

Business Operations Manual for Initial Public Offerings and Public Offerings

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Yangon Stock Exchange Joint-Venture Co., Ltd.

- Concerning public offerings to raise capital on the Yangon Stock Exchange (YSX) market, this manual describes business operations for such public offerings conducted at the time of newly listing on YSX (Initial Public Offering or IPO) and those conducted after listing on YSX (Public Offering or PO).

Items	Contents	Remarks
<p>I Initial Public Offering (IPO)</p> <p>(1) Resolution to issue new shares through public offering</p> <p>(2) Determination of issue price</p>	<ul style="list-style-type: none"> ○ When the issuer decides to issue new shares through public offering, the issuer should notify YSX of the following matters. <ul style="list-style-type: none"> ① Number of new shares ② The issue price (If using the book building method, the date for determining the issue price) ③ The subscription method ④ If using the book building method, the window for book building ⑤ The subscription period ⑥ The due date for payment ⑦ Other matters deemed necessary by YSX ○ The issuer comprehensively considers the following matters and discusses with underwriting securities companies to determine the issue price. <ul style="list-style-type: none"> ① The issuer's business description, financial condition, and operating results ② Comparison with other companies listed on YSX 	<ul style="list-style-type: none"> ○ When the issuer decides to issue new shares through public offering, the issuer should submit a prospectus to SECM. At the time of filing the application for initial listing of stock to YSX, the issuer must submit a draft prospectus to SECM.

Items	Contents	Remarks
(3) Subscription for new shares	<p>③ Other reference materials or opinions concerning the determination of the exercise price</p> <ul style="list-style-type: none"> ○ When the issuer determines the issue price, the issuer submits to YSX the document describing the issue price and the basis for calculation of the issue price. The issuer also attaches the opinion of a third party on the appropriateness of the calculation. ○ During the subscription period, an investor that wants to subscribe for the new shares makes such request to the underwriting securities company and pays the subscription money. ○ During the subscription period, if the number of shares that applicants have applied for exceeds the number of shares available for subscription at the underwriting securities company, the underwriting securities company will determine which applicants can receive the new shares based on an appropriate method (e.g., drawing lots). 	<ul style="list-style-type: none"> ○ In principle, the standard subscription period would be around 5 business days. ○ Upon receiving a subscription application, the underwriting securities company must make the applicant agree to not withdraw his/her subscription money until the date of determination of applicants that can receive the new shares.
(4) Determination of issue price by book building	<ul style="list-style-type: none"> ○ Besides determining the issue price of new shares when deciding to issue new shares, an issuer can also determine the issue price by using the book building method in accordance with the following 	

Items	Contents	Remarks
<p>a . Determination of the range for the issue price</p> <p>b . Demand survey (book building) and subscription for new shares</p>	<p>procedure.</p> <ul style="list-style-type: none"> ○ The issuer comprehensively considers the following matters and discusses with underwriting securities companies to determine the condition for book building (range for the issue price). <ul style="list-style-type: none"> ① The issuer’s business description, financial condition, and operating results ② Comparison with other companies listed on YSX ③ Other reference materials or opinions concerning the determination of the conditions ○ During the book building period, an investor that wants to subscribe for the new shares sends a request to an underwriting securities company, indicating the number of shares he/she hopes to receive and the price (within the price range set as the condition), and pays the subscription money. ○ Based on the result of the book building process, the issuer discusses with underwriting securities companies and determines the issue price. ○ If, after the book building process, the number of shares that applicants have applied for exceeds the number of shares available at the underwriting securities company, the underwriting securities company will determine which applicants can receive the new shares based on an appropriate method (e.g., drawing lots.). 	<ul style="list-style-type: none"> ○ When the issuer determines the condition for book building, the issuer should immediately submit a revised prospectus to SECM. ○ In principle, the standard book building period would be around 5 business days. ○ When the issuer determines the issue price, the issuer should immediately submit a revised prospectus to SECM. ○ Upon receiving a subscription application, the underwriting securities company must make the applicant agree to not withdraw his/her subscription money until the

Items	Contents	Remarks
<p>(5) Payment of money for new shares</p> <p>a . Lump sum payment (in the case of syndicate underwriting)</p> <p>b . Separate payment (in the case of just one underwriting securities company or syndicate underwriting)</p>	<p>○ Underwriting securities companies pay money for the new shares to the issuer by any of following ways.</p> <p>○ By the day before the due date for payment, the underwriting securities companies pay the amount of money corresponding to their underwriting amounts to the bank account designated by the lead underwriting securities company.</p> <p>○ On the due date for payment, the lead underwriting securities company pays, on behalf of all underwriters, money to the bank account designated by the issuer.</p> <p>○ On the due date for payment, each underwriting securities company pays the amount of money corresponding to its underwriting amount to the bank account designated by the issuer.</p>	<p>date of determination of applicants that can receive the new shares.</p> <p>○ The due date for payment is usually the business day after the end of the subscription period.</p>
<p>(6) New Record for new shares</p> <p>a . Lump sum record</p>	<p>○ New Record for new shares is conducted by any of following ways.</p> <p>○ The lead underwriting securities company sends a Mediation of</p>	<p>○ New Record for new shares</p>

Items	Contents	Remarks
<p>(In the case of syndicate underwriting)</p>	<p>Account Notice to YSX 5 business days before the due date for payment.</p> <ul style="list-style-type: none"> ○ YSX sends the Mediation of Account Notice to the issuer 4 business days before the due date for payment. ○ The issuer sends a Result of confirmation account notice information to YSX 3 business days before the due date for payment. ○ YSX sends the Result of confirmation account notice information to the lead underwriting securities company 2 business days before the due date for payment. ○ The issuer sends a Notice of New Record to YSX on the business day before the due date for payment. ○ YSX sends the Notice of New Record to the lead underwriting securities company on the due date for payment. ○ The issuer confirms the amount of money paid for the new shares and sends a Notice of Deposit of Payment to YSX on the due date for payment. ○ Based on the Notice of Deposit of Payment from the issuer, YSX executes New Record to the lead underwriting securities company's Self Account after trading hours on the due date for payment. 	<p>is recorded only to the lead underwriting securities company's Self Account.</p> <ul style="list-style-type: none"> ○ The listing date for the new shares is the business day after the due date for payment. (Considering remittance and other operations, it is also possible to have one business day between the due date for payment and the listing date. In such cases, the issuer can send the Notice of Deposit of Payment to YSX on the day after the due date for payment.) ○ The lead underwriting securities company transfers the new shares from its Self Account to Customer Accounts (applicants' accounts) and underwriting securities companies' Self

Items	Contents	Remarks
<p>b. Separate record (In the case of just one underwriting securities company or syndicate underwriting)</p>	<ul style="list-style-type: none"> ○ Underwriting securities companies send Mediation of Account Notices to YSX 5 business days before the due date for payment. ○ YSX sends the Mediation of Account Notices to the issuer 4 business days before the due date for payment. ○ The issuer sends a Result of confirmation account notice information to YSX 3 business days before the due date for payment. ○ YSX sends the Result of confirmation account notice information to underwriting securities companies 2 business days before the due date for payment. ○ The issuer sends a Notice of New Record to YSX on the business day before the due date for payment. ○ YSX sends the Notice of New Record to underwriting securities companies on the due date for payment. ○ The issuer confirms the amount of money paid for the new shares and sends a Notice of Deposit of Payment to YSX on the due date for payment. ○ Based on the Notice of Deposit of Payment from the issuer, YSX executes New Record to underwriting securities companies' Self Accounts after trading hours on the due date for payment. 	<p>Accounts on the listing day for the new shares.</p> <ul style="list-style-type: none"> ○ The new shares are recorded (New Record) to underwriting securities companies' Self Accounts. ○ The listing date for the new shares is the business day after the due date for payment. (Considering remittance and other operations, it is also possible to have one business day between the due date for payment and the listing date. In such cases, the issuer can send the Notice of Deposit of Payment to YSX on the day after the due date for payment.) ○ Underwriting securities companies transfer the new shares from their Self

Items	Contents	Remarks
<p>II Public Offering (PO) conducted by listed company</p> <p>(1) Resolution to issue new shares through PO</p> <p>(2) Determination of</p>	<p>○ When the issuer decides to issue new shares through public offering, the issuer should immediately notify YSX of the following matters.</p> <p>① Number of new shares</p> <p>② The issue price(The discount rate from the last price on the date for determining the issue price)(If using the book building method, the date for determining the issue price)</p> <p>③ The subscription method</p> <p>④ If using the book building method, the window for book building</p> <p>⑤ The subscription period</p> <p>⑥ The due date for payment</p> <p>⑦ Other matters deemed necessary by YSX</p> <p>○ The issuer comprehensively considers the following matters and</p>	<p>Account to Customer Accounts (applicants' accounts) on the listing day for the new shares.</p> <p>○ When the issuer decides to issue new shares through public offering, the issuer should immediately submit a prospectus to SECM.</p> <p>○ In principle, as the issue price, the issuer would set a discount rate of within 10% from the last price on the date for determination of the issue price.</p> <p>○ In the case of a PO, there is a</p>

Items	Contents	Remarks
issue price	<p>discusses with underwriting securities companies to determine the issue price(The discount rate from the last price on the date for determining the issue price).</p> <ul style="list-style-type: none"> ① Market value and liquidity of the issuer's shares on the YSX market ② The issuer's business description, financial condition, and operating results ③ Comparison with other companies listed on YSX ④ Other reference materials or opinions concerning the determination of the exercise price <p>○ When the issuer determines the issue price, the issuer submits to YSX the document describing the issue price and the basis for calculation of the issue price.</p>	<p>risk of price fluctuation on the YSX market. To conduct subscription smoothly without using Trading Halt and Stabilization Transactions, when the issuer decides on the issuance, it should determine the discount rate from the last price on the date for determining the issue price, and then the underwriting securities companies start receiving applications from investor</p>
(3) Subscription for new shares	<ul style="list-style-type: none"> ○ During the subscription period, an investor that wants to subscribe for the new shares makes such request to the underwriting securities company and pays the subscription money. ○ During the subscription period, if the number of shares that applicants have applied for exceeds the number of shares available for subscription at the underwriting securities company, the underwriting securities company will determine which applicants can receive the new shares based on an appropriate method (e.g., 	<ul style="list-style-type: none"> ○ In principle, the standard subscription period would be around 5 business days. ○ Upon receiving a subscription application, the underwriting securities company must make the applicant agree to not

Items	Contents	Remarks
<p>(4) Determination of issue price by book building</p> <p>a . Determination of the range for the issue price</p>	<p>drawing lots).</p> <ul style="list-style-type: none"> ○ Besides determining the issue price of new shares when deciding to issue new shares, an issuer can also determine the issue price by using the book building method. ○ The issuer comprehensively considers the following matters and discusses with underwriting securities companies to determine the condition for book building (the range for the discount rate from the last price on the date for determination of the issue price). <ul style="list-style-type: none"> ① Market value and liquidity of the issuer's shares on the YSX market ② The issuer's business description, financial condition, and operating results ③ Comparison with other companies listed on YSX 	<p>withdraw his/her subscription money until the date of determination of applicants that can receive the new shares.</p> <ul style="list-style-type: none"> ○ The amounts of money paid by investors subscribing to the PO are considered to factor in the volatility in the share price until the date for determining the issue price. ○ When the issuer determines the condition for book building, the issuer should immediately submit a revised prospectus to SECM. ○ In principle, as the condition for book building, the issuer would set a discount rate of within 10% from the last

Items	Contents	Remarks
<p>b . Demand survey (book building) and subscription for new shares</p>	<p>④ Other reference materials or opinions concerning the determination of the conditions</p> <ul style="list-style-type: none"> ○ During the book building period, an investor that wants to subscribe for the new shares sends a request to an underwriting securities company, indicating the number of shares he/she hopes to receive and the price (within the price range set as the condition), and pays the subscription money. ○ Based on the result of the book building process, the issuer discusses with underwriting securities companies and determines the issue price. ○ If, after the book building process, the number of shares that applicants have applied for exceeds the number of shares available at the underwriting securities company, the underwriting securities company will determine which applicants can receive the new shares based on an appropriate method (e.g., drawing lots). 	<p>price on the date for determination of the issue price.</p> <ul style="list-style-type: none"> ○ In principle, the standard book building period would be around 5 business days. ○ When the issuer determines the issue price, the issuer should immediately submit a revised prospectus to SECM ○ Upon receiving a subscription application, the underwriting securities company must make the applicant agree to not withdraw his/her subscription money until the date of determination of applicants that can receive the new shares.
<p>(5) Payment of money for new shares</p>	<ul style="list-style-type: none"> ○ Conduct procedures according to IPO procedures (I - 2 - (5)) 	

Items	Contents	Remarks
(6) New Record for new shares	○ Conduct procedures according to IPO procedures (I - 2 - (6))	

-End-

● Standard Schedule (IPO/ without book building)

X-60	Listing Application Date Submit draft prospectus to SECM
X	Listing Approval Date
X+1	Resolution on issuance and issue price Submit revised prospectus to SECM Approval of prospectus by SECM
X+2~X+6	Subscription period (5 business days)
X+7~X+10	Process for Account Notices (4 business days)
X+11	Notice of New Record (Issuer→YSX)
X+12	Due date for payment / Notice of New Record(YSX→Issuer)
X+13	Listing Date

* Except the processes for initial listing, this schedule is same with the case of PO.

● Standard Schedule (IPO/ book building)

X-60	Listing Application Date Submit draft prospectus to SECM
X	Listing Approval Date Preliminary approval of prospectus by SECM
X+1	Resolution on issuance and range for issue price
X+2~X+6	Book building (5 business days)
X+7	Determine issue price Submit revised prospectus to SECM Approval of prospectus by SECM Subscription of new shares
X+8~X+11	Process for Account Notices (4 business days)
X+12	Notice of New Record (Issuer→YSX)
X+13	Due date for payment / Notice of New Record(YSX→Issuer)
X+14	Listing Date

* Except the processes for initial listing, this schedule is same with the case of PO.