax matters arising under the current tax laws in Myanmar and is not intended to be and does not constitute legal or tax advice. While this discussion is considered to be a correct interpretation of existing laws in force as at the Latest Practicable Date, no assurance can be given that courts or fiscal authorities responsible for the administration of such laws will agree with this interpretation or that changes in such laws will not occur. There may be laws and other rules, regulations or official notifications, or unofficial or internal guidelines, which exist but which are not published or which are not generally available to the public and the existence of the same may affect the discussion herein.

The discussion is limited to a general description of certain tax consequences in Myanmar with respect to ownership of the Shares by Myanmar investors and does not purport to be a comprehensive nor exhaustive description of all of the tax considerations that may be relevant to a decision to purchase, hold or dispose of the Shares.

Prospective investors of the Shares should consult their own tax advisers regarding Myanmar tax consequences and other tax consequences of owning, and disposing of, the Shares. It is emphasised that neither our Company, our Directors nor any other persons involved in this Offering accepts responsibility for any tax effects or liabilities resulting from the subscription for, purchase, holding or disposal of the Shares.

SCOPE OF TAX

The following discussion describes the material Myanmar income tax, tax on dividends, capital gains tax and stamp duty consequences of the subscription for, ownership and disposal of the Shares.

INDIVIDUAL INCOME TAX

All Myanmar citizens are treated as tax residents for purposes of Myanmar income taxation. Taxable income includes salaries and wages, income from the practice of a profession, income from the conduct of business and income derived from other sources.

The income tax rates are as follows:

Income after offset with specified reliefs	Income Tax Rates
1 - 2,000,000	0.0%
2,000,001 - 5,000,000	5.0%
5,000,001 - 10,000,000	10.0%
10,000,001 - 20,000,000	15.0%
20,000,001 - 30,000,000	20.0%
30,000,001 and above	25.0%

For rental income received from renting out land, building and apartments, income tax shall be assessed at a rate of 10.0% on the total rental income after deduction of allowable reliefs.

In all cases, income received from an undisclosed source is taxed at a fixed rate of 30.0%.

CORPORATE INCOME TAX

A company incorporated and registered in Myanmar is considered a citizen of Myanmar for purposes of income taxes if it is formed under the Companies Act or any other laws of Myanmar and where the entirety of its share capital is held exclusively by Myanmar citizens. Such companies are considered residents for purposes of income taxation and are taxed on a global basis. Taxable income, in this case, includes all income from the conduct of business, from dealings with property and from other sources.

All resident companies formed under the Companies Act and the Myanmar Special Companies Act (1950), companies operating under a permit issued by the Myanmar Investment Commission, cooperatives formed under the Cooperative Society Law and state-owned economic organizations are taxed at a rate of 25.0% of net taxable income before deduction of allowable reliefs.

DIVIDEND DISTRIBUTIONS

Dividends received from a company are exempt from income tax in the hands of shareholders.

GAINS ON DISPOSAL OF SHARES

Gains received on the disposal of Shares by Myanmar citizens, except for transfer of shares in oil and gas companies, are subject to capital gains taxes computed at the rate of 10.0%. The taxable capital gain is calculated based on the difference between the sales proceeds and the cost of the Shares. No tax shall be assessed on the capital gain if the total value of Shares sold does not exceed Ks10,000,000. Stamp duty must be paid at the rate of 0.3% of the value of Shares sold.

APPENDIX D

THE MYANMAR SECURITIES MARKET

The Myanmar Securities Market is principally governed by the Myanmar Securities and Exchange Law (“**SEL**”) enacted on 31 July 2013 and the Securities and Exchange Rules (“**SER**”) issued on 27 July 2015. The SEL mandates the creation of the Securities and Exchange Regulation Commission (“**SECM**”) which will act as the principal regulator of the Myanmar capital markets and has general supervision over public companies, securities companies, over-the counter markets and the stock exchange.

The SECM was formed on August 2014 under the supervision of the Ministry of Finance. During the same year, the joint venture among Myanma Economic Bank, Daiwa Institute of Research Ltd. and the Japan Exchange Group, Inc. incorporated the YSX and in April 2015, the YSX was given permission by the SECM to function as Myanmar’s first centralized exchange for the trading of securities.

The YSX was officially launched on 9 December 2015. Companies have expressed their intention to list, among which is our Company, MTSB. Trading of shares in the YSX is expected to commence during the first half of 2016.

BOOK-ENTRY, CLEARANCE AND SETTLEMENT

According to Section 51 of the SEL, the YSX can carry out custody, clearance and settlement of securities without securing the permission of the SEC. As such, the YSX has designated itself to conduct Book-Entry Transfer Business as a Book-Entry Transfer Institution. Securities companies may also conduct Book-Entry Transfer Business for its customers as an Account Management Institution, provided that permission from the SECM is secured.

Book-Entry Regulations - Notification No. 1/2015 (7 August 2015) of the SECM

Upon listing and quotation on the YSX, our Shares will be traded under the book-entry, clearance and settlement system of the YSX, and all dealings in and transactions of our Shares through the YSX will be effected in accordance with the terms and conditions for the operation of Securities Accounts with the YSX, as amended from time to time.

No physical certificates will be issued for our Shares after listing with the YSX. The share certificates representing our Shares to be initially listed on the YSX and any rights pertaining to such shares certificates shall become void when such Shares are recorded as book-entry shares in the relevant Securities Account in the Transfer Book of the Book-Entry Transfer Institution and when such Shares are initially listed with the YSX. The ownership rights pertaining to the Shares shall be determined by the records in the Transfer Account Books of the Book-Entry Institution and the Account Management Institution.

Our Shareholders holding physical share certificates of our Shares who wish to trade in the YSX are required to open Securities Accounts with a licensed Securities Company and have their respective Securities Accounts credited with the number of Shares deposited before they effect the desired trades. Investors intending to purchase our Shares should also open a Securities Accounts with a licensed Securities Company.

Transactions in our Shares under the book-entry, clearance and settlement system, upon an application for the book-entry transfer, will be reflected by the seller’s Securities Account being debited with the number of Shares sold and the buyer’s Securities Account being credited with the number of Shares acquired. The transfer shall be effective when the record of an increase in quantity pertaining to such transfer is made in the Securities Account of the buyer.

Clearance and Settlement

The YSX has also chosen Kanbawza Bank Ltd. to run the clearing and settlement operations of the exchange. Kanbawza Bank Ltd. will be responsible for delivering payments for the sale of shares, once trades have been agreed on.

The delivery and receipt of shares shall be conducted through book-entry transfer and the payment and receipt of money for the settlement of the trade or transaction shall be conducted via account transfer at the fund settlement bank (Kanbawza Bank Ltd.) designated by the YSX.

For further information on the YSX rules and regulations, including the YSX Clearing and Settlement Business Operation Manual, please refer to: <https://ysx-mm.com/en/>

APPENDIX E

SUMMARY OF RELEVANT MYANMAR LAWS AND REGULATIONS

The following sets out a summary of relevant aspects of applicable laws and regulations that our business and operations are subject to in Myanmar and is not intended to be and does not constitute legal advice. The following does not purport to contain all conditions, qualifications and exceptions nor is the following a complete and exhaustive review of all laws and regulations of Myanmar with respect to the stated matters. The summary is based on laws, regulations and interpretations in effect and available as at the Latest Practicable Date. The laws, regulations and interpretations, however, may change at any time and any change could be retroactive. While this discussion is considered to be a correct interpretation of existing laws and regulations in force, no assurance can be given that the courts or government authorities responsible for the enforcement and administration of such laws or regulations will agree with this interpretation or that changes in such laws or regulations will not occur.

COMPANIES ACT

Introduction

The key statute in Myanmar that is generally applicable to companies is the Companies Act. The Companies Act is supplemented by the Companies Rules 1940 and the Companies Regulations 1957.

General

The Companies Act generally regulates the formation and registration, share capital, management and administration, winding-up and dissolution of companies in Myanmar. In particular, the Companies Act provides for (among other things) the following matters:

- The different types of companies that may be formed and registered under the Companies Act (being primarily (i) companies limited by shares, companies limited by guarantee and unlimited companies, (ii) private and public companies and (iii) Myanmar companies and foreign companies) and the requirements applicable to them.
- The share capital of companies regulated by the Companies Act, including the allotment and issue and transfer of shares, maintenance of the register of members, alteration of share capital, capital reduction and variation of rights of shareholders.
- The appointment and removal of and vacation of office by directors and certain conduct and liability of directors.
- The meetings of shareholders and the proceedings and voting at shareholders' meetings and records of meetings.
- Maintenance of company records, including books of account and certain statutory registers and audit requirements.
- Winding up and dissolution, including applicable procedures to be undertaken by the Myanmar courts or by appointed liquidators.

Public Companies

Under the Companies Act, a "public company" is defined as a company incorporated under the Companies Act (or certain specified preceding statutes) which is not a "private company". A "private company" is defined to mean a company which by its articles (a) restricts the right to

transfer the shares (if any); (b) limits the number of its members to 50 not including persons who are in the employment of the company; and (c) prohibits any invitation to the public to subscribe for the shares, if any, or debentures of the company. Our Company is a public company formed and registered under the Companies Act.

The Companies Act contains certain provisions that are specifically applicable to public companies, including the following:

- A public company is prohibited (save as specifically permitted in the Companies Act) from giving, whether directly or indirectly, and whether by means of a loan, guarantee, the provision of security or otherwise, any financial assistance for the purpose of or in connection with a purchase made or to be made by any person of any shares in the company.
- The directors of a public company or of a subsidiary company of a public company are not permitted, except with the consent of the company concerned in general meeting: (a) sell or dispose of the undertaking of the company; or (b) remit any debt due by a director.
- Certain requirements are applicable to meetings of shareholders of public companies, including in relation to notice of meeting, notice period and demand for a poll.
- A public company is prohibited from making any loan or guaranteeing any loan made to a director of the company or to a firm of which such director is a partner or to a private company of which such director is a director.
- Except as may be expressly permitted by the Companies Act, a director of a public company shall not vote as a director on any contract or arrangement in which he is either directly or indirectly concerned or interested, nor shall his presence count for the purpose of forming a quorum at the time of any such vote; and if he does so vote, his vote shall not be counted.

Articles of Association

The Companies Act provides that the articles of association of a company may adopt all or any of the prescribed regulations contained in Table A (First Schedule) to the Companies Act. In any event, a company is deemed to contain regulations identical with or to the same effect as the prescribed regulations in Table A relating to voting in general meetings, deposit of proxy instruments, powers of directors, retirement of directors by rotation, source and declaration of dividends, inspection of corporate books by shareholders, contents of profit and loss statement, and the manner by which notice is given to shareholders and directors of the company.

Some Reporting Requirements

The Companies Act prescribes certain reporting and filing requirements that are mandatory for all companies, including the following:

- Every company must, within 18 months from incorporation and thereafter at least once a year, submit to the CRO a list of (i) all persons who, on the day of the first or only general meeting in the year, are shareholders of the company and (ii) all persons who have ceased to be shareholders since the date of the last return. This annual submission must be made in the prescribed form and must include the number of shares held by each of the existing members on the date of the return.
- Every public company, in particular, is required to maintain an index of the names of its members and must, within 14 days after the date on which any alteration is made in such register of members make any necessary alteration in the index.

- Every company must submit a return on allotment of shares to the CRO within one month from such allotment. This return must be made in the prescribed form and should state the number and nominal amount of the shares comprised in the allotment, description of the allottees and the amount paid or the amount due and payable on each share.
- Every company must file a notification informing the CRO of any change in its directors, managers or managing agents within 14 days of the appointment or change. This notification must be made in the prescribed form.

SPECIAL ECONOMIC ZONE LAW 2014 AND SEZ IMPLEMENTING RULES 2015

Introduction

The SEZ Law 2014 was enacted on 23 January 2014 and replaced the SEZ Law 2011. The SEZ Implementing Rules 2015, which implement the provisions of the SEZ Law 2014, were issued by the Ministry of National Planning and Economic Development as Notification No. 1/2015 on 27 August 2015.

The SEZ Law 2014 states that its objectives are to (among other things) support the primary objectives of the national economic development plan, create employment for a large number of people and raise their living standards, increase production and exports and increase foreign exchange income, encourage and attract domestic and foreign investments by creating sound foundations for developers and investors, and encourage, promote and give incentives for the balanced development of industrial, economic and social sectors within Myanmar.

Administration of the SEZ Law 2014

The SEZ Law 2014 provides that the Government shall form a Myanmar Special Economic Zone Central Body ("**Central Body**"), comprising a person suitable for carrying out functions and duties contained therein related to the establishment of special economic zones as chairman, and suitable persons from relevant ministries and government departments and government organizations as members.

The Central Body shall:

- with the approval of the Government, in turn form the Myanmar Special Economic Zone Central Working Body ("**Central Working Body**"), comprising persons from relevant government departments and government organizations, to support the implementation of activities related to special economic zones; and
- form one management committee ("**Management Committee**") for each stipulated special economic zone, comprising persons from relevant government departments, government organizations, persons from external organizations and external persons, for carrying out functions and duties under the SEZ Law 2014. The Management Committee shall also include a representative from the relevant region or state government cabinet concerned.

Pursuant to the SEZ Law 2014, the central body, the central working body and the management committee formed under the SEZ Law 2011 are deemed to have been formed in accordance with the SEZ Law 2014.

Establishment of Special Economic Zones

Under the SEZ Law 2014, the Central Body may, with the consent of the Government cabinet, submit to the Myanmar Parliament for approval a proposal for a special economic zone in a suitable region or location taking into account the prescribed criteria under the SEZ Law 2014. Upon obtaining the approval of the Myanmar Parliament, the Central Body may then stipulate the relevant region or location as a special economic zone for the purposes of the SEZ Law 2014.

Notwithstanding the foregoing, the Central Body may, with the approval of the Government cabinet, stipulate a special economic zone if deemed feasible and beneficial for the State and the public, even if the prescribed criteria are not met.

Under the SEZ Law 2011, the Government may by notification establish a special economic zone by demarcating the land area, extent and boundary of the territory in a suitable area in order to further develop the economic momentum of the State. The SEZ Law 2014 provides that notifications, orders, directives and procedures issued under the SEZ Law 2011 shall continue to be effective so long as they are not contrary to the SEZ Law 2014. As such, any notification establishing a special economic zone issued under the SEZ Law 2011 will continue to be effective as long as it is not contrary to the SEZ Law 2014.

Designation as Exemption Zone or Promotion Zone

The relevant Management Committee may stipulate distinct territories within a special economic zone as an exemption zone ("**Exemption Zone**") or a promotion zone ("**Promotion Zone**").

An Exemption Zone, in so far as the regulatory authority of the Customs Department of Myanmar is concerned, shall be treated as an area outside the dutiable area of Myanmar and as such, shall, for duties and tax purposes, be treated as if it were located outside of the country. Goods manufactured in the Free Exemption Zone and which will be transferred to the Promotion Zone or outside of the SEZ (*i.e.*, for local consumption in Myanmar) will be considered as an importation from overseas, and as such, will be subject to import duties and applicable customs clearance procedures in the TSEZ. In the same way, goods transferred from the Promotion Zone or locations outside the SEZ into the Exemption Zone shall be considered as exports.

A Promotion Zone is an area within a special economic zone to which domestic tariffs apply.

The relevant Management Committee may also stipulate individual export-oriented enterprises as exemption zone enterprises ("**Exemption Zone Enterprises**") in the absence of stipulation of distinct zones into Exemption Zone or Promotion Zone. An Exemption Zone Enterprise will enjoy the same benefits as an enterprise operating in an Exemption Zone.

Manufacturing enterprises situated within an Exemption Zone or Exemption Zone Enterprises will primarily be export-oriented manufacturing enterprises, whereas manufacturing enterprises situated in a Promotion Zone are primarily oriented to the domestic market, which according to the SEZ Law, may include housing, departmental stores, banks, schools, hospitals, recreational areas and other establishments, but they may also carry out direct exports or sales to Exemption Zone Enterprises.

Business Activities

An investor investing in a special economic zone may carry out (among other things) the manufacturing of finished products, process production, warehousing, provision of transportation and services.

In order to make an investment in a special economic zone, an investor will have to apply to the relevant Management Committee, for an operation permit for the investment activity ("**SEZ**

Permit”), in accordance with the SEZ Law, the SEZ Implementing Rules 2015 and the issuances of the relevant Management Committee, which in the case of the Thilawa SEZ is the Thilawa SMC.

An SEZ Permit will not be granted as a matter of right and applications are subject to review and approval by the respective Management Committee handling the application. To qualify for an SEZ Permit, an investor’s intended business must involve at least one of the following activities as mandated under the SEZ Law:

- Manufacturing finished products, process production, carrying out warehousing, provision of transportation and services;
- Transporting of raw materials, packing materials, machinery, equipment and fuel into a SEZ from within the country or from abroad;
- Carrying out domestic or international commerce of goods produced from the investment activity;
- Establishment of investment activities and international service centers at the prescribed location within the SEZ; and
- Engaging in other businesses not prohibited by the State.

In addition, the SEZ Implementing Rules list the following businesses that are allowed to operate within an SEZ:

- Trading;
- Development and construction of residences, hotels and shopping centers;
- Technology and design;
- Storage and transportation services for goods;
- Research and development services;
- Computer software;
- Meeting place for business discussions, providing information, recruitment services, insurance, legal or medical services, financial records, taxation, centers of assistance, web-development, design and special effects and services for the provision of information technologies;
- Retail and wholesale distribution services;
- Financial services;
- Skill-based services except law and accounting;
- Rental services;
- Consultancy and other services;
- Real estate developing, construction and other related services;
- Educational services;
- Environmental preservation services;
- Hospitals and other medical services;
- Tourism and other related services;
- Entertainment and other related services;
- Services for culture and sports; and
- Transportation and other related services.

Applications are evaluated based on the nature of the business and capitalization requirements also vary depending on the nature of the business.

As an additional condition for approval, the SEZ Law further requires that that the investor possesses the ability to (a) complete construction and (b) commence commercial operation of the investment activity within the period stipulated by the respective Management Committee. Successful applicants will be issued an SEZ Permit issued by respective Management Committee under the SEZ Law. Under the present procedure for incorporating an SEZ entity, the SEZ Permit is first issued and the certificate of registration from the CRO establishing the private limited company follows as a matter of course.

The Ministry of National Planning and Economic Development has also issued regulations specific to the Thilawa SEZ. One of which is Notification No. 81/2014 issued on 1 October 2014 (“**Thilawa SEZ Rules**”).

The Thilawa SEZ Rules lists down the specific business activities allowed in the Thilawa SEZ:

- Trading;
- Infrastructural development industries such as housing, hotels and shopping centres;
- Technology and design;
- Warehouse and logistics;
- Research and development;
- Computer software services;
- Information services such as places provided for business meeting, information providers, human resources and service guarantees, data on law, medical records, documentations of cash receipt and disbursement, remote control services, tax statements, supportive centres, websites services, animation and design;
- Distribution service including retail and wholesale;
- Financial services;
- Expertise service exclusive of law and accounts;
- Other types of service including consultations;
- Construction and other related services;
- Education services;
- Environmental conservation services;
- Hospitals and healthcare services;
- Travels and tour services;
- Recreation and entertainment services;
- Culture and sports services; and
- Transportation services

The Thilawa SEZ Rules also provides for the process of application for an SEZ Permit from the Thilawa SMC.

A flowchart of the process is set out below in the section entitled “**The Thilawa SEZ One Stop Service Center**”.

Tax Incentives

The SEZ Law 2014 provides that an investor who invests in and operates a business in a special economic zone is entitled to certain tax incentives, which generally depend on whether such business is conducted within an Exemption Zone or a Promotion Zone.

In particular, an investor who operates a business in an Exemption Zone or an Exemption Zone Enterprise is entitled to income tax exemption for the first seven-year period from the date of commencement of commercial operations, while an investor who operates a business in a Promotion Zone may be granted an income tax exemption for five years from the date commencement of commercial operations.

In all cases, an investor may, upon the expiration of the specified income tax exemption described above, obtain a 50.0% relief on the income tax rate for the second five-year period and obtain a 50.0% relief on the income tax rate for the third five-year period if the profit generated by the business is maintained in a reserve fund or re-invested within one year after the reserve is made. An investor may also apply for income tax exemption on dividends distributed out of domestic profits for which tax has been paid, as well as for commercial and other related indirect taxes, but only for a specified period of time.

In addition, an investor operating in an Exemption Zone may enjoy exemption from custom duties and other tariffs in respect of the import of raw materials, machinery, equipment and essential supplies to be utilized in production; construction materials to be utilized in the construction of factory, warehouse and its own offices; and vehicle for operational use. It may also enjoy exemption from custom duties and other tariffs in respect of the import of goods to be traded, consignments, vehicles actually needed for operations and other materials to be used in duty-free wholesale business, export trade business and services business such as logistics.

An investor operating in a Promotion Zone may also enjoy exemption for the first five years from the commencement of operations, and 50.0% relief for the next five consecutive years, from custom duties and other tariffs in respect of the import of machinery and equipment and essential supplies; construction materials to be utilized in the construction of factory, warehouse and its own offices; and vehicle actually needed for operations and other materials which are not to be traded.

A developer of an SEZ is also entitled to the following income tax exemption and reliefs: income tax exemption for the first eight years from the commencement of business operations; 50.0% relief from the income tax rate stipulated by prevailing law for the second five-year period; and 50.0% relief from the income tax rate stipulated by prevailing law for the third five-year period on the profit which is obtained from the business if it is reinvested within one year in the business as a reserve fund.

LAND LEASE AND USE REGULATIONS UNDER THE SEZ LAW 2014

Introduction

The legal framework with regard to land in Myanmar exists in the form of numerous laws that deal with specific areas or concerns relating to land (such as the Village Act (amended 1961), the Forest Law (1992) and the recently enacted Farmland Law (2012), just to give a few examples) and there is no single piece of legislation governing land in Myanmar.

Types of Interests in Land

Generally, there are two primary types of interests in land in Myanmar, *i.e.*, estates in fee simple and leasehold rights. In Myanmar, lands which are held as fee simple estates (*e.g.*, freehold lands) are also known as “ancestral lands,” and the government no longer grants such estates in fee simple. Instead, the government issues “grants” over specific parcels of land that can be considered leasehold rights, as they are conceptually estates for years. The terms of the grant vary at the discretion of the government and may also depend on the statute upon which such grant is being issued. In any event, grant land is transferable and entities (including corporate entities) with leasehold interests in such lands may carve out and divest lesser interests (such as a lesser estate for years) and, in some cases, create security interests over such lands as well.

Myanmar nationals and companies may generally receive land grants for any period as specified in the corresponding grant without need of securing or perfecting any special or additional approval from the government (apart from the issuance of the land grant itself). Foreign individuals and companies, on the other hand, may only enter into long term agreements for the lease or use of land upon the issuance of an investment permit from the Central Body under the Special Economic Zone Law or the Myanmar Investment Commission under the Myanmar Foreign Investment Law (2012). In the absence of such an investment permit, they are only allowed to lease land for a term not exceeding one year as provided under the Transfer of Immoveable Property Registration Law (1987). In any event, foreigners are not allowed to own land in Myanmar.

Land in Special Economic Zones

For investors (whether local or foreign) intending to locate their business activities in special economic zones and lease land located therein, the SEZ Law 2014 grants the respective Management Committee the power to approve the lease or use of the land for a term of at least 50 years, with a possible term extension of 25 years.

The SEZ Law 2014 also prescribes the following specific conditions for any lease or use of permitted land in a special economic zone:

- The investor must bear the cost and expenses for the relocation of houses, buildings, farms and gardens found on the land, including the payment of compensation to any settlers who may have to be displaced by such land lease or land use.
- The investor must use such land only in accordance with the terms and conditions issued pursuant thereto.
- The investor may mortgage or transfer the land for the conduct of the business activities in the special economic zone for the remaining term of the lease, subject, in all cases, to the approval of the relevant Management Committee.
- The investor must not modify or alter the physical condition or topography of the land, without the prior approval of the relevant Management Committee.
- The investor must report the discovery of any treasure, antiques and minerals on the land, which shall, in all cases, be owned by the Government. The relevant Management Committee may choose to allow the investor to continue to use the land, or to relocate the investor to another parcel of land for the continuance of the business.

Under the SEZ Law 2014, a specific period for the completion of construction and the commencement of commercial operations for business enterprises located in a special economic zone may be prescribed. The relevant Management Committee may withdraw the investment permit if delays in the construction or in the commencement of commercial operations are without any acceptable reason.

Leases of land located in a special economic zone may be registered in accordance with the procedures of the Myanmar Registration Act 1909.

LABOUR AND MANPOWER REGULATIONS

In engaging workers for businesses operated in special economic zones, investors are required to comply with the general laws, notifications and regulations relating to labour and employment, including the following:

- Leave and Holidays Act 1952
- Minimum Wages Act 2013
- Social Security Act 1954
- Workmen's Compensation Act 1924
- Factories Act 1951
- Labour Organization Law 2011
- Labour Dispute Settlement Law 2012
- Employment and Skill Development Act 2013
- Shops and Establishment Act 1951

This also includes the obligation to register all employees with the Myanmar Social Security Board within 15 days from the commencement of its operations.

The SEZ Law 2014 also set out hiring requirements for investors for both citizen and foreign workers. For unskilled workers, the law provides that investors in special economic zones may only engage Myanmar citizens. Meanwhile, for skilled workers, the law allows the engagement of foreign workers, provided, however, that for the first two years of commercial operations, 25.0% of all skilled workers must be Myanmar citizens. By the end of the fourth year of commercial operations, the number of Myanmar citizens hired for skilled work must be at least 50.0% of the investor's total skilled worker force, and by the end of the sixth year of commercial operations, this number must be increased to 75.0% of the skilled worker force. In any event, there exists no guidance on what constitutes skilled work and unskilled work for purposes of these manpower requirements.

MYANMAR ENVIRONMENTAL REGULATIONS

Environmental regulation in Myanmar has historically been a patchwork of sectoral regulations at the national and regional level, but has recently become more coherent and centralized with the enactment of the Environment Conservation Law of 2012 ("**ECL**"). The ECL mandates the formation of the Environmental Conservation Committee ("**ECC**").

The Ministry of Environmental Conservation and Forestry ("**MOECAF**"), with the approval of the Government and the ECC, is empowered under the ECL to fix standards relating, among others, to surface, coastal and underground water quality, atmospheric quality, noise pollution, gaseous emissions and solid and fluid waste discharge.

Under the ECL, businesses that cause so-called "point source pollution" are required to treat, emit, discharge and/or dispose of pollutants in accordance with stipulated environmental quality standards and to install equipment to further monitor, control, manage, reduce and/or eliminate pollutants.

Businesses operating in a special economic zone are particularly mentioned as having the following specific obligations:

- The contribution of funds and resources to the unified conservation scheme under the ECL in the relevant special economic zone, including the payment of related user charges and management fees for the exploitation of natural resources.
- Strict compliance with the directives issued by the MOECAF and the relevant Management Committee for the protection of natural resources.

The ECL also empowers the MOECAF to require the preparation of an environmental impact assessment ("**EIA**") for businesses seeking to operate in Myanmar.

In addition, the ECL allows the MOECAF to specify business activities that are particularly harmful to the environment and to require those businesses to obtain prior approval from the MOECAF before it may receive the relevant permit or approval from the concerned government agency (for example, the relevant Management Committee under the SEZ Law 2014).

On 5 June 2014, the MOECAF published Notification No. 50/2014 or the Environmental Conservation Rules (2014) (the "**ECR**") to supplement and implement portions of the ECL. Chapter 11 of the ECR sets out that MOECAF shall prescribe the types of projects or business activities including the business of services for which an EIA must be carried out. Even if a project or business activity does not fall under the types requiring an EIA, MOECAF may still require an Initial Environmental Examination ("**IEE**") to determine whether an EIA is necessary. If a project or business activity falls under the types requiring an EIA, the investor shall contract a third-party organization to conduct the EIA (the "**EIA Organization**"). The investor must seek the prior approval of MOECAF on the proposed EIA Organization. MOECAF shall check

whether the proposed EIA Organization is qualified to undertake the EIA. Any decision of MOECAF as regards the assessment of the EAI Organization is deemed final.

Investors seeking to operate in an SEZ, therefore, may be required by the Central Body, through the relevant Management Committee, to prepare and submit an EIA report as a condition to the issuance of an investment permit to operate their business in an SEZ. Under Notification No. 8/2014 of the Ministry of National Planning and Economic Development, an investor in the Thilawa SEZ is required to submit an Environmental Conservation and Prevention Plan (“**ECCP**”) describing the measures for conservation and prevention of the environmental and social impacts of its business. The ECCP may be submitted to the Thilawa SMC at any time before the issuance of the SEZ Permit. The MOECAF will then review the ECCP and either an IEE or EIA will be additionally required for the business.

The ECL also mandates that businesses subject to the submission of an environmental impact assessment report, or prior permission as determined by the MOECAF must secure satisfactory insurance coverage against any accidents that may be harmful to the environment.

Apart from the ECL, investors continue to be subject to specific environmental laws and regulations such as the Underground Water Act 1930, the Conservation of Water Resources and Rivers Law and its associated rules, as well as rules and regulations issued by the applicable ministry supervising the particular business activity (for example, the Ministry of Energy for petroleum-related enterprises, or the Ministry of Commerce for manufacturing-based enterprises) and the governing authority (such as the Central Body) within which such business operates.

GENERAL REGULATIONS ON CONSTRUCTION ACTIVITIES IN MYANMAR

Presently, there is no comprehensive national legislation that covers or regulates construction activities in Myanmar and construction activities are therefore regulated by rules and policies implemented by:

- The ministry level (*e.g.*, the Ministry of Construction) either directly or indirectly through the Department of Human Settlement and Housing Development (“**DHSHD**”);
- The various city development committees, (hereinafter referred to as the “**Development Committees**”); or
- The various regional governments where the land or construction activity is intended to be undertaken.

Generally, two types of permits are required for construction activities: a Construction Permit (which is a permit generally required on a “per-project” basis) and a Contractor License (which is the license to engage in construction activities in Myanmar). Based on existing policies of the relevant ministries, foreign-owned companies, even those issued SEZ Permits, are prohibited from applying for both a Construction Permit and a Contractor License, since only Myanmar citizens have been allowed to apply for and be issued such Construction Permit and Contractor License.

Construction Permits are generally obtained on a per project basis in the name of the registered landholder or with that landholder’s consent. Such Construction Permits must be obtained from the Development Committees having jurisdiction or supervision over the land. In cases where the land is situated in a place where no Development Committees have jurisdiction or supervision, a corresponding permit may need to be from the concerned government agency (for example, the relevant Management Committee under the SEZ Law 2014).

Although there is an absence of a general law governing construction activities, there is presently a draft National Building Code that is pending approval.

MYANMAR ANTI-CORRUPTION LAW

Myanmar's Anti-Corruption Law came into effect in August 2013, replacing the outdated and underutilized Suppression of Corruption Act. Targeting in particular the bribery of public officials, the new law establishes the Commission for the Eradication of Bribery and with the power to require asset reporting by certain officials on an annual basis. Members of the Commission and public officials ordered by the Commission are now required to prepare a list of assets and liabilities in their names and in their family members' names to be submitted to the President's Office. Other powers granted to the Commission include the ability to seize evidence, freeze properties, investigate accounts in financial institutions and confiscate money and properties as part of the investigation process. Public officials found guilty under the new law face imprisonment of up to 15 years and the confiscation of properties earned through corruption. The Anti-Corruption Law also applies to non-public officials who have assisted public official in corrupt dealings.

Pursuant to the government's efforts to suppress corruption, the President's Office issued last 4 April 2016 its Guidelines Regarding the Acceptance of Gifts. Under the guidelines, cabinet members, members of a commission or organization formed by the government, civil servants are, as general rule, prohibited from accepting gifts given on account of his official position. However, this general rule admits of the following exceptions and therefore government employees are permitted to accept gifts but under the following conditions: (a) gifts valued not more than Ks25,000, with the total value of gifts received from an organization/individual not exceeding Ks100,000 in a year; (b) gifts given not because of official position but for family and personal relationship; and (c) gifts offered as a token of obeisance on a special occasion once a year and which value should not exceed Ks100,000 (for example, Thadinguyt festival present, Christmas present).

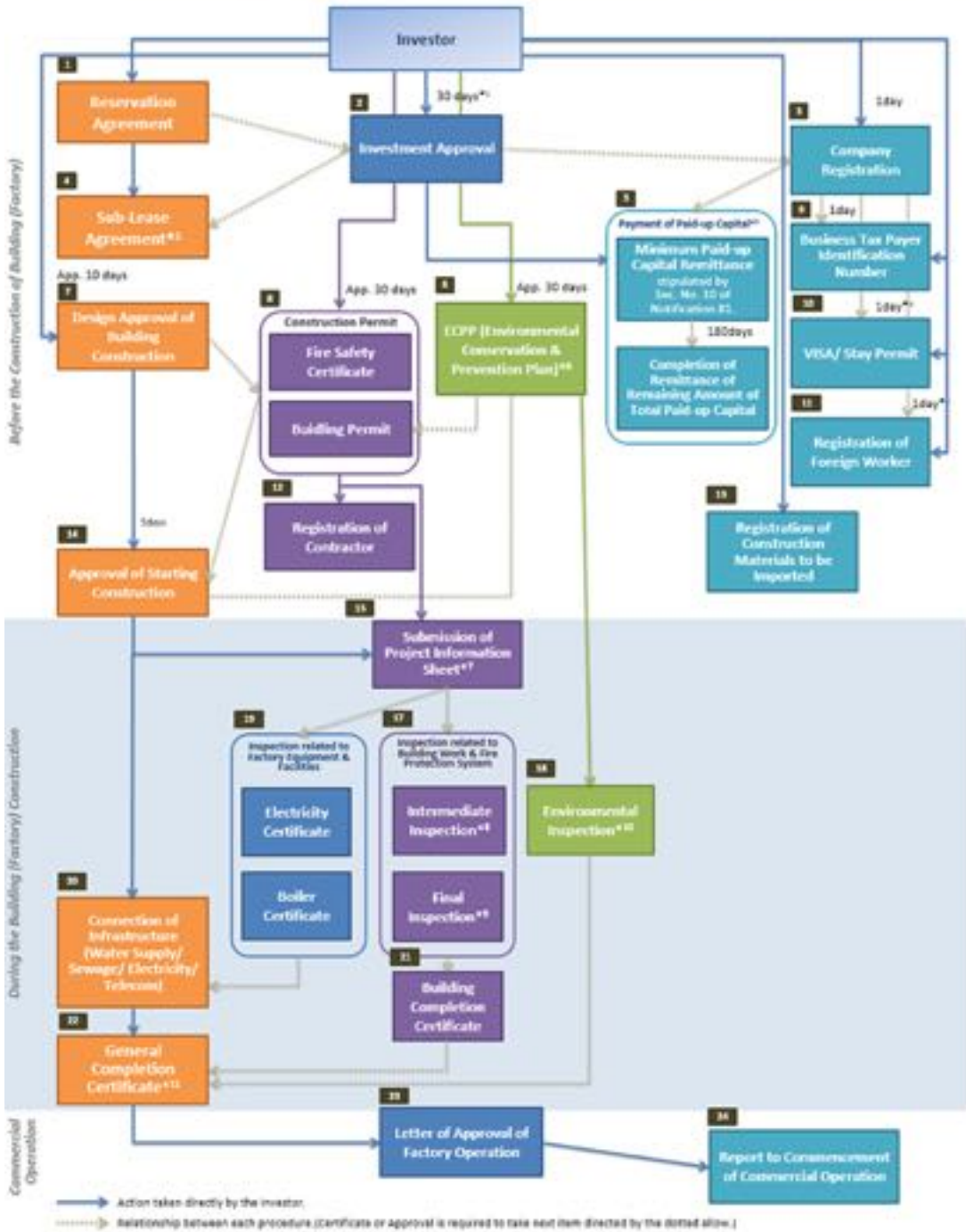
THE THILAWA SEZ ONE STOP SERVICE CENTER

The One Stop Service Center of the Thilawa SEZ eliminates lengthy procedures for application for government permits and approvals. The application for government permits and approvals in the Thilawa SEZ (ranging from an SEZ permit, company registration, import/export declaration, tax registration, multiple-entry visa, stay permit, etc.) can all be made through the Thilawa One Stop Service Center. Investors are not required to contact or go to any other government organizations or ministries. Any approvals, permits and services required by any investor can be acquired from the One Stop Service Center of the Thilawa SEZ in accordance with the SEZ Implementing Rules 2015.

Further, all the information (related to application procedures, documents required, timing and fees) are transparently mentioned in the *Standard Operational Procedures: Investors' Handbook* that can be downloaded from the Thilawa SMC website. Online application forms for some permits are also available so that investors do not even need to come to the One Stop Service Center. Necessary payments can also be made online via the electronic payment system.

Below is an illustration of the procedure for applying for an SEZ Permit as an investor in the Thilawa SEZ:

Procedures related to MJTD Procedures related to Investment Approval and Building Construction Procedures related to Business Administration



APPENDIX F

AUDITED FINANCIAL STATEMENTS

1. The audited financial statements of our Company for the fiscal year ended 31 March 2014.
2. The audited financial statements of our Company for the fiscal year ended 31 March 2015.
3. The audited consolidated financial statements of our Group for the fiscal year ended 31 March 2015.

MYANMAR THILAWA SEZ HOLDINGS PUBLIC LIMITED

**FINANCIAL STATEMENTS
MARCH 31, 2014**

Currency – Myanmar Kyat



MYANMAR THILAWA SEZ HOLDINGS PUBLIC LIMITED

**FINANCIAL STATEMENTS
AS AT AND FOR THE PERIOD ENDED MARCH 31, 2014**

CONTENTS	PAGE
Statement of management's responsibility	1
Independent auditor's report	2-3
Statement of financial position	4
Statement of comprehensive income	5
Statement of changes in equity	6
Statement of cash flows	7
Notes to the financial statements	8-13



STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR MYANMAR THILAWA SEZ HOLDINGS PUBLIC LIMITED

It is the responsibility of the management to prepare the financial statements which give a true and fair view of the financial position of Myanmar Thilawa SEZ Holdings Public Limited (the Company) as of March 31, 2014, and the statements of comprehensive income, changes in equity and cash flows for the period then ended, and a summary of significant accounting policies and other explanatory notes. In preparing these financial statements, the management is required to:

- Select suitable accounting policies and then apply them consistently; and
- Make judgments and estimates that are reasonable and prudent.

The management is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company. We have general responsibility for taking such steps as are reasonably open to us to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

On behalf of Management



WIN AUNG
(Chairman)



THEIN HAN
(Director)

September 20, 2014



ဝင်းထင်နှင့်အဖွဲ့၊ တရားဝင်ပျား
WIN THIN & ASSOCIATES
CERTIFIED PUBLIC ACCOUNTANTS

HEAD OFFICE:- Room (2B/2C) 1st Floor, Rose Condominium, No.182/194, Botahtaung Pagoda Road, Pazundaung Township, Yangon Region, Myanmar. Tel : 95-1-201798, 296164, Fax: 95-1-245671 Email : winthin9@myanmar.com.mm

MANDALAY BRANCH:- Room (9/10), East Wing of Baho Stadium, 70th Street (Between 29th & 30th Street), Mandalay Region, Myanmar. Tel : 95-2-34451, Fax: 95-2-34498

Ref: 362 /M-255/September 2014

INDEPENDENT AUDITOR'S REPORT

To the members of Myanmar Thilawa SEZ Holdings Public Limited

Report on the Financial Statements

We have audited the accompanying financial statements of Myanmar Thilawa SEZ Holdings Public Limited which comprise the statement of financial position as at March 31, 2014, and the statements of comprehensive income, changes in equity and cash flows for the period from May 3, 2013 to March 31, 2014, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Myanmar Financial Reporting Standard (MFRS) and the provisions of the Myanmar Companies Act. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Myanmar Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



Opinion

In our opinion, the financial statements give a true and fair view of the financial position of **Myanmar Thilawa SEZ Holdings Public Limited** as of March 31, 2014, and of its financial performance and its cash flows for the period then ended in accordance with MFRS and the provision of the Myanmar Companies Act.

Report on Other Legal and Regulatory Requirements

In accordance with the provisions of the Myanmar Companies Act, we also report that:

- (i) we have obtained all the information and explanations we have required; and
- (ii) books of account have been maintained by the Company as required by Section 130 of the Act.

U Win Thin

U Win Thin
B.Com. B.L., R.A.
Senior Partner
WIN THIN & ASSOCIATES
CERTIFIED PUBLIC ACCOUNTANTS



September 20, 2014



MYANMAR THILAWA SEZ HOLDINGS PUBLIC LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2014
 Currency – Myanmar Kyat

	2014
Assets	
Non-current assets	
Property and equipment (Note 5)	80,162,135.00
Equity- accounted investee (Note 6)	7,184,240,090.00
	<u>7,264,402,225.00</u>
Current assets	
Receivable (Note 7)	1,238,536,180.00
Prepayment	323,000.00
Cash and cash equivalents (Note 8)	14,673,885,212.00
	<u>15,912,744,392.00</u>
	<u>23,177,146,617.00</u>
Equity and liabilities	
Equity	
Capital – value per share kyat 10,000/-	<u>500,000,000.00</u>
Authorized– 50,000,000 shares	
Issued and paid-up capital (Note 9)	11,790,000,000.00
Net profit/(loss) for the year	(463,773,383.00)
	<u>11,326,226,617.00</u>
Current liabilities	
Share application received (Note 10)	11,841,470,000.00
Accrued professional fees	9,450,000.00
	<u>11,850,920,000.00</u>
	<u>23,177,146,617.00</u>

The notes on pages 8 to 24 are an integral part of the Financial Statements.


 WIN AUNG
 (Chairman)


 THEIN HAN
 (Director)



MYANMAR THILAWA SEZ HOLDINGS PUBLIC LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD FROM MAY 3, 2013 to MARCH 31, 2014
 Currency – Myanmar Kyat

	2014
Income	
Interest income	4,062,428.00
Exchange gain/(loss)	12,180,856.00
Total income	16,243,284.00
Expense	
Preliminary expenses – feasibility study (Note 11)	(101,850,000.00)
Legal & professional fee	(92,453,000.00)
Printing & stationery	(56,736,709.00)
Courier & postage	(27,898,000.00)
Travelling expenses	(27,474,821.00)
Advertising and agency fees	(19,938,500.00)
Salary and benefit	(12,415,100.00)
Entertainment expenses	(11,894,740.00)
Incorporation expenses	(4,633,200.00)
Bank service charges	(4,728,119.00)
Depreciation	(4,284,717.00)
Internet charges	(1,186,600.00)
Repair & maintenance	(1,678,550.00)
Office supplies	(947,080.00)
Telecommunication expenses	(689,095.00)
Rents & rates	(519,000.00)
Electricity expenses	(95,876.00)
Subscription fees	(90,200.00)
Total expense	(369,423,307.00)
Excess expenditure over income	(353,180,023.00)
Share of loss of equity-accounted investee (Note 6)	(110,593,360.00)
Income tax expense	-
Profit/(loss) for the year	(463,773,383.00)
Other comprehensive income for the year	-
Total comprehensive income for the year	(463,773,383.00)

The notes on pages 8 to 24 are an integral part of the Financial Statements.


 WIN AUNG
 (Chairman)


 THEIN HAN
 (Director)


- 5 -



MYANMAR THILAWA SEZ HOLDINGS PUBLIC LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD FROM MAY 3, 2013 to MARCH 31, 2014
 Currency – Myanmar Kyat

	Issued and paid-up capital	Retained Earnings/(loss)	Total
Total comprehensive income for the year	-	(463,773,383.00)	(463,773,383.00)
Issue of share capital	11,790,000,000.00	-	11,790,000,000.00
Balance at March 31, 2014	11,790,000,000.00	(463,773,383.00)	11,326,226,617.00

The notes on pages 8 to 24 are an integral part of the Financial Statements.



WIN AUNG
(Chairman)



THEIN HAN
(Director)



MYANMAR THILAWA SEZ HOLDINGS PUBLIC LIMITED
STATEMENT OF CASH FLOWS
FOR THE PERIOD FROM MAY 3, 2013 to MARCH 31, 2014
 Currency – Myanmar Kyat

	2014
Cash flows from operating activities	
Profit/(loss) before tax	(463,773,383.00)
<i>Adjustments for:</i>	
Depreciation	4,284,717.00
Share of loss of equity-accounted investee	110,593,360.00
Operating loss before working capital changes	(348,895,306.00)
(Increase)/Decrease in prepayment	(323,000.00)
(Increase)/Decrease in receivable	(1,238,536,180.00)
Increase/(Decrease) in accrual	9,450,000.00
Cash outflow from operations	(1,578,304,486.00)
Income tax paid	-
Net cash used in operating activities	(1,578,304,486.00)
Cash flows from investing activities	
Purchase of property, plant and equipment	(84,446,852.00)
Purchase of shares from Myanmar Japan Thilawa Development	(7,294,833,450.00)
Net cash used in investing activities	(7,379,280,302.00)
Cash flows from financing activities	
Proceed from capital contributed by nine promoters	11,790,000,000.00
Proceed from issue of ordinary shares to the public	11,841,470,000.00
Net cash provided by financing activities	23,631,470,000.00
Net increase/ (decrease) in cash and cash equivalents	14,673,885,212.00
Cash and cash equivalents at beginning of year	-
Cash and cash equivalents at end of year (Note 8)	14,673,885,212.00

The notes on pages 8 to 24 are an integral part of the Financial Statements.



WIN AUNG
(Chairman)



THEIN HAN
(Director)



MYANMAR THILAWA SEZ HOLDINGS PUBLIC LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Currency – Myanmar Kyat

1. General information

Myanmar Thilawa SEZ Holdings Public Limited was incorporated as a public company in the Union of Myanmar under The Myanmar Companies Act on May 3, 2013.

On 26 May 2013, pursuant to the Cooperation Memorandum, the Company signed a Memorandum of Understanding with MMST LLP (MMS Thilawa Limited Liability Partnership) for the purpose of establishing the Joint Venture Company for the development, marketing, sales and operation of the Zone A Project.

On 29 October 2013, pursuant to the Memorandum of Understanding mentioned above, the Company, the Thilawa SMC (Thilawa SEZ Management Committee) and MMSTD (MMS Thilawa Development Co.,Ltd) entered into the Joint Venture Agreement in connection with the establishment of the JV Company to undertake the development, construction, marketing, sales and operation of the Zone A project.

Under the Joint Venture Agreement, subject to the satisfaction of certain prescribed conditions precedent, the Company will collectively subscribe for JV Company Shares of an initial aggregate amount of US\$50,000,000 in the proportions of 41.0%.

The principle business activities of the Company are to:

- invest in and participate in the management of the JV Company, which will engage in the development, construction, marketing, sales and operation of the Zone A Project;
- market and sell the Zone A Properties to Myanmar Related Entities as exclusive agent, and market and sell the Zone A Properties to parties which are not Myanmar Related Entities or Japanese Related Entities jointly with the Japanese consortium members; and
- engage in the development of Thilawa SEZ (other than the Zone A Area) or any part thereof as may be determined by our Directors in their discretion.

For additional information about the Company, please refer to the Company's Prospectus dated 27th February, 2014.

The financial statements are expressed in Myanmar kyat and relate to the period from May 3, 2013 to March 31, 2014.

The registered office of the Company is No(29), Min Ye Kyaw Swar Road(UMFCCI Tower), Lanmadaw Township, Yangon Region, Republic of the Union of Myanmar.

The validity of the Certificate of incorporation issued to the Company is five years expiring on May 3, 2018.

2. Summary of significant accounting policies

A. Basis of preparation

The accompanying financial statements have been prepared in accordance with Myanmar Financial Reporting Standards (MFRS) and are based on historical cost convention.



B Foreign currency translation

(1) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of primary economic environment in which the entity operates (the "functional currency"). The financial statements are presented in Myanmar Kyats, which is the presentation currency of the Company.

(2) Transactions and balances

Foreign currency transactions are translated into the functional currency at the exchange rate prevailing on the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the income statement.

C Use of estimates and judgments

The preparation of the financial statements in conformity with MFRS requires management to make judgments, estimates and assumption that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

D Property and equipment

Property and equipment are stated at cost less accumulated depreciation. Depreciation is computed under the straight-line method over the estimated useful lives of these assets. Details of depreciation rates are as follow

Office renovation	5% - 10%
Office equipment	10%-20%
Motor vehicle	20%

E Investment in associate

Investment in associate is initially recognised at the transaction price (including transaction costs) under the equity method of accounting and is subsequently adjusted to reflect the investor's share of the profit or loss.

F Cash and cash equivalents

Cash and cash equivalents comprise cash in hand and deposits with various local banks.

G Ordinary Shares

Ordinary Shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognized as a deduction from equity, net of any tax effects.



H Related party

A party is related to an entity if:

- (a) directly, or indirectly through one or more intermediaries, the party:
 - (i) controls, is controlled by, or is under common control with, the entity (this includes parents, subsidiaries and fellow subsidiaries);
 - (ii) has an interest in the entity that gives it significant influence over the entity; or
 - (iii) has joint control over the entity;
- (b) the party is an associate of the entity;
- (c) the party is a joint venture in which the entity is a venture;
- (d) the party is a member of key management personnel of the entity or its parents;
- (e) the party is a close member of the family of any individual referred to in (a) or (d);
- (f) the party is an entity that is controlled, jointly controlled or significantly influenced by, or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (d) or (e); or
- (g) the party is a post-employment benefit plan for the benefit of employees of the entity, or of any entity that is a related party of the entity.

3. Financial risk management

The Company's financial risk management policy seeks to ensure that adequate financial resources are available for the development of the Company's business whilst managing its risks. In addition to the risk factors as stated in the Company's Prospectus dated 27th February, 2014, the main areas of financial risks faced by the Company and the policy in respect of the major areas of treasury activity are set out as follows:

Foreign exchange risk

The Company has exposure to foreign exchange risk due to assets and liabilities denominated in foreign currencies. However, the Company does not hedge its exposures to foreign exchange risk as the risk is not expected to be significant.

Credit risk

The maximum credit risk associated with recognized financial assets is the carrying amount shown in the balance sheet. However, policies had been established by the Company to minimize such risks.

Market risk

The Company is not exposed to any market risk.

Liquidity and cash flow risks

The Company monitors and maintains a level of bank balances deemed adequate by the directors to finance the operation and mitigate the effects of fluctuation in cash flow.

4. Fund management

The Company's objectives, when managing its funds, are to safeguard and maintain adequate working capital to continue as a going concern.



5. Property and equipment - Net

Details are as follows:

	Office Renovation	Furniture and equipment	Motor Vehicles	Total
Cost				
Additions	33,999,236.00	25,447,616.00	25,000,000.00	84,446,852.00
At March 31, 2014	33,999,236.00	25,447,616.00	25,000,000.00	84,446,852.00
Accumulated depreciation				
Depreciation charge	1,706,278.00	911,772.00	1,666,667.00	4,284,717.00
	1,706,278.00	911,772.00	1,666,667.00	4,284,717.00
Net book value	32,292,958.00	24,535,844.00	23,333,333.00	80,162,135.00

6. Equity-accounted investee (kyat 7,294,833,450.00)

The above amount represents investment made in Myanmar Japan Thilawa Development Ltd(MJTD)under joint venture agreement in which the entity shall subscribe 41% of the initial subscribed capital. Accordingly, the Company had subscribed \$272,878 equivalent to kyat 7,294,833,450 for its share. Initially, the investment was recognized at the transaction price (including transaction cost). At the reporting date, subsequent adjustment was made based on MJTD's proportionate share of loss for the year 2014 amounting to kyat10,593,360.00,and the carrying value of the investment was kyat 7,184,240,090. The detail is as follows;

	2014
Acquisition of investment	7,294,833,450.00
Proportionate net loss for the year(41% of \$272,878.00)@ K988.50	(110,593,360.00)
Carrying value as at 31stMarch, 2014	7,184,240,090.00

7. Receivable from MJTD

Receivable from MJTD consist of:

	2014
Geological Survey and borehole	33,164,537.00
Advance deposit to DHSHD	700,000,000.00
Development Cost – Myaing Thar yar electricity and fence	462,002,838.00
Advance payment for SEZ JV company	10,000,000.00
Advance payment for UBC Room Rental for MJTD	27,986,805.00
Advance payment for Agency fees	300,000.00
Incorporation expenses	5,082,000.00
Total	1,238,536,180.00



8. Cash and cash equivalents

Cash and cash equivalents consist of:

	2014
Cash in hand(K)	3,140,956.00
Cash at bank – current	6,334,354,019.00
Cash at bank – saving	322,393.00
Cash at bank – fixed	8,336,067,844.00
Total	14,673,885,212.00

9. Issued and paid-up capital

Details are as follows:

	2014
Ordinary share (131,000 shares of K 10,000/- each)	
Golden Land East Asia Development Limited	1,310,000,000.00
First Myanmar Investment Company Limited	1,310,000,000.00
Myanmar Sugar Development Public Co.,Ltd	1,310,000,000.00
Myanmar Edible Oil Industrial Public Corporation (MEICO) Ltd	1,310,000,000.00
Myanmar Agricultural & General Development Public Limited (MAGDPL)	1,310,000,000.00
National Development Company Group Limited	1,310,000,000.00
New City Development Public Company Limited	1,310,000,000.00
Myanmar Technologies and Investment Corporation Limited	1,310,000,000.00
Myanmar Agribusiness Public Corporation (MAPCO) Limited	1,310,000,000.00
	11,790,000,000.00

10. Share application received (K11,841,470,000)

The above amount represents application money received for 1,184,147 shares during the financial year. Additional application monies were received for 2,851,414 shares during the post financial year up to 30th June, 2014. In order that the applicants could buy shares in a fair and square manner, the board of directors decided to allot 2,138,405 shares out of total application received 4,035,561 shares and refund was made for 1,897,156 shares. The detail is as follows:

Descriptions	Amount (K)
Application received	
During the year	11,841,470,000.00
Post balance sheet period up to 30 th June, 2014	28,514,140,000.00
Total application received	40,355,610,000.00
Allotment	(21,384,050,000.00)
Refund	18,971,560,000.00



11. Preliminary expenses – feasibility study (K 101,850,000)

The above expenses relate to feasibility study cost incurred for the development of Thilawa Special Economic Zone (SEZ) prior to the incorporation of the Company. The said report was issued on January 2013 which forms the basis of negotiation for the formation of joint venture company - MJTD. The above expenses were approved to pay out from the Company by the Promoters in August, 2013 and ratified by the resolution of the Board on 20th September, 2014.

12. Related party transactions

Significant related party transactions during the year were as follows:

- (i) Investments made in Myanmar Japan Thilawa Development Limited (as mentioned in Note.6)
- (ii) Receivable due from Myanmar Japan Thilawa Development Limited of K. 1,238 million (as mentioned in Note.7)

13. Authorization of financial statements

The financial statements of the Company for the year ended March 31, 2014 were authorized for issue on September 20, 2014.



MYANMAR THILAWA SEZ HOLDINGS PUBLIC LIMITED

**FINANCIAL STATEMENTS
MARCH 31, 2015**

Currency – Myanmar Kyat



MYANMAR THILAWA SEZ HOLDINGS PUBLIC LIMITED

**FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2015**

CONTENTS	PAGE
Statement of Management's Responsibility	1
Independent Auditor's Report	2-3
Statement of Financial Position	4
Statement of Comprehensive Income	5
Statement of Changes in Equity	6
Statement of Cash Flows	7
Notes to the Financial Statements	8-17



**STATEMENT OF MANAGEMENT'S RESPONSIBILITY
FOR MYANMAR THILAWA SEZ HOLDINGS PUBLIC LIMITED**

It is the responsibility of the management to prepare the financial statements which give a true and fair view of the financial position of **Myanmar Thilawa SEZ Holdings Public Limited** (the Company) as of March 31, 2015 and the statements of comprehensive income, changes in equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes. In preparing these financial statements, the management is required to:

- Select suitable accounting policies and then apply them consistently; and
- Make judgments and estimates that are reasonable and prudent.

The management is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company. We have general responsibility for taking such steps as are reasonably open to us to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

On behalf of Management



Myanmar Thilawa SEZ Holdings Public Limited

October 9, 2015

WIN AUNG
Chairman
Myanmar Thilawa SEZ Holdings
Public Limited.





ဝင်းထင်နင်းအဖွဲ့၊ တစ်ရင်းစပ်များ

WIN THIN & ASSOCIATES

CERTIFIED PUBLIC ACCOUNTANTS

HEAD OFFICE:- Room (2B/2C) 1st Floor, Rose Condominium, No.182/194, Botahtaung Pagoda Road, Pazundaung Township, Yangon Region, Myanmar. Tel : 95-1-201798, 296164, Fax: 9 5-1-245671 Email : wintin9@myanmar.com.mm

MANDALAY BRANCH OFFICE:- Room (9/10), East Wing of Baitoo Stadium, 70th Street (Between 29th & 30th Street), Mandalay Region, Myanmar. Tel : 95-2-34451, Fax: 95-2-34498

Ref: 560 /M-255/March 2015

INDEPENDENT AUDITOR'S REPORT

To the members of Myanmar Thilawa SEZ Holdings Public Limited

Report on the Financial Statements

We have audited the accompanying financial statements of Myanmar Thilawa SEZ Holdings Public Limited which comprise the statement of financial position as at March 31, 2015, and the statements of comprehensive income, changes in equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Myanmar Financial Reporting Standard (MFRS) and the provisions of the Myanmar Companies Act. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Myanmar Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of Myanmar Thilawa SEZ Holdings Public Limited as of March 31, 2015, and of its financial performance and its cash flows for the year then ended in accordance with MFRS and the provision of the Myanmar Companies Act.

Report on Other Legal and Regulatory Requirements

In accordance with the provisions of the Myanmar Companies Act, we also report that:

- (i) we have obtained all the information and explanations we have required; and
- (ii) books of account have been maintained by the Company as required by Section 130 of the Act.



U Win Thin

U Win Thin (PA-50)
B.Com. B.L., R.A.
Senior Partner
WIN THIN & ASSOCIATES
CERTIFIED PUBLIC ACCOUNTANTS

October 9, 2015

MYANMAR THILAWA SEZ HOLDINGS PUBLIC LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2015
 Currency – Myanmar Kyat

	Note	2015	2014
Assets			
Non-current assets			
Property and equipment	5	306,294,970	80,162,135
Investment in joint venture	6	25,122,275,268	7,184,240,090
Investment in subsidiary	7	1,000,000,000	-
		26,428,570,238	7,264,402,225
Current assets			
Cash and cash equivalents	8	13,012,801,749	14,673,885,212
Trade and other receivable	9	16,764,836,620	1,238,536,180
Deposit and prepayments	10	675,332,400	323,000
		30,452,970,769	15,912,744,392
		56,881,541,007	23,177,146,617
Equity and liabilities			
Equity			
Capital – value per share kyat 10,000/-		500,000,000,000	500,000,000,000
Authorized – 50,000,000 shares			
Issued and paid-up capital	11	38,929,150,000	11,790,000,000
Retained profits / (Accumulated loss)		15,752,829,651	(463,773,383)
		54,681,979,651	11,326,226,617
Non-current liabilities			
Deposit from suppliers		334,100,000	-
		334,100,000	11,850,920,000
Current liabilities			
Share application received		-	11,841,470,000
Trade and other payable	12	1,046,922,706	9,450,000
Provision	13	818,538,650	-
		1,865,461,356	11,850,920,000
		56,881,541,007	23,177,146,617

The notes on pages 8 to 17 are an integral part of the Financial Statements.

Authenticated by Directors:



WIN AUNG
 Chairman
 Myanmar Thilawa SEZ Holdings
 Public Limited



THIRIR HAN
 Managing Director
 Myanmar Thilawa SEZ Holdings
 Public Limited



MYANMAR THILAWA SEZ HOLDINGS PUBLIC LIMITED

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED MARCH 31, 2015

Currency - Myanmar Kyat

	Note	2015	2014
Income			
Management fees	14	867,134,099	-
(Less) Commercial tax		(41,292,589)	-
Net management fees		825,841,510	-
Sales commission	15	1,224,060,760	-
(Less) Commercial tax		(58,287,385)	-
Net sales commission		1,165,773,375	-
Interest	16	1,933,429,789	4,062,428
Other income	17	34,199,505	12,180,856
Total income		3,959,244,179	16,243,284
Expenses			
Preliminary expenses - feasibility study		-	101,850,000
Legal & professional fee		262,236,951	92,453,000
Printing & stationery		7,744,734	84,634,709
Travelling		131,996,394	27,474,821
Advertising and agency fees		152,768,607	19,938,500
Salary and benefit	18	434,345,866	12,415,100
Entertainment		217,908,982	11,804,740
Incorporation expenses		8,780,423	4,633,200
Bank service charges		569,710	4,728,119
Depreciation		33,731,362	4,284,717
Internet charges		1,453,350	1,186,600
Repair & maintenance		1,202,950	1,678,550
Office supplies		5,240,080	947,080
Telecommunication		2,205,423	689,095
Rents & rates		30,413,370	519,000
Electricity		1,162,950	95,876
Subscription fees		1,754,800	90,200
Share expenses		57,108,228	-
Penalty & fine		74,412,604	-
Site expenses		19,946,096	-
Loss on assets disposal		485,471	-
Total expenses		(1,445,468,351)	(369,423,307)
Net profit/(loss)		2,513,775,828	(353,180,023)
Share of profit/(loss) of joint venture	6	14,347,373,278	(110,593,360)
Net profit/(loss) before tax		16,861,149,106	(463,773,383)
Income tax expense		(644,546,072)	-
Net profit/(loss) after tax		16,216,603,034	(463,773,383)
Other comprehensive income for the year		-	-
Total comprehensive income for the year		16,216,603,034	(463,773,383)
Earnings per share (K per share)			
Basic earnings per share	19	4,612	-

The notes on pages 8 to 17 are an integral part of the Financial Statements.

Authenticated by Directors:

 -5-

WIN AUNG
Chairman
Myanmar Thilawa SEZ Holdings
Public Limited

  
THILAW HLAING
Managing Director
Myanmar Thilawa SEZ Holdings
Public Limited

MYANMAR THILAWA SEZ HOLDINGS PUBLIC LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED MARCH 31, 2015**
Currency – Myanmar Kyat

	Share capital	Retained profit/ (Accumulated loss)	Total equity
As at March 31, 2014	11,790,000,000	(463,773,383)	11,326,226,617
Net profit for the year	-	16,216,603,034	16,216,603,034
Issue of share capital	27,139,150,000	-	27,139,150,000
As at March 31, 2015	38,929,150,000	15,752,829,651	54,681,979,651
As at April 1, 2013	-	-	-
Net profit for the year	-	(463,773,383)	(463,773,383)
Issue of share capital	11,790,000,000	-	11,790,000,000
As at March 31, 2014	11,790,000,000	(463,773,383)	11,326,226,617

The notes on pages 8 to 11 are an integral part of the Financial Statements.

Authenticated by Directors:

WIN AUNG
Chairman
Myanmar Thilawa SEZ Holdings
Public Limited

THINN HTIN
Managing Director
Myanmar Thilawa SEZ Holdings
Public Limited



MYANMAR THILAWA SEZ HOLDINGS PUBLIC LIMITED
NOTES TO THE FINANCIAL STATEMENTS

Currency – Myanmar Kyat

1. General information

Myanmar Thilawa SEZ Holdings Public Limited was incorporated as a private company in the Union of Myanmar under The Myanmar Companies Act on May 3, 2013.

On 26 May 2013, pursuant to the Cooperation Memorandum, the Company signed a Memorandum of Understanding with MMST LLP (MMS Thilawa Limited Liability Partnership) for the purpose of establishing the Joint Venture Company for the development, marketing, sales and operation of the Class A Project.

On 29 October 2013, pursuant to the Memorandum of Understanding mentioned above, the Company, the Thilawa SMC (Thilawa SEZ Management Committee) and MMSTD (MMS Thilawa Development Co.,Ltd) entered into the Joint Venture Agreement in connection with the establishment of the JV Company to undertake the development, construction, marketing, sales and operation of the Class A project. The Joint Venture Company was established as Myanmar Japan Thilawa Development Ltd. (MJTD).

Under the Joint Venture Agreement, subject to the satisfaction of certain prescribed conditions precedent, the Company will collectively subscribe for JV Company Shares of an initial aggregate amount of US\$50,000,000 in the proportions of 41.0%.

The principle business activities of the Company are to:

- invest in and participate in the management of the JV Company, which will engage in the development, construction, marketing, sales and operation of the Class A Project;
- market and sell the Class A Properties to Myanmar Related Entities as exclusive agent, and market and sell the Class A Properties to parties which are not Myanmar Related Entities or Japanese Related Entities jointly with the Japanese consortium members; and
- engage in the development of Thilawa SEZ (other than the Class A Area) or any part thereof as may be determined by our Directors in their discretion.

For additional information about the Company, please refer to the Company's Prospectus dated 27th February, 2014.

The financial statements are expressed in Myanmar kyat and relate to the year from April 1, 2014 to March 31, 2015.

The registered office of the Company is No (29) Min Ye Kyaw Swar Road(UMFCCI Tower), Lanmadaw Township, Yangon Region, Republic of the Union of Myanmar.

The validity of the Certificate of incorporation issued to the Company is five years expiring on May 3, 2018.

2. Summary of significant accounting policies

A. Basis of preparation

The accompanying financial statements have been prepared in accordance with Myanmar Financial Reporting Standards (MFRS) and are based on historical cost convention.

-8-



MYANMAR THILAWA SEZ HOLDINGS PUBLIC LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED MARCH 31, 2015
 Currency – Myanmar Kyat

	2015	2014
Cash flows from operating activities		
Profit/(loss) before tax	16,861,149,106	(463,773,383)
<i>Adjustments for:</i>		
Depreciation	33,731,362	4,284,717
Fixed assets disposal	485,471	
Fixed assets write off	745,948	
Share of profit / (loss) of joint venture	(14,347,373,278)	110,593,360
Operating profit before working capital changes	2,548,738,609	(348,895,306)
Trade and other receivable	(15,526,300,440)	(1,238,536,180)
Deposit and prepayment	(675,009,400)	(323,000)
Trade and other payable	1,037,472,706	9,450,000
Provisions	173,992,578	-
Deposit from suppliers	334,100,000	-
Cash outflow from operations	(12,107,005,947)	(1,578,304,486)
Income tax paid	-	-
Net cash used in operating activities	(12,107,005,947)	(1,578,304,486)
Cash flows from investing activities		
Purchase of property, plant and equipment	(261,095,616)	(84,446,852)
Purchase of shares from joint venture	(3,590,661,900)	(7,294,833,450)
Investment in subsidiary	(1,000,000,000)	-
Net cash used in investing activities	(4,851,757,516)	(7,379,280,302)
Cash flows from financing activities		
Proceeds from additional capital contribution	5,760,000,000	11,790,000,000
Proceeds from issue of ordinary shares to the public	9,537,680,000	11,841,470,000
Net cash provided by financing activities	15,297,680,000	23,631,470,000
Net increase/ (decrease) in cash and cash equivalents	(1,661,083,463)	14,673,885,212
Cash and cash equivalents at beginning of year	14,673,885,212	-
Cash and cash equivalents at end of year (Note 8)	13,012,801,749	14,673,885,212

The notes on pages 8 to 17 are an integral part of the Financial Statements.

Authenticated by Directors:


 WIN AUNG
 Chairman
 Myanmar Thilawa SEZ Holdings
 Public Limited.


 THUAN HAN
 Managing Director
 Myanmar Thilawa SEZ Holdings
 Public Limited.



B Foreign currency translation

(1) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of primary economic environment in which the entity operates (the "functional currency"). The financial statements are presented in Myanmar Kyats, which is the presentation currency of the Company.

(2) Transactions and balances

Foreign currency transactions are translated into the functional currency at the exchange rate prevailing on the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the income statement.

C Use of estimates and judgments

The preparation of the financial statements in conformity with MFRS requires management to make judgments, estimates and assumption that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

D Property and equipment

Property and equipment are stated at cost less accumulated depreciation. Depreciation is computed under the straight-line method over the estimated useful lives of these assets. Details of depreciation rates are as follow;

Office renovation	20%
Office equipment	10%-40%
Motor vehicle	20%
Computer and equipment	20%
Software	20%
Machinery and equipment	10%

E Investment in associate

Investment in associate is initially recognised at the transaction price (including transaction costs) under the equity method of accounting and the carrying amount is increased or decreased to recognise the investor's share of the profit or loss of the investee after the date of acquisition. The investor's share of the profit or loss of the investee is recognised in the investor's profit or loss. Distributions received from an investee reduce the carrying amount of the investment.

F Cash and cash equivalents

Cash and cash equivalents comprise cash in hand and deposits with various local banks.

G Ordinary Shares

Ordinary Shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognized as a deduction from equity, net of any tax effects.

H Revenue

Revenue is recognised only when it is probable that the economic benefits associated with the transaction will flow to the Company.



I Related party

A party is related to an entity if:

- (a) directly, or indirectly through one or more intermediaries, the party:
 - (i) controls, is controlled by, or is under common control with, the entity (this includes parents, subsidiaries and fellow subsidiaries);
 - (ii) has an interest in the entity that gives it significant influence over the entity; or
 - (iii) has joint control over the entity;
- (b) the party is an associate of the entity;
- (c) the party is a joint venture in which the entity is a venture;
- (d) the party is a member of key management personnel of the entity or its parents;
- (e) the party is a close member of the family of any individual referred to in (a) or (d);
- (f) the party is an entity that is controlled, jointly controlled or significantly influenced by, or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (d) or (e); or
- (g) the party is a post-employment benefit plan for the benefit of employees of the entity, or of any entity that is a related party of the entity.

J Comparatives

Where necessary, comparative figures have been adjusted to conform with changes in presentation in the current year.

3. Financial risk management

The Company's financial risk management policy seeks to ensure that adequate financial resources are available for the development of the Company's business whilst managing its risks. In addition to the risk factors as stated in the Company's Prospectus dated 27th February, 2014, the main areas of financial risks faced by the Company and the policy in respect of the major areas of treasury activity are set out as follows:

Foreign exchange risk

The company is mainly exposed to currency risk on revenue and expenses that are denominated in currency other than the functional currency of the Company, Myanmar Kyat (MMK). In respect of other monetary assets and liabilities denominated in foreign currencies, the Company ensures that its net exposure is kept to an acceptable level by buying or selling foreign currencies at spot rates when necessary to address short-term imbalances.

However, the Company does not hedge its exposures to foreign exchange risk as the risk is not expected to be significant.

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers.

The maximum credit risk associated with recognized financial assets is the carrying amount of receivables recorded in the statement of financial position. However, policies had been established by the Company to minimize such risks.

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

The Company is not exposed to any market risk.



Liquidity and cash flow risks

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The Company monitors and maintains a level of bank balances deemed adequate by the directors to finance the operation and mitigate the effects of fluctuation in cash flow.

4. Fund management

The Company's objectives, when managing its funds, are to safeguard and maintain adequate working capital to continue as a going concern.



5. Property and equipment –Net

	Office renovation	Furniture and equipment	Computer equipment	Motor vehicle	Software	Machinery and equipment	Total
Cost							
Balance at 1 April 2013	-	-	-	-	-	-	-
Additions	33,999,236	20,400,616	5,047,000	25,000,000	-	-	84,446,852
Balance at 31 March 2014	33,999,236	20,400,616	5,047,000	25,000,000	-	-	84,446,852
Balance at 1 April 2014	33,999,236	20,400,616	5,047,000	25,000,000	-	-	84,446,852
Additions	1,316,000	4,059,174	20,933,050	161,614,500	1,615,000	35,025,320	261,095,616
Disposals	-	(1,385,806)	-	-	-	-	(1,385,806)
Balance at 31 March 2015	35,315,236	59,606,556	25,980,050	186,614,500	1,615,000	35,025,320	344,156,662
Accumulated depreciation							
Balance at 1 April 2013	-	-	-	-	-	-	-
Depreciation for the year	1,706,278	769,155	142,617	1,666,667	-	-	4,284,717
Balance at 31 March 2014	1,706,278	769,155	142,617	1,666,667	-	-	4,284,717
Balance at 1 April 2014	1,706,278	769,155	142,617	1,666,667	-	-	4,284,717
Depreciation for the year	7,041,114	5,911,633	3,881,479	15,448,262	188,417	1,260,457	33,731,362
Disposals	-	(154,387)	-	-	-	-	(154,387)
Balance at 31 March 2015	8,747,392	6,526,401	4,024,096	17,114,929	188,417	1,260,457	37,861,692
Net Book Value at March 31, 2014	32,292,958	19,631,461	4,904,383	23,333,333	-	-	80,162,135
Net Book Value at March 31, 2015	26,567,844	53,080,155	21,955,954	169,499,571	1,426,583	33,764,863	306,294,970



6. Investment in joint venture

In the financial year 2013-2014, investment was made in Myanmar Japan Thilawa Development Ltd (MJTD) under joint venture agreement in which the entity shall subscribe 41% of the initial subscribed capital. Accordingly, the Company subscribed \$7,379,700 equivalent to kyat 7,294,833,450 for its share. Initially, the investment was recognized at the transaction price (including transaction cost). During the year 2014-2015, the additional contribution amounting to \$ 3,690,300 equivalent to kyat 3,590,661,900 were made to the investment. At the reporting date, subsequent adjustment was made based on MJTD's proportionate share of profit for the year 2015 amounting to \$ 34,073,606 equivalent to kyat 14,347,373,278.42, and the carrying value of the investment was kyat 25,122,275,268.42. The details are as follows;

	2015	2014
Balance at 1 April 2015	7,184,240,090	-
Additional investment	3,590,661,900	7,294,833,450
Proportionate net profit/(loss) for the year	14,347,373,278	(110,593,360)
Carrying value as at 31st March, 2015	25,122,275,268	7,184,240,090

The Company's share of profit in its equity-accounted investee for the year was Kyat 14,347,373,278.42 (\$13,970,178.46@ 1.027) (2014: loss Kyat 110,593,360). The company did not receive dividends from its investment in equity-accounted investee (2014: nil). The equity accounted investee is not publicly listed entity and consequentially do not have published price quotations.

In 000US\$	Reporting date	Ownership	Current assets	Non-current assets	Total assets	Current liabilities	Non-current liabilities	Total liabilities	Net assets	Income	Expenses	Profit/(loss)	Share of net assets	Carrying amount	Share of profit (loss)
2014 MJTD (associate)	31 March	41%	16,477	17	16,494	2,297	-	2,297	14,197	2	275	(273)	112	112	112
2015 MJTD (associate)	31 March	41%	164,942	2,538	167,480	106,679	-	106,679	60,801	39,414	5,341	34,074	13,970	13,970	13,970



7. Investment in subsidiary

The wholly-owned subsidiary of the Company is Thilawa Property Development Limited and was incorporated as a private company in the Union of Myanmar under The Myanmar Companies Act on March 19, 2015. The initial investment made was K1,000,000,000.

The principal business activities of the subsidiary are:

- To invest in the development of Residential and Commercial Area within the Thilawa Special Economic Zone carried out by constructing, selling and leasing of commercial center, residences, office towers and other related development.
- To carry out preliminary engineering works
- To engage in importing, purchasing, leasing and the activities that are required for the development of said construction work
- To enter into partnership or into any arrangement of sharing profits
- To purchase or otherwise acquire for other means ownerships, rights, franchises, licenses, grants, trademarks, patent rights including land and buildings and to utilize beneficially those properties and rights for development thereof.

8. Cash and cash equivalents

	2015	2014
Cash in hand (K)	5,064,762	3,140,956
Cash at bank – current	22,408,419	6,334,354,019
Cash at bank – saving	6,493,765,832	322,393
Cash at bank – fixed	6,491,562,736	8,336,067,844
Total	13,012,801,749	14,673,885,212

9. Trade and other receivable

	Note	2015	2014
Cost of land lease and land developing cost	i	14,673,641,761	-
Sales commission(USD 2,036,217 @ 1,027)	ii	2,091,194,859	-
Other receivable from MJTD		-	1,238,536,180
Total		16,764,836,620	1,238,536,180

(i) It comprises payments for purchase of plot of land and the landscape expenses on behalf of Thilawa Property Development Limited.

(ii) It comprises commission fees receivable from MJTD for the successful contracts between MJTD and its customers whom introduced by the Company.

10. Deposit and prepayments

	2015	2014
Rent deposit	25,850,000	-
Advances to suppliers	638,125,282	-
Other	11,357,118	323,000
Total	675,332,400	323,000



11. Issued and paid-up capital

	2015	2014
Ordinary share		
(3,892,915 shares of K 10,000/- each)		
Golden Land East Asia Development Limited	1,950,000,000	1,310,000,000
First Myanmar Investment Company Limited	1,950,000,000	1,310,000,000
Myanmar Sugar Development Public Co.,Ltd	1,950,000,000	1,310,000,000
Myanmar Edible Oil Industrial Public Corporation Ltd	1,950,000,000	1,310,000,000
Myanmar Agricultural & General Development Public Limited	1,950,000,000	1,310,000,000
National Development Company Group Limited	1,950,000,000	1,310,000,000
New City Development Public Company Limited	1,950,000,000	1,310,000,000
Myanmar Technologies and Investment Corporation Limited	1,950,000,000	1,310,000,000
Myanmar Agribusiness Public Corporation (MAPCO) Limited	1,950,000,000	1,310,000,000
Public Shares	21,379,150,000	-
Total	38,929,150,000	11,790,000,000

12. Trade and other payable

	2015	2014
Trade payable	652,253,011	-
Accrued expenses	394,669,695	9,450,000
Total	1,046,922,706	9,450,000

13. Provision

	2015	2014
Income tax	709,000,679	-
Commercial tax	109,537,971	-
Total	818,538,650	-

14. Management fees

The Company entered into management memorandums with MJTD to provide management services. Under the terms of these memorandums, the Company is entitled to receive management fees as stipulated in the memorandum and will expire in 2016. Accordingly, management fees were received from MJTD in consideration of management services provided by the Company for the period from January 10, 2014 to March 31, 2015 for the following personnel;

- (1) Chairman
- (2) Vice President (Myanmar Desk)
- (3) Head of Finance & Accounting
- (4) Head of Administration & Human Resources

	2015	2014
January 10, 2014 to March 31, 2014(\$155,537@K1,027)	159,736,499	-
April 1, 2014 to March 31, 2015(\$688,800@K1,027)	707,397,600	-
Total	867,134,099	-



15. Sales commission

The Company entered into marketing agreements with MJTD to provide it with information in respect to potential locators and coordination services. Under the term of the agreements, the Company is entitled to receive commission fees at 6% of the contract price. The term of the agreement is for five years and shall be extended for further period by notify in writing at least 30 days prior to expiration of the agreement. Accordingly, the Company received commission fees income from MJTD for the successful contracts between MJTD and its customers whom introduced by the Company.

	2015	2014
Sales commission (USD 1,191,880 @ 1.027)	1,224,060,760	-
Total	1,224,060,760	-

16. Interest

Interest is received from the saving deposits in the local banks.

17. Other income

	2015	2014
Shares related income	30,051,356	-
Tender income	4,100,000	-
Newspapers & magazine	2,000	-
Exchange gain/(loss)	46,149	12,180,856
Total	34,199,505	12,180,856

18. Salary and benefit

The Salary and benefit includes the remuneration to key management personnel as follows.

Remunerations	2015 (USD)	2014 (USD)
2013-14	*66,794	-
2014-15	348,000	-
Total	414,794	-

*Backwards payments of remunerations for the year 2013-14 were made in the year 2014-15.

19. Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing the net profit attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding during the financial year.

	2015	2014
Net profit/(loss) attributable to equity holders of the Company (K)	16,216,603,034	-
Weighted average number of ordinary shares outstanding	3,516,437	-
Basic earnings per share (K per share)	4,612	-



20. Related party transactions

In addition to the information disclosed elsewhere in the financial statements, the following transactions took place between the Company and related parties at terms agreed between the parties:

(a) Sales and purchase of goods and service

	2015	2014
MJTD	US\$822,919.88	-
Other related parties	*K425,725,973	-
Payments made on behalf of subsidiary	K14,673,64,761	-
Management fees received from MJTD	US\$ 804,130	-
Sales commission received from MJTD	US\$ 1,135,125	-

*Other related parties comprise mainly companies which are controlled or significantly influenced by the Company's key management personnel which are as follows:

No.	Company Name	Related Executives	Position	2014-15 (K)	2013-14 (K)
1.	Dagon International Limited (Purchase of sand and rent of vehicles)	U Win Aung	Chairman	308,609,212	-
2.	Thuriya Energy Depot Management Company Limited (Rent of warehouse)	U Win Aung	Chairman	45,728,750	-
3.	Shwe Pyi General Trading (Container charges)	U Tun Lwin	Director	25,525,320	-
4.	Myint Myat Htut Khaung Co.,Ltd (Purchase of diesel)	U Aung Win	Chief Financial Officer of MJTD	28,638,622	-
5.	Union of Myanmar Federation of Chamber of Commerce & Industry(Rent of office room)	U Win Aung U Thein Han	President Vice President	17,224,069	-
				425,725,973	-

(b) Key management personnel and director compensation

Directors are considered as key management personnel and director compensations are disclosed in note 18.

21. Authorization of financial statements

The financial statements of the Company for the year ended March 31, 2015 were authorized for issue on October 9, 2015.



MYANMAR THILAWA SEZ HOLDINGS PUBLIC LIMITED

**CONSOLIDATED FINANCIAL STATEMENTS
MARCH 31, 2015**

Currency – Myanmar Kyat



MYANMAR THILAWA SEZ HOLDINGS PUBLIC LIMITED

**CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2015**

CONTENTS	PAGE
Statement of Management's Responsibility	1
Independent Auditor's Report	2 - 3
Consolidated Statement of Financial Position	4
Consolidated Statement of Comprehensive Income	5
Consolidated Statement of Changes in Equity	6
Consolidated Statement of Cash Flows	7
Notes to the Consolidated Financial Statements	8- 16



**STATEMENT OF MANAGEMENT'S RESPONSIBILITY
FOR MYANMAR THILAWA SEZ HOLDINGS PUBLIC LIMITED**

It is the responsibility of the management to prepare the consolidated financial statements which give a true and fair view of the consolidated financial position of **Myanmar Thilawa SEZ Holdings Public Limited** (the Group) as of March 31, 2015 and the consolidated statements of comprehensive income, consolidated statement of changes in equity and consolidated cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes. In preparing these consolidated financial statements, the management is required to:

- Select suitable accounting policies and then apply them consistently; and
- Make judgments and estimates that are reasonable and prudent.

The management is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the consolidated financial position of the Group. We have general responsibility for taking such steps as are reasonably open to us to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

On behalf of Management



Myanmar Thilawa SEZ Holdings Public Limited

October 9, 2015

WIN AUNG
Chairman
Myanmar Thilawa SEZ Holdings
Public Limited.





ဝင်းထင်နင်းအဖွဲ့၊ စာရင်းစစ်ပျား

WIN THIN & ASSOCIATES

CERTIFIED PUBLIC ACCOUNTANTS

HEAD OFFICE: Room (2B/2C) 1st Floor, Rose Condominium, No.182/194, Botahtaung Pagoda Road, Pazundaung Township, Yangon Region, Myanmar. Tel : 95-1-201798, 296164, Fax: 9 5-1-245671 Email : wintthin9@myanmar.com.mm
MANDALAY BRANCH OFFICE: Room (9/10), East Wing of Baho Stadium, 70th Street (Between 29th & 30th Street), Mandalay Region, Myanmar. Tel : 95-2-34451, Fax: 95-2-34498

Ref: 559/M-255/March 2015

INDEPENDENT AUDITOR'S REPORT

To the members of the group of Myanmar Thilawa SEZ Holdings Public Limited

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Myanmar Thilawa SEZ Holdings Public Limited which comprise the consolidated statement of financial position as at March 31, 2015, and the consolidated statements of comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Myanmar Financial Reporting Standard (MFRS) and the provisions of the Myanmar Companies Act. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Myanmar Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of Myanmar Thilawa SEZ Holdings Public Limited as of March 31, 2015, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with MFRS and the provision of the Myanmar Companies Act.

Report on Other Legal and Regulatory Requirements

In accordance with the provisions of the Myanmar Companies Act, we also report that:

- (i) we have obtained all the information and explanations we have required; and
- (ii) books of account have been maintained by the Group as required by Section 130 of the Act.



U Win Thin
U Win Thin (PA-50)
B.Com. B.L., R.A.
Senior Partner
WIN THIN & ASSOCIATES
CERTIFIED PUBLIC ACCOUNTANTS

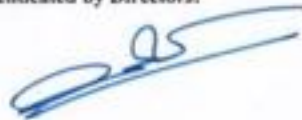
October 9, 2015

MYANMAR THILAWA SEZ HOLDINGS PUBLIC LIMITED
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2015
 Currency – Myanmar Kyat

	Note	2015
Assets		
Non-current assets		
Property and equipment	5	306,294,970
Investment in joint venture	6	25,122,275,268
		<u>25,428,570,238</u>
Current assets		
Cash and cash equivalents	7	13,012,801,749
Trade and other receivable	8	2,091,194,859
Deposit and prepayments	9	675,332,400
Work-in-progress	10	16,253,184,836
Inventory	11	1,797,649
		<u>32,034,311,493</u>
		<u>57,462,881,731</u>
Equity and liabilities		
Equity		
Capital – value per share kyat 10,000/-Authorized– 50,000,000 shares		500,000,000,000
Issued and paid-up capital		38,929,150,000
Retained profits		15,747,910,438
		<u>54,677,060,438</u>
Non-current liabilities		
Deposit from suppliers		334,100,000
		<u>334,100,000</u>
Current liabilities		
Trade and other payable	12	1,633,182,643
Provision	13	818,538,650
		<u>2,451,721,293</u>
		<u>57,462,881,731</u>

The notes are an integral part of the Financial Statements.

Authenticated by Directors:



WIN AUNG
 Chairman
 Myanmar Thilawa SEZ Holdings
 Public Limited



THEIN HAN
 Managing Director
 Myanmar Thilawa SEZ Holdings
 Public Limited



MYANMAR THILAWA SEZ HOLDINGS PUBLIC LIMITED
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED MARCH 31, 2015
 Currency – Myanmar Kyat

	Note	2015
Income		
Management fees	14	867,134,099
(Less) Commercial tax		(41,292,589)
Net management fees		825,841,510
Sales commission	15	1,224,060,760
(Less) Commercial tax		(58,287,385)
Net sales commission		1,165,773,375
Interest	16	1,933,429,789
Other income	17	34,199,505
Total income		3,959,244,179
Expense		
Legal & professional fee		265,989,064
Printing & stationery		7,744,734
Travelling		131,996,394
Advertising and agency fees		152,768,607
Salary and benefit	18	434,345,866
Entertainment		217,911,082
Incorporation expenses		9,945,423
Bank service charges		569,710
Depreciation		33,731,362
Internet charges		1,453,350
Repair & maintenance		1,202,950
Office supplies		5,240,080
Telecommunication		2,205,423
Rents & rates		30,413,370
Electricity		1,162,950
Subscription fees		1,754,800
Share expenses		57,108,228
Penalty & fine		74,412,604
Site expenses		19,946,096
Loss on assets disposal		485,471
Total expense		(1,450,387,564)
Net profit		2,508,856,615
Share of profit/(loss) of joint venture	6	14,347,373,278
Net profit/(loss) before tax		16,856,229,893
Income tax expense		(644,546,072)
Net Profit/(loss) after tax		16,211,683,821
Other comprehensive income for the year		-
Total comprehensive income for the year		16,211,683,821

The notes on pages are an integral part of the Financial Statements.

Authenticated by Directors:



WIN AUNG
 Chairman
 Myanmar Thilawa SEZ Holdings
 Public Limited.

-5-



THEIN HAN
 Managing Director
 Myanmar Thilawa SEZ Holdings
 Public Limited.



MYANMAR THILAWA SEZ HOLDINGS PUBLIC LIMITED
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED MARCH 31, 2015
 Currency – Myanmar Kyat

	Share capital	Retained profit/ (Accumulated loss)	Total equity
As at April 1, 2014	11,790,000,000	(463,773,383)	11,326,226,617
Net profit for the year	-	16,211,683,821	16,211,683,821
Issue of share capital	27,139,150,000	-	27,139,150,000
As at March 31, 2015	38,929,150,000	15,747,910,438	54,677,060,438

The notes are an integral part of the Financial Statements.

Authenticated by Directors:



WIN AUNG
 Chairman
 Myanmar Thilawa SEZ Holdings
 Public Limited.



THEIN HAN
 Managing Director
 Myanmar Thilawa SEZ Holdings
 Public Limited.



MYANMAR THILAWA SEZ HOLDINGS PUBLIC LIMITED
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED MARCH 31, 2015
 Currency – Myanmar Kyat

	2015
Cash flows from operating activities	
Profit/(loss) before tax	16,856,229,893
<i>Adjustments for:</i>	
Depreciation	33,731,362
Fixed assets disposal	485,471
Fixed assets write off	745,948
Share of profit of joint venture	(14,347,373,278)
Operating profit before working capital changes	2,543,819,396
<i>Changes in</i>	
Trade and other receivable	(852,658,679)
Deposit and prepayment	(675,009,400)
Work-in-progress	(16,253,184,836)
Inventory	(1,797,649)
Trade and other payable	1,597,682,351
Provisions	200,042,870
Deposit from suppliers	334,100,000
Cash outflow from operations	(13,107,005,947)
Income tax paid	-
Net cash used in operating activities	(13,107,005,947)
Cash flows from investing activities	
Purchase of fixed assets	(261,095,616)
Purchase of shares from joint venture	(3,590,661,900)
Net cash used in investing activities	(3,851,757,516)
Cash flows from financing activities	
Proceeds from contribution of capital	5,760,000,000
Proceeds from issue of ordinary shares	9,537,680,000
Net cash provided by financing activities	15,297,680,000
Net decrease in cash and cash equivalents	(1,661,083,463)
Cash and cash equivalents at beginning of year	14,673,885,212
Cash and cash equivalents at end of year (Note 7)	13,012,801,749

The notes are an integral part of the Financial Statements.

Authenticated by Directors:



WIN AUNG
 Chairman
 Myanmar Thilawa SEZ Holdings
 Public Limited.



THEIN HAN
 Managing Director
 Myanmar Thilawa SEZ Holdings
 Public Limited.



MYANMAR THILAWA SEZ HOLDINGS PUBLIC LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Currency – Myanmar Kyat

1. General information

Myanmar Thilawa SEZ Holdings Public Limited (Holding Company) was incorporated as a private company in the Union of Myanmar under The Myanmar Companies Act on May 3, 2013.

On 26 May 2013, pursuant to the Cooperation Memorandum, the Holding Company signed a Memorandum of Understanding with MMST LLP (MMS Thilawa Limited Liability Partnership) for the purpose of establishing the Joint Venture Company for the development, marketing, sales and operation of the Class A Project.

On 29 October 2013, pursuant to the Memorandum of Understanding mentioned above, the Holding Company, the Thilawa SMC (Thilawa SEZ Management Committee) and MMSTD (MMS Thilawa Development Co.,Ltd) entered into the Joint Venture Agreement in connection with the establishment of the JV Company to undertake the development, construction, marketing, sales and operation of the Class A project. The Joint Venture Company was established as Myanmar Japan Thilawa Development Ltd. (MJTD).

Under the Joint Venture Agreement, subject to the satisfaction of certain prescribed conditions precedent, the Holding Company will collectively subscribe for JV Company Shares of an initial aggregate amount of US\$50,000,000 in the proportions of 41%.

The principle business activities of the Holding Company are to:

- invest in and participate in the management of the JV Company, which will engage in the development, construction, marketing, sales and operation of the Class A Project;
- market and sell the Class A Properties to Myanmar Related Entities as exclusive agent, and market and sell the Class A Properties to parties which are not Myanmar Related Entities or Japanese Related Entities jointly with the Japanese consortium members; and
- engage in the development of Thilawa SEZ (other than the Class A Area) or any part thereof as may be determined by Holding Company's Directors in their discretion.

The wholly-owned subsidiary of the Group is Thilawa Property Development Limited and was incorporated as a private company in the Union of Myanmar under The Myanmar Companies Act on March 19, 2015. The initial investment made was K1,000,000,000.

Thilawa Property Development Limited was incorporated as a private company in the Union of Myanmar under The Myanmar Companies Act on March 19, 2015.

The principal business activities of the subsidiary are:

- To invest in the development of Residential and Commercial Area within the Thilawa Special Economic Zone carried out by constructing, selling and leasing of commercial center, residences, office towers and other related development.
- To carry out preliminary engineering works
- To engage in importing, purchasing, leasing and the activities that are required for the development of said construction work
- To enter into partnership or into any arrangement of sharing profits
- To purchase or otherwise acquire for other means ownerships, rights, franchises, licenses, grants, trademarks, patent rights including land and buildings and to utilize beneficially those properties and rights for development thereof.



The consolidated financial statements are expressed in Myanmar kyat and relate to the year from April 1, 2014 to March 31, 2015.

The registered offices of the head office and the subsidiary is No(29), Min Ye Kyaw Swar Road (UMFCCI Tower), Lanmadaw Township, Yangon Region, Republic of the Union of Myanmar.

2. Summary of significant accounting policies

A Basis of preparation

The Group follows the Holding Company's accounting policies and procedures, and thus; the accompanying consolidated financial statements have been prepared in accordance with Myanmar Financial Reporting Standards (MFRS) and are based on historical cost convention.

B Foreign currency translation

(1) Functional and presentation currency

Items included in the consolidated financial statements of the Group are measured using the currency of primary economic environment in which the entity operates (the "functional currency"). The financial statements are presented in Myanmar Kyats, which is the presentation currency of the Group.

(2) Transactions and balances

Foreign currency transactions are translated into the functional currency at the exchange rate prevailing on the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the consolidated income statement.

C Use of estimates and judgments

The preparation of the consolidated financial statements in conformity with MFRS requires management to make judgments, estimates and assumption that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

D Property and equipment

Property and equipment are stated at cost less accumulated depreciation. Depreciation is computed under the straight-line method over the estimated useful lives of these assets. Details of depreciation rates are as follows;

Office renovation	20%
Office equipment	10%-40%
Motor vehicle	20%
Computer and equipment	20%
Software	20%
Machinery and equipment	10%

E Investment in associate

Investment in associate is initially recognised at the transaction price (including transaction costs) under the equity method of accounting and the carrying amount is increased or decreased to recognise the investor's share of the profit or loss of the investee after the date of acquisition. The investor's share of the profit or loss of the investee is recognised in the investor's profit or loss.



F Cash and cash equivalents

Cash and cash equivalents comprise cash in hand and deposits with various local banks.

G Ordinary Shares

Ordinary Shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognized as a deduction from equity, net of any tax effects.

H Revenue

Revenue is recognised only when it is probable that the economic benefits associated with the transaction will flow to the Group.

I Related party

A party is related to an entity if:

- (a) directly, or indirectly through one or more intermediaries, the party:
 - (i) controls, is controlled by, or is under common control with, the entity (this includes parents, subsidiaries and fellow subsidiaries);
 - (ii) has an interest in the entity that gives it significant influence over the entity; or
 - (iii) has joint control over the entity;
- (b) the party is an associate of the entity;
- (c) the party is a joint venture in which the entity is a venture;
- (d) the party is a member of key management personnel of the entity or its parents;
- (e) the party is a close member of the family of any individual referred to in (a) or (d);
- (f) the party is an entity that is controlled, jointly controlled or significantly influenced by, or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (d) or (e); or
- (g) the party is a post-employment benefit plan for the benefit of employees of the entity, or of any entity that is a related party of the entity.

3. Financial risk management

The Group follows financial risk management policy of the Holding Company; and thus the Company's financial risk management policy seeks to ensure that adequate financial resources are available for the development of the Group's business whilst managing its risks. The main areas of financial risks faced by the Company and the policy in respect of the major areas of treasury activity are set out as follows;

Foreign exchange risk

The company is mainly exposed to currency risk on revenue and expenses that are denominated in currency other than the functional currency of the Group, Myanmar Kyat (MMK). In respect of other monetary assets and liabilities denominated in foreign currencies, the Group ensures that its net exposure is kept to an acceptable level by buying or selling foreign currencies at spot rates when necessary to address short-term imbalances.

However, the Group does not hedge its exposures to foreign exchange risk as the risk is not expected to be significant.

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers.

The maximum credit risk associated with recognized financial assets is the carrying amount of receivables recorded in the statement of financial position. However, policies had been established by the Group to minimize such risks.



Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return .

The Group is not exposed to any market risk.

Liquidity and cash flow risks

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation

The Group monitors and maintains a level of bank balances deemed adequate by the directors to finance the operation and mitigate the effects of fluctuation in cash flow.

4. Fund management

The Group's objectives, when managing its funds, are to safeguard and maintain adequate working capital to continue as a going concern.



5. Property and equipment –Net

	Office renovation	Furniture and equipment	Computer equipment	Motor vehicle	Software	Machinery and equipment	Total
Cost							
Balance at 1 April 2014	33,999,236	20,400,616	5,047,000	25,000,000	-	-	84,446,852
Additions	1,316,000	4,059,174	20,933,050	161,614,500	1,615,000	35,025,320	261,095,616
Disposals	-	(1,385,806)	-	-	-	-	(1,385,806)
Balance at 31 March 2015	35,315,236	59,606,556	25,980,050	186,614,500	1,615,000	35,025,320	344,156,662
Accumulated depreciation							
Balance at 1 April 2014	1,706,278	769,155	142,617	1,666,667	-	-	4,284,717
Depreciation for the year	7,041,114	5,911,633	3,881,479	15,448,262	188,417	1,260,457	33,731,362
Disposals	-	(154,387)	-	-	-	-	(154,387)
Balance at 31 March 2015	8,747,392	6,526,401	4,024,096	17,114,929	188,417	1,260,457	37,861,692
Net Book Value at March 31, 2015	26,567,844	53,080,155	21,955,954	169,499,571	1,426,583	33,764,863	306,294,970



6. Investment in joint venture

The above amount represents investment was made in Myanmar Japan Thilawa Development Ltd (MJTD) under joint venture agreement in which the Holding Company shall subscribe 41% of the initial subscribed capital. Accordingly, the Holding Company subscribed \$7,379,700 equivalent to kyat 7,294,833,450 for its share in 2013-2014. Initially, the investment was recognized at the transaction price (including transaction cost). During the year 2014-2015, the additional contribution amounting to \$ 3,690,300 equivalent to kyat 3,590,661,900 were made to the investment. At the reporting date, subsequent adjustment was made based on MJTD's proportionate share of profit for the year 2015 amounting to Kyat 14,347,373,278.42, and the carrying value of the investment was kyat 25,122,275,268.42. The details are as follows;

	2015
Balance at 1 April 2015	7,184,240,090
Acquisition of investment	3,590,661,900
Proportionate net profit/loss for the year	14,347,373,278
Carrying value as at 31st March, 2015	25,122,275,268

The Holding Company's share of profit in its equity-accounted investee for the year was Kyat 14,347,373,278.42 (\$13,970,178.46@ 1.027) (2014: loss Kyat 110,593,360). The group did not receive dividends from its investment in equity-accounted investee (2014: nil). The equity accounted investee is not publicly listed entity and consequentially do not have published price quotations.

In 000US\$	Reporting date	Owner-ship	Current assets	Non-current assets	Total assets	Current liabilities	Non-current liabilities	Total liabilities	Net assets	Income	Expenses	Profit (loss)	Share of net assets	Carrying amount	Share of profit (loss)
2015															
MJTD (associate)	31 March	41%	164,942	2,538	167,480	106,679	-	106,679	60,801	39,414	5,341	34,074	13,970	13,970	13,970



7. Cash and cash equivalents	
	2015
Cash in hand (K)	5,064,762
Cash at bank – current	22,408,419
Cash at bank – saving	6,493,765,832
Cash at bank – fixed	6,491,562,736
Total	13,012,801,749

8. Trade and other receivable

The above comprises commission fees receivable from MJTD for the successful contracts between MJTD and its customers whom introduced by the Holding Company.

9. Deposit and prepayments	
	2015
Rent deposit	25,850,000
Advances to suppliers	638,125,282
Other prepayments	11,357,118
Total	675,332,400

10. Work-in-progress

Work-in-progress relates to the cost of land and land developing cost. Land comprises of [347,583] m² of leasehold land acquired from MJTD for the development of residential and commercial area of Thilawa Special Economic Zone. The subsidiary is pursuing land scraping, infrastructure development and worker's accommodation construction during the year.

11. Inventory

Inventory consists of diesel stock for the use in site operations for residential and commercial area.

12. Trade and other payable	
	2015
Trade payable	1,235,362,948
Accrued expenses	397,819,695
Total	1,633,182,643

13. Provision	
	2015
Income tax	709,000,679
Commercial tax	109,537,971
Total	818,538,650



14. Management fees

The Holding Company entered into management memorandums with MJTD to provide management services. Under the terms of these memorandums, the Holding Company is entitled to receive management fees as stipulated in the memorandum and will expire in 2016. Accordingly, management fees are received from MJTD in consideration of management services provided by the Holding Company for the period from January 10, 2014 to March 31, 2015 for the following personnel;

- (1) Chairman
- (2) Vice President (Myanmar Desk)
- (3) Head of Finance & Accounting
- (4) Head of Administration & Human Resources

	2015
January 10, 2014 to March 31, 2014(\$155,537@K1,027)	159,736,499
April 1, 2014 to March 31, 2015(\$688,800@K1,027)	707,397,600
Total	867,134,099

15. Sales commission

The Holding Company entered into marketing agreements with MJTD to provide it with information in respect to potential locators and coordination services. Under the term of the agreements, the Holding Company is entitled to receive commission fees at 6% of the contract price. The term of the agreement is for five years and shall be extended for further period by notify in writing at least 30 days prior to expiration of the agreement. Accordingly, the Holding Company earned commission fees income from MJTD for the successful contracts between MJTD and its customers whom introduced by the Holding Company.

	2015
Sales commission (USD 1,191,880 @ 1,027)	1,224,060,760
Total	1,224,060,760

16. Interest

Interest is received from the saving deposits in the local banks.

17. Other income

	2015
Shares related income	30,051,356
Tender income	4,100,000
Newspapers & magazine	2,000
Exchange gain/(loss)	46,149
Total	34,199,505

18. Salary and benefit

The Salary and benefit includes the remuneration to key management personnel of the Holding Company as follows.

Remunerations	2015 (USD)
2013-14	*66,794
2014-15	348,000
Total	414,794

*Backwards payments of remunerations for the year 2013-14 were made in the year 2014-15.



19. Related party transactions

In addition to the information disclosed elsewhere in the consolidated financial statements, the following transactions took place between the Holding Company and the related parties at terms agreed between the parties:

(a) Sales and purchase of goods and service

	2015
MJTD	US\$822,919.88
other related parties	*K425,725,973
Payments made on behalf of subsidiary	K14,673,64,761
Management fees received from MJTD	US\$ 804,130
Sales commission received from MJTD	US\$ 1,135,125

*Other related parties comprise mainly companies which are controlled or significantly influenced by the Holding Company's key management personnel which are as follows:

No.	Company Name	Related Executives	Position	2014-15 Kyat	2013-14 Kyat
1.	Dagon International Limited (Purchase of sand and rent of vehicles)	U Win Aung	Chairman	308,609,212	-
2.	Thuriya Energy Depot Management Company Limited (Rent of warehouse)	U Win Aung	Chairman	45,728,750	-
3.	Shwe Pyi General Trading (Container charges)	U Tun Lwin	Director	25,525,320	-
4.	Myint Myat Htut Khaung Co.,Ltd (Purchase of diesel)	U Aung Win	Chief Financial Officer of MJTD	28,638,622	-
5.	Union of Myanmar Federation of Chamber of Commerce & Industry(Rent of office room)	U Win Aung U Thein Han	President Vice President	17,224,069	-
				425,725,973	-

(b) Key management personnel and director compensation

Key management personnel and director compensation are disclosed in note 18.

20. Authorization of financial statements

The financial statements of the Group for the year ended March 31, 2015 were authorized for issue on October 9, 2015.



APPENDIX G

FINANCIAL PROJECTIONS OF MJTD

Profit and Loss Statement for FY2015, FY2016, FY2017 and FY2018 (in US\$)

	FY2014 – FY2015	FY2015 – FY2016	FY2016 – FY2017	FY2017 – FY2018
Revenue	70,949,718	68,146,898	44,431,648	39,654,375
Cost and Expenses	36,879,722	46,109,089	29,014,400	25,363,605
Net Income before tax	34,069,996	22,037,809	15,417,248	14,290,770
Income Tax (exemption until 2022)	0	0	0	0
Net Income	34,069,996	22,037,809	15,417,248	14,290,770

Balance Sheet for FY2015, FY2016, FY2017 and FY2018 (in US\$)

	FY2014 – FY2015	FY2015 – FY2016	FY2016 – FY2017	FY2017 – FY2018
Assets	167,479,790	79,038,022	94,150,165	108,590,936
Liabilities	106,679,062	12,697,607	12,847,607	12,997,607
Equities	60,800,728	66,340,415	81,302,558	95,593,329

Cash Flow for FY2015, FY2016, FY2017 and FY2018 (in US\$)

	FY2014 – FY2015	FY2015 – FY2016	FY2016 – FY2017	FY2017 – FY2018
Cash In	151,027,141	56,156,748	44,126,543	39,804,375
Cash Out	95,595,994	80,091,660	25,174,438	7,075,459
Net Cash Flow	55,431,147	(23,934,912)	18,952,105	32,728,916
Cash In Hand	64,476,454	40,541,542	59,493,647	92,222,563

Profit and loss statement, balance sheet and cash flow of MJTD for FY2014 to FY2015 is based on profit and loss statement, balance sheet and cash flow of MJTD while the rest of the figures for FY2015 to FY2016, FY2016 to FY2017 and FY2017 to FY2018 are projections.