

DRAFT as of December 2013

[Sample of Form]

MODEL PROSPECTUS

ABC COMPANY LIMITED

(This document is made solely for discussion purposes)

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To: Director General of Directorate of Investment & Company Administration,
Ministry of National Planning & Economic Development,
Republic of the Union of Myanmar

Date of Filing : [_____, 2014]

Company Name : ABC Company Limited

Company Registration No. : []

Date of Incorporation : []

Title and Name of Representative : [Chairman, Managing Director or Director]
[Name of the Representative]

Location of the Registered Office : [_____,
Republic of the Union of Myanmar]

Place to Contact : []

Telephone : []

Listing : [Yangon Stock Exchange or Not Applicable]

This is to certify that this prospectus shall comply with all the requirements under the Myanmar Companies Act.

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PART I. COMPANY INFORMATION

I. Outline of the Company

1. History / Background of the Company

The Company was incorporated as a public company on [] under the laws of Myanmar, having its registered address at [], Yangon, Myanmar. The incorporation of the Company was initiated by its group company in connection with the restructuring of the group business by transferring certain assets associated with the company business lines, according to the resolutions of board of directors and shareholders' meetings.

The following information shall be provided:

1. The legal and commercial name and website address of the company
2. The date of incorporation and the length of life of the company, etc.
3. The domicile and legal form of the company, the legislation under which the company operates, its country of incorporation and the address and phone number of its registered office. (Provide the name and address of the company's agents in each of the countries in which the shares will be offered, if any.)
4. The length of time for which the business of the company or its group has been carried on and the important events in the development of the company's business, i.e. information concerning the nature and results of any material reclassification, merger or consolidation of the company or any of its significant subsidiaries; acquisitions or dispositions of material assets other than in the ordinary course of business; any material changes in the mode of conduction the business; material changes in the types of products produced or services rendered; name changes; or the nature and results of any bankruptcy, receivership or similar proceedings with respect to the company or significant subsidiaries.
5. A description of the company's material capital expenditures and divestitures, since the beginning of the company's last two financial years to the date of the Prospectus.
6. Information concerning the material capital expenditures and divestitures currently in progress, including the distribution of these investments geographically and the method of financing.

2. Organizational Structure of the Company and its Group

Provide the company's structure by showing intra/inter-companies' trees in the diagrams. If the company is part of a group, include a brief description of the group and the company's position within the group.

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3. Outline of Parent, Subsidiaries and Associated Companies

Provide information on each of the company's subsidiaries and associated companies which account for 10% or more of the absolute amount of the net assets, net liabilities or profit or loss before tax, respectively, of the group for any of the two most recent financial years, including its name, country of incorporation or residence, principal place of business, principal activities and proportion of ownership interest.

4. Conditions of Employees

Disclose the information on the latest company's employees, such as number of employees, categories of employees and age of employees, etc.

As at the end of the latest financial year, there were [] employees consisting of:

- Full time employees: []
- Part time employees: []
- Contract employees: []

Provide the table of the professional qualification and age of the employees as at the latest account closing date, if applicable.

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II. Description of Business

1. Nature of Business

The information required by this section may be presented on the same basis as that used to determine the company's business segments under the body of accounting principles used in preparing the financial statements. The following information shall be provided:

- A description of the nature of the company's operations and its principal activities, stating the main categories of products sold and/or services performed for each of the last two financial years. Indicate any significant new products and/or services that have been introduced between the beginning of the period comprising the two most recent completed financial years and the latest practicable date and, to the extent the development of new products or services has been publicly disclosed, give the status of development.
- A description of the seasonality of the company's main business.
- A description of the sources and availability of raw materials, including a description of whether prices of principal raw materials are volatile.
- Summary information regarding the extent to which the company is dependent, if at all, on patents or licenses, industrial, commercial or financial contracts (including contracts with customers or suppliers) or new manufacturing processes, where such factors are material to the company's business or profitability.
- A description of the material effects of government regulations on the company's business, identifying the regulatory body.

2. Outline of Each Business Segment

Provide the segment information for each of the business lines with respect to the products, services, activities, locations by sector, division or department.

3. Sales and Marketing

State a description of the marketing channels used by the company, including an explanation of any special sales methods, such as installment sales.

4. Competition

Provide a description of the principal markets in which the company competes, including a breakdown of total revenues by category of activity and geographic market for each of the last two financial years.

Also describe the basis for any statements made by the company regarding its competitive position shall be disclosed.

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5. Material Contracts

Provide a summary of each material contract, other than contracts entered into in the ordinary course of business, to which the company or any member of the group is a party, for the two years immediately preceding the date of the Prospectus, including dates, parties, general nature of the contracts, terms and conditions, and amount of any consideration passing to or from the company or any other member of the group.

6. Property, Plant and Equipment

Provide information regarding any material tangible fixed assets, including leased properties, and any major encumbrances thereon, including a description of the size and uses of the property; productive capacity and extent of utilization of the company's facilities for each of the last two financial years; how the assets are held; the products produced; and the location.

Describe any regulatory requirements and environmental issues that may materially affect the company's utilization of the assets. With regard to any material plans to construct, expand or improve facilities, describe the nature of and reason for the plan, an estimate of the amount of expenditures including the amount of expenditures already paid, a description of the method of financing the activity, the estimated dates of start and completion of the activity, and the increase of production capacity anticipated after completion.

7. Research and Development

Provide a description of the company's research and development policies for the last two financial years, where it is significant, including the amount spent during each of the last two financial years on company-sponsored research and development activities.

8. Other Related Business

Describe any relevant information on other business lines relating to environmental and social impact issues, if applicable.

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PART II. INFORMATION ON THE COMPANY’S MANAGEMENT AND SHAREHOLDERS

I. Board of Directors and Directors

The following table sets out the short biography of directors specifying their identity and qualifications.

Name	Title	Representative of Institution	Gender	Nationality	Date/Place of Birth	Education

Other than specified in the company act, the board of directors of the company has responsibility for the administrative affairs of the company and has specific responsibilities as follows:

- to consider the company’s strategy, as well as implementation plan of the company;
- to consider and determine the remunerations and compensation of the chief executive officer and top management;
- to consider and determine the capital, its usage, its structure, the ratio of the capital and loan, as well as loan agreements, credit facility agreements, joint venture agreements, electricity sale and purchase agreement and other agreements with high value;
- to propose an external auditor;
- to consider the appointment or removal of an agent to be in the board of directors of the joint venture company, if any;
- to adopt the appointment or removal of the accounting department manager and the manager of internal audit’s office as proposed by the chief executive officer; and
- to propose the remunerations of the external auditor.

[The board of directors dose not involve in the day-to-day operations of the company unless any of the directors is appointed as the management.]

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II. Senior Management

The senior management is appointed by the board of directors. In the appointment of each position of the management team, the qualifications of the candidates are considered whether they are suitable to each position.

The following table sets forth the short bio of the senior management of the company.

Name	Title	Gender	Nationality	Date/Place of Birth	Education

III. Remuneration / Compensation of Senior Management

The following table sets out the remuneration or compensation of the management.

Name	Position	Aggregate Amount (Salary and Compensation) (thousand in Kyat)	
		2013	2014

IV. Corporate Governance

The following committees have been established under the board of directors: an audit committee, a nomination and remuneration committee, a strategy and investment committee and a risk management committee. Each of the committees operates in accordance with terms and standards established by the board of directors.

- Audit Committee

The company has established an audit committee with the terms and standards in compliance with the corporate governance code of the listing rules. The primary duties of the audit committee include, but are not limited to, the following:

- (i) review the company's material financial and accounting policies and practices and their implementation, supervise its financial operation status;
- (ii) evaluate audit controller's performance and make recommendations to the board;

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- (iii) review the company's fundamental internal audit system and make recommendations to the board, approve the annual audit plan and budget, direct the internal audit process and monitor its effectiveness;
- (iv) review annually the soundness and effectiveness of its internal control system, promptly consider and process any major complaints;
- (v) coordinate between the internal and external auditor, supervise the improvement and implementation of any significant findings arising out of the internal and external audit;
- (vi) make recommendations to the board on the appointment, removal, and remuneration of the external auditor, supervise the external auditor's independence and objectivity, and the effectiveness of the audit process in accordance with applicable standards;
- (vii) ensure that the board will provide a timely response to the issues raised in the external auditor's management letter;
- (viii) review the annual audit report prepared by the external auditor and other professional recommendations;
- (ix) perform an initial assessment on any related transactions that are to be approved at a shareholders' meeting and board meeting and submit it to the board for approval;
- (x) review and approve or accept filings of related transaction as authorized by the board; and
- (xi) perform other duties as required by applicable laws, regulations, or other matters authorized by the board.

- Nomination and Remuneration Committee

The company has established an audit committee with the terms and standards in compliance with the corporate governance code of the listing rules. The primary duties of the nomination and remuneration committee include, but are not limited to, the following:

- (i) study the selection standards and procedures for the directors and senior management hired by the board, review at least annually the structure, size and composition of the board and make recommendations on any proposed changes to the board to complement the corporate strategy;
- (ii) broadly search for qualified individuals as candidates suitably to become the director and senior management;
- (iii) review and approve the remuneration proposals of directors and senior management hired by the board with reference to the board's corporate goals and objectives; and
- (iv) make independent and prudent suggestions relating to the dismissal or removal of directors.

- Strategy and Investment Committee

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The company has established an audit committee with the terms and standards in compliance with the corporate governance code of the listing rules. The primary duties of the strategy and investment committee include, but are not limited to, the following:

- (i) review and make proposals on the general development strategy and specific strategic development plans, and make recommendations to the board;
- (ii) evaluate factors that may have an impact on the strategic development plans and its implementation in light of domestic and international economic financial conditions and market changes and make prompt strategic adjustment recommendations to the board;
- (iii) review the annual financial budget and final accounts plans, and make recommendations to the board;
- (iv) review the external investment proposals and explain them at shareholders' and board meetings upon their request;
- (v) develop and revise policies related to the corporate governance, and make recommendations to the board;
- (vi) supervise the directors and senior management's training and continuing professional development;
- (vii) develop, amend and supervise the internal code of conduct for the directors and employees; and
- (viii) supervise the disclosure on corporate governance in compliance with the relevant rules and regulations of the stock exchange on which the company's shares are listed.

- Risk Management Committee

The company has established an audit committee with the terms and standards in compliance with the corporate governance code of the listing rules. The primary duties of the risk management committee include, but are not limited to, the following:

- (i) be responsible for the risk management, be completely familiar with the significant risks and the corresponding management status, supervise the operational effectiveness of the risk management controls;
- (ii) review the overall goals, fundamental policies and procedures for risk management, and make suggestions and recommendations to the board;
- (iii) review and approve the risk management organization and corresponding responsibilities, and make suggestions and recommendations to the board;
- (iv) review the annual risk assessment report and make suggestions and recommendations to the board;
- (v) review and submit the annual compliance report to the board; and
- (vi) develop and amend the internal compliance code applicable to the employees and directors, assess and supervise the compliance policies and status, and make recommendations to the board.

V. Shareholders

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The following table sets out the general information on the major shareholders of the company [as of the data of this Prospectus].

Name	Address	Quantity	Percentage of Ownership

VI. Dividends, Dividend Policy and Stock Options

1. Dividend Policy

The Company will pay dividends, if any, only out of its profits, and subject to its cash flow, as permitted under the Myanmar law. The expected dividend payout ratio is [50]% of the Company's net profit before tax for the respective financial years. Dividends will be paid in Myanmar Kyat.

The board of directors of the Company has the discretion to recommend the payment of dividends. The Company cannot assure the investors that the Company will declare or pay out any dividends.

2. Stock Options

The company has not granted any stock options to its directors and employees.

VII. Description of the Company's Shares

Set out here is certain general information relating to the shares of the company, including brief summaries of certain provision of its contract of incorporation and the articles of association, the company act and the relevant rules/regulations, all as currently in effect.

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PART III. RELATED PARTY TRANSACTIONS

Provide the information required below for the period since the beginning of the company's preceding two/three financial years up to the date of the Prospectus, with respect to transactions or loans between the company and its related parties.

Describe the nature and extent of any transactions or presently proposed transactions which are material to the company or the related party, or any transactions that are unusual in their nature or conditions, involving goods, services, or tangible or intangible assets, to which the company or any of its parent or subsidiaries was a party.

I. Material Transactions / Agreements with Major Shareholders

Disclose the transactions with shareholders holding at least 5% of the outstanding shares, indicating name, type and date of transactions, during the last two/three years prior to the filing of application.

II. Material Transactions / Agreements with Senior Management

Provide the material transactions with directors or senior officers or persons whereby directors or senior officers of the company has interest during the last two/three years prior to the filing of application.

Also disclose material transactions with family members of directors or senior officers or shareholders holding at least 5% of the outstanding shares during the last two/three years.

Further present material transactions with persons who have relationship with directors of the company, its subsidiary or holding company where relationship occurred in the transaction or any arrangement with the company during the last two/three years.

Describe the material transactions with directors receiving any interest or professional fee for services in which the director provided via any firm to the company during the last two/three years.

III. Other Conflicts of Interests

Where a director or significant person of the company or associates has an interest in any entity carrying on the same business or dealing in similar products as the company or the group, disclose:

- Name of the entity;
- Name of the director or significant person involved;
- Nature and extent of his/her interest in that entity and the extent to which he/she is involved in the management of that entity either directly or indirectly; or

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- Whether any conflict of interests thereby arising has been or is to be resolved or mitigated and, if so, how it has been or is proposed to be resolved or mitigated.

If any of the named experts, counselors, underwriter or other financial adviser was employed on a contingent basis, owns an amount of shares in the company or its subsidiaries which is material to that person, has a material, direct or indirect economic interest in the company or that depends on the success of the offering, or otherwise has a material relationship with the company, provide a brief description of the nature and terms of such contingency, interest or relationship.

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PART IV. FINANCIAL INFORMATION

I. Financial Statements with Notes

Attach the audited financial statements.

1. The Prospectus must contain comparative consolidated financial statements of the company, or if the company is a holding company, of the group, that cover the latest two financial years (or such shorter period that the company has been in operation).
2. If the registration/effective date of the Prospectus is more than six months after the end of the most recent completed financial year for which financial statements is provided above, the Prospectus must contain interim financial statements of the company, or if the company is a holding company, of the group, made up to a date that is not earlier than six months before the registration/effective date of the Prospectus. The Prospectus must also include comparative interim financial statements (other than a statement of financial position) for the corresponding period in the previous financial year.
3. The financial statements to be provided under paragraph 1 and 2 of this section must be:
 - prepared in accordance with the Myanmar Financial Reporting Standards and/or any other accounting principles accepted in Myanmar; and
 - other than the comparative interim financial statements, if any, which need not be audited, the financial statements are to be audited in accordance with the Myanmar Auditing Standards and/or any other accounting principles accepted in Myanmar.
4. The financial statements to be provided under paragraph 1 and 2 of this section shall comprise such items as required by the accounting principles.

II. Auditor's Report

Describe or attach here the whole auditor's report on the company's financial statements.

III. Legal Proceedings / Litigations

Provide information on any legal or arbitration proceedings, including those relating to bankruptcy, receivership or similar proceedings which may have, or have had in the 12 months immediately preceding the date of the Prospectus, significant effects on the company's financial position or profitability. This includes governmental proceedings pending or known to be contemplated.

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PART V. OTHER INFORMATION

I. Signature of Chairman, Managing Director and Director

Provide the signatures of chairman, managing director and/or director of the company certifying that the entire information contained herein the Prospectus is accurate and complete.

II. Status of Directors, Senior Management, Corporate Secretary, Auditors and Advisors

Provide the identification, sign-offs, consents or statements, if applicable, of the company's management and the relevant experts, including, but not limited to, independent auditor, legal adviser, tax adviser and consultants, contributing to the preparation of this Prospectus.

III. Others

Provide any other relevant matters in relation to the execution or documentation of the share offering, such as the certain provisions of the Company's memorandum and articles of association under the Myanmar Companies Act. Otherwise, simply put "not applicable" in here.