

CHARLTONS

SOLICITORS



Myanmar Highlights

July 2017

IFC assisting YSX listed-firms implement enhanced information disclosure

The International Finance Corporation (IFC) is working in cooperation with the Myanmar government to educate public companies intending to list on the Yangon Stock Exchange (YSX) on transparency and disclosure standards in company reporting. According to the IFC, the standard and quality of information disclosure is fundamental to attracting foreign direct investment. The IFC urged Myanmar companies to disclose both financial and non-financial information in a timely manner to improve their access to finance, and advised them to be mindful of international standards for disclosure requirements. The IFC further advised that material information should be disseminated in a timely way to the public without omission and cautioned information should not be misleading should not be misleading. According to the IFC, companies should insure investors they will be able to access their disclosure documents online together with all other relevant company information preferably in English. The IFC has encouraged investors, banks and regulators should refer to the IFC's soon to be available toolkit "Beyond the Balance Sheet", for transparency and disclosure guidance. The toolkit is designed to guide companies in emerging markets like Myanmar to prepare for comprehensive and best-in-class annual reports. (Source: <http://www.nationmultimedia.com/new/s/business/EconomyAndTourism/30319071>, 26

June 2017)

Myanmar Investment Commission invites expressions of interest in respect to the construction of dry-ports and bonded warehouses on the Yangon River

The Myanmar Investment Commission (MIC) has invited expressions of interest in respect to the construction of dry-ports and bonded warehouses on the western bank of the Yangon River. Speaking at a meeting of The Union of Myanmar Federation of Chambers of Commerce and Industry (UMFCCI), Myanmar Vice President U Myint Swe, invited companies to submit proposals to build dry ports and bonded warehouses on the bank of the Yangon River. The Ministry will allow successful companies build ports at suitable locations on the river to meet the demands for improved river infrastructure. Ports have not been upgraded or modernised for several years and they have been left as they were. Dry ports will be built in Yangon, Mandalay and Myawaddy. The Investment Commission has already allowed companies to build dry ports in Yangon. And now, plans are underway to build dry ports in Mandalay. (Source: <http://www.elevenmyanmar.com/business/10073>, 16 June 2017)

Singapore's Bok Seng Group and Myanmar's and Myanmar's Ayeyar Hinthar Group sign MoU

in respect to the development of a logistics hub in Patheingyi Industrial City

Singapore transport and logistics firm the Bok Seng Group (**Bok Seng**) has entered into agreement with Myanmar's Ayeayar Hinthar Group (**Hinthar Group**) to develop a one-stop logistics hub in the Patheingyi Industrial City —the region's first large-scale industrial park. Bok Seng is among a growing number of Singapore businesses seeking to expand into the Myanmar market. On the 8 June 2017, the Singaporean trade development agency International Enterprise Singapore (**IE Singapore**) entered into an agreement with the Myanmar Investment Commission to strengthen economic relations between the two countries. According to IE Singapore, Singapore was Myanmar's top foreign investor as of end March 2017, with investments amounting to US\$4.3 billion. According to the Asian Development Bank, Myanmar's gross domestic product grew at a rate of 6.4% in 2016, and is forecast to reach 7.7% in 2017. IE Singapore assists Singaporean companies explore business opportunities in the emerging economy, Mr Tan Soon Kim, IE Singapore's assistant CEO said that while "teething challenges are present", the government of Myanmar has made a concerted effort to create an environment conducive to business for foreign investors". (Source: <http://www.todayonline.com/business/mo-u-opens-doors-myanmar-more-singapore-firms>; 9 June 2017)

Myanmar Investments International Limited closes US\$6.3 million equity fundraising

Myanmar Investments International Limited ("**MIL**" or the "**Company**"), the Myanmar-focused investment company listed on the Alternative Investment Board ("**AIM**") of the London Stock Exchange, invested in the telecommunications, micro-finance, pharmacy and retail sectors in Myanmar and with a well-developed pipeline of opportunities, has closed an equity fund raising comprising a direct subscription and an offer via PrimaryBid.com. PrimaryBid is an online platform which provides private investors the opportunity to create their own placings on their own terms in AIM-listed compa-

nies. MIL raised US\$6.3million before expenses. The fundraising was undertaken by MIL via a direct subscription with existing shareholders, institutional investors, family offices and high net worth individuals (the "**Subscription**"). Additionally, it was MIL's objective to widen its shareholder base and to ensure that retail and other investors also had the opportunity to invest on the same terms as the Subscription. The proceeds of the fundraising will be used to fund MIL's investment pipeline in order to take advantage of a number of live investment opportunities and also for possible follow-on investments into MIL's current portfolio. It is expected that, subject to market conditions, the proceeds of the offer ("**Offer**") will be deployed within six months. (Source: <https://goo.gl/i7KLUK>, 3 July 2017)

CEVA logistics establish Myanmar Office

International logistics and supply chain management company CEVA Holdings LLC (**CEVA**) has established a new Yangon office. CEVA is owned by U.S. private equity firm Apollo Global Management, LLC. CEVA Myanmar's office will provide a full range of air and ocean freight services and will be connected to CEVA's international 'One Freight System' which manages all freight movements worldwide. For the past 5 years CEVA has been providing freight management services in Myanmar through a partnership arrangement. According to a CEVA Myanmar presents considerable potential for growth with strong demand for both import and export services. Imports comprise mainly industrial materials for infrastructure, consumer goods and machinery, whilst exports of commodities, agricultural products and goods for the retail sector drive the outbound trade. CEVA believes its experience in emerging markets, especially in the south east Asian region, will help it provide robust IT offerings and deliver options and solutions to the market while at the same time growing its commercial footprint. (Source: www.irrawaddy.com/business/irrawaddy-business-roundup.html, 24 June 2017)

CHARLTONS

Best Boutique Firm 2016

Asian Legal Business Awards

This newsletter is for information purposes only.

Its contents do not constitute legal advice and it should not be regarded as a substitute for detailed advice in individual cases.

Transmission of this information is not intended to create and receipt does not constitute a lawyer-client relationship between Charltons and the user or browser.

Charltons is not responsible for any third party content which can be accessed through the website.

If you do not wish to receive this newsletter please let us know by emailing us at unsubscribe@charltonslaw.com

Myanmar Office

Charltons Legal Consulting Ltd
161, 50th Street
Yangon, Myanmar
myanmar@charltonslaw.com

Hong Kong Office

Dominion Centre
12th Floor
43-59 Queen's Road East
Hong Kong
Tel: + (852) 2905 7888
Fax: + (852) 2854 9596

www.charltonslaw.com