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Myanmar Highlights

March 2017

FibreLink Myanmar seeking to raise US\$25 million to fund first phase of telecom infrastructure development plan

FibreLink Myanmar Co. Limited ("**FiberLink**") has obtained approval from the Myanmar Investment Commission in respect to the development of telecom infrastructure throughout Myanmar. FibreLink is initially seeking to raise US\$25 million as part of its US\$860 million investment plan. FibreLink is looking at raising capital from financial investors, including funds, high net worth individuals, and strategic investors operating in the telecom industry. FibreLink is a wholly owned subsidiary of Singapore-based FibreLink Myanmar Holdings Pte Ltd which in turn is owned by Hong Kong-based ECCL Advisory Limited. In December 2015, FibreLink was awarded a 15-year network facilities service ("**NFS**") license. Under the NFS license, FiberLink is permitted to develop the infrastructure necessary to provide both fixed and wireless services. FiberLink hopes to raise the remainder of its total proposed capital investment amount of US\$860 million through equity, debt and reinvested cash flow. FiberLink hopes to raise between US\$25 - US\$50 million of equity investment as part of its second round of financing. As of January 2017, nearly 41 companies have been granted a NFS license by the Myanmar Ministry of Transport and Communications. (Source: www.dealstreetasia.com/stories/fibrelink-myanmar-raising-25m-to-commence-860m-fibre-infrastructure-work-67920/, 21 March 2017)

MySQUAR integrates Telenor Myanmar's billing services

AIM-Listed MySQUAR Limited ("**MySQUAR**"), the Myanmar-language social media, entertainment and payments platform whose principal activity is to design, develop and commercialise

Myanmar-focused internet-based mobile applications, announced that it has successfully integrated and utilised the 'carrier billing service' (purchases made via mobile credit) of Telenor Myanmar Limited ("**Telenor**"), a leading Norwegian telecommunications provider operating in Myanmar since 2014. Telenor will provide users with MySQUAR's mobile applications and games. Telenor will earn a share of revenues as part of the integration. Currently, Telenor is a major international telecommunications provider in Myanmar with a market share of approximately 37%. The integration will give MySQUAR access to Telenor's large subscription base for enhanced distribution and marketing opportunities. In-app purchases will now be easier for MySQUAR users that are also Telenor subscribers. MySQUAR's revenue is anticipated to increase with this integration and convenient payment option. To qualify for Telenor's carrier billing services, MySQUAR's user flows (the path taken by users through the mobile interface to complete a payment process), authentication and security features were evaluated to ensure that it meets Telenor's international standards. MySQUAR is one of the few mobile value-added service providers able to meet their requirements, further validating the strength of MySQUAR's products and services. (Source: <http://www.iii.co.uk/research/LSE:MYSQ/news/item/2308273/integration-telenor-myanmars-billing-services?context=LSE:MYSQ>, 21 March 2017)

Thailand's National Healthcare Systems establishes Myanmar joint venture

National Healthcare Systems Company Limited ("**National Healthcare Systems**"), a Thai medical service provider supporting hospital businesses throughout the ASEAN region, has established an independent clinical laboratory as part of a joint venture ("**N Health Myanmar**") with two Myanmar companies – Sea Lion Group Limited and Bahosi

Hospital. National Healthcare Systems, which is a subsidiary of Bangkok Dusit Medical Services Plc., will take a 60% share in the new joint venture, while the Myanmar partners will hold 20% each. N Health Myanmar will provide support in relation to high-end genetic tests, allergy tests, as well as evaluations for tuberculosis, malaria, and dengue virus. It will also provide standard analytical services, including medical check-ups for small and medium-sized hospitals. N Health Myanmar has been established with an initial capital investment of US\$2.5 million. N Health Myanmar currently employs 25 local staff who were trained by professionals from National Healthcare Systems. (Source: <http://www.elevenmyanmar.com/business/8343>, 16 March 2017)

James Fisher and Sons and Royal Marine Technology Co. enter into MoU in respect to the provision of oil and gas services

London-listed James Fisher and Sons Plc. ("**James Fisher and Sons**"), and the Myanmar's Royal Marine Technology Co. Limited ("**Royal Marine**") have entered into a memorandum of understanding ("**MoU**") in respect to the provision of support services to Myanmar's oil and gas sector. According to Nick Henry, chief executive officer of James Fisher and Sons, the company is entering into Myanmar to assist with the country's development of the crude oil and natural gas market, and to continue to provide services and support to oil and natural gas extraction companies, offer technological assistance, and educate local engineer graduates. James Fisher and Sons will be providing resources such as container ships, and submarines. It will also supply gas and oil pipeline-related construction equipment, along with repairs and maintenance machinery and apparatus. Royal Marine offers maintenance and repair services for ships, and offshore oil and natural gas stations. (Source: <http://www.mmtimes.com/index.php/business/25436-joint-venture-between-british-and-myanmar-firms-eyes-oil-and-gas-sector.html>, 23 March 2017)

Myanma Timber Enterprise to respond to new sanctions against Myanmar's teak industry

A Danish court has placed injunctions on all seven Danish operators from importing Myanmar teak into Europe. The Myanma Timber Enterprise, the state-owned company responsible for the cutting and export of timber in Myanmar has announced that it intends to respond to the imposition of sanctions after consultations with the Ministry of Natural Resources and Environmental Conservation ("**MONREC**"). The Environmental Investigation Agency ("**EIA**") welcomed the injunctions after it had submitted evidence to the Danish

authorities that Danish timber company Keflico A/S was in violation of the European Union Timber Regulations ("**EUTR**"). The EIA is an international non-governmental organisation that investigates, and campaigns against, environmental-based crimes including illegal wildlife trade and illegal logging. Denmark's sanctions followed a November 2016 decision in Sweden where enforcement officials successfully prosecuted Almtra Nordic AB for breaching the EUTR. EIA's cases focused on the due diligence requirements of the EUTR, which oblige companies placing timber on the EU market to identify and mitigate any risks of illegality within their supply chains. The MONREC is preparing to enhance due diligence efforts by establishing a database system recording details of logging and timber harvesting. The MONREC is further planning to organise a third independent party to verify compliance in respect of the timber extraction and supply chain process. (Source: <http://www.mmtimes.com/index.php/business/25389-myanmar-timber-enterprise-to-respond-to-danish-teak-sanctions.html>, 20 March 2017)

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