

Partial Amendment of Trading Business Regulations, etc.
pertaining to Framework for Trading by Foreign Investors

13rd March, 2020
Yangon Stock Exchange

I. Purpose

Yangon Stock Exchange (hereinafter referred to as “YSX”) makes a partial amendment of Trading Business Regulations, etc., and puts them into force on 20th March, 2020.

The purpose of this amendment is to establish a framework necessary for foreigners to trade shares of listed companies (hereinafter referred to as “LC”).

Outline of Amendment, etc. are as follows.

II. Outline of Amendment

1. Notice and Announcement of Foreign Shareholding Limit

- LCs determine the foreign shareholding limit (upper limit percentage to be held by foreigners to total issued shares) and submit to YSX.
- When receiving a notice of foreign shareholding limit from LCs, YSX promptly makes a public announcement.

2. Report and Announcement of Foreign Shareholding Status

- After all transactions on a business day are completed, a securities company (hereinafter referred to as “SC”) reports the foreign shareholding amount (the amount of shares in such SC that reflects the settlement of all transactions on that business day) to YSX.
- YSX aggregates reports from SCs after all transactions on every business day and makes a public announcement of the foreign shareholding ratio (the value obtained by dividing total foreign shareholding amount by the total number of issued shares) for each issue.

3. Suspension and Resumption of Buy Orders from Foreigners

- YSX specifies and announces the foreign buy order limit at a level a certain percent lower than the foreign shareholding limit.
- If as a result of aggregation of reports from SCs after all transactions on every business day, an issue's foreign shareholding ratio exceeds the foreign buy order limit, YSX suspends buy orders on the issue from foreigners from the next business day. If the

(Remarks)

- Section 47, Paragraph 1 in Business Regulations Relating to Book-Entry Transfers of Stock, etc.
- Section 47, Paragraph 2 in Business Regulations Relating to Book-Entry Transfers of Stock, etc.
- Section 48, Paragraph 1 in Business Regulations Relating to Book-Entry Transfers of Stock, etc.
- Section 48, Paragraph 2 in Business Regulations Relating to Book-Entry Transfers of Stock, etc.
- Section 22, Paragraph 1 in Trading Business Regulations
- Section 22, Paragraph 2 and 3 in Trading Business Regulations

foreign shareholding ratio falls below the foreign buy order limit afterwards, YSX resumes buy orders from the next business day.

- YSX, on every business day, announces whether or not it accepts foreign buy orders on each issue.

- Section 22, Paragraph 4 in Trading Business Regulations

4. Book-Entry Transfer pertaining to Issues where Foreign Shareholding Ratio Exceeds Foreign Shareholding Limit on Record Date

- If, on a record date, the issue's foreign shareholding ratio exceeds the foreign shareholding limit, YSX transfers the amount of shares above the foreign shareholding limit from the Account for Customer to the Self Account of the SC after all transactions on the record date, and then transfer the same amount back to the Account for Customer before transactions on the next business day.

- Section 49, Paragraph 1 through 3 in Business Regulations Relating to Book-Entry Transfers of Stock, etc.

5. Others

- Other necessary amendments are to be made accordingly.

III. Enforcement Date

These amended regulations shall come into force on 20th March, 2020.

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