

Guideline for issuance of shares by partly payment

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Yangon Stock Exchange

I Purpose

Myanmar Companies Law permits issue of shares by partly payment. Given that, when a listing applicant company intends to issue such shares, YSX hereby establish Guideline for issue of shares by partly payment.

II Outline of guideline

1. Submission of the partly payment schedule

When a listed company issues new shares by partly payment, it shall submit the partly payment schedule to YSX. Thereafter, each time partly payment is made, the company submits the updated schedule to YSX.

2. Application for additional listing

Partly paid shares are not eligible for listing until it gets fully paid up. A listed company shall apply for additional listing for the shares as soon as all payments for such shares have been completed.

3. Transfer

A listed company shall not permit the transfer of such shares, except by inheritance, until all payments have been completed.

4. Records keeping

When a listed company issues such shares, it shall record them in its register of shareholders and manage them separately from listed shares. And when it additionally lists such shares, it shall conduct the share certificate dematerialization procedures [Notification No. 1/2015 Dematerialization of Shares of Listed Company issued by SECM dated on (7-8-2015)].

5. Timely disclosure

When a listed company decides to issue new shares by partly payment, it shall

immediately disclose the following information.

- The number of shares to be issued and the issue price
- Method of issue (shareholder allotment, third-party allotment, public offering)
- Purpose of issue, use of funds
- Schedule for issuance and payment in instalments
- Other important matters for investment decisions.

6. New listing application

When a listing applicant company issued shares by partly payment and the payment for such shares has not been completed, it shall submit the partly payment schedule to YSX. Thereafter, each time partly payment is made, the company submits the updated schedule to YSX. The company shall disclose the information listed in item (5) in Disclosure Document for Listing.

7. Judgement of listing criteria

When a listing applicant company issued shares by partly payment and the payment for such shares has not been completed at the time of listing, the fulfilment of the listing criteria (number of shareholders and shares) shall be judged excluding such shares.

8. Lock-up

When a listing applicant company issues shares by partly payment prior to listing, such shares shall be subjected to lock-up restrictions.

9. Market value assessment

The expected share price should be calculated using the number of shares listed excluding such partly paid shares. The report should be clearly mentioned about the outstanding balance of partly paid shares, the schedule of payment, and the time when all payments will be completed.

End