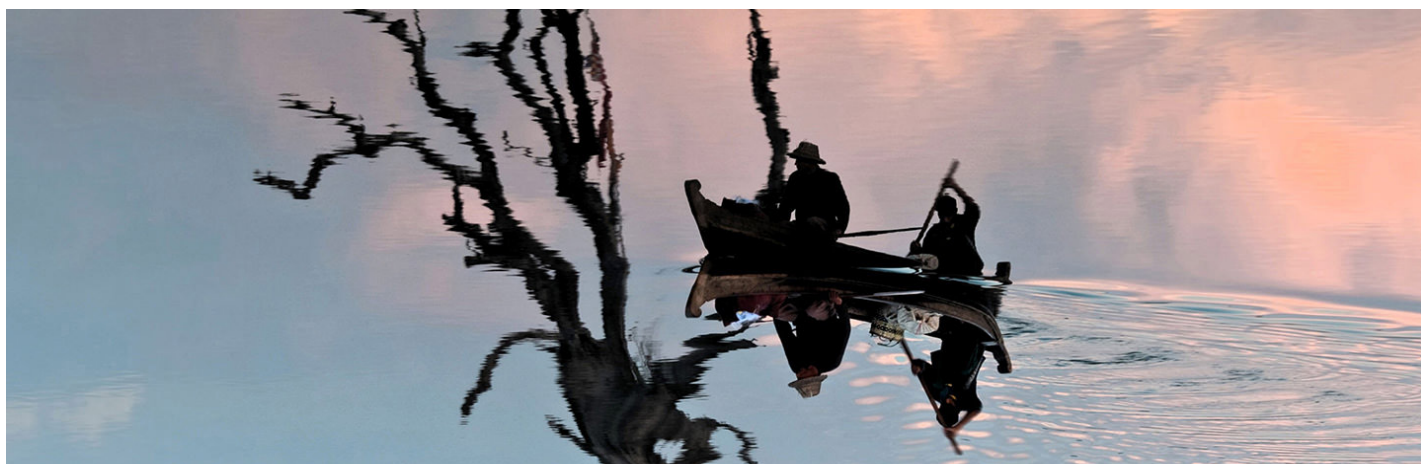


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Myanmar Highlights

August 2016

Siamgas to acquire 30% share in Mon State gas-fired power plant

On 18 July 2016 Siamgas and Petrochemicals Public Company Ltd (**Siamgas**) announced to the Stock Exchange of Thailand that it will acquire a stake in a 230 MW gas-fired power plant in Moulmein, the capital of Mon State, through its Singaporean subsidiary Siam Gas Power Pte Ltd (**SPW**). SPW will acquire a 30% share in the project for approximately US\$48 million from three existing shareholders of the project, MSN International Ltd., Asiotech Energy Pte Ltd. and Myanmar Lighting Co., Ltd. Siamgas sees the project as an opportunity to diversify its business, which to date has been focused on liquefied petroleum gas trading. According to Mrs. Jintana Kingkaew, Siamgas' Deputy Managing Director and Chief Financial Officer, "demand for electricity in Myanmar has drastically risen thanks to the rapid economic growth and infrastructural development. Therefore, this investment is an opportunity not only to expand into other energy business but also create sustainable income and more value to our shareholders." (Source: <http://www.irrawaddy.com/business/the-irrawaddy-business-roundup-july-23-2016.html>, 23 July 2016)

Myanmar Electric Power Enterprise names Ethos Energy as winner of Ywama power plant tender

The Myanmar Electric Power Enterprise (**MEPE**) has awarded Ethos Energy Group Ltd (**EthosEnergy**), a subsidiary of the John Wood Group PLC and Siemens Energy Services Ltd, the contract to upgrade the Ywama power plant in Yangon. Pursuant to the award, EthosEnergy will complete a major overhaul of the plant, and provide a full gas-turbine inspection service, two control system upgrades and a tailored technical training programme for MEPE employees. The contract is estimated to be worth over US\$8 million. Announcing the

award, MEPE said it "required a provider that could meet all our expectations; the ability to restore the unit(s) to the original manufacturer's performance specifications of 120MW coupled with the demanding return to service deadline. Equally we expected a proven state of the art control system to allow us accurate and efficient machine calibration, monitoring and control." When completed, the upgrades are expected to increase the plant's output to 123 MW. (Source: <http://www.irrawaddy.com/business/the-irrawaddy-business-roundup-july-23-2016.html>; 23 July and <http://www.ethosenergygroup.com/Pages/News/EthosEnergy-awarded-multimillion-overhaul-and-upgrades-contract-by-Myanmar-Electric-Power-Enterprise.aspx>; 19 July 2016)

Vietnam's FPT Corporation to invest in Myanmar financial switching system

Vietnam's FPT Corporation (**FPT**) and the Myanmar Payment Union (**MPU**) have entered into a profit share agreement in respect of the implementation of a national financial 'switching system'. A financial 'switching system' is an inter-bank network of shared infrastructure and technology, including but not limited to, ATM's and clearance and processing facilities. The system will be funded and implemented by FPT and is expected to be completed before the end of August 2017. FPT will offer MPU a 10-year lease on the system and will receive a proportion from the charges on electronic transactions. The project will be implemented by FPT Information Systems Ltd, a subsidiary of FPT. 24 of Myanmar's 40 financial institutions are connected to the MPU. The new payment system will be implemented for typical banking services such as ATM, POS, E-Commerce, value-added services for mobile devices, EMV and electronic billing. FPT considers the agreement an important stepping stone in the company's expansion into Myanmar's banking and finance market. In the past FPT has successfully implemented

switching financial systems in Vietnam for domestic and international banks including, the Vietnam National Financial Switching Joint-Stock Company, the National Bank of Cambodia, the Joint Stock Commercial Bank for Foreign Trade of Vietnam, The Joint Stock Commercial Bank for Investment and Development of Vietnam and Sacombank Joint-Stock Company. (Source: <http://www.thanhniennews.com/business/vietnams-fpt-to-invest-in-myanmar-financial-switching-system-64824.html>; 2 August 2016)

Investment and Company Administration (**DICA**) in May 2016 for failing to make necessary corporate filings or respond to DICA communications. (Source: <http://www.mmtimes.com/index.php/business/21617-mic-warns-companies-to-follow-reporting-requirements.html>; 28 July 2016)

Myanmar's Department of Civil Aviation signs MoU with Aireon LLC

The Myanmar Department of Civil Aviation (**DCA**) has entered into a memorandum of understanding (**MoU**) with Aireon LLC (**Aireon**). Pursuant to the MoU, the DCA and Aireon will cooperate in respect to the development of a satellite air-traffic system. The DCA will utilise Aireon's space-based Automatic Dependent Surveillance-Broadcast (**ADS-B**) service which will allow the DCA to utilize next-generation air traffic surveillance, in real time, without the need for significant investment in ground-based infrastructure. Aireon is deploying its ADS-B service worldwide. In February 2016 Aireon signed a data service agreement with the Civil Aviation Authority of Singapore. It also has a long-standing memorandum of agreement with the Airports Authority of India. (Source: <http://www.irrawaddy.com/business/the-irrawaddy-business-roundup-july-23-2016.html>, 23 July 2016)

Myanmar Investment Commission issues warning in respect of reporting requirements in Myanmar

With a view to encouraging increased corporate compliance, the Myanmar Investment Commission (**MIC**) will commence site inspections of companies who fail to submit quarterly performance reports. Companies incorporated under the 2012 Foreign Investment Law (**FIL**) and the 2013 Myanmar Citizens' Investment Law (**MCIL**) are required to submit quarterly reports to the MIC. However, according to MIC Secretary U Aung Naing Oo, in the three months ended 30 June 2016, a number of MIC-approved businesses have failed to file a quarterly report. Site inspections will take place in accordance with the rules implementing the FIL and MCIL respectively. The MIC has the power to fine a company, revoke an investment permit, or ban a company from investing in any new project. MIC approval is required for most large-scale projects in Myanmar. The Government is in the process of consolidating the FIL and MCIL. The MIC's effort to increase corporate compliance comes just two months after the mass 'strike-off' of 2676 local companies and 15 foreign companies by the Directorate of

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