THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this document or the action you should take, you should immediately consult a person authorised for the purposes of the Financial Services and Markets Act 2000 (as amended) who specialises in advising on the acquisition of shares and other securities.

This document is an AIM admission document prepared in accordance with the AIM Rules for Companies in connection with the proposed admission to trading of the Ordinary Shares and Warrants on AIM. This document contains no offer to the public within the meaning of the Financial Services and Markets Act 2000 as amended ("**FSMA**") and, accordingly, it does not comprise a prospectus for the purposes of the Prospectus Rules and has not been approved by or filed with the Financial Conduct Authority ("**FCA**"). No offer of securities to the public (for the purposes of section 102B of FSMA) is being made in connection with the Placing or the Subscription which would require the publication of a prospectus in accordance with section 85 of FSMA.

The Directors of the Company, whose names appear on page 9 of this document, and the Company accept responsibility for the information contained in this document and for compliance with the AIM Rules for Companies. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case) and the Company the information contained in this document is in accordance with the facts, and does not omit anything likely to affect the import of such information.

Application will be made for all the issued and to be issued Ordinary Shares and the Warrants, to be admitted to trading on AIM. It is expected that Admission will become effective and that trading in the Ordinary Shares and the Warrants will commence on AIM on 27 June 2013. The AIM Rules for Companies are less demanding than those of the Official List of the UK Listing Authority. It is emphasised that no application is being made for admission of the Ordinary Shares or the Warrants to the Official List. No application has been made for the Ordinary Shares or Warrants to be listed on any other recognised investment exchange. **Although the whole text of this document should be read, the attention of persons receiving this document is drawn to the section headed "Risk Factors" contained in Part V of this document.** All statements regarding the Company's business, financial position and prospects should be viewed in light of the Risk Factors set out in Part V of this document.

MYANMAR INVESTMENTS INTERNATIONAL LIMITED

(Incorporated in the British Virgin Islands under the BVI Business Companies Act 2004 with company number 1774652)

Placing of 125,000 Ordinary Shares at US$1.05 per Ordinary Share

and

Subscription for 5,717,619 Ordinary Shares at US$1.05 per Ordinary Share

and

Issue of Warrants to subscribe for 5,842,619 Ordinary Shares at US$0.75 per Ordinary Share

and

Admission of Ordinary Shares and Warrants to trading on AIM

Nominated Adviser to the Company

Grant Thornton UK LLP

Broker to the Company

Allenby Capital Limited

AIM is a market designed primarily for emerging or smaller companies to which a higher investment risk tends to be attached than to larger or more established companies. AIM securities are not admitted to the Official List of the UK Listing Authority. A prospective investor should be aware of the risks of investing in such companies and should make the decision to invest only after careful consideration and, if appropriate, consultation with an independent financial adviser. Each AIM company is required pursuant to the AIM Rules for Companies to have a nominated adviser. The nominated adviser is required to make a declaration to the London Stock Exchange on Admission in the form set out in Schedule Two to the AIM Rules for Nominated Advisers. The London Stock Exchange has not itself examined or approved the contents of this document.

Grant Thornton UK LLP, which is authorised and regulated in the United Kingdom by the FCA for the conduct of investment business, is acting exclusively for the Company and for no one else in connection with Admission and accordingly will not be responsible to anyone other than the Company for providing the protections afforded to clients of Grant Thornton UK LLP or for providing advice in relation to Admission or any other matter referred to in this document. Apart from the responsibilities and liabilities, if any, which may be imposed on Grant Thornton UK LLP by FSMA, no representation or warranty, express or implied, is made by Grant Thornton UK LLP as to any of the contents of this document (without limiting the statutory rights of any person to whom this document is issued). No liability whatsoever is accepted by Grant Thornton UK LLP for the accuracy of any information or opinion contained in this document or for the omission of any material information for which it is not responsible.

Allenby Capital Limited, which is authorised and regulated in the United Kingdom by the FCA for the conduct of investment business, is acting exclusively for the Company and for no one else in connection with Admission and accordingly will not be responsible to anyone other than the Company for providing the protections afforded to customers of Allenby Capital Limited or for providing advice in relation to Admission or any other matter referred to in this document. Apart from the responsibilities and liabilities, if any, which may be imposed on Allenby Capital Limited by FSMA, no representation or warranty, express or implied, is made by Allenby Capital Limited as to any of the contents of this document (without limiting the statutory rights of any person to whom this document is issued). No liability whatsoever is accepted by Allenby Capital Limited for the accuracy of any information or opinion contained in this document or for the omission of any material information for which it is not responsible.

Copies of this document will be available during normal business hours on any day (except Saturdays, Sundays, bank and public holidays) free of charge to the public at the offices of the Company at Jayla Place, Wickhams Cay I, Road Town, Tortola, British Virgin Islands from the date of this document to the date one month from the date of Admission. A copy of this document will also be available, from Admission, at the Company's website at www.myanmarinvestments.com.

This document does not constitute an offer to sell or an invitation to subscribe for, or the solicitation of an offer to buy or to subscribe for, Ordinary Shares or Warrants in any jurisdiction in which such an offer or solicitation is unlawful and this document is not, save in certain limited circumstances pursuant to applicable private placement exemptions, for distribution in or into the United States or other Prohibited Territories. The Ordinary Shares or Warrants have not nor will they be registered under the United States Securities Act of 1933 (as amended) ("**US Securities Act**") or with any securities regulatory authority of any state or other jurisdiction of the United States or under the applicable securities laws of the other Prohibited Territories and, unless an exemption under such Act or laws is available, may not be offered for sale or subscription or placed or sold or subscribed directly or indirectly within the United States of or other Prohibited Territories for the account or benefit of any national, resident or citizen of the Prohibited Territories. The document is not for distribution directly or indirectly to any US Person who is not an accredited investor (within the meaning of Regulation D ("**Regulation D**") under the US Securities Act. The distribution of this document in other jurisdictions may be restricted by law and therefore persons into whose possession this document comes should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of such jurisdictions.

Important Information

The distribution of this document and the making of the Subscription and Placing in certain jurisdictions may be restricted by law and therefore persons into whose possession this document comes should inform themselves about and observe any restrictions, including those set out below. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction. In particular, the issue or circulation of this document may be prohibited in countries other than those in relation to which notices are given below and, in such cases, only in the circumstances set out in such notices.

The information below is for general guidance only and it is the responsibility of any person or persons in possession of this document and wishing to make an application for Ordinary Shares or Warrants to inform themselves of, and to observe, all applicable laws and regulations of any relevant jurisdiction. No person has been authorised by the Company to issue any advertisement or to give any information or to make any representation in connection with the contents of this document and, if issued, given or made, such advertisement, information or representation must not be relied upon as having been authorised by the Company. This document does not constitute, and may not be used for the purposes of, an offer or solicitation to anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation. In particular, this document does not constitute an offer to sell or the solicitation of an offer to buy any of the Ordinary Shares or Warrants in the Prohibited Territories and this document should not be forwarded or transmitted to or into the Prohibited Territories or to any resident, national, citizen or corporation, partnership or other entity created or organised under the laws thereof or in any other country outside the United Kingdom where such distribution may lead to a breach of any legal or regulatory requirement. The distribution of this document may be restricted and accordingly persons into whose possession this document comes are required to inform themselves about and to observe such restrictions.

British Virgin Islands

The Ordinary Shares and Warrants may not be sold or offered for subscription as part of any offering or invitation to subscribe made to the public of the British Virgin Islands. The Company's Ordinary Shares and Warrants may however be sold to companies incorporated in the British Virgin Islands in certain limited circumstances as determined by the Board on a case by case basis.

Singapore

This document has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this document and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Ordinary Shares or Warrants may not be circulated or distributed, nor may the Ordinary Shares or Warrants be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than: (i) to an institutional investor under Section 274 of the Securities and Futures Act, Chapter 289 of Singapore (the "**SFA**"); (ii) to a relevant person pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA; or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Ordinary Shares or Warrants are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

(a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

(b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities (as defined in Section 239(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Ordinary Shares or Warrants (as the case may be) pursuant to an offer made under Section 275 of the SFA except:

(1) to an institutional investor or to a relevant person defined in Section 275(2) of the SFA, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;

(2) where no consideration is or will be given for the transfer;

(3) where the transfer is by operation of law;

(4) as specified in Section 276(7) of the SFA; or

(5) as specified in Regulation 32 of the Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005 of Singapore.

United Kingdom

The Ordinary Shares and Warrants must not and will not be offered to the public in the United Kingdom (within the meaning of section 102B of FSMA) save in circumstances where it is lawful to do so without an approved prospectus (within the meaning of section 85 of FSMA) being made available to the public before the offer is made.

This document is being distributed in the United Kingdom and is directed only at persons who are both: (a) (i) overseas persons within the meaning of Article 12 of the FSMA (Financial Promotions) Order 2005 ("**FPO**"); (ii) high net worth companies and unincorporated associations within the meaning of Article 49 FPO; (iii) certified sophisticated investors within the meaning of Article 50 FPO; or (iv) any other person to whom this document may be lawfully distributed without breaching the provisions of section 21 of FSMA; and who are also (b) qualified investors within the meaning of section 86(7) of FSMA and other persons to whom it may be distributed without an approved prospectus (within the meaning of section 85 of FSMA) being made available to the public, (persons fulfilling the criteria at (a) and (b) referred to herein as "**Relevant Persons**"). The investment or investment activity to which this document relates is available only to Relevant Persons. It is not intended that this document be distributed or passed on, directly or indirectly, to any other class of person and in any event and under no circumstances should persons of any other description rely on or act upon the contents of this document. This document and its contents are confidential and must not be distributed or passed on, directly or indirectly, to any other person. Any other person to whom this document has been passed must return it immediately. This document is being supplied to you solely for your information and may not be reproduced, further distributed or published, in whole or in part, by any other person.

A 'certified sophisticated investor' within the meaning of Article 50 of the FPO is a person who has a current certificate in writing or other legible form signed by a person authorised by the UK Financial Conduct Authority ("**FCA**") to the effect that he is sufficiently knowledgeable to understand the risks associated with the investment in question, and who has signed within the last 12 months a statement complying with paragraph 1(b) of Article 50 to the FPO.

This document is exempt from the general restriction in section 21 of FSMA on the communication of invitations and inducements to engage in investment activity as it is only being distributed to Relevant Persons. The content of this document has not been approved by an FCA-authorised person. Reliance on this document for the purpose of engaging in any investment activity may expose you to a significant risk of losing all the property invested or of incurring additional liability. If you are in any doubt about the investment to which this document relates you should consult an independent financial adviser or other person authorised and regulated by the FCA who specialises in advising on the acquisition or disposal of shares and other securities.

Hong Kong

The contents of this document have not been have not been and reviewed by any regulatory authority in Hong Kong. You are advised to exercise caution in relation to the offer. If you are in any doubt about any of the contents of this document, you should obtain independent professional advice.

The arrangements for the issue of the Ordinary Shares and Warrants have not been authorised as a collective investment scheme by Hong Kong's Securities and Futures Commission ("**SFC**") pursuant to section 104 of Hong Kong's Securities and Futures Ordinance ("**SFO**"), nor has this document been approved by the SFC pursuant to section 105(1) of SFO or section 342C(5) of Hong Kong's Companies Ordinance ("**HKCO**") or registered by Hong Kong's Registrar of Companies pursuant to section 342C(7) of HKCO.

The Ordinary Shares and Warrants are being offered in Hong Kong on a restricted basis. The Company has not authorised to offer its Shares or the Warrants to the public in Hong Kong. Accordingly, the content and use of this document must comply with each of the following SFO and HKCO restrictions, namely:

(a) under the SFO: this document is not and does not contain contrary to section 103 of SFO, an invitation to the public of Hong Kong to acquire or subscribe for shares, other than: (1) an invitation only to professional investors (as defined in SFO); or (2) to the extent that this document contains or relates to an offer specified in Part 1 of the Seventeenth Schedule to the HKCO by virtue of number of persons to be offered or other exclusions ("**Prospectus Exclusions**"); and

(b) under the HKCO: this document must not, contrary to section 342 and 342C of HKCO, be issued, circulated or distributed to any person in Hong Kong other than: (1) to persons whose ordinary business is to buy or sell shares or debentures, whether as principal or agent; or (2) to professional investors (as defined in the SFO); or (3) in circumstances in which this document is not a prospectus (as defined in the HKCO) by virtue of any of the Prospectus Exclusions; or (4) otherwise in circumstances that do not constitute an offer to the public.

United States

This document does not constitute an offer to sell or an invitation to subscribe for, or the solicitation of an offer to buy or to subscribe for, Ordinary Shares or Warrants in any jurisdiction in which such an offer or solicitation is unlawful and this document is not, save in certain limited circumstances pursuant to applicable private placement exemptions, for distribution in or into the United States or other Prohibited Territories. The Ordinary Shares or Warrants have not

been nor will they be registered under the United States Securities Act of 1933 (as amended) ("**US Securities Act**") or with any securities regulatory authority of any state or other jurisdiction of the United States or under the applicable securities laws of the other Prohibited Territories and, unless an exemption under such Act or laws is available, may not be offered for sale or subscription or placed or sold or subscribed directly or indirectly within the United States or other Prohibited Territories for the account or benefit of any national, resident or citizen of the Prohibited Territories. The document is not for distribution directly or indirectly to any US Person who is not an accredited investor (within the meaning of Regulation D ("**Regulation D**") under the US Securities Act.

The securities described herein have not been and will not be registered under the US Securities Act. In addition, the Company has not been and will not be registered under the US Investment Company Act of 1940 (as amended) (the "**Investment Company Act**") and investors will not be entitled to the benefits of the Investment Company Act. Consequently, the Ordinary Shares and Warrants may not be offered, sold, resold, delivered or transferred within the United States or to, or for the account or benefit of, US persons (as such term is defined in Regulation S under the US Securities Act ("**Regulation S**")) except in accordance with the US Securities Act or an exemption therefrom and under circumstances which will not require the Company to register under the Investment Company Act.

The Ordinary Shares and Warrants are generally only being offered and sold outside the United States to persons who are not US Persons (within the meaning of Regulation S) in transactions complying with Regulation S, which provides an exemption from the requirement to register the offer and sale under the US Securities Act. In certain limited cases the Ordinary Shares may be offered or sold in the United States, but only in private placements to persons who are institutional accredited investors (within the meaning of Rule 501(a) of Regulation D) in transactions complying with Rule 506 of Regulation D, which provides an exemption from the requirement to register the offer and sale under the US Securities Act, and is a '**Qualified Purchaser**' as defined in the Investment Company Act.

Each purchaser acquiring the New Ordinary Shares and Warrants in a Regulation D placing or subscription will be required to execute and deliver a signed letter to the Company containing representations and warranties such as the representation and warranty that such purchaser is an institutional accredited investor as defined in Rule 501(a) of Regulation D promulgated under the US Securities Act.

The Ordinary Shares and Warrants have not been approved or disapproved by the US Securities and Exchange Commission, any state securities authority or any other regulatory authority, nor have any of the foregoing passed upon or endorsed the merits of this document. Any representation to the contrary is unlawful.

Prospective investors should determine whether an investment in the Ordinary Shares and Warrants is appropriate in their particular circumstances and should consult with their legal, business and tax advisers to determine the consequences of an investment in the Ordinary Shares and Warrants and arrive at their own evaluation of the investment. In addition, an investment in the Ordinary Shares and Warrants is not intended to be a complete investment programme for any prospective investor. Prospective investors should carefully consider whether an investment in the Company is suitable for them in light of their circumstances and financial resources. Recipients' attention is drawn to the Risk Factors set out at Part V of this Document.

Investment in the Ordinary Shares and Warrants is only suitable for investors who: (i) have the requisite knowledge and experience in financial and business matters, and access to, and knowledge of, appropriate analytical resources, to evaluate the information contained herein and risks of an investment in the Ordinary Shares and Warrants in the context of such investors' financial position and circumstances; (ii) are capable of bearing the economic risk of an investment in the Ordinary Shares and Warrants for an indefinite period of time; (iii) are acquiring the Ordinary Shares and Warrants for their own account for investment, not with a view to resale, distribution or other disposition of the Ordinary Shares or Warrants (subject to any applicable law requiring that the disposition of the investor's property be within its control); (iv) recognise that it may not be possible to make any transfer of the Ordinary Shares or Warrants for a substantial period of time, if at all; and (v) meet all requirements set forth in the attached draft subscription agreement.

Notwithstanding anything to the contrary contained herein, a prospective purchaser (and each employee, representative, or other agent of a prospective purchaser) may disclose to any and all persons, without limitation of any kind, the tax treatment and tax structure of the transactions described in this Admission Document and all materials of any kind that are provided to the prospective purchaser relating to such tax treatment and tax structure (as such terms are defined in US Treasury Regulation section 1.6011-4). This authorisation of tax disclosure is retroactively effective as of the commencement of discussions with prospective purchasers regarding the transactions contemplated herein.

Dubai International Financial Centre

This document relates to an Exempt Offer in accordance with the Offered Securities Rules Market Rules and the Markets Law (DIFC Law No. 1 of 2012) of the Dubai Financial Services Authority. This document is intended for distribution only to persons of a type specified in those rules. It must not be delivered to, or relied on by, any other person. The Dubai Financial Services Authority has no responsibility for reviewing or verifying any documents in connection with Exempt Offers. The Dubai Financial Services Authority has not approved this Document nor taken steps to verify the information set out in it, and has no responsibility for it.

The Securities to which this document relates may be illiquid and/or subject to restrictions on their resale. Prospective purchasers of the Securities offered should conduct their own due diligence on the Securities.

If you do not understand the contents of this document you should consult an authorised financial adviser.

The Subscription Shares or New Ordinary Shares and Warrants have not been and will not be offered, sold or publicly promoted or advertised in the Dubai International Financial Centre other than in compliance with laws applicable in the Dubai International Financial Centre, governing the issue, offering or the sale of securities.

Cayman Islands

The Ordinary Shares and Warrants may not be sold or offered for subscription as part of any offering or invitation to subscribe made to the public of the Cayman Islands. The Company's shares may however be sold to exempt or other non-resident companies, exempt trusts, limited partnerships or other non-resident entities created or organised under the laws of the Cayman Islands.

Jersey

This document has not been submitted for approval to the Jersey Financial Services Commission and, in particular, consent to its circulation in Jersey has not been granted under the Control of Borrowing (Jersey) Order 1958 ("**COBO**"). This document cannot be circulated in connection with an offer of the Company's shares to the public in Jersey or as part of any form of general solicitation or advertising or otherwise except in accordance with the circumstances set out in Article 8(2) of COBO. The contents of this document must not be acted on or relied upon by any other persons. Regulatory consent has not been obtained in Jersey to promotion of the Company within Jersey.

European Union

No Ordinary Shares or Warrants have been offered or sold, or will be offered or sold, to the public in any member state of the European Economic Area that has implemented directive 2003/71/EC of the European Union, as amended, (the "**Prospectus Directive**") (each a "**Relevant Member State**"), with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the "**Relevant Implementation Date**") except (with effect from and including the Relevant Implementation Date): (a) to legal entities that are authorised or regulated to operate in the financial markets or, if not so authorised or regulated, whose corporate purpose is solely to invest in securities; (b) to any legal entity that has two or more of: (i) an average of at least 250 employees during the last year; (ii) a total balance sheet of more than €43,000,000; and (iii) an annual net turnover of more than €50,000,000, as shown in its last annual or consolidated accounts; (c) to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive); or (d) in any other circumstances that do not require the publication by the Company of a prospectus pursuant to Article 3 of the Prospectus Directive.

Other Jurisdictions

The distribution of this document in other jurisdictions may be restricted by law and the persons into whose possession this document comes should inform themselves about, and observe any such restrictions.

Forward-looking Statements

This document includes statements that are, or may be deemed to be, "forward-looking statements". These forward-looking statements can be identified by the use of forward-looking terminology, including the terms "believes", "estimates", "plans", "projects", "anticipates", "expects", "intends", "may", "will" or "should" or, in each case, their negative or other variations or comparable terminology, or by discussions of strategy, plans, objectives, goals, future events or intentions. These forward-looking statements include all matters that are not historical facts. They appear in a number of places throughout this document and include, but are not limited to, statements regarding the intentions, beliefs or current expectations of the Company, the Board, concerning, among other things, the Company's results of operations, financial position, liquidity, prospects, growth, strategies and expectations of Myanmar.

By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances. Forward-looking statements are not guarantees of future performance and the development of the markets and Myanmar may differ materially from those described in, or suggested by, the forward-looking statements contained in this document. In addition, even if the development of the markets and those sectors are consistent with the forward-looking statements contained in this document, those developments may not be indicative of developments in subsequent periods. A number of factors could cause developments to differ materially from those expressed or implied by the forward-looking statements including, without limitation, general economic and business conditions, industry trends, competition, commodity prices, changes in law or regulation, currency fluctuations, political and economic uncertainty and other factors discussed in the sections Part I "**The Company**", Part II "**Other Information**", Part III, "**Myanmar and its Regulations**", Part IV "**Principal Terms of the Warrants**", Part V "**Risk Factors**" and Part VI "**Additional Information**" of this document.

Any forward-looking statements in this document reflect the Company's current view with respect to future events and are subject to risks relating to future events and other risks, uncertainties and assumptions relating to the Company's investing strategy. Investors should specifically consider the factors identified in this document which could cause results to differ before making an investment decision. These forward-looking statements speak only as at the date of this document. Subject to any applicable obligations, the Company undertakes no obligation to update or review any forward-looking statement, whether as a result of new information, future developments or otherwise. All subsequent written and oral forward-looking statements attributable to the Company or individuals acting on behalf of the Company are expressly qualified in their entirety by this paragraph. Prospective investors should specifically consider the factors identified in this document (including the Risk Factors set out in Part V of this document) which could cause actual results to differ before making an investment decision. Investors should note that the contents of these paragraphs relating to forward-looking statements are not intended to qualify the statement made as to sufficiency of working capital in Part VI of this document.

CONTENTS

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Publication of this document	21 June 2013
Admission of Ordinary Shares and Warrants to trading on AIM	27 June 2013
CREST members' accounts credited in respect of Depositary Interests representing New Ordinary Shares and Warrants in uncertificated form	27 June 2013
Despatch of definitive share certificates for New Ordinary Shares and Warrants in certificated form by no later than	4 July 2013

All references to time in this document are to London time unless otherwise stated

PLACING AND SUBSCRIPTION STATISTICS

Number of Ordinary Shares in issue at the date of this document	500,000 Ordinary Shares
Issue Price	US$1.05 per New Ordinary Share
Number of New Ordinary Shares to be issued pursuant to the Placing	125,000 New Ordinary Shares
Number of New Ordinary Shares to be issued pursuant to the Subscription	5,717,619 New Ordinary Shares
Total number of Ordinary Shares in issue following the Placing, Subscription and Admission	6,342,619 Ordinary Shares
Number of Warrants to be issued	5,842,619 Warrants
Fully diluted number of Ordinary Shares assuming full exercise of the Warrants (excluding Share Options)	12,185,238 Ordinary Shares
The Warrants as a percentage of the fully diluted Ordinary Shares	47.9 per cent.
Estimated gross proceeds of the Placing and Subscription	US$6,134,750
Estimated net proceeds of the Placing and Subscription receivable by the Company	US$5,245,383
Market capitalisation of the Company at the Issue Price following Admission	US$6,659,750
ISIN code of the Ordinary Shares and Depositary Interests representing Ordinary Shares	VGG636111004
ISIN code of the Warrants	VGG636111186
SEDOL for Ordinary Shares	BBBSQP6
SEDOL for Warrants	BBBSQR8
Ticker symbol for the Ordinary Shares	MIL
Ticker symbol for the Warrants	MILW
Company's website address	www.myanmarinvestments.com
Telephone number of Company's principal subsidiary	+65 6829 7251

EXCHANGE RATES

For reference purposes only, the following exchange rate was prevailing on 14 June 2013 (being the latest practicable day prior to the publication of this document):

US$1.57 per £1

Kyat 1,450 per £1

S$1.96 per £1

All amounts in this document expressed in the above currencies have, unless otherwise stated, been calculated using the above exchange rate.

DIRECTORS, SECRETARY AND ADVISERS

Directors	Christopher William Knight, *Independent Non-executive Chairman* Maung Aung Htun, *Managing Director* Anthony Michael Dean, *Finance Director* Craig Robert Martin, *Independent Non-executive Director* Christopher David Appleton, *Independent Non-executive Director*
Company Secretary	Appleby Corporate Services (BVI) Limited Jayla Place Wickhams Cay I Road Town Tortola VG1110 British Virgin Islands
Registered Office	Jayla Place Wickhams Cay I Road Town Tortola VG1110 British Virgin Islands
Business Address of the Company's Principal Subsidiary	37th Floor Singapore Land Tower 50 Raffles Place Singapore 048623
Nominated Adviser	Grant Thornton UK LLP 30 Finsbury Square London EC2P 2YU United Kingdom
Broker	Allenby Capital Limited 3 St. Helens Place London EC3A 6AB United Kingdom
Reporting Accountants	BDO LLP 55 Baker Street London W1U 7EU United Kingdom
Auditors	BDO LLP 21 Merchant Road #05-01 Royal Merukh S.E.A. Building Singapore 058267
Solicitors to the Company as to English law	Reed Smith LLP The Broadgate Tower 20 Primrose Street London EC2A 2RS United Kingdom

Solicitors to the Company as to British Virgin Islands Law	Appleby Jayla Place Wickhams Cay I Road Town Tortola British Virgin Islands
Solicitors to the Company as to Singapore law	Reed Smith Pte Ltd 10 Collyer Quay #06-01 Ocean Financial Centre Singapore 049315 Allen & Gledhill LLP One Marina Boulevard, #28-00 Singapore 018989
Solicitors to the Company as to Myanmar law	DFDL Legal & Tax 134A Thanlwin Road Golden Valley Ward (1) Bahan Township Yangon, Myanmar
Solicitors to the Nominated Adviser and the Broker	Memery Crystal LLP 44 Southampton Buildings London WC2A 1AP United Kingdom
Registrars	Capita Registrars (Guernsey) Limited Mont Crevelt House Bulwer Avenue St. Sampson Guernsey GY2 4LH
Warrant Registrar	Capita Registrars Limited The Registry 34 Beckenham Road Beckenham Kent BR3 4TU United Kingdom
Depository	Capita IRG Trustees Limited The Registry 34 Beckenham Road Beckenham Kent BR3 4TU United Kingdom

DEFINITIONS

The following definitions apply throughout this document, unless the context otherwise requires:

"Admission"	the admission of the Ordinary Shares and Warrants, in issue and to be issued pursuant to the Placing and Subscription, to trading on AIM becoming effective in accordance with the AIM Rules for Companies
"Accredited Investor"	has the meaning given to it by Regulation D
"AIM"	the market of that name operated by the London Stock Exchange
"AIM Rules for Companies"	the AIM Rules for Companies published by the London Stock Exchange from time to time
"AIM Rules for Nominated Advisers"	the AIM Rules for Nominated Advisers published by the London Stock Exchange from time to time
"Allenby"	Allenby Capital Limited, the Company's broker
"Articles"	the articles of association of the Company from time to time, a summary of the current provisions of which is set out in paragraph 4.3 of Part VI of this document
"ASEAN"	the Association of Southeast Asian Nations
"Business Day"	a day (other than a Saturday or a Sunday) on which banks are open for business in London and the British Virgin Islands
"BVI"	the British Virgin Islands
"BVI Business Companies Act"	BVI Business Companies Act 2004, as amended from time to time
"certificated" or **"in certificated form"**	not in uncertificated form (that is, not in CREST)
"Company"	Myanmar Investments International Limited, a company incorporated in the British Virgin Islands with company number 1774652
"Cornerstone Investors"	the cornerstone investors who have each conditionally agreed to subscribe for at least 450,000 New Ordinary Shares at the Issue Price
"CREST"	the relevant system (as defined in the CREST Regulations) in respect of which Euroclear is the Operator (as defined in the CREST Regulations) in accordance with which securities may be held and transferred in uncertificated form
"CREST Manual"	the compendium of documents entitled "CREST Manual" issued by Euroclear from time to time and comprising the CREST Reference Manual, the CREST Central Counterparty Service Manual, the CREST International Manual, the CREST Rules, the CSS Operations Manual and the CREST Glossary of Terms

"CREST Regulations"	the Uncertificated Securities Regulations 2001 (SI 2001/3755)
"Depository"	Capita IRG Trustees Limited or such other depository for the Ordinary Shares as is appointed by the Company from time to time and notified to the Shareholders
"Depositary Interests"	depositary interests to be issued by the Depository representing Ordinary Shares for the purpose of holding and transferring those securities in CREST
"Directors" or **"Board"**	the current directors of the Company whose names are set out on page 9 of this document
"Disclosure and Transparency Rules" or **"DTRs"**	the disclosure and transparency rules made by the FCA under section 73A of FSMA
"EU"	the European Union
"Euroclear"	Euroclear UK & Ireland Limited, the operator of CREST
"Exercise Amount"	the sum payable on exercise of one Warrant being US$0.75 per Ordinary Share (or such adjusted price as may be determined from to time in accordance with the provisions of the Warrant Instrument)
"Expiry Date"	means the fifth anniversary of the date of the Warrant Instrument
"Founder Issue Price"	US$0.10 per Ordinary Share being the price paid by the Founders for the 500,000 shares in Myanmar Investments Limited, which were contributed to the Company as consideration for the issue of Ordinary Shares to the Founders as set out in paragraph 3.3 of Part VI of this document
"Founders"	Aung Htun, Michael Dean, William Knight, Craig Martin and Christopher Appleton
"FCA"	the Financial Conduct Authority of the UK
"FSMA"	Financial Services and Markets Act 2000, as amended from time to time
"Grant Thornton"	Grant Thornton UK LLP, the nominated adviser of the Company
"Group"	the Company and its subsidiary undertakings from time to time
"HMRC"	Her Majesty's Revenue and Customs (which shall include its predecessors, the Inland Revenue and HM Customs and Excise)
"IFRS"	International Financial Reporting Standards as promulgated by the International Accounting Standards Board from time to time

"Investee Company"	an entity in which the Company (or a subsidiary of the Company) invests
"Investment Company Act"	the US Investment Company Act of 1940, as amended
"Investment Policy"	the investment policy of the Company as set out in Part I of this document and as revised by the Directors from time to time
"Investment Targets"	an asset, company or business which is the intended subject of an Investment
"Investments"	an investment by the Company (or a subsidiary of the Company) in any asset, company or business pursuant to the Investment Policy
"Issue Price"	US$1.05 per New Ordinary Share
"London Stock Exchange"	London Stock Exchange plc
"Management"	the Directors and employees of the Group
"Memorandum"	the memorandum of association of the Company from time to time
"MIL"	Myanmar Investments Limited, a Singapore incorporated wholly owned subsidiary of the Company
"Myanmar"	the Republic of the Union of Myanmar, historically also known as Burma
"New Ordinary Shares"	5,842,619 Ordinary Shares to be allotted and issued pursuant to the Placing and Subscription, such allotment being conditional on Admission
"Net Asset Value" or **"NAV"**	the value of the assets of the Company less its liabilities
"Ordinary Shares"	ordinary shares in the capital of the Company carrying the rights described in paragraph 4.3 of Part VI of this document
"Official List"	the Official List of the UKLA
"Placee"	a subscriber for New Ordinary Shares pursuant to the Placing
"Placing"	the conditional placing by Allenby of New Ordinary Shares with Placees at the Issue Price
"Prohibited Territories"	Australia, Canada, Japan, the Republic of South Africa and their respective territories and possessions and any other jurisdictions where local laws or regulations may result in a significant risk of civil, regulatory or criminal exposure if information or documents concerning the Subscription and/or the Placing and/or Admission were to be sent or made available to Shareholders or potential investors in that jurisdiction

"Prospectus Rules"	the rules made by the FCA under section 73A of the FSMA
"Registrar"	Capita Registrars (Guernsey) Limited or any other share registrar appointed by the Company from time to time
"Regulation D"	Regulation D under the US Securities Act
"Regulation S"	Regulation S under the US Securities Act
"Regulatory Information Service"	a regulatory information service that is approved by the FCA as meeting primary information provider criteria and that is on the list of regulatory information services maintained by the FCA
"Shareholders"	holders of Ordinary Shares
"Share Options"	the options issued to Participants in accordance with the Share Option Plan
"Share Option Plan"	the employee incentive scheme that governs the grant of the Share Options to Participants
"Singapore"	the Republic of Singapore
"Singapore Income Tax Act"	Income Tax Act, Chapter 134 of Singapore and subordinate legislation thereunder
"Subscriber"	a subscriber for New Ordinary Shares pursuant to the Subscription
"Subscription"	the conditional subscription of New Ordinary Shares by Subscribers at the Issue Price
"Subscription Agreements"	the conditional agreements made between the Company and the Subscribers, details of which are set out in paragraph 13(d) of Part VI of this document
"subsidiary undertakings"	as defined in section 1162 of the 2006 Act
"Takeover Code"	the UK City Code on Takeovers and Mergers as amended from time to time
"the 2006 Act"	the UK Companies Act 2006
"UK" or **"United Kingdom"**	the United Kingdom of Great Britain and Northern Ireland
"UK Corporate Governance Code"	the UK Corporate Governance Code published by the Financial Reporting Council from time to time
"UK Listing Authority" or **"UKLA"**	the FCA acting in its capacity as the competent authority for the purposes of Part V of the FSMA
"uncertificated" or **"in uncertificated form"**	with regard to any securities, being held in uncertificated form in CREST (including in the form of Depositary Interests) and being able to be transferred by means of CREST

"US Person"	has the meaning given to it in Regulation S
"US" or **"United States"**	the United States of America, its territories and possessions, any state or political sub-division of the United States of America, the District of Columbia and all other areas subject to the jurisdiction of the United States of America
"US Securities Act"	the United States Securities Act of 1933, as amended
"VAT"	value added tax
"Warrantholder"	means in relation to any Warrant, the person or persons who is or are for the time being the registered holder or joint holders of such Warrant
"Warrants"	warrants to subscribe for 5,842,619 Ordinary Shares at the Exercise Amount per Ordinary Share pursuant to the Warrant Instrument
"Warrant Instrument"	the warrant instrument adopted by the Company on 21 June 2013 constituting the Warrants
"Warrant Registrar"	Capita Registrars Limited or any other warrant registrar appointed by the Company from time to time
"£" and **"p"**	respectively pounds and pence sterling, the lawful currency of the UK
"Kyat" or **"MMK"**	Kyat, the lawful currency of Myanmar
"S$" or **"SGD"**	Singapore Dollars, the lawful currency of Singapore
"US$" or **"US Dollars"**	United States Dollars, the lawful currency of the United States

All references to legislation in this document are to the legislation of England and Wales unless the contrary is indicated. Any reference to any provision of any legislation shall include any amendment, modification, re-enactment or extension thereof.

Words importing the singular shall include the plural and vice versa, and words importing the masculine gender shall include the feminine or neutral gender.

PART I

THE COMPANY

1. Description of the Company

Myanmar Investments International Limited is a public company limited by shares incorporated under the laws of the British Virgin Islands. The Company has been established for the purpose of identifying and investing in, and disposing of, businesses operating in or with business exposure to Myanmar. The Directors believe that Myanmar offers good potential for long term profitable investments.

The Company will target businesses operating in sectors that the Directors believe have strong growth potential and thereby can be expected to provide attractive yields, capital gains or both.

On Admission, the Company will have no trading business but will provide the platform from which the Directors intend to identify, analyse and negotiate investments in suitable business opportunities. Over the last 18 months, since Myanmar has started to open up to trade and foreign investment, the Directors have established a diverse network of relationships, both in Myanmar and its neighbouring countries, and through this see the potential for developing a proprietary deal flow of investment opportunities. However, as at the date of this document, the Company is not yet at a stage where it is likely to consummate an investment in the short term.

In conjunction with and conditional on Admission, the Company has raised US$5,245,383 net of expenses through a Placing and Subscription of 5,842,619 New Ordinary Shares with new investors, further details of which are set out in paragraph 12 of Part II of this document.

The Directors believe that if the implementation of the Investment Policy is successful the Company will, in the future, need to raise additional equity through further issues of Ordinary Shares to fund the continuation of its Investment Policy.

2. Investment Opportunity

Myanmar has been isolated for much of the last 50 years. Once one of the more prosperous countries in Southeast Asia, it is now one of the least developed countries in the world and has been the subject of sanctions imposed on it by the EU and the US, amongst others.

Under the leadership of President Thein Sein, who was officially elected in February 2011, the Myanmar government has undertaken a series of political and economic reforms ranging from the release of political prisoners, passing laws that allow strikes and demonstrations, to allowing greater press freedom. A new Foreign Investment Law has also been enacted, further details of which are set out in Part III of this document. In the by-election of April 2012 Aung San Suu Kyi's National League for Democracy won 43 out of the 45 vacant seats and she became leader of the opposition in the Myanmar parliament. David Cameron and Barack Obama have also visited the country in the past two years, a sign of support and encouragement given that this is the first time that the serving leaders of the UK and the US respectively have visited Myanmar. President Thein Sein has also recently visited the US; the first head of state of Myanmar to be invited to visit Washington since 1966.

Western governments have welcomed these changes and responded by opening doors for trade with Myanmar. Australia, Norway and Canada have lifted most sanctions while the US has eased sanctions. In May 2013, a year after the EU initially suspended most of its sanctions against Myanmar, the EU lifted all its sanctions, save for a continuing embargo on arms trade including the supply of arms and related material and equipment which may be used for internal repression. The EU revocation of sanctions was implemented into UK legislation in May 2013 but has not yet been implemented in the BVI and certain provisions relating to enforcement of sanctions still apply to certain goods (principally mining and logging), despite the suspension of the principal provisions of

such sanctions. A summary of the position regarding sanctions in the BVI applicable to Myanmar is set out in Part V of this document. Certain sanctions previously in force in the BVI were suspended in October 2012.

These positive developments have led numerous foreign companies as diverse as Visa, Coca Cola, Standard Chartered, Hutchison Whampoa, WPP, Mitsubishi and Hilton to enter, or look to enter, the Myanmar market.

Myanmar is at the same time both a rich and an extremely poor country. It is this paradox that is creating investment opportunities. The country is rich because it is well endowed with an abundance of natural resources (oil, natural gas, minerals and water for hydropower), a fertile and large arable landmass, a long coastline and a number of significant tourism sites.

The country is also strategically located between India and China with a population estimated at between 48 and 60 million. The road network being built across the Greater Mekong region together with the deep sea port at Thilawa is expected to provide faster access for goods manufactured in the region to gain access to the global export markets.

However, because of a lack of investment over many decades, Myanmar's infrastructure is basic with a low level of healthcare and electrification and poor telecommunication and transport networks. Sanctions have both limited tourist arrivals leading to a shortage of hotel rooms and also limited Myanmar consumer access to the range of products that are widely available, and at lower cost, in other Southeast Asian countries. It has also deprived Myanmar of the opportunity to export products to more affluent markets. Because of this, Myanmar companies tend to be smaller than their Southeast Asian counterparts, have a smaller capital base and lack technical and managerial skills.

The Directors believe that in order to take advantage of the unfolding opportunities, Myanmar companies will need to raise capital to expand capacity to meet domestic demand as well as to expand into new export markets. Many of these companies will also want to find partners or investors that can enhance their capabilities. In addition to manufacturing industries and tourism, there will also be scope for new businesses starting up in areas that have not existed before in Myanmar but that are well known elsewhere in Asia, such as convenience stores, fast food chains and entertainment venues.

Funding is extremely scarce given that the capital markets in Myanmar are almost non-existent. The banking sector in Myanmar is significantly smaller than in many other frontier economies due in part to savers' lack of confidence following the Myanmar government's decision to 'demonetise' certain bank notes in the 1980s. The Directors believe that the lack of a stock exchange both inhibits companies' ability to raise long term funds whilst at the same time depriving savers of the opportunity to invest in such opportunities.

Based on the above, the Directors believe that it is timely to establish the Company as a vehicle that can direct investment funds into opportunities that should be financially rewarding to its Shareholders whilst at the same time assisting Myanmar in its long overdue redevelopment.

The removal of sanctions is expected to increase foreign investment interest in the country which, when combined with the formation of a new stock exchange (which has yet to be formally announced), the Directors believe will increase liquidity and, for investors, exit options.

3. Investment Policy and Restrictions

Strategy

The Company's primary objective is to build capital value over the long term by making investments in a diversified portfolio of Myanmar businesses that the Directors believe will benefit from Myanmar's re-emergence. In the first couple of years it is likely that the portfolio of the Company will be concentrated as it seeks out new potential investments. However, in time and subject to available opportunities the Directors intend to diversify the portfolio.

The Company intends to be a proactive investor, seeking to add value to the development of each of its Investee Companies. As such, the Company will usually, where permitted under Myanmar or other applicable law, seek participation in the management process through board representation with a view to helping improve the performance and growth of the Investee Company. The Company may acquire majority or minority stakes in Investee Companies.

Value may be added through advice on such matters as capital structure and introductions to potential foreign lenders, introductions to foreign markets, access to foreign technical partners, and implementation of governance issues. If a Myanmar stock exchange is established, Myanmar companies may want to list but are likely to have limited understanding of what is required.

Where appropriate the Company may seek to bring in strategic investors who are capable of adding operational value to the Investee Company.

Investment Categories

Investments will likely fall into two categories, core investments and financial investments:

Core investments

The Company intends that its core investments will be in businesses which, in the Directors' opinion:

- are considered essential to the domestic economy in Myanmar;
- are businesses where there are limited opportunities, creating a medium term barrier to entry; and/or
- are capable of being built into leading franchises in Myanmar.

For core investments, the Company will seek to help the Investee Company enhance its return on equity and, as soon as it is prudent, generate dividends. When appropriate, the Investee Company will be encouraged to list on a stock exchange although the Group will generally expect to continue to hold its investment for a further period of time.

It is expected that core investments will be held until such time as the Directors believe that long term growth rates have started to moderate. As such there will not be an expectation of a near term disposal unless a compelling opportunity for full or partial divestment arises.

Financial investments

The Company's financial investments are intended to be 'private equity style' investments where the Company sees potential for capital gains and liquidity.

Financial investments therefore, unlike core investments, are expected to be made only when there is a realistic and credible exit plan. As such they are likely to be disposed of within a five to seven year time horizon, though this may be adjusted in appropriate circumstances. Exits may be achieved through listings, in Myanmar (if a Myanmar stock exchange is set up) or on suitable overseas stock exchanges, trade sales or share swaps.

It is expected, in the initial years, that the Company's investments will typically range between US$5 million and US$25 million, although it may consider larger or smaller investments. Investments that are larger than the Company's existing resources are expected to be funded through further issues of Ordinary Shares. Additionally where an Investment Target is larger than the Company's appetite or does not fall within the Investment Policy, the Group may seek to generate fee income (for example placement and management fees and carried interests) through placements to Cornerstone Investors as well as other financial investors. The Company has granted co-investment rights to the Cornerstone Investors which are described in more detail in paragraph 18 of Part II of this document.

Sanctions and Restrictions

The Company will comply with any sanctions and restrictions imposed by the EU, the UK, the BVI and Singapore. The Directors will also take into consideration other actions by jurisdictions relevant to the business of the Company relating to investment in and trade with Myanmar. Should there be any addition to or re-imposition of sanctions or restrictions at any time in the future, the Directors will seek to ensure compliance with such regulations. Further details of the risk of possible re-imposition of sanctions and restrictions are set out in the Risk Factors in Part V of this document.

Portfolio

The Company expects to build a diversified portfolio however this will take some time and as a consequence, particularly during the early life of the Company, its investment portfolio will be concentrated in a limited number of Investee Companies.

There is no minimum or maximum number of companies that the Company can invest in at any one time. Similarly there are no sector limits nor minimum or maximum exposure limits to any one company or joint venture partner.

Geographical Diversity

The Company will primarily make investments in companies, businesses or assets located in Myanmar. This will include Myanmar businesses that are listed on foreign stock exchanges but also foreign companies that have a material exposure to doing business with or in Myanmar.

Forms of Investment

The Company may employ all forms of permitted investment mechanisms, utilising instruments and structures that might be suitable to allow participation in Investment Targets in a manner that seeks to minimise risks and maximise rewards. The Company may invest in equity, quasi-equity or debt instruments, which may or may not represent shareholding or management control. Investments are likely to be made through special purpose vehicles established specifically for each Investee Company, or by way of legal joint ventures or nominee or trust structures. In some circumstances the Company may invest via contracts that grant an economic interest in an asset.

Because Myanmar businesses are relatively small compared to their more developed Asian counterparts the Company's investments are more likely to be in the form of expansion capital than buyouts and may also be in greenfield businesses.

Funding of Investments

In order to finance future Investments, the Company will issue further Ordinary Shares to raise capital as and when investment opportunities become available, further details of which are set out in paragraph 13 of Part II of this document. The Company may also consider issuing Ordinary Shares as consideration for acquiring Investments or the issue by the Company or one of its subsidiaries of debt or hybrid financial instruments.

Borrowings

The Directors believe that an appropriate amount of appropriately structured debt could enhance the overall returns from the Company's Investments.

It is the Directors' present intention that any borrowings taken on in support of an Investment should ideally be raised at a subsidiary level on a non-recourse basis. Where this is not available and the Directors consider that the assumption of debt will enhance the overall return from an investment without giving rise to a disproportionate risk then the Company may borrow directly or may provide guarantees to its subsidiaries for such borrowings. The Directors do not intend to take on borrowings of more than 50 per cent. of the prevailing NAV of the Company, though if the NAV were to decline this benchmark might be breached.

The Company or its subsidiaries may also issue hybrid financial instruments and may borrow in any currency that the Directors consider appropriate.

It is not expected that the Company will borrow to fund its operating expenses.

Sectors

The Company does not plan to limit itself to any specific sectors however, at this time, there are certain sectors falling within its Investment Policy which, given the large funding requirements typically required, it would not currently look to focus on. These sectors include large real estate development, infrastructure development and exploration and production of natural resources. However, the Company would consider establishing sector specific vehicles in the future possibly with suitable joint venture partners to participate in such opportunities.

Whilst the Investment Policy is not sector specific, in assessing which sectors the Company may invest in, the following themes will be considered:

- Regulatory framework: under present foreign investment regulations there are limitations and prohibitions imposed with regard to foreign investment in certain specified sectors, further details of which are set out in paragraph 2 of Part III of this document. However these regulations may be subject to change and refinement.
- Ease of upgrading: the Directors believe that there are many areas of the Myanmar economy that can benefit from practices and technology that are commonplace in Western and other Asian economies and without the need to introduce advanced technology, and where relatively easy to implement changes can have a significant improvement on efficiency and profitability. These might be in manufacturing industries but also in services such as distribution and retailing.
- Scalability: the Company will be looking at sectors where there are opportunities for significant scalability given their potential, both domestically as well as in export markets.
- Barriers to entry: in some sectors being first to market may help secure key retail locations or licences, giving rise to competitive advantages.
- Leverage: the Company will take into consideration the availability of locally sourced debt where that may be influenced by the nature of the underlying business.

Investment Policy Review

The Directors will review the Investment Policy on an annual basis and, subject to their review and in the absence of unforeseen circumstances, the Company intends to adhere to the Investment Policy for at least three years following Admission.

As required by the AIM Rules for Companies, if the Company has not substantially implemented its Investment Policy within 18 months of Admission, the Company will be required to seek Shareholder consent for its Investment Policy, further details of which are set out in paragraph 2 of Part II of this document.

Notwithstanding the above, should the Company wish to make a material change to its Investment Policy, which may be prompted, *inter alia*, by changes in government policies or economic conditions which alter, reduce or introduce investment opportunities, the Company will seek prior Shareholder consent at a general meeting.

In the event of a breach of the Investment Policy or any restrictions imposed on the Investment Policy, if the Board considers the breach to be material, notification shall be made to a Regulatory Information Service provider.

4. Directors' Expertise and Experience

Collectively the Directors of the Company have substantial experience in investing in, managing, operating, building and selling companies in Southeast Asia. The Board is comprised of two executive directors and three independent non-executive directors.

Christopher William Knight (William), *70, Independent Non-executive Chairman*

Mr. Knight is an alternative asset investment specialist who has spent almost his entire career involved with financial development of companies and projects in developing economies.

Mr. Knight has been involved with Asia since 1971. Between 1979 and 1982 he was head of the Far East merchant banking activities of Lloyds Bank Group based in Hong Kong where he closed numerous capital raising transactions for governments and emerging growth companies throughout Asia, being notably active in India, Indonesia, Korea, Sri Lanka, Taiwan and Thailand. Between 1987 and 1991, whilst still at the Lloyds Bank Group, he specialised in arranging emerging market investment funds and established a number of the earliest country funds, including the first London-listed fund for Thailand and the first fund for Vietnam.

Since 1991 he has served in a wide range of non-executive positions as an independent director or adviser based in London. Through his wholly-owned independent advisory company, Mr. Knight's principal activities have been the development of financial services for economies in transition or rapid development, first time investment funds, financing small and medium enterprises and private equity for regenerating economies. He has placed particular emphasis on the Indian sub-continent and young asset management groups looking for assistance on strategic direction, organisation, remuneration issues and relations with investors, which has often required taking a board position.

Mr. Knight is also co-founder of Emerisque Capital Limited, a specialist private equity sponsor founded in 2004 that operates from the UK, USA and Hong Kong for the acquisition of or investment in medium-sized, established Western consumer brands and vertical retailers with critical mass in their core markets and potential for rapid scale in the newer world economies and distribution channels. He is chairman of Abingworth Bio Ventures II, and the JP Morgan Chinese Investment Trust Plc and China Chaintek Limited. He is also a director of Fidelity Asian Values Plc, Ceylon Guardian Investment Trust Plc, Axis Fiduciary Ltd and Smith-Tan Phoenix Asia Fund Limited. Mr Knight sat on the advisory board of Campbell Lutyens for 18 months up to March 2013 and prior to this he acted as a senior adviser for the company. Mr. Knight is also a Senior Advisor for Homestrings Ltd.

Maung Aung Htun (Aung), *53, Managing Director*

Mr. Htun is half Burmese and an engineering graduate from Imperial College. He brings hands-on experience of starting, building and managing companies, as well as over 30 years of fund raising and corporate finance experience. With a decade in private equity Mr. Htun is also seasoned in making and exiting investments.

In 1982 Mr. Htun joined Kleinwort Benson in London in the corporate finance department specialising in mergers and acquisitions. On returning to Thailand in 1987 he founded and was chief executive officer of Seamico Securities Plc, a diversified corporate finance, fund management and stock broking company which he built up from scratch through organic growth and acquisitions and took public on the Stock Exchange of Thailand in 1995. Seamico diversified out of Thailand through acquisitions of securities firms in Hong Kong, London and Mumbai.

In 1999 Mr. Htun founded Thai Strategic Capital, a Bangkok based private equity fund manager where he led investments into B-Quik and Modern Asia Environmental Holdings, and is currently managing Thai Strategic Partners II LP. and TS Wutti Ltd, a special purpose vehicle that has co-invested with CVCI Private Equity in Thailand's largest skincare clinic chain. During this time Thai Strategic Capital formed a private equity joint venture with Prudential plc.

Mr. Htun brings a wealth of experience and contacts in a diverse range of industries (finance, canned tuna, waste management, hotels, car services, cinema chains etc) where he has been a director and/or audit committee member. He sits on the boards of Draco PCB Plc, Wuttisak Clinic Inter Group

Ltd, KT ZMICO Securities Ltd., Nam Seng Insurance Plc., and is a Governor of the Asian University and a director of the Thai Private Equity & Venture Capital Association which he co-founded in 1989.

Anthony Michael Dean (Michael), *52, Finance Director*

Mr. Dean has over 20 years of experience in the financial industry in investment banking, private equity and accounting and a further eight years as chief financial officer for a global shipping group. Twenty-two of these years have been spent in Hong Kong and Singapore.

Mr. Dean was a management shareholder of Credit Lyonnais Securities Asia ("**CLSA**") and during the 1990s was Head of Corporate Finance and then Co-Head of Private Equity at CLSA. During this time he spearheaded the group's expansion into investment banking in Indonesia, China, India, Singapore, Malaysia, Thailand and Pakistan. He also co-led CLSA's diversification into private equity and the successful ARIA private equity programme.

In 2000 he joined Prudential plc as part of their Asian based, management buyout focused team at PPMV Asia developing investments in Southeast Asia as well as starting their fund of funds business. In 2003 he conceived and developed Prudential's investment management business for Vietnam and, despite the closure of PPMV Asia, remained on the investment committee for Prudential's Vietnam private equity business through to 2012.

Between 2005 and December 2012 he was the chief financial officer of the Epic Shipping Group, with responsibilities for the day to day financial aspects of the business, including budgets, financial controls, compliance, treasury, banking, audits and tax planning. Additionally he has managed the structuring and execution of the group's equity fund raisings, acquisitions, divestments and joint ventures.

Mr. Dean qualified as a member of the Institute of Chartered Accountants in England and Wales and the Chartered Institute of Taxation whilst working for Arthur Andersen & Co in London before being seconded to Hong Kong in 1985. He graduated from Bradford University, England with a Business Studies honours degree. Mr. Dean is also a Member of the Singapore Institute of Directors and a Member of the Hong Kong Securities Institute. He is a non-executive independent director and Audit Committee chairman of Singapore main board listed Petra Foods Limited.

Craig Robert Martin, *43, Independent Non-executive Director*

Mr. Martin has 20 years of business building and direct investment experience in emerging markets in Southeast Asia. He has lived and worked in Southeast Asia (with a focus on the Greater Mekong region) since 1993, living in Cambodia (seven years), Vietnam (five years) and Singapore (eight years), and building businesses in Myanmar, Thailand, Cambodia, Vietnam and Laos and investing in many sectors. His experience covers telecoms, agribusiness, building materials, education, media, retail, real estate, manufacturing, finance, logistics, transportation and infrastructure. Mr. Martin has a Masters of Engineering from the University of York, UK, and a MBA with Distinction from INSEAD, and is a member of the Singapore Institute of Directors.

From 1993 to 2000 Mr. Martin ran a consulting and advisory business in the Mekong region, advising multinationals on market entry, mergers and acquisitions and growth strategies in Cambodia, Vietnam, Laos and Myanmar. From 2001 to 2005 Mr. Martin was a founding member of the Standard Chartered Private Equity business, investing in India and Southeast Asia, notable deals including 98 Holdings' general offer and acquisition of a controlling stake in NatSteel, the management buyout of Unza Holdings, a personal care business with growth markets in Vietnam and Myanmar, and growth capital for ABG Shipping and banking software company I-flex. From 2005 to 2010 Mr. Martin was an investment director, and subsequently head of private equity, for Prudential Vietnam, notable deals including a US$50 million buyout in a leading animal feed business, a US$16 million buyout of a steel business, and a US$40 million growth capital investment to build-out of Vietnam's first multiplex cinema chain. Since 2010 Mr. Martin has been a Managing Partner for CapAsia, an emerging market

infrastructure fund manager, heading up SEASAF, a top-performing 2006 vintage fund, and which is raising a US$350 million successor fund.

Christopher David Appleton, *52, Independent Non-executive Director*

Mr. Appleton has 30 years of experience in finance covering banking, equity analysis, sales and management, funds management and private banking. Educated at Oxford and with post graduate studies at Tokyo University, Mr. Appleton has lived in Asia since 1984.

Starting his career as an Asia focused banker in London with Kleinwort Benson, Mr. Appleton then worked as an analyst of the Japanese automotive and transport sectors in Tokyo before moving into equity sales and management. Since moving to Hong Kong in 1998 he ran a Pan Asian sales force for Salomon Smith Barney and then became Head of Asia for Fox-Pitt Kelton, at the time the investment banking arm of Swiss Re, directly running equity research, sales and trading as well as being responsible for capital markets and advisory. During this period Mr. Appleton established the Tokyo office to complement the Asian business run out of Hong Kong.

In 2005 Mr. Appleton moved to found Faye Capital Ltd. Starting off as an advisory business selling Asian equity research to hedge funds, Faye Capital trialled a Pan Asian long bias equity fund process that was given third party asset management licences in 2008. Closing Faye Capital in 2010 Mr. Appleton moved to be Head of Investment Advisory Products for HSBC Private Bank in Hong Kong overseeing multi asset teams. Since leaving HSBC in 2011 Mr. Appleton has been managing his personal assets.

PART II

OTHER INFORMATION

1. The Investment Process

Management will seek to identify potential investment opportunities for the Company from a diverse range of sources, initially from their existing relationships within Myanmar and the neighbouring countries of Southeast Asia. Over time they will look to expand their network of contacts to enlarge the Company's deal flow.

Management will periodically report to the investment committee (details of which are set out in paragraph 7 of this Part II) on their activities in sourcing such opportunities to ensure that they are in conformity with the Investment Policy. The investment committee may also establish priorities in terms of sectorial preferences as well as assessing the suitability of any joint venture partners that may be embedded into such potential opportunities.

Once a suitable opportunity is identified, Management will advise the investment committee and seek its approval on whether or not to proceed. If the investment committee gives its preliminary approval it is expected that they will also give guidance and set parameters for the proposed investment. These may include the suitable level and terms for the Company's financial commitment and what may need to be syndicated to Cornerstones Investors and/or other potential co-investors.

In taking an opportunity forward, Management intends to lead the negotiations with the other parties involved including, where relevant, vendors, future joint venture partners (strategic, financial or the Cornerstone Investors), debt providers and regulators. In addition, they will co-ordinate the process of conducting due diligence to ensure that all commercial, legal, technical and financial matters are evaluated. This work will dovetail with the preparation of the requisite legal documentation and approvals and also lead on to the preparation of a post-investment management plan.

The Company recognises that it is also important to ensure that any new investments do not expose it to a bribery risk. Consequently, the Company has established a procedure whereby it will conduct anti-bribery due diligence on Investment Targets before making the decision to invest. The Company intends to adopt a risk-based approach to this due diligence, adapting the level and scope of the due diligence to take into account the likely degree of risk. The procedures the Company has adopted include: identification of any anti-bribery policies and procedures that the Investment Target already has in place; reviewing the Investment Target's market and its competitors' activities to help form an assessment of whether bribery is a known or likely factor; interviewing the senior managers and directors to discuss the Investment Target's anti-bribery programme, issues and risks; site visits, where appropriate; and detailed financial reviews. In addition, where the anti-bribery due diligence indicates that the risk level of bribery occurring is high, further enhanced due diligence will be carried out, for example corporate intelligence and background checks on the Investment Target's business and key owners/directors and management.

Should the investment committee approve the terms of a proposed investment it will convene a board meeting to consider the Investment. All investment and disposal decisions require board approval.

Subsequent to making an investment, Management intends to play a proactive role in managing the investments with a view to maximising the Company's profitability.

When deemed appropriate by the investment committee, Management will look to dispose of all or part of the investment and will conduct an appropriate exit planning exercise to maximise returns.

Investments in Myanmar are likely to be held for a longer period than is customary in private equity style investments elsewhere in Asia: (a) where the Directors foresee that there may be a prolonged period of growth; (b) as opportunities may take longer to mature due to inefficiencies within the local

market, especially the scarce supply of suitably qualified and experienced human resources; and/or (c) where there are difficulties with disposal of the investment. Further details relating to risks with disposals can be found in Part V of this document.

The Company recognises that, in Myanmar today, there are a limited number of experienced advisers that can assist on such transactions and the level of information that is available will be less than in many other Asian economies. Similarly the legal system is not as established as in other jurisdictions. Management will have to operate within these constraints. When evaluating potential advisers who may be engaged to assist the Company in sourcing Investment Targets and executing the Investment Policy, the Company will employ procedures which it has put in place to ensure that the adviser will not expose the Company to bribery risks. These procedures include conducting due diligence on the potential adviser, ensuring the adviser enters into a written contract with the Company and that all payments made to the adviser are in accordance with the terms of that written contract and monitoring and reviewing the work carried out by the adviser on behalf of the Company.

2. Failure to Implement Investing Strategy

In compliance with Rule 8 of the AIM Rules for Companies, if the Company is unable to complete an Investment within 18 months of Admission, and therefore not substantially implement its Investing Policy, the Company will at the next annual general meeting falling after the expiry of such 18 month period (the "**First Shareholder Meeting**") propose to its Shareholders a motion as to whether the Company should continue in pursuit of its Investment Policy and be granted an additional year from the date of the First Shareholder Meeting to complete an Investment. Shareholder approval for this motion will be sought by way of an ordinary resolution, passed by a simple majority of the members of the Company who (being entitled to do so) vote in person, or by proxy, at the duly called annual general meeting of the Company.

If Shareholder approval for the Company to continue pursuing its Investment Policy is obtained at the First Shareholder Meeting but no Investment is completed by the end of this additional year (the "**Extension Period**"), the Company will call a general meeting on or shortly after the expiry of the Extension Period (the "**Second Shareholder Meeting**") to again seek direction from its Shareholders with respect to continuation or otherwise of its Investment Policy.

If the Shareholders vote not to continue the Investment Policy at either of the First Shareholder Meeting or the Second Shareholder Meeting, the Board shall, following such vote and as soon as practicable, call a further general meeting of Shareholders and recommend that the Company is delisted from AIM (the "**Delisting Meeting**"). For the purposes of the AIM Rules for Companies, the resolution to approve the delisting shall require the approval of not less than 75 per cent. of the votes cast by Shareholders (whether present in person or by proxy) at the Delisting Meeting for the cancellation of the Ordinary Shares and Warrants from trading on AIM ("**Delisting Approval**").

Conditional upon Shareholders voting in favour of the Delisting Approval, and save in certain limited circumstances, the Company will then be placed into liquidation and Shareholders will receive their pro-rata share of the Company's net assets, less liquidation costs.

In recognition of the difference between the Founder Issue Price and the Issue Price, the Founders have agreed with one of the Cornerstone Investors that upon such a liquidation the Founders shall pay to the designated Cornerstone Investor a sum equal to 90 per cent. of the amount otherwise receivable by each of them in respect of the Ordinary Shares issued at the Founder Issue Price in such liquidation and the Founders and the designated Cornerstone Investor shall work with the Company's liquidator to distribute such monies amongst the remainder of the Shareholders in proportion to their shareholdings. In the event that any part of such monies cannot be so distributed within six months of completion of a liquidation then the net amount remaining will be donated to one or more children's charities in Myanmar at the Cornerstone Investor's discretion. The Company is not a party to such agreement and neither the Company nor the Directors give any guarantee that such payment will be made.

3. Employees

At the date of this document the Company has no employees, other than the executive directors, Aung Htun and Michael Dean.

It is however the Directors' intention, following Admission, to establish an office in Yangon, Myanmar and to recruit staff to facilitate the delivery of the Investment Policy.

4. Reports and Accounts

The Company's annual report and accounts will be prepared up to 31 March each year with the first accounting period of the Company ending on 31 March 2014. Copies of the annual report and accounts will be published within six months of the financial year end date each year.

In addition, the first unaudited half-yearly report of the Company covering the six month period to 30 September 2013 will be notified on or before 31 December 2013. Thereafter, unaudited half-yearly report covering the six months to 30 September each year will be notified within three months of that date.

The unaudited half-yearly report and audited annual report and accounts of the Company will be prepared under IFRS and the reporting currency of the Company will be US Dollars.

In accordance with BVI law the Company will hold its first annual general meeting within 18 months of its incorporation and accordingly such annual general meeting will be held on or before 16 November 2014.

5. Valuation Policy and Reporting

The Directors will prepare an estimate of the Company's NAV semi-annually, and at such other times as they consider appropriate, which will be notified by a Regulatory Information Service provider.

Investments that are quoted will be valued at the latest relevant bid price at the close of business on the valuation date, provided that the market for these investments is liquid or where, in the Directors opinion, such bid price reasonably reflects the value assigned to these investments by investors.

Illiquid quoted investments will be valued at fair value, which will not be above the relevant bid price and shall be valued by the Directors either at the relevant bid price less a suitable discount to reflect the illiquidity at the average of a number of broker prices or using suitable alternative valuation methodologies such as comparable earnings multiples, discounted cash flows, recent transactions or net assets valuations.

Unquoted equity investments will be valued by the Directors at their estimated fair value in accordance with the prevailing International Private Equity and Venture Capital Guidelines except where determined by the Directors as not being relevant or applicable. Such fair value will seek to reflect the amount for which such an investment could be traded between knowledgeable, willing parties, where available, the current fair values of other investments that are substantially similar, recent market events, advice from independent third party valuers, assessments of underlying net asset values and discounted cash flows.

Quoted debt instruments will be valued at available market price unless circumstances suggest that they should be treated as an unquoted debt instrument. Unquoted debt instruments will be valued at their net present value adopting appropriate discount rates.

Where fair value cannot be measured reliably, the investment will be valued at the previously reported value except where there is evidence that its value has since been impaired. In such cases, its value will be reduced to reflect the estimated impairment.

The Directors believe the above methodologies comply with IFRS.

The calculation of valuations may be suspended in circumstances where the underlying data necessary to value the portfolio companies cannot readily, or without undue expenditure, be obtained. Such suspension will be notified by a Regulatory Information Service provider.

6. Foreign Exchange Policy and Cash Investments

The functional currency of the Company for accounting purposes will be US Dollars. The Directors anticipate that the Company's investments will be made in Kyat or US Dollars and that revenue (dividends, interest, disposal proceeds, fee income and any other income) will be predominantly in Kyat or US Dollars. The Company will hold the US Dollar denominated proceeds of the Placing and Subscription in Kyat, US Dollars or Singapore Dollars as required by its investment programme and operating costs. Any dividends or other distributions made to Shareholders will be paid in US Dollars.

Any cash held by the Company may be held on deposit or invested in money-market funds or other near-cash investments. To minimise currency risk, the Company may, where available and appropriate, enter into currency hedging programmes. Cash pending investment, reinvestment or distribution will be placed in US Dollar or Kyat denominated bank deposits, bonds or treasury securities, for the purpose of protecting the capital value of the Company's cash assets. In order to hedge against interest rate risks or currency risk, the Company may also enter into forward interest rate agreements, forward currency agreements, interest rate and bond futures contracts and interest rate swaps and purchase and write (sell) put or call options on interest rates and put or call options on futures on interest rates. The Company does not intend to have any significant exposure to margin positions.

7. Corporate Governance

There is no mandatory corporate governance regime in the BVI which applies to the Company. As a BVI incorporated company, the UK Corporate Governance Code does not formally apply to the Company. Nonetheless, the Directors recognise that it is in the best interests of the Company and its Shareholders to apply its principles so far as they are appropriate for a company of this size. The Directors confirm that, following Admission, the Company intends to comply with the recommendations on corporate governance made by the Quoted Companies Alliance in its 'Corporate Governance Code for Small and Mid-Size Quoted Companies 2013' guide as far as is practicable, taking into account the Company's size and stage of development. The Company is committed to high standards of corporate governance and has established a framework which it believes is appropriate given the size and Investment Policy.

The Directors have formed and adopted terms of reference for: (i) an investment committee; (ii) an audit committee; (iii) a remuneration committee; and (iv) a nomination and corporate governance committee.

The investment committee will meet regularly and at such other times as is necessary. The committee comprises Aung Htun, Michael Dean and Craig Martin and will be chaired by Aung Htun. The investment committee has responsibility for, amongst other things, establishing the Investment Policy, guiding Management in the execution of this policy, monitoring the deal flow and investments in progress, supervising Management's management of Investments, and planning the realisation of Investments. It will make recommendations to the Board for the making and realisation of Investments and will be responsible for computing the NAV for the Board's consideration.

The audit committee will normally convene not less than twice a year. The committee comprises William Knight and Craig Martin and will be chaired by Craig Martin. The audit committee has responsibility for, amongst other things, the planning and review of the Company's annual report and accounts and half-yearly reports and the involvement of the Company's auditors in that process. The committee focuses in particular on compliance with legal requirements, accounting standards and on ensuring that an effective system of internal financial control is maintained. The ultimate responsibility for reviewing and approval of the annual report and accounts and the half-yearly reports remains with the Board.

The remuneration committee will normally meet not less than twice a year. The committee comprises William Knight, Craig Martin and Christopher Appleton and will be chaired by William Knight. The remuneration committee is responsible for establishing a formal and transparent procedure for developing policy on executive remuneration and to set the remuneration packages of individual

Directors. This includes agreeing with the Board the framework for remuneration of the Managing Director, all other executive Directors and such other members of the executive management of the Company as it is designated to consider. This includes the administration of the Share Option Plan. It is also responsible for determining the total individual remuneration packages of each Director including, where appropriate, bonuses, incentive payments and allocation of Share Options. No Director will play a part in any decision about his own remuneration.

The nomination and corporate governance committee will meet not less than twice a year to consider new or replacement appointments to the Board or senior management. This committee is also responsible for ensuring the Company's compliance with the AIM Rules for Companies as well as other relevant corporate governance standards. The committee comprises Aung Htun, William Knight, Craig Martin and Christopher Appleton and will be chaired by Christopher Appleton.

8. Anti-Bribery

The Company endeavours to conduct its business in an ethical manner and maintains high standards of integrity and is honest and fair in its dealings. The Company does not permit nor tolerate engagement in bribery or other forms of corruption. The Company has drafted and implemented an anti-bribery policy as adopted by the Board to ensure that it is in compliance with the UK Bribery Act 2010 and applicable provisions of BVI and Singapore law. The Company is also implementing appropriate procedures, including arranging training for the Directors, employees and consultants in order to comply with the legislation and the anti-bribery policy. Further information on some of the anti-bribery procedures which have been adopted by the Company can be found in paragraph 1 of this Part II.

9. Distribution Policy and Discount Control

As the Company has yet to commence trading the Directors consider it premature to make a forecast of the likely level of any future dividends. It is the Directors' intention, however, to pay dividends when it becomes commercially appropriate. In determining the level of dividend payments the Directors will take into account a number of factors including the overall level of the Company's cash profitability (from distributions from underlying investments, net cash proceeds from disposals and fee income), the availability of financial resources, the opportunities available for investment and the expected funding needs of both the Company and the businesses in which the Company has invested. The payment of dividends is subject to a solvency test under the BVI Business Companies Act as set out in paragraph 4.6 of Part VI (the "**Solvency Test**")

Following Admission, the market price of the Ordinary Shares may fall to a discount to the prevailing Net Asset Value per Ordinary Share. Should this happen the Company may decide to repurchase Ordinary Shares in accordance with the provisions of the BVI Business Companies Act and may decide to repurchase Warrants in accordance with the terms of the Warrant Instrument. Ordinary Shares may be repurchased in accordance with the Articles subject to the Solvency Test. The making and timing of any repurchase of Ordinary Shares will be at the discretion of the Board.

10. Fees and Expenses

Following Admission the Company will incur a range of operating expenses. These operating expenses are integral to the management and administration of the Company's business in the BVI, Singapore, Myanmar and elsewhere. These expenses will include, but not be limited to office rental costs, payroll costs, communication expenses, travel, accommodation and entertainment costs, insurance premia, fees payable to the Directors, the auditors, tax advisers, the Company's nominated adviser, broker, and interest on any bank borrowings. Professional fees in the amount of US$126,187 in relation to the Placing and Subscription have been deferred until closing of the Company's first investment. In the event that: (a) the Company has not substantially implemented its investing policy prior to the First Shareholder Meeting; and (b) the Shareholders do not vote for an Extension Period (as defined in paragraph 2 above) at the First Shareholder Meeting, the deferred portion of the fees and the entitlement to it will lapse.

In addition the Company is expected to incur costs directly attributable to the identification, evaluation, negotiation and consummation of potential investments in furtherance of the pursuit of the Investment Policy.

11. Reasons for Admission and Use of Proceeds

The Company is seeking admission of its Ordinary Shares and Warrants to trading on AIM to provide access to long term finance to fund the implementation of the Investment Policy.

The gross proceeds of the Placing and the Subscription will initially be applied to settling the costs associated with the Placing, Subscription and Admission.

The net proceeds of the Placing and Subscription will be used initially for on-going corporate expenses as described in paragraph 10 of this Part II and then proceeds will be applied to the making of investments in accordance with the Investment Policy. However it is expected that if the Investment Policy is successful the net proceeds after allowing for the above expenses will be inadequate and will need to be supplemented by additional equity fund raisings.

12. Details of the Placing, Subscription and Warrants

Pursuant to the Subscription Agreements, the Cornerstone Investors and certain other investors have agreed, conditional on Admission, to subscribe for 5,717,619 New Ordinary Shares at the Issue Price.

Pursuant to the Placing Agreement, Allenby has agreed to use its reasonable endeavours to place, as agent for the Company, 125,000 New Ordinary Shares at the Issue Price to certain investors. Further details of the Placing Agreement are set out in paragraph 13(a) of Part VI of this document.

For each New Ordinary Share subscribed and placed, each Subscriber or Placee will receive one Warrant. The exercise price of the Warrants will be US$0.75 per New Ordinary Share and Warrant holders will have the opportunity to exercise their Warrants quarterly, after the second anniversary of Admission but before the fifth anniversary of Admission. It is intended that the Warrants will be admitted to trading on AIM. On exercise each Warrant will convert into one Ordinary Share which will be admitted to trading on AIM. The principal terms of the Warrants are set out at Part IV of this document.

The Subscription and the Placing are not being underwritten.

The New Ordinary Shares and any Ordinary Shares issued pursuant to the exercise of Warrants will be issued fully paid and will, on issue, rank *pari passu* with the all other issued Ordinary Shares, including the right to receive, in full, all dividends and other distributions thereafter declared, made or paid after the date of issue.

The total net proceeds raised by the Placing and the Subscription will be approximately US$5,245,383.

Subscribers or their brokers will be entitled to receive a commission of US$0.05 per New Ordinary Share subscribed for, payable on Admission.

13. Further Issue of Ordinary Shares

The Articles provide pre-emption rights on issues of Equity Securities, subject to certain exceptions. These rights are set out in detail at paragraph 4.11 of Part VI of this document. The Articles provide that the Company shall not allot or issue, save as otherwise approved by a resolution passed by at least 75 per cent. of the votes cast in person or by proxy at a meeting of Shareholders, any Equity Securities unless such issue is made pursuant to: (i) an issue of Equity Securities for non-cash consideration which does not exceed (together with all other issues in the previous 12 months excluding issues which fell within an exemption from the pre-emption rights or in respect of which the pre-emption were disapplied by shareholders' consent) one third of the Company's issued share capital at the time of such issue (excluding treasury shares); (ii) a fully pre-emptive offer; (iii) an issue of Equity Securities pursuant to an initial public offering on AIM; (iv) an employee share scheme; (v) an issue of shares upon exercise, conversion or exchange of any rights to granted on or before Admission; (vi) an issue of shares as a dividend or distribution payable in Ordinary Shares *pro rata* to

all shareholders; (vii) an issue of Equity Securities for cash in connection with or pursuant to an open offer or an offer by way of rights in favour of holders of Ordinary Shares in proportion (as nearly as may be) to the respective numbers of Ordinary Shares held by or deemed to be held by them subject only to such exclusions as the Directors may deem necessary or expedient to deal with fractional shares or legal or practical problems arising under the laws of any overseas territory or the requirements of any regulatory authority or any stock exchange; (viii) an issue of Equity Securities upon exercise of a right to subscribe for, or convert or exchange any, securities into Ordinary Shares where such right was granted in accordance with the pre-emption provisions in the Articles; (ix) an issue of Equity Securities provided that the price for such Equity Securities does not represent a discount to the Company's last published NAV; or (x) an issue of Equity Securities at an issue price that represents a discount of not more than 10 per cent. to its last published NAV up to a maximum number of shares representing (together with all other issues in the previous 12 months, excluding issues which fell within an exemption from the pre-emption rights or in respect of which the pre-emption rights were disapplied by shareholder consent) 10 per cent. of its existing issued share capital at the time of such issue excluding treasury shares.

For the purposes of this section:

(a) **"Equity Securities"** means a Relevant Share or a right to subscribe for, or convert securities (including any debt securities) into, or exchange any securities (including any debt securities) for, Relevant Shares; and

(b) **"Relevant Shares"** means any shares of the Company other than shares which as respects dividends or capital carry a right to participate only up to a specified amount in a distribution.

14. Share Dealing Code

The Company has adopted, with effect from Admission, a share dealing code for the Directors which is appropriate for a company whose Ordinary Shares and Warrants are admitted to trading on AIM and which is consistent with the obligations set out in Rule 21 of the AIM Rules for Companies relating to directors' dealings in Ordinary Shares and Warrants. The Company will take all reasonable steps to ensure compliance by the Directors and, going forward any relevant employees.

15. Takeover Code

As the Company was incorporated in the BVI, it is not treated by the Panel on Takeovers and Mergers as resident in the UK, the Channel Islands or the Isle of Man and therefore it is not subject to the Takeover Code. However, the Company has incorporated certain provisions in its Articles of Association which are broadly similar to those of Rules 4, 5, 6 and 9 of the Takeover Code, further details of which are contained in paragraph 4.20.2 of Part VI of this document. It should however be noted that as the Takeover Panel will have no role in the interpretation of these provisions, Shareholders will not necessarily be afforded the same level of protection as is available to a company subject to the Takeover Code which now has the effect of law for those companies within its jurisdiction. The Directors have the right to waive the application of these provisions.

16. Applicable Laws and Regulations

The Company is not (nor are its personnel) subject to regulation by the FCA in the UK or any equivalent authority in the BVI, Singapore or Myanmar. Accordingly, the Company will not be subject to the requirements applicable to persons who are authorised by the FCA or any equivalent authority in the BVI, Singapore or Myanmar to provide investment management and similar services in the United Kingdom, the BVI, Singapore or Myanmar.

A summary of certain relevant laws and regulations in Myanmar is set out at paragraph 2 of Part III of this document.

17. Current Trading and Prospects

Other than preparing for Admission, the companies within the Group have not traded since their incorporation. Following Admission, the Company will have approximately US$5,245,383 in cash after paying the expenses of the Placing, Subscription and Admission (including any deferred expenses).

18. Cornerstone Investors and Co-investment Rights

As part of the preparation for the Admission, nine Cornerstone Investors have each conditionally agreed to subscribe for at least 450,000 New Ordinary Shares pursuant to the Subscription at the Issue Price.

The Cornerstone Investors will have certain co-investment rights giving them the opportunity to participate in proportion to their initial investment in the Company in Investments alongside the Company where the Directors believes there is scope for such an investment.

This opportunity to invest will be made available to Cornerstone Investors in cases where the Directors consider that the Company has achieved an appropriate investment level in the Investment Target and provided that additional participation in the Investment Target is available for Cornerstone Investors. In any event, an invitation to invest will be made solely at the Directors' discretion and only when the Directors are satisfied that the interests of the Company will not be unfairly prejudiced by such invitations. Any such invitation will be on the basis that the Cornerstone Investors invest in an Investment on no more favourable terms than the Company. Cornerstone Investors are not obliged to accept such invitations to co-invest. This co-investment right will lapse on the third anniversary of Admission. Further details are set out in paragraph 13(g) of Part VI of this document.

Except as described in this document, the Cornerstone Investors will subscribe for New Ordinary Shares on terms which do not differ materially from those upon which the other Subscribers and Placees will subscribe.

19. Share Option Plan

The Company has established a long term share incentive plan for the employees, Directors and advisers of the Group, as well as the employees, directors and advisers of its Investee Companies ("**Participants**"), built around the fundamental principle of aligning their interests with the Shareholders.

The Share Option Plan is designed to reward a Participant only if there is an appreciation in value of the Company's share price.

The Share Option Plan provides that Share Options granted by the Company under the terms of the Share Option Plan shall constitute a maximum of one-tenth of the number of the total number of Ordinary Shares in issue on the date preceding the date of grant (excluding shares held by the Company as treasury shares and shares issued to the Founders prior to the publication of this document). At Admission there will be 6,342,619 Ordinary Shares in issue and up to 584,261 Share Options available for issue.

Any issue of Ordinary Shares by the Company at any time following Admission will enable the Remuneration Committee to grant further Share Options which will be granted with an exercise price set at a 10 per cent. premium to the subscription price paid by Shareholders for the issue of Ordinary Shares that gave rise to the availability of each tranche of the Share Options. However, the Share Options that arise as a result of the New Ordinary Shares being issued in connection with Admission have an exercise price of US$1.10.

Share Options can be exercised at any time after the first anniversary and any time up to the tenth anniversary of the grant of the Share Options (as may be determined by the remuneration committee in its absolute discretion). Share Options will not be admitted to trading on AIM but application will

be made for Ordinary Shares that are issued upon the exercise of the Share Options to be admitted to trading on AIM.

The Share Options will be granted to the Participants. The Share Option Plan will be administered by the remuneration committee which will seek to allocate some, but not necessarily all, of the available Share Options to the employees and Directors of the Group, as well as the employees and directors of its Investee Companies that they deem appropriate with a view to attracting, retaining and rewarding the most suitable managers and employees for the Company's long term benefit. Additionally, Share Options can be granted to advisers of any company within the Group and/or an Investee Company at the discretion of the remuneration committee. Share Options that are allocated to a Participant will be subject to a three year vesting period during which the rights to the Share Options will be transferred to the Participant in three equal annual instalments provided, save in certain circumstances, that they are still in employment with or engaged by the Company. Any Share Options which have not been allocated or which have not vested will not be eligible for conversion into Ordinary Shares. Where a Participant ceases to be in the employment of or engaged by the Group or the relevant Investee Company before their Share Options have fully vested, then in the case of a 'good leaver' the remuneration committee shall determine in its absolute discretion whether any unvested Share Options shall continue to be retained by the Participant or lapse without any claim against the Company. The remuneration committee has the discretion to re-allocate the number of Ordinary Shares underlying the portion of any lapsed or unvested Share Options to be the subject of further options granted under the Share Option Plan, subject to certain conditions.

In the event that a takeover offer is made for the Company or an order is made or a resolution is passed for the solvent winding-up of the Company or in the event of a delisting of the Company from AIM, then the Participant may: (i) exercise any unexercised portion of the Share Option in respect of such number of Ordinary Shares comprised in that Share Option which have vested; or (ii) where all or part of the Share Option is unvested, accelerate and vest immediately that portion of the Share Option in respect of the number of Shares which is unvested.

The Share Option Plan may be modified and/or altered at any time by the remuneration committee, save that in relation to material alterations to the Share Option Plan the remuneration committee shall first have obtained the consent of the Shareholders. After five years from the date of adoption of the Share Option Plan, it may be amended or terminated at the discretion of the remuneration committee or by a resolution of the Shareholders, subject to all relevant approvals which may be required and if the Share Option Plan is so terminated, no further Share Options shall be offered by the Company. The termination of the Share Option Plan shall not affect Share Options which have been granted and accepted prior to such expiry or termination, whether such Share Options have vested or been exercised (whether fully or partially) or not.

20. Lock-In and Orderly Market Arrangements

The Directors have entered into lock-in agreements with the Company, Allenby and Grant Thornton in accordance with Rule 7 of the AIM Rules for Companies. In addition, the Cornerstone Investors have entered into orderly market agreements with the Company and Allenby. Further details of the lock-in and orderly market arrangements, and the exceptions to them, are set out in paragraphs 13(i) and 13(h) of Part VI of this document.

21. Deferred Management Costs

With a view to minimising operating costs prior to the First Shareholder Meeting, Aung Htun and Michael Dean have agreed to defer half of their salaries. Should Shareholders vote at the First Shareholder Meeting to delist the Company then Messrs. Htun and Dean will waive their entitlement to receive the deferred portion of their salaries and their entitlement to it will lapse.

However, in the event that either: (i) the Company has substantially implemented its investing policy within 18 months of Admission in accordance with Rule 8 of the AIM Rules for Companies; or (ii) Shareholders consent to an Extension Period at the First Shareholder Meeting, then the deferred portion of Messrs. Htun and Dean's salaries will become immediately payable.

22. Admission and CREST

Application will be made to the London Stock Exchange for the Ordinary Shares and Warrants to be admitted to trading on AIM. It is expected that Admission will become effective and that dealings in the Ordinary Shares and Warrants will commence on 27 June 2013.

The shares of non-UK incorporated companies, such as the Company, cannot be held or transferred in CREST, a computerised paperless share transfer and settlement system. However, to enable investors to settle trades in such shares through CREST, a depository or custodian can hold the relevant shares of non-UK incorporated companies under a trust arrangement and issue Depositary Interests representing the underlying shares. The Articles permit the operation of a depositary interest facility.

The Company, in conjunction with the Depository, has established a facility whereby Depositary Interests representing Ordinary Shares can be issued to persons who wish to hold uncertificated securities for the purpose of CREST settlement.

Application has been made for Depositary Interests representing the Ordinary Shares to be admitted to CREST with effect from Admission. Accordingly, subject to the enablement of the Depositary Interests for settlement in CREST, settlement of transactions in Depositary Interests representing the Ordinary Shares following Admission may take place within the CREST system. Depositary Interests will have the same ISIN as the underlying Ordinary Shares which they represent and will not require a separate application for admission to trading on AIM.

If CREST members wish to avail themselves of the depositary arrangements, they can do so by inputting a stock deposit in the usual way. The Company has informed Euroclear that: (i) a CREST transfer form lodged as a stock deposit will be deemed to constitute a transfer of the Ordinary Shares to the Depository who will issue corresponding Depositary Interests in CREST to the depositing members/transferees; and (ii) in a similar way, a stock withdrawal will be deemed to constitute an instruction to the Depository to cancel the Depositary Interests and effect a transfer of the Ordinary Shares to the person specified in the instruction. Shareholders who wish to do so may withdraw their Ordinary Shares into certificated form at any time using standard CREST messages.

Trading in Depositary Interests on AIM will require Shareholders to deal through a stockbroker or other intermediary who is a member of the London Stock Exchange.

The Warrants are constituted under the English law and they may be directly settled in CREST. Accordingly the Company has applied for the Warrants to be admitted to CREST and it is expected that the Warrants will be so admitted, and accordingly enabled for settlement in CREST, at Admission.

Your attention is drawn to the sections on stamp duty/stamp duty reserve tax set out in paragraph 11.1 of Part VI of this document.

A summary of how Warrants can be converted into Ordinary Shares can be found in Part IV of this document.

CREST is a voluntary system and persons who wish to hold Ordinary Shares and Warrants in certificated form will be able to do so. Definitive share certificates in respect of any Ordinary Shares and Warrants to be held in certificated form are expected to be dispatched on or before 4 July 2013.

23. US Securities Laws

The Ordinary Shares and Warrants will not be registered under the US Securities Act or qualified under the applicable securities laws of any of the states of the US. The issue of Ordinary Shares and Warrants is exempt from registration under the US Securities Act on the basis that they are only being offered within the US to Accredited Investors in reliance on Regulation D and are only being offered outside the US to non-US persons in reliance on Regulation S.

Moreover, the Company has not been and will not be registered under the Investment Company Act and investors will not be entitled to the benefits of the Investment Company Act.

The Ordinary Shares and Warrants will be subject to certain restrictions on transfer in accordance with the US Securities Act and in respect of the Investment Company Act, and the certificates in respect of such Ordinary Shares and Warrants will bear legends with respect to such transfer restrictions. Subscribers, Placees and subsequent purchasers of such Ordinary Shares and Warrants will be deemed to have agreed to be bound by the transfer restrictions and to have agreed not to effect transfers of the Ordinary Shares or Warrants except to transferees who also agree to be bound by the restrictions, while the restrictions are still applicable. Further details of the transfer restrictions, and other matters in relation to the offering of Ordinary Shares and Warrants to US Persons, are set out in paragraph 12 of Part VI of this document.

24. Taxation

General information relating to UK, BVI, Singapore, Myanmar and US taxation is set out in paragraph 11 of Part VI of this document. If you are in any doubt as to your tax position, you should contact your professional adviser immediately.

25. Suitability

The Ordinary Shares and Warrants are only suitable as an investment for sophisticated investors with an understanding of the risks inherent in the Investment Policy and an ability to potentially accept the total loss of all capital in the Company.

26. Further Information

Your attention is drawn to Parts I to VI of this document which provide additional information on the Company and, in particular, to Part V which sets out certain risk factors relating to the Company and its Investment Policy.

PART III

MYANMAR AND ITS REGULATIONS

1. Background Information

Myanmar is strategically placed between China and South Asia with a long border with Thailand. It is close to the major Indian Ocean shipping lanes. With a population estimated at between 48 and 60 million it is the country with the 5th largest population in ASEAN and the 24th largest in the world by population. Its land area of 653,508 sq. km. makes it the 2nd largest country in ASEAN. Myanmar shares borders with China, Thailand, India, Bangladesh and Laos.

Myanmar comprises many distinct ethnic groups, of which the largest are the Burmans (68 per cent.), Shan (9 per cent.), Karen (7 per cent.), and Rakhine (4 per cent.). Although Myanmar (Burmese) is the official language of Myanmar, several ethnic languages are recognised to reflect the largest ethnic populations within Myanmar, including Shan and Karen. Around 89 per cent. of the population are Buddhists.

The administrative capital is Nay Pyi Taw although the city of Yangon, the former capital known as Rangoon, has a significantly larger population. It is estimated that 34 per cent. of the population live in urban centres. Around 32 per cent. of the population live in poverty which compares unfavourably to neighbouring Thailand which has 8 per cent. of the population living below the poverty line. Unemployment is estimated to be 4 per cent. and the literacy rate is estimated to be 92 per cent.

Myanmar has significant natural resources. For example, BP's Statistical Review of World Energy June 2012 showed proven reserves of 7.8 trillion cubic feet of gas. Myanmar also has deposits of copper, precious stones (notably jade is still the subject of US sanctions, see below), limestone, copper, tungsten and lead amongst others.

Political System

Myanmar has been under military rule since a coup d'état lead by General Ne Win in 1962. He was deposed in 1988 and replaced by a military junta. As a consequence of a disputed landslide victory by the opposition National League for Democracy ("**NLD**") in the 1990 election, its leader, Aung San Suu Kyi was placed under house arrest. She was kept under house arrest intermittently until parliamentary elections in November 2010, in which current President Thein Sein took power after his party, the Union Solidarity and Development Party, won a majority of the seats. He has since initiated a series of economic and political reforms to open up the country after years of isolation and stagnation. Under the military rule, Myanmar increasingly isolated itself from the international community. This included a period of nationalisation of industry which had begun in 1948 and lasted until 1988. Some of the reforms that have occurred recently include the NLD being registered as a political party, preliminary peace agreements with a number of ethnic groups in the country, releasing political prisoners, improved labour laws, reforming the constitution of Myanmar, increasingly open media and more open debates in Myanmar's Parliament.

The by-elections held on 1 April 2012 showed an encouraging step forward in Myanmar's politics. The opposition party, led by Aung San Suu Kyi were allowed to campaign and be represented in the elections and they won 43 seats overall in both of Myanmar's parliamentary houses. A new Foreign Investment Law was enacted at the end of 2012 to encourage the foreign investment which will be essential to the country's plan to triple the size of the economy within the next five years.

Position within the International Community

Within the past two years, Myanmar has received unprecedented international recognition of the political changes that have taken place with high profile visits by foreign world leaders including Barack Obama, David Cameron and Ban Ki Moon.

Myanmar became a member of the United Nations in 1948 and U Thant, a Burmese diplomat, was appointed the third Secretary General of the United Nations in 1961. Myanmar has been a member of the ASEAN community since 1997. Through being a member of ASEAN, Myanmar will benefit from the planned free flow of goods regime which has already reduced import duties between member countries, with the aim of reducing this tariff to zero per cent. in 2015. Myanmar will be the ASEAN Chair in 2014 and the 27th biennial Southeast Asia Games will be held in Myanmar in December 2013.

In 2012, the US eased trade sanctions that it had in place in order to allow US companies to do business with Myanmar. Within the past year the US has issued four General Licences which broadly allow US citizens to export financial services, import products from Myanmar, invest in the country and do business with four banks. The US has emphasised the need for improved infrastructure within the country as a cornerstone to its improved economy and integration within the region. It has encouraged this further by including Myanmar in the Lower Mekong Initiative which was set up in 2009 by Hilary Clinton.

In May 2012, the EU suspended all sanctions, except an arms embargo, against Myanmar and in May 2013, the EU lifted all sanctions, save for the continuing arms embargo. Similarly, Australia has removed all sanctions except for an arms embargo. In contrast, Japan, which had not imposed sanctions and had maintained trade ties with Myanmar, had suspended development aid but this was resumed in April 2012. A summary of the position regarding sanctions is set out at Part V of this document.

Some neighbouring countries like China and Thailand already have investments in Myanmar as they imposed few or no sanctions. It is estimated that Myanmar exports 36.7 per cent. of its produce to Thailand and 18.8 per cent. to China, while India accounts for 14.1 per cent. In contrast, its most important partner for imports is China with an estimated 38.8 per cent. and Thailand with 22.6 per cent.

In 2009, 43 per cent. of Myanmar's exports was petroleum gas. Myanmar's production structure is heavily focused on primary commodities – natural resources, notably gas and wood, along with farm and fish products. Due to the lack of diversification the country is susceptible to demand and price fluctuations.

Similarly Foreign Direct Investment ("**FDI**") has been concentrated in the natural resources sectors. Between 2005 and 2011 US$2.9 billion, US$415 million and US$390 million, respectively was invested in the oil and gas, mining and power sectors. In aggregate this was 98.5 per cent. of the total FDI.

On 2 November 2012 the new Foreign Investment Law 2012 (the "**FIL**") was signed by President Thein Sein. This law offers foreign companies a five year tax exemption, the potential of relief from customs duty and confers other rights, such as the ability to lease land for up to 50 years and a guarantee against nationalisation. The FIL aims to provide employment for Myanmar nationals and develop infrastructure to an international standard and with foreign investment.

Prior to the FIL, the Myanmar government had created Special Economic Zones ("**SEZs**"). Corresponding laws relating to these physical areas were enacted in 2011 to the exclusion of any FIL. Generally investment projects within the SEZs must be approved by the Central Body for the Myanmar Special Economic Zone. More SEZs are planned for the future, including one in Thilawa.

Many large organisations and companies have recently or are in the process of setting up offices in Myanmar, including Hilton and the World Bank.

Economic Performance and Outlook

Gross domestic product ("**GDP**") is estimated to have grown by around 6.3 per cent. in 2012. The largest sector to contribute was services, which overtook agriculture only in 2011. However, the labour force distribution does not reflect this shift as an estimated 70 per cent. of the population works in the agriculture industry. It is estimated that GDP per capita in Myanmar is US$884 whereas Thailand, its more developed neighbour, has a GDP per capita of US$6,572. It has recently been reported that Myanmar has reached agreements to cancel around 60 per cent. of its foreign debt which amounts to around US$6 billion. Notably Japan is reported to have written off debt of US$3.7 billion. This has had the effect of changing the debt as a percentage of GDP figure dramatically; in 2010 this figure was estimated at 52 per cent. and it is now estimated to be 45 per cent.

Myanmar's potential for growth is indicated in the table below, which compares Myanmar to Thailand and Vietnam, neighbouring countries that have experienced significant improvement in the quality of life coupled with economic growth and prosperity in recent times.

	2000	2010
Mortality rate, infant (per 1,000 live births)		
Thailand	15.9	11.0
Vietnam	26.2	18.1
Myanmar	61.5	49.3
Life expectancy at birth, total (years)		
Thailand	72.5	73.9
Vietnam	71.9	74.8
Myanmar	61.9	64.7
Air transport, passengers carried (million)		
Thailand	17.4	27.2
Vietnam	2.9	14.4
Myanmar	0.4	0.4
Internet users (per 100 people)		
Thailand	3.7	22.4
Vietnam	0.3	30.7
Myanmar	—*	0.3
Mobile cellular subscriptions (per 100 people)		
Thailand	4.8	103.8
Vietnam	1.0	127.0
Myanmar	0.0	1.2
Education expenditure (percentage of Gross National Income)		
Thailand	4.3	4.1
Vietnam	2.8	2.8
Myanmar	0.3	0.8
Merchandise exports (current US$ million)		
Thailand	69,057	195,314
Vietnam	14,483	72,237
Myanmar	1,646	8,749

Source: World Bank data

** No data available*

2. Overview of Myanmar Law Relevant to Investing Companies

Introduction

The below is a summary of certain Myanmar laws applicable to foreign investment companies. There is a substantial body of law in force in Myanmar which is based on the 'Burma Code' of laws and regulations which was enacted under British colonial rule. However, it should be noted that since 1947 there has been an inconsistent approach to legislating and more recently the laws and regulations of Myanmar have been supplemented or otherwise modified by undocumented practice, policies adopted and discretionary decisions of government agencies and authorities. Please see the risk factor headed "The Myanmar legal system" at Part V of this document.

Under the Myanmar Companies Act 1914 ("**Companies Act**"), a foreign company can only 'carry on business' in Myanmar once it has obtained a certificate of incorporation and a 'permit to trade' (a "**PTT**") which is valid for five years and can be renewed. The Myanmar Directorate of Investment and Companies Administration ("**DICA**") is responsible for issuing both of these.

There are two ways that foreign investment is generally made:

1) if the sector is specified in the FIL, then an application must be made to the Myanmar Investment Commission (the "**MIC**") to obtain an investment permit (an "**MIC Permit**"); or

2) if not prohibited or restricted under the FIL, a PTT is required. However, this means that a company will lose the key benefits granted under the FIL.

Sectors in which MIC will award an MIC Permit

Under the FIL, the objectives must be consistent with a contribution to national economic development and, as a consequence, investors must demonstrate in their submissions how their projects will, for example, create jobs, promote and expand exports, introduce significant capital investment, develop technologies, develop skills and knowledge of citizens and protect and conserve the environment. The Foreign Investment Rules ("**FI Rules**"), published on 31 January 2013, contain a list of the economic activities which can only be carried on by Myanmar citizens which are mainly local and traditional activities that are not significant in terms of foreign investment opportunities. On the same day the MIC issued Notification No. 1/2013 (the "**Notification**") which lists the sectors and types of business which are permitted under the FIL and the restrictions and conditions to which they are subject:

List 1: types of businesses which are not permitted to be carried out with foreign investment. These include the defence sector, hazardous chemical production and importation, printing and broadcast media, trading of electricity, exploration and production of jade;

List 2: those businesses which are permitted but only via a joint-venture with a local citizen/company (the shareholding ratios to be 'by mutual agreement' in all cases). This list includes food and beverage production, general manufacturing, exploration and production of 'large' minerals, packaging, construction and sale of residential and office buildings, hospitals, tourism;

List 3: those businesses which can be carried out under specific condition of having to have either the approval of the Myanmar government or the relevant Myanmar ministry, for example aviation services, dockyards and inland waterways; and

List 4: those areas of business requiring other conditions and authorisations, for example the need for environmental or social impact assessments or limitations on small retail trading activities.

A business may fit into more than one of the above lists. Even if foreign investment is specifically prohibited in a particular sector, the Myanmar government always retains the option to grant permission, subject to the conditions to be negotiated.

Aside from FIL or the Notification, some areas are currently reserved for Myanmar nationals in terms of either ownership or the right to be licensed to carry on the activity, including:

1) banking and financial services (other than microfinance);

2) insurance of any kind;

3) electricity production;

4) automobile sales;

5) education;

6) trading (other than wholesale trading in products of a manufacturing plant owned by a joint venture company with a MIC Permit);

7) distribution (other than for products of a manufacturing plant owned by a joint venture company with a MIC Permit); and

8) import/export.

It is expected that the barrier to entry for foreign investors in many of these sectors will be relaxed over the coming years, in particular as the ASEAN countries approach the agreed target date of a single economic community by 2015. The Myanmar government has already announced plans for the banking and insurance sectors for example, involving planned, phased entry by foreign companies.

When applying to the MIC, the foreign investor must use prescribed Form 1 which must include, amongst other conditions, a ten-year projected profit and loss account, estimated employee numbers, drafts of constitutional documents and leases of any buildings to be occupied. The MIC then scrutinises the proposal and after provisional approval will consult with relevant Myanmar ministries and Myanmar state bodies. There are at least two public scrutiny meetings held for each application at which the foreign investor should attend together with the local partners if appropriate. Application for a PTT should be submitted simultaneously. The application process from submission of documents to issue of permit usually takes around 3 to 4 months, but some cases have taken longer.

Permit conditions

The MIC Permit will contain certain conditions which must be fulfilled, the penalty being revocation of the permit. These vary with each case, but will usually include the following:

1) the commencement of business and operations within a given period after incorporation or the completion of construction of the planned project facility or infrastructure; and

2) completion of construction of the project facility or infrastructure within the period stated by the investor in its application to MIC (or after an approved extension of that construction period but to be no longer than 50 per cent. of the original stated period).

3) restrictions on manufacturing companies in receipt of an MIC permit from paying down loans (principal and interest) or paying for imports of raw material for production and spare parts except out of export earnings.

There is also the possibility of MIC imposing requirements in relation to an investor's proposal by way of a verbal directive, requirement or decision which may: (i) not be a requirement under the law in force in Myanmar at the time; or (ii) be applied in conflict with the law in force in Myanmar at the time. The MIC has historically exercised significant discretionary powers in its decision-making on some key issues for investors, often on a case-by-case and inconsistent with previous MIC decisions on that same issue.

DICA will require certain conditions to be met after the issue of a permit by MIC and before a PTT and certificate of incorporation will be issued. The most important of these conditions is the payment of the initial foreign capital payment into a suspense account at a bank in Myanmar authorised to deal in foreign currency. For a FIL company with an MIC Permit, the amount of this mandatory initial capital payment is US$500,000 for manufacturing companies and US$300,000 for service companies. For non-FIL companies without a MIC permit, the amounts are US$150,000 and US$50,000 respectively. These amounts were stipulated under the predecessor to the FIL, the Foreign Investment Law of 1988 (the "**FIL 1988**"), and are subject to review and possible change under the FIL. Once a company has received its PTT and Certificate of Incorporation, the capital payment will be transferred by the bank to an account in the new company's name and the company can begin operations.

Importantly, the FIL explicitly guarantees that an economic enterprise formed under the MIC Permit shall not be nationalised during the term of the contract or during any extended term.

In terms of company constitution, the directors can either be foreign or Myanmar nationals, there is no stipulation for a minimum number of local persons on the board but appointment of foreign persons to key positions in Myanmar-owned companies (CEO, CFO etc) requires the prior approval of the MIC. A foreigner may not be a director of a wholly Myanmar owned company unless it becomes a FIL company.

DICA currently requires a Myanmar company's memorandum and articles of association to be in its standard form which lacks many provisions which, in the context of joint ventures, are considered by foreign investors to be necessary to properly protect key shareholder rights and obligations (such as those providing for share transfers between holders and director appointments by shareholders). Such rights and obligations are unable to be enshrined in a Myanmar company's constitution and therefore cannot be enforced by or against the company, which is only bound by the provisions of its memorandum and articles of association.

Structure

Under the FIL, the investment may be carried out under any of the following forms:

1) through a company with 100 per cent. foreign capital;

2) through a joint venture company formed by a foreigner and a citizen, or the relevant government department and organisation; or

3) a public-private partnership or other analog system, which would include build-operate-transfer contracts (or similar) and others.

A foreign entity may also establish a branch office in Myanmar which is capable of engaging in revenue generating activities. Branch offices are generally registered for foreign firms engaged in the services sector without a MIC Permit, since the new FIL does not overtly include branch establishment in the list above.

On-going requirements

Other continuing approvals from MIC include any transfer of shares by a shareholder in the company (whether to another shareholder or to a third party), any proposed sub-lease or mortgage of land and buildings leased by the company and any proposed transfer of the business during the lease term to any other person.

The company shall be audited once a year by an auditor that is recognised in Myanmar.

Foreign currency payments

Under the FIL and, in relation to all foreign capital payments for the company, the foreign investor must open an account and deposit its inward foreign currency payments in conformity with the MIC Permit. The foreign currency required may be deposited in a lump sum or in instalments within limited periods of time, in accordance with the MIC Permit. The MIC shall be informed of any extra amount that is transferred into the bank account which includes any extension to the foreign investor's project.

The foreign investor may transfer abroad the following:

1) foreign currency that the person who brought in the foreign capital is entitled to:

   (a) foreign currency that the MIC allows for withdrawal, including:

   - entitled share proceeds received by a foreign investor after transferring shares in accordance with the law;

   - transfers of entitled distribution after liquidation of the business;

- foreign currency received after returning the MIC Permit to the MIC upon expiration of the term; and
- foreign currency equivalent to the amount reduced from the foreign investor due to it being scaled down;

(b) indemnity received by a foreign investor in accordance with the law; and

2) net profits after deducting all taxes and relevant funds from the annual profit received by the person who has brought in foreign capital.

Any other remittances, other than from a current account, require prior approval from MIC. The capital shall not be transferred outside Myanmar before the commencement of the foreign investor on a commercial scale.

Under the Foreign Exchange Management Law 2012 ("**FEML**"), the intention is to liberalise transfer payments relating to 'current account transactions':

1) remittances for trading, services fees, settlement of short term bank loans;

2) remittances for payment of interest on loans and net income from investments; and

3) instalment loan payments or depreciation on direct investments.

There is no definition or clarity on what constitutes 'net income from investments' and clarification is awaited from the Central Bank of Myanmar ("**CBM**") on this issue. The more cautious view is that dividends would be classed as 'capital account transactions' and therefore subject to CBM being satisfied as to the origin of the investment funds from which the income derives.

These payments must be made through any bank with an 'authorised dealer licence', issued by CBM. Currently there are three belonging to state-owned banks in Myanmar and 14 to private domestic banks. There are further restrictions on Myanmar nationals and companies opening offshore accounts under the FEML.

The payment of dividends and return of equity capital is also regulated. CBM holds the right to:

1) enquire of the foreign investor whether the investment capital was actually 'brought-in' to Myanmar as foreign investment in accordance with law; and

2) reject any request for permission to remit such payments if the foreign investor cannot produce the required evidence of the original investment funds being brought in. The CBM will require sight of documents showing the original investment in relation to which the remittance is being made, including the audited accounts and AGM minutes/resolutions for declaration of dividend, plus any other relevant documents.

Dividends are payable by law only out of distributable profits (similarly defined as under English law) and interim dividends are recognised by Myanmar law, but rarely declared or paid in practice. There is no withholding tax on the payment of dividends to both residents and non-residents, and on interest payments to residents.

Loan instalment payments are treated as unrestricted current account transactions under the FEML, but shareholder loans could be treated as capital transactions and subject to CBM approval procedures as 'capital account transactions' and therefore at risk of rejection by the CBM. The FEML causes further uncertainty with regard to remittance approvals, as it states that restrictions on capital account transactions will not apply to *inter alia* repayment of principal for loans permitted by the Myanmar government which implies that loans still require pre-approval. Until the publication by the CBM of the implementing notifications relating to the FEML, there is little evidence or understanding as to how this regime of remittances will work in practice.

Mergers and Acquisitions

There are several ways in which merger and acquisition transactions can be carried out in Myanmar, some of which have been tried and tested, others which are more theoretical in that the laws, practices and policies do not currently prevent them, but which have not been applied to any great extent in Myanmar up to now (mainly due to sanctions and the policy of prohibiting share sales to foreign investors by local citizens until this year). The principal ways in which merger and acquisition transactions can be structured are:

1) sale of shares in a company by one shareholder to another shareholder or to a new investor;

2) issue of new shares in a company to an existing shareholder or to a new shareholder;

3) acquisition by contract of the business and/or assets of a company; and

4) acquisition of shares in an offshore company that holds shares in a Myanmar company.

Under the FIL Rules, the transfer of shares (all or partial) by a foreigner to a citizen (or vice versa) requires the prior approval of the MIC. The request must be submitted to the MIC, who will scrutinise the proposal and consider the following:

1) whether or not the reason to transfer the shares is correct;

2) whether or not the interests of Myanmar and its people could be detrimentally affected by the transfer of the shares; and

3) whether or not the transferee of the shares is in a position to keep on carrying out the business successfully.

If approval is granted, then an application to register the share transfer has to be submitted to DICA. Other points to note are:

1) if the transfer is in respect of a joint venture company with a MIC Permit, and the result of the transfer is that the foreign shareholder will own 100 per cent. of the company, then approval may be granted provided the FIL Rules do not prevent such foreign shareholder having 100 per cent. ownership and the MIC Permit shall be retained by that investor;

2) if the foreign shareholder is selling all of its shares to a local citizen and MIC approval is granted, the foreign shareholder shall return its Permit to the MIC and the transferee must apply to the MIC for a new permit in accordance with the Myanmar Citizens Investment Law; and

3) if the transferee of all the shares sold is a foreign investor who is not already a shareholder, the transferor must surrender its MIC Permit and the transferee will need to apply for a new MIC Permit to replace the one surrendered by the transferor and make application for registration or incorporation as a foreign company to the DICA in accordance with existing laws.

In practice, the transfer of shares needs to be finally approved by the Myanmar Cabinet, the final approving Myanmar government authority. Under the Myanmar Stamp Act, the stamp duty payable on the value of the share is 2.5 per cent. which is to be paid to the Myanmar Internal Revenue Department.

There are no restrictions or approvals required from MIC for a capital increase in a company with a MIC Permit. Provided the joint venture company is not carrying on business in a restricted or prohibited activity which requires a maximum foreign shareholding, and also provided that there are no pre-emption rights which apply to new issues of shares under the company's articles of association, an existing or new shareholder can subscribe for new shares in a company and dilute the other shareholders under a subscription agreement negotiated with those parties and with the company.

The transfer of assets/business is at a nascent stage of development in Myanmar and there is little precedent or legal or regulatory guidance for the transfer of assets or a going concern to a foreign buyer. Instead, so far, new laws are geared towards the formation of a new company with the objective of executing greenfield projects. Potential problems have been identified if condition precedents are not fulfilled, such as losing the initial capital that must be paid, as previously detailed, but this can be avoided by having a local partner.

Land Ownership

Foreign ownership of land in Myanmar is extremely restricted, however:

1) foreign investors may secure rights over land through long-term leases with the approval of the Myanmar government and the MIC. With a MIC permit, it is possible to acquire land by way of a long lease of up to 50 years initially and another two extensions of up to ten years each. Otherwise, foreign-owned companies are limited to leases of no more than 1 year (renewable);

2) under the Myanmar Special Economic Zone Law, it is possible to obtain a long-term lease of 30 years, renewable for two consecutive periods (the duration of which relies on the scale of the project itself), by being established in an Industrial Zone or a Special Economic Zone of which nine have been established in various states in Myanmar;

3) obtaining a long-term lease of 30 years or even unlimited, as long as there is no breach of the terms and conditions under which such lease was granted, by investing in the agricultural sector in connection with perennial plantations such as rubber, oil palm and cashew nut plantations, or seasonal plantations such as pulses, maize and oilseeds; and

4) the Property Transfer Restriction Law does not prohibit a foreigner or foreign company from *owning* immoveable property. It is currently permissible for a foreign company which constructs a new building on land leased from the Myanmar government or from a private leaseholder, to own that building. This building can be leased out and units within the property also be the subject of lease and rental arrangements. The building will pass to the owner of the land on expiry of the lease term, but appropriate compensation can be negotiated. This is an important exception from the Property Transfer Restriction Law under which the transfer of any land to or by any foreign or foreign company is expressly prohibited.

It should be noted that obtaining a mortgage of land and buildings is, in practice, extremely difficult in Myanmar, even for local citizens.

Securing the necessary approvals and permits for land development is important but the one sought will vary according to the status of the land and ownership of it which can be difficult to determine. Almost all of the land in Myanmar is owned directly or indirectly by the Myanmar government – there is very little privately-owned freehold land and this has obviated the past need for a centralised national land registry.

Employment

If the investment project is approved by the MIC, at least 25 per cent. of the unskilled workforce shall be Myanmar nationals, to be appointed within the first two years of commencement of the business, at least 50 per cent. within the following two years, and at least 75 per cent. within the subsequent two years. Generally there is currently no minimum wage that applies to private-sector employers and employees, but this will change once the Minimum Wage Law is passed, which will provide minimum wage indexes for different industries and are foreseen to be updated every two years. Annually, on or before 31 January, a company with a MIC Permit shall submit a report which shall detail the practices and training methods that have been adopted to improve the skills of Myanmar citizens.

The investment project must also be registered with the Social Security Board under the Ministry of Labour, Employment and Social Security. Employers with more than five workers must provide the

benefits established under the Social Security Act 1954 which covers general benefit insurance and insurance against employment-related injuries. Under this both the employer and employee must contribute to the Social Security scheme in the ratio of 2.5 per cent. and 1.5 per cent. respectively based on the employee's salary.

The employment of foreign staff requires the prior issuance of a work permit and a residence permit, which shall be issued by the Ministry of Labour, Employment and Social Security and the MIC respectively.

Dispute Resolution

The Myanmar Parliament recently voted to accede to the New York Convention on Recognition and Enforcement of Foreign Arbitral Awards and it is expected the formal accession will take place within 2013. This development will greatly clarify the position in terms of the governing law and forum for arbitration of contracts with foreign investors. Investors will be freer to choose their contract governing law and to select a suitable arbitration venue and applicable arbitration rules.

Intellectual Property Law

Myanmar became a member of the World Intellectual Property Organization in 2001. Also, as a member of the World Trade Organization ("**WTO**"), Myanmar has focused on improving its legal framework for intellectual property in accordance with the WTO Agreement on Trade Related Aspects of Intellectual Property Rights and was supposed to have provided new intellectual property laws by January 2006.

However, Myanmar and other least-developed countries have been given an extension until 1 July 2013 to provide protection for trademarks, copyrights, patents, and other intellectual property under the WTO (for patents for pharmaceutical products Myanmar has to protect these by 2016). As such, new intellectual property laws relating to trademark, patent, copyright, and industrial design will have to be promulgated in Myanmar by 1 July 2013.

Mandatory Insurance

Under the FIL, a company in receipt of a MIC Permit must be insured with an authorised local insurance enterprise in respect of a specified range of insurable risks.

Environmental

There is no consolidated Environmental Law as yet in force in Myanmar, nor has there yet been established an environmental regulatory agency responsible for overseeing compliance with, and enforcement of, regulations. However, there are more than 50 existing laws in Myanmar which contain environmental protection related provisions.

PART IV

PRINCIPAL TERMS OF THE WARRANTS

Exercise Amount

US$0.75

Expiry Date

The fifth anniversary of the date of the Warrant Instrument, being 21 June 2018.

Transferability

Freely transferable.

Subscription Period

The period from the second anniversary of the date of the Warrant Instrument, to and including the Expiry Date (the "**Subscription Period**"). The Warrants are exercisable during a 15 Business Day period commencing on the first day of each calendar quarter during the Subscription Period.

Subscription Rights

Pursuant to the terms of the Warrant Instrument, the Company shall issue the Warrants. Each Warrant shall carry the right, subject to the provisions of the Warrant Instrument, to subscribe, during the Subscription Period, subject always to the pre-emption rights in the Articles having been waived in respect of such issue, for one Ordinary Share (subject to adjustment as described below) at the Exercise Amount payable in cash in full on subscription.

The Warrants are being issued to the proposed Warrantholder for no payment. Upon the issue of any Warrant the Company shall enter the person or persons to whom the Warrant is issued into the register of Warrantholders in respect of such Warrant. The Warrants held in certificated form will be evidenced by a Warrant certificate issued by the Company. Warrantholders who so wish, may hold their Warrants in uncertificated form and such uncertificated Warrants may settle directly in CREST, as set out in paragraph 22 of Part II of this document.

The Company shall, upon exercise of all or any of the Warrants from time to time during the Subscription Period, forthwith allot and issue the appropriate number of Ordinary Shares required to be allotted and issued in accordance with the terms of the Warrant Instrument.

The Warrants shall be subject to and have the benefit of the terms and conditions set out in the Warrant Instrument and in the warrant certificate which shall be binding upon the Company, the Warrantholders and all persons claiming through or under them respectively. The Warrants are issued subject to the provisions of the Articles.

The Company shall be entitled at any time:

(a) to require a Warrantholder to hold their Warrants in uncertificated form;

(b) to require the holder of any Warrants which are held in uncertificated form to exchange such Warrants in uncertificated form for Warrants in certificated form; and/or

(c) to require the Operator (as defined in the CREST Manual) to suspend or remove the Warrants in uncertificated form from the relevant system concerned.

The Company shall use its reasonable endeavours to procure the effective admission to trading of the Warrants on AIM on or around 27 June 2013.

Warrant Certificate

Every Warrant certificate shall be in the form or substantially in the form attached to the Warrant Instrument. The Subscription Notice and Form of Nomination attached to the Warrant Instrument shall be available from the Company's website during the period which the Warrants may be exercised.

Every Warrantholder shall be entitled without charge to one Warrant certificate for the Warrants held by him save that joint holders shall be entitled to one Warrant certificate only in respect of the Warrants held by them jointly, which Warrant certificate shall be delivered to the holder whose name stands first in the register of Warrantholders in respect of such joint holding. The Company shall not be bound to register more than four persons as joint holders of any Warrants.

Where some but not all of the Warrants comprised in any Warrant certificate are transferred or exercised in accordance with the terms and conditions of this Instrument, the Company shall issue, free of charge, to the relevant Warrantholder a fresh Warrant certificate in accordance with the other provisions of this Instrument for the balance of the Warrants retained by such Warrantholder.

Exercise of Warrants

Subject to the provisions of the Warrant Instrument in relation to the adjustment of subscription rights, general offers and liquidation, the Warrantholder of each Warrant will have the right, which may be exercised during each 15 Business Day period commencing on the first day of each calendar quarter during the Subscription Period, to subscribe in cash for a number of Ordinary Shares equal to all or part of such number of Warrants as shall be specified on the face of the relevant Warrant certificate, in each case subject to adjustment in accordance with the terms of the Warrant Instrument (the "**Specified Number**") in consideration of the payment of the Exercise Amount in full per Warrant.

To exercise Warrants held in certificated form, the Warrantholder shall deliver or cause to be delivered the relevant Warrant certificate(s) and such other documentation as may be required by the Company to the Warrant Registrar's agent with the Subscription Notice duly completed and signed, together with a cheque for payment of the Exercise Amount in respect of each Warrant being exercised. Once so delivered, a Subscription Notice shall be irrevocable save with the consent of the Directors.

To exercise Warrants held in uncertificated form the Warrantholder shall (not later than 5.00 p.m. on the relevant Business Day) arrange for the payment to the Warrant Registrar's agent as appropriate, (in the manner from time to time prescribed by the Directors subject always to CREST requirements) of the aggregate Exercise Price payable on subscription for the Ordinary Shares in respect of which the subscription rights are exercised and send to the Warrant Registrar's agent, or such person as the Company may require (including, without limitation, any sponsoring system-participant acting on behalf of the Company or the Registrars) a properly authenticated dematerialised instruction (an uncertificated notice of exercise). The properly authenticated dematerialised instruction shall be:

(a) in the form from time to time prescribed by the Directors and having the effect determined by the Directors from time to time; and

(b) addressed to the Warrant Registrar, and identify (in accordance with the form prescribed by the Directors as aforesaid) the Warrants in respect of which the subscription rights are to be exercised; and

provided always that:

(c) the Directors may in their discretion permit the holder of Warrants in uncertificated form to exercise his subscription rights by some other means (including if the Company or any sponsoring system-participant acting on behalf of the Company is unable at any time and for any reason to receive properly authenticated dematerialised instructions) in accordance with applicable laws;

(d) the Board may in its discretion require, in addition to the receipt of a properly authenticated dematerialised instruction as referred to above, the holder of any Warrant in uncertificated form to complete and deliver to the Company (or the Warrant Registrar's agent) on or prior to the Exercise Date, a notice in such form as may from time to time be prescribed by the Directors; and

(e) the Directors may in their discretion determine when any such properly authenticated dematerialised instruction and/or other instruction or notification is to be treated as received by the Company or by such other person as it may require for these purposes.

Warrants will be deemed to be exercised on the Business Day upon which the Warrant Registrar's agent shall have received the relevant documentation and value in respect of the remittance as described above. Subject to value having been received by the Company in respect of the relevant remittance, the Company shall allot and issue the relevant number of Ordinary Shares to be issued pursuant to the exercise of the relevant Warrants and enter the allottee of such Ordinary Shares in the Company's register of members not later than 10 Business Days after the date on which such Warrants are exercised or deemed to be exercised. On the exercise of a Warrant, any entitlement to a fraction of an Ordinary Share shall be ignored and no cash adjustments will be made in respect of any entitlement to fractions of Ordinary Shares.

Where the Warrantholder elects to receive Ordinary Shares in certificated form the Warrantholder will receive a share certificate for the Ordinary Shares in the name of such Warrantholder or such other person as may be named on the form of nomination and in the event of a partial exercise by any Warrantholder of the right to subscribe attaching to any Warrants held by him, a Warrant certificate in the name of such Warrantholder in respect of the balance of the Warrants held by him and remaining unexercised.

Where the Warrantholder elects to receive Ordinary Shares in the form of Depositary Interests, the Ordinary Shares issued pursuant to the exercise of Warrants will, unless the Company otherwise determines or unless the CREST requirements and/or the rules of the relevant system concerned otherwise require, be issued to the Depository and Depositary Interests representing such Ordinary Shares will be credited to the account of the beneficial holder of the Warrants concerned at the date of such exercise (being an account maintained by the relevant system concerned under the same participant and member account identification codes as the account to which the Warrants concerned, which were held in uncertificated form, were credited immediately prior to such exercise or to such other account as is specified in the Form of Nomination).

Every Warrant in respect of which subscription rights have been exercised in full or which at the end of the Subscription Period have not been exercised (whether in whole or in part) shall lapse and cease to be valid for any purpose and be cancelled.

Warrantholders exercising their Warrants by submission of a Subscription Notice in accordance with the terms of the Warrant Instrument shall be required to make the representations set out sub-paragraphs 1 to 15 of paragraph 12 of Part VI of this document.

Warrantholders exercising their Warrants which are held in uncertificated form in accordance with the terms of the Warrant Instrument shall be deemed to make the representations set out sub-paragraphs 1 to 15 of paragraph 12 of Part VI of this document.

The Warrants and any Ordinary Shares issued pursuant to the exercise of the Warrants have not nor will they be registered under the US Securities Act or with any securities regulatory authority of any state or other jurisdiction of the US. The Warrants and the Ordinary Shares issued on the exercise of the Warrants will be subject to certain restrictions on transfer in accordance with the US Securities Act and the Investment Company Act, and the certificates in respect of such Warrants and Ordinary Shares will bear legends with respect to such transfer restrictions.

Compulsory Exercise of Warrants

Following the exercise of more than 75 per cent. of the total number of Warrants constituted by the Warrant Instrument which have been issued, (a "**Compulsory Exercise Event**"), then within 60 days of the notification by the Company to a Regulatory News Service provider of the occurrence of such a Compulsory Exercise Event, the remaining Warrantholders will be required to exercise their Warrants in accordance with these conditions. If such remaining Warrants are not exercised within such period, they shall be deemed to have lapsed and shall be cancelled.

Undertakings of the Company

The Company shall not, except to the extent authorised by the Warrantholders, in any way modify the rights attaching to the existing Ordinary Shares as a class in any way which operates to vary the rights of the Warrantholders in relation to the Warrants.

Warrantholders will have made available to them, at the same time and in the same manner as the same are made available to holders of Ordinary Shares, copies of the audited accounts of the Company (with the relevant directors' and auditor's reports) and copies of all other circulars or notices which are made available to holders of Ordinary Shares.

Adjustment of Subscription Rights

While any Warrants remain unexercised within the Subscription Period:

– after any allotment of fully paid Ordinary Shares by way of capitalisation of profits or reserves to holders of the Ordinary Shares on the register of members of the Company on a date (or by reference to a record date); or

– upon any sub-division or consolidation of the Ordinary Shares,

the number of Ordinary Shares to be subscribed on a subsequent exercise of each Warrant will be adjusted proportionately on the basis that immediately after the allotment, sub-division or consolidation, the Ordinary Shares to be issued if the subscription rights attaching to the then outstanding Warrants were exercised shall constitute the same percentage of the total number of issued Ordinary Shares as that which such Ordinary Shares would have constituted immediately before such allotment, sub-division or consolidation and the Exercise Amount of the then outstanding Warrants shall be adjusted accordingly.

General Offers and Liquidation

If on a date (or by reference to a record date) while any Warrants remain unexercised during the Subscription Period any offer or invitation is made to all holders of shares of the Company (or all such holders other than the offeror and/or any company controlled by the offeror and/or any person acting in concert with the offeror), otherwise than by the Company, to acquire the whole or any part of the shares of the Company and the Company becomes aware that, as a result of such an offer, the right to cast a majority of votes which may ordinarily be cast on a poll at a general meeting of the Company has or will become vested in the offeror and/or such persons or companies as aforesaid (an "**Offer**"), then the Company shall procure (so far as it is able) that at the same time the same offer or invitation is made to the then Warrantholders as if their respective Warrants had been exercised and the Warrantholders entered in the register of members of the Company accordingly on the day immediately preceding the record date of such offer or invitation on the basis then applicable. Such Warrants shall be exercisable at any time during the period in which such offer is open in order to allow acceptance by such Warrantholders of such offer.

The convening of a meeting by the Court in connection with an arrangement, a scheme of arrangement or the preparation of documents in connection with an amalgamation under the BVI Business Companies Act and/or the BVI's Insolvency Act 2003 (as amended from time to time) (as appropriate) ("**Scheme**") in either case providing for the acquisition by any person of the whole or any part of the shares of the Company shall be deemed to be the making of an offer.

If on a date (or by reference to a record date) while any Warrants remain unexercised during the Subscription Period, an offer or invitation is made by the Company (whether by way of a rights issue or otherwise) to purchase Ordinary Shares to all the holders of the Ordinary Shares then, if the directors of the Company so resolve, in the case of any such offer or invitation made by the Company, the Company shall not be required to procure that the same offer or invitation is made to the Warrantholders but that the Exercise Amount and/or the subscription rights shall be adjusted in such manner as the Auditors shall certify to be fair and reasonable to take account such offer or invitation by the Company. Any such adjustments shall become effective as at the record date for such offer or invitation by the Company. The Company shall give notice to the Warrantholders forthwith upon (and in any event within 10 Business Days of) any such adjustment made and shall at the same time in the case of Warrants held in certificated form send to the relevant Warrantholders a certificate evidencing the rights (as so adjusted) to which Warrantholders are entitled and in the case of Warrants held in uncertificated form, credit the relevant stock account with such entitlements in consequence of such adjustments, with, in each case, fractional entitlements being ignored.

(a) Where the circumstances described above relating to an Offer or a Scheme apply and:

(i) the offeror and/or any company controlled by the offeror and/or any person acting in concert with the offeror shall have made an offer to Warrantholders or to all Warrantholders other than the offeror and/or any company controlled by the offeror and/or any person acting in concert with the offeror to acquire all of the outstanding Warrants; or

(ii) the offeror and/or any company controlled by the offeror and/or any person acting in concert with the offeror shall have proposed Scheme with regard to the acquisition of all the outstanding Warrants,

and in either case the value of the consideration (on such basis as the auditors may determine, acting as experts, shall have been confirmed in writing to the Warrantholders no less than 15 Business Days (or, if that is not possible, such period as is possible) prior to the expiry of such offer or the date on which such Scheme becomes effective) receivable by a Warrantholder pursuant to such offer or Scheme represents no less than that which he would have received pursuant to the offer made or Scheme proposed to holders of Ordinary Shares had his subscription rights been exercised on the date upon which such offer became wholly unconditional or such Scheme became effective (after deduction of the costs of subscription) then any Warrants which are not the subject of an acceptance of the offer to Warrantholders or are not effectively transferred or cancelled pursuant to such Scheme shall lapse upon the expiry of that offer or in the case of a Scheme, the effective date of such Scheme.

(b) If, on a date while any Warrants remain outstanding, any order is made or an effective resolution is passed for winding up the Company, except for the purpose of reconstruction or amalgamation (including but not limited to pursuant to an amalgamation under the BVI Business Companies Act, or a Scheme under the BVI Business Companies Act on terms sanctioned by an Extraordinary Resolution, and on such winding up (on the assumptions that all Warrants had been exercised in full and the Exercise Amount payable in connection therewith had been received in full by the Company) there would be a surplus available for distribution amongst the holders of the Ordinary Shares which would exceed, in respect of each Ordinary Share, a sum equal to the Exercise Amount each Warrantholder shall be treated as if, immediately before the date of such order or resolution, his Warrants had been exercised in full at the Exercise Amount and such Warrantholders shall accordingly be entitled to receive out of the assets available in the liquidation *pari passu* with the holders of the Ordinary Shares an amount equal to the sum to which he would have become entitled by virtue of such subscription after deducting a sum per Ordinary Share equal to the Exercise Amount. Subject to the foregoing all Warrants shall lapse and cease to be valid on the liquidation of the Company.

Purchase and Cancellation

The Company may at any time purchase Warrants:

– by tender (available to all Warrantholders alike) at any price; or

– on or through the market; or

– by private treaty at any price.

All Warrants purchased in any of these ways shall be cancelled forthwith and may not be reissued or sold.

Meetings of Warrantholders

Meetings of Warrantholders may be convened in accordance with the provisions of the Warrant Instrument and shall be competent to pass extraordinary resolutions of the Warrantholders and to exercise all the powers as referred to therein. Without prejudice to the generality of the foregoing the Warrantholders, by way of extraordinary resolution only, shall have power to:

– sanction any compromise or arrangement proposed to be made between the Company and the Warrantholders or any of them;

– sanction any proposal by the Company for modification, abrogation, variation or compromise of, or arrangement in respect of the rights of the Warrantholders against the Company whether such rights shall arise under the Warrant Instrument or otherwise;

– sanction any proposal by the Company for the exchange or substitution for the Warrants of, or the conversion of the Warrants into, shares, stock, bonds, debentures, debenture stock, warrants or other obligations or securities of the Company or any other body corporate formed or to be formed;

– assent to any modification of the conditions to which the Warrants are subject and/or the provisions contained in the Warrant Instrument which shall be proposed by the Company;

– authorise any person to concur in and execute and do all such documents, acts and things as may be necessary to carry out and give effect to any extraordinary resolution of the Warrantholders;

– discharge or exonerate any person from any liability in respect of any act or omission for which such person may have become responsible under the Warrant Instrument; and

– give any authority, direction or sanction which under the provisions of the Warrant Instrument is required to be given by extraordinary resolution of the Warrantholders.

Transfer and Title

Warrants shall be transferable individually and in integral multiples, in the case of Warrants held in certificated form, by an instrument of transfer in any usual or common form or such other form as may be approved by or on behalf of the Company duly completed and signed by or on behalf of the transferor and the transferee and duly stamped in accordance with any applicable law for the time being in force relating to stamp duty, and, in the case of Warrants held in uncertificated form, by a properly authenticated dematerialised instruction and/or other instruction or notification received by the Company or by such person as it may require for these purposes in such form and subject to such terms and conditions as may from time to time be prescribed by or on behalf of the Company (subject always to CREST requirements).

The Warrant Registrar shall maintain a register in the United Kingdom containing particulars of the Warrantholders. The registered holder of a Warrant shall be treated as its absolute owner for all purposes notwithstanding any notice of ownership or notice of previous loss or theft or of trust or other interest therein (except as ordered by a court of competent jurisdiction or required by law). The Company shall not (except as stated above) be bound to recognise any other claim to or interest in any Warrant.

The Company may at any time require a shareholder to sell some or all of the Warrants held by it within a specified period at the prevailing market price for the Warrants if it shall come to the attention of the Company that:

(a) any Warrant is or may be held directly or beneficially by a US Person and has not provided the Company with such representation as the Company may require from such holder;

(b) any Warrant is held by a person whose ownership or holding of any Warrants or Ordinary Shares might in the opinion of the Directors contribute to a requirement for registration of the Company as an Investment Company under the Investment Company Act;

(c) any Warrant is held by a person whose ownership or holding of any Warrant or Ordinary Shares might in the opinion of the Directors require registration of the Company as an investment advisor under the US Investment Advisors Act of 1940, as amended; or

(d) any Warrant is held by a person whose ownership or holding of any Warrants or Ordinary Shares might in the opinion of the Directors increase the risk of the Company becoming a "Reporting Issuer" under the US Securities Exchange Act of 1934.

If a Warrantholder does not comply with such a demand within the period specified, the Company may repurchase the relevant Warrants at the prevailing market price without such Warrantholder's consent.

The Warrants are subject to certain restrictions on transfer under the US Securities Act as set out in paragraph 12 of Part VI of this document.

Modifications to the Warrant Instrument

Any modification to the Warrant Instrument may be effected only by an instrument in writing, executed by the Company and expressed to be supplemental to the Warrant Instrument and, save where the Company determines in its absolute discretion that such modification is of a formal, minor or technical nature or made to correct a manifest error, only if it shall first have been sanctioned by an extraordinary resolution of the Warrantholders. Any modification so sanctioned will be binding on the Warrantholders. Notice of every modification to the Warrant Instrument shall be given by the Company to the Warrantholders.

Admission to Trading

On AIM, a market operated by the London Stock Exchange.

Further, at any time when the Ordinary Shares are admitted to trading on AIM, application will be made by the Company to the London Stock Exchange for the Ordinary Shares allotted pursuant to any exercise of Warrants to be admitted to trading on AIM.

Tax

Any stamp duties or taxes (if any) or other fees payable on or arising from the constitution, issue or exercise of the Warrants will be for the account of the relevant Warrantholder.

Governing Law

The Warrant Instrument is to be governed, construed and interpreted in accordance with the laws of England and the Warrantholders agree to submit to the non-exclusive jurisdictions of the English courts in relation to any claim, dispute or difference which may arise hereunder.

Definitions

For the purposes of this Part IV, references to 'Directors' are to the board of directors of the Company from time to time.

PART V

RISK FACTORS

An investment in the Company involves significant risks and is only suitable for investors who are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses (which may be equal to the whole amount invested) which may result from such an investment. Prospective investors should carefully review and evaluate the risks and the other information contained in this document before making a decision to invest in the Company. If in any doubt, prospective investors should immediately seek their own personal financial advice from their independent professional adviser who specialises in advising on the acquisition of shares and other securities or other advisers such as legal advisers and accountants.

If any of the following risks actually materialise, the Company's business, financial condition, capital resources, results and/or future operations could be materially and adversely affected. In such circumstances, the trading price of the Ordinary Shares and the Warrants could decline and investors may lose all or part of their investment. Additional risks and uncertainties not currently known to the Board may also have an adverse effect on the Company's business and the value of the Ordinary Shares and Warrants and the information set out below does not purport to be an exhaustive summary of the risks affecting the Company.

Prospective investors should be aware that the value of the Ordinary Shares and the Warrants may go down as well as up and that they may not be able to realise their initial investment. In addition, it is possible that the market price of Ordinary Shares in the Company may be less than the underlying net asset value per Ordinary Share.

There can be no guarantee that the Company's investment objectives will be achieved.

1. Risks relating to the Company's business, structure and Investment Policy

New company with no operating history

The Company is newly formed. Accordingly, it has no trading and no operating history. There can be no assurance that the Company will achieve its investment objectives or that the stock market will value the Ordinary Shares at or above the Issue Price.

Dependence on Management

The Company's ability to provide returns to Shareholders and achieve its investment objective is dependent on the performance of its Management in the identification, acquisition, management and disposal of investments in Investee Companies. Failure by Management in this regard could have a material adverse effect on the Company's business, financial condition and results of operations.

Scarcity of suitably qualified individuals

The Company's ability to execute its Investment Policy depends on the successful recruitment and retention of talented and appropriately experienced and knowledgeable employees. In Myanmar there is a scarcity of suitably qualified candidates and competition to attract and retain these candidates may be fierce. This may cause the Company to have to offer higher compensation and other benefits in order to attract and retain them, which could materially and adversely affect the Company's financial condition. If the Company does not succeed in attracting suitably qualified employees or retaining and motivating them once employed, it may be unable to execute its Investment Policy.

Permit requirements for foreign staff in Myanmar

The employment of foreign staff requires the prior issuance of a work permit and a residence permit. It is the Directors' intention, following Admission, to establish an office in Yangon, Myanmar and to

recruit staff to facilitate the delivery of the Investment Policy. Any foreign staff will require the abovementioned permits to be issued to them and there is no guarantee that these will be successfully obtained in a timely manner or at all. If the Company does not succeed in obtaining the requisite permits for its foreign staff it may be unable to execute its Investment Policy.

Permit requirements in Myanmar

Under Myanmar law there are certain permits and authorisations required by a foreign company to 'carry on business' in Myanmar, further details of which are set out in section 2 of Part III of this document. There is no guarantee that any required permits or authorisations will be successfully obtained in a timely manner or at all and if the Company does not succeed in obtaining the requisite permits and authorisations it may be unable to execute its Investment Policy.

In particular, the Company may be required to obtain an investment permit from the Myanmar Investment Commission. It is not known how long it would take to obtain a permit or what conditions would be imposed in relation to it. It is possible that unexpected terms could be imposed. Failure to obtain an investment permit could result in the Company being unable to make an investment.

Myanmar law

Certain subsidiaries of the Group and their operations and assets will be located in Myanmar. They are therefore subject to the relevant laws in Myanmar and may not be accorded the same level of shareholder rights and protections that would be accorded under BVI or English law. The Myanmar Companies Act dates back to 1914 and does not contain the usual protections and restrictions, for example it does not include restrictions on dealing with company assets in terms of financial assistance. Under Myanmar law shareholders holding 10 per cent. or more of the total share capital are entitled to call a general meeting, but otherwise minority rights are limited.

Operating expenses

The Company's annual operating expenses may be higher than those of other investment companies. This is primarily because investing in Myanmar entails additional time and expense in comparison to investing in many other countries because available public information concerning Myanmar investments is limited in comparison to, and not as comprehensive as, that available for investments in many other countries. Therefore more time and expense is required in gathering and analysing information on potential investments. Similarly there is a greater need for due diligence, yet the available human resources and information may make this harder, take longer and cost more to achieve, if indeed it can be achieved, than might be expected in other countries.

2. Risks relating to Investment Targets

Investments in Investee Companies

The Company intends to invest in Myanmar and while such investments may offer the opportunity for significant capital gains, they also involve a high degree of business and financial risk. There is no assurance that the Company will have the necessary capital to provide for such Investee Company's future capital needs or that other sources of financing will be available to the Investee Company. Generally, the Company's investments in Investee Companies may be difficult to value, and there may be little or no protection for the value of such investments. Selling the securities in Investee Companies may not be possible and, if possible, may only be possible at prices below their original cost and/or at substantial discounts to the Director's perception of their market value.

As Myanmar is an underdeveloped economy, the Company's investments in Investee Companies in Myanmar will require extensive due diligence. However, good due diligence may be difficult to achieve either because the Company may buy shares during an auction process that allows for only limited due diligence or because the records of the Investee Company are imperfect or the information is not available. As the Company may be a minority shareholder in any Investee Company in which it invests, the Company will endeavour in appropriate situations to obtain suitable

shareholder protection by way of a shareholders' agreement and/or board representation, where available. However, the Company may not succeed in obtaining such protection and even where the Company obtains such shareholders' agreement or board representation, they may confer limited protection for the Company or prove not to be enforceable.

Investee Companies will face a number of risks which could cause them to under-perform significantly or even result in their bankruptcy, including, but not limited to:

– risk of insufficient financing or access to capital;

– customer or supplier concentration risk;

– difficulties with joint venture partners;

– a tendency by some companies to speculate on raw materials prices by purchasing too much or too little, resulting in excessive inventory risk, inefficient use of working capital, and risk of disruption to production operations;

– risk of fraud perpetrated against the Investee Company, which may be compounded by the Investee Company's own internal control weaknesses;

– changes in technology or faster introduction of existing technologies from overseas;

– incorrect strategy or failure to anticipate industry trends;

– insufficient middle management team, and difficulty in recruiting capable managers; and

– adverse changes in competitiveness, inflation rates, exchange rates or borrowing costs.

Ability to invest in and control domestic enterprises

Although there has been a gradual easing of restrictions, foreign investment in the securities of companies in Myanmar is nevertheless still restricted or controlled to varying degrees. These restrictions or controls limit foreign investment in many areas and preclude it altogether in certain sectors.

It is therefore uncertain at present to what extent the Company would be limited in the type of businesses and sectors in which it can invest and the percentage ownership of a company that it could acquire in businesses and sectors in which it can invest. This uncertainty may have an adverse effect on the proposed activities and projected performance of the Company, and the limitations on ownership of a domestic company could have an adverse effect on the Company's ability to control or influence the activities and business of domestic enterprises.

Limits on disposals

The ability of the Company to dispose of an Investment and the timing and terms of any such disposal may in certain instances be limited or affected by rights of first refusal. If an Investee Company does not obtain a listing on a Myanmar stock exchange (if such a stock exchange is established) or another exchange, and a trade or other negotiated sale becomes necessary in order for the Company to exit its position, other shareholders in such Investee Company may have a right of first refusal upon such sale. In addition, the transfer of shares in Myanmar companies requires the prior approval of the Myanmar Investment Commission.

Limited liquidity

It may be considerably more difficult for the Company to exit its investments in Myanmar than it is for investors in more developed jurisdictions. A Myanmar stock exchange has yet to be established and there can be no certainty that Myanmar will establish a stock exchange. If established, a Myanmar stock exchange may be more regulated than other regional stock exchanges and may

exhibit limited liquidity. If and when a Myanmar stock exchange is established the Company may seek to realise investments in Investee Companies through listings on such Myanmar stock exchange or another stock exchange. However, there is no guarantee that a Myanmar stock exchange or any other stock exchange will provide liquidity for the Company's investments in Investee Companies. The Company may have to resell its investments in privately negotiated transactions.

Asset realisation in bankruptcy proceedings

The Company may have limited recourse under insolvency or other laws in the event that an Investee Company or joint venture partner becomes insolvent or does not honour its commitments to the Company. Myanmar insolvency law may not be easily implemented and is not often used. Winding-up provisions relating to companies are contained in the Myanmar Companies Act of 1914 ("**Companies Act**") and the Myanmar Companies Rules of 1940. Section 229 of the Companies Act provides that "in the winding up of an insolvent company the same rules of the existing law of insolvency shall prevail and be observed with regard to the respective rights of secured and unsecured creditors and to debts provable." The Yangon Insolvency Act of 1910 (the "**YIA**") and the Myanmar Insolvency Act of 1920 (the "**MIA**") are the relevant laws dealing with insolvency and have parallel provisions and similar content. The YIA applies only in Yangon, the MIA to the whole country.

Pursuant to section 162 of the Companies Act, a company may be wound up by the court if the company is deemed to be unable to pay its debts in much the same circumstances as apply in the UK. Section 166 of the Companies Act provides that an application to the court for the winding up of a company may be presented by petition in the prescribed form either by: (i) the company; or (ii) by any creditor or creditors; (iii) a shareholder; or (iv) by all or any of those parties, together or separately; or (v) by the Registrar of Companies. Once the court accepts the petition, the process follows the same path as in the UK, with advertisements for creditors, mandatory court appointments for ratification of appointments etc., creditors meetings etc. Bankruptcy proceedings in relation to an Investee Company may therefore be pending for a long time before the Company may recover any of its capital.

3. Myanmar – economic, political and other risks

Competitive forces

Competition in business in Myanmar is increasing, partly as a result of the country's increasing internationalisation. The financial viability of some investments made by the Company may be affected by changes in Myanmar's trade regime. The Company's investments in export-oriented industries, for example, may be affected by changes in foreign currency exchange rates, trade regimes or by protectionist measures in foreign countries. Similarly, the Company's investments in Investee Companies selling into the domestic market may be adversely affected by increasing competition from international firms as trade barriers are reduced. As a result of such changes, and other market forces, the Company's investments could suffer substantial declines in value at any stage.

Political, economic and social instability in Myanmar

The Group's business and operations will be substantially based in Myanmar, which has the potential to be politically and economically unstable. The previous governing military regime was recently succeeded by a civilian government. This new government has already implemented a number of political and economic reforms. However, there is no certainty that this will continue and therefore, there is no certainty that the business environment will continue to improve. Any unfavourable changes in the social and political conditions of Myanmar may also adversely affect our business and operations. Further, any changes in the political, economic and social policies of the Myanmar government may lead to changes in the laws and regulations or the interpretation and application of the same, as well as changes in the foreign exchange regulations, taxation and land ownership and development restrictions, which may adversely affect the ability of the Company to implement its Investment Policy.

The Myanmar legal system

The laws and regulations affecting the Myanmar economy are in an early stage of development and are less well established than those in Western Europe, the US and other parts of Asia. The Group's operations in Myanmar are subject to the laws and regulations promulgated by the Myanmar government. The laws and regulations of Myanmar may be supplemented or otherwise modified by undocumented practices, policies adopted and applied as law in a non-transparent way and the exercise of powers which have not been granted to the exercisor in accordance with the provisions of prevailing laws and regulations. Such practices, policies, and exercises of powers may not have been ruled upon by the courts or enacted by legislative bodies and they may be subject to change without notice. There are also limited precedents on the interpretation, implementation or enforcement of Myanmar laws and regulations. Therefore, uncertainty exists in connection with the application of existing laws and regulations to certain transactions and circumstances. As Myanmar is still in the process of developing a comprehensive set of laws and regulations, laws and regulations or the interpretation of the same may be subject to change. In addition, while Myanmar adopts a common law legal system, governmental policies play an overriding role in the implementation of the laws. Furthermore, the administration of Myanmar laws and regulations may be subject to a certain degree of discretion by the executive authorities and the judicial system may not be reliable or objective and the ability to enforce acknowledged legal rights is often lacking. By way of example only, the Company may have difficulty exercising conversion rights, voting rights, dividend rights, or restrictive covenants and may have limited recourse to remedy the problem. The Company's right of ownership or title to an asset or security may be disputed due to, *inter alia*, a poor system for registration of ownership or as a result of vague and conflicting laws. Some Investee Companies or joint venture partners may even attempt to use the vague and conflicting legal infrastructure as an excuse for not honouring their commitments to the Company. There is not the same degree of certainty as investors would expect if they invested in a more developed jurisdiction.

The overview of Myanmar law in section 2 of Part III of this document illustrates a number of such risks.

Sanctions

The Burma (Restrictive Measures) (Overseas Territories) Order 2009 gave effect in certain United Kingdom Overseas Territories (including the BVI) to sanctions against Burma decided upon by the Council of the European Union in Council Common Position 2007/750/CFSP of 19 November 2007, and implemented in Council Regulation (EC) No. 194/2008 of 25 February 2008. These measures comprised an arms embargo, a prohibition on the supply of equipment which might be used for internal repression or for use in the logging, timber processing or various mining industries, the provision of technical assistance relating to such goods, a prohibition on imports of timber products, coal, certain metals, precious and semi-precious stones, and financial sanctions directed against certain persons and entities connected with the Burmese regime.

In April 2012, by Decision 2012/225/CFSP, in view of positive political developments in Burma, the Council of the European Union decided to suspend the application of the above measures except for the embargoes on the supply of arms and related material and equipment which might be used for internal repression, together with the prohibition on the provision of technical assistance related to such goods (the "**EU Suspension**"). The EU Suspension took effect in May 2012 and was reflected in UK legislation in May 2012.

In October 2012, The Burma (Restrictive Measures) (Overseas Territories) (Suspension) Order 2012 (the "**2012 Order**") was ratified and extended to the BVI. This Order gives effect to the EU Suspension and provides an updated definition of "restricted goods". In certain respects the 2012 Order differs from the EU Suspension. In particular, certain ancillary provisions (for example those relating to the declaration and power to search in relation to restricted goods and customs powers to demand evidence of the destination that restricted goods reach) treat certain goods as 'restricted' which are not subject to the principal provisions of the sanctions in force in the BVI (such as the restrictions on supply of restricted goods and exportation of restricted goods to Myanmar), including certain

equipment and technology used in logging and timber processing, mining of various commodities, and mining and processing of precious and semi-precious stones. The remaining principal provisions of the BVI sanctions on Myanmar relate to the continuing embargo on the supply of arms and related material and equipment which may be used for internal repression, together with the prohibition on the provision of technical assistance related to such goods.

In May 2013 the EU lifted all its sanctions on Myanmar, save for a continuing embargo on arms trade, including the supply of arms and related material and equipment which may be used for internal repression and this was reflected in UK legislation in May 2013. It is expected that the UK will also adopt an order effective in the BVI that will follow the EU's lifting of sanctions, however there can be no assurance of when or if this will happen and no guarantee can be given that such removal of sanctions in the BVI will be on the same terms as the measures adopted in May 2013 by the EU. Meanwhile, the US has lifted some, and is considering the easing of more sanctions. Therefore, Myanmar remains subject to some of the existing sanctions and it is uncertain whether these sanctions will be ultimately lifted, especially in the near future. These continuing sanctions may hamper the economic growth of Myanmar and indirectly impact on the financial performance of the Group.

Further, although the US sanctions on Myanmar do not currently apply to the Company as it is not a US person for the purposes of US sanctions law, this may change as foreign corporations that are owned or controlled by a US person will become subject to the US sanctions regime. A foreign company is said to be 'owned or controlled' by a US person when a US person either: (1) holds more than 50 per cent. of the equity interest by vote or value in the entity; (2) holds a majority of seats on the board of directors of the entity; or (3) otherwise controls the actions, policies, or personnel decisions of the entity. At the moment the Company is not 'owned or controlled' by a US person, however, if it were to become 'owned or controlled' by a US person or US persons in the future then the US Treasury Department's Office of Financial Assets Control may deem the Company a US person and require it to comply with the US sanctions on Myanmar. If this were to happen the Company may be unable to continue its operations and it could result in a total loss of shareholder value.

There can be no assurance that in the future further sanctions will not be placed on Myanmar and such sanctions may prevent the Company from operating in the region. If such sanctions were to be put in place it could result in a total loss of shareholder value if the Company was unable to continue its operations.

Anti-Money Laundering and combating financial terrorism

Myanmar is currently listed in the Financial Action Target Forces ("**FATF**") list of jurisdictions with strategic anti-money laundering/combatting financial terrorism deficiencies that have not made sufficient progress in addressing the deficiencies or have not committed to an action plan developed with the FATF to address the deficiencies. The FATF has called on its members, which include the UK, and Singapore, to consider the risks arising from the deficiencies in Myanmar connected with its failure to fully implement a plan to combat the risks associated with money laundering and financial terrorism. During the course of its business in Myanmar, the Company may be adversely affected by Myanmar's lack of controls in relation to anti-money laundering and financial terrorism and there can be no assurance that Myanmar will make sufficient progress in this regard and be removed from the FATF's list.

Increased costs due to reforms

Reforms such as the changes to labour laws allowing the formation of labour unions may lead to higher operating costs for the Group, thereby reducing the profitability of its Investee Companies.

Limited accessibility of publicly available information and statistics in Myanmar

Under the current business environment in Myanmar, it may be very difficult to obtain up-to-date information and statistics in Myanmar which will make it harder to make informed investment and business decisions. Additionally, this lack of information would apply to other businesses that may be comparable to the Group in terms of, *inter alia*, business activities, geographical spread, track record,

operating and financial leverage, liquidity, quality of earnings and accounting, economic outlook, growth statistics and other relevant data. As such it may be difficult to gauge the performance of the Group which may lead to inefficient pricing of the Ordinary Shares and the Warrants due to incomplete market information.

Credit risk

To the extent that the Company is exposed to the credit of a counterparty on an unsecured basis, it generally will not have a priority claim to any of the counterparty's assets upon a default. If the counterparty has secured creditors, the secured creditors will be entitled to repayment from the counterparty's assets in priority to the Company. Moreover, the Company may have to share the residual value of a defaulting counterparty's assets with other unsecured creditors. Consequently, there can be no assurance that the Company would recover any of the amount owed to the Company on an unsecured basis by a defaulting counterparty.

Tax uncertainty

The Myanmar tax regulations are currently under development. There are many areas where detailed regulations do not currently exist and where there is a lack of clarity. The implementation of tax regulations can vary depending on the tax authority involved. Additionally, there are various tax implications associated with ownership of the Ordinary Shares or Warrants which may vary depending on the individual circumstances of the Shareholder or Warrantholder. Further information on Myanmar taxation can be found in paragraph 11.4 of Part VI of this document.

Accounting, auditing and financial reporting standards

Myanmar's accounting, auditing and financial reporting standards, practices and disclosure requirements, while modelled on international accounting and financial reporting standards and practices, often differ in practice from those standards and practices. Less information may therefore be available to the Company than in respect of investments in more developed countries.

The Myanmar auditing firms may also find difficulty in recruiting an adequate number of suitably trained staff to conduct the increased volume of business.

Reputation risk

By participating in investments, and doing business, in Myanmar, there is a risk that the Company and/or the shareholders may be the subject of public complaints from parties who consider the actions of the government of Myanmar to be immoral or otherwise unacceptable. There is a risk that any actions or publicity surrounding the Company's business could result in damage to the Company's and/or the shareholders' reputation.

4. General investment risks

Transfer and settlement risk

The collection, transfer and deposit of securities and cash exposes the Company to a number of risks including theft, loss, fraud, destruction and delay. Additionally, procedures for registration of ownership may be unreliable in Myanmar and may be subject to fraud. Also, brokers and sub-custodians in Myanmar may not be as reliable as in developed countries and therefore may subject the Company to further risks.

Limited investment opportunities

Other companies, institutions and investors, both from Myanmar and overseas, are active in seeking investments in Myanmar. Competition for a limited number of attractive investment opportunities may lead to a delay in investment; may increase the price at which investments may be made; may reduce the availability and quality of due diligence that can be conducted; and thereby reduce the Company's potential profits in relation to such investments.

Concentration risk

Following the Company's first Investment, the Company will be exposed to a high degree of concentration risk. As a result, the impact on the Company's performance and the potential returns to investors will be more adversely affected if that Investment was to perform badly than would be the case if the Company's portfolio of Investments were more numerous and diversified. This risk will continue until such time as the Company is able to build up a diversified portfolio of Investments. Where a particular Investment represents a significant proportion of the Company's assets, the Company will have significant exposure to any risks to which the Investee Company is exposed. Investors have no assurance as to the degree of diversification in the Company's investments, either by country or asset type.

5. Risks relating to the Ordinary Shares and Warrants

No prior market

There has been no prior public market in the Ordinary Shares and the Warrants, so the trading price of the Ordinary Shares and the Warrants is likely to be volatile, and investors might not be able to sell their Ordinary Shares at or above the Issue Price.

An active or liquid market in the Ordinary Shares and the Warrants may not develop upon completion of the Placing and Subscription or, if it does develop, it may not be sustainable. The Issue Price may not be indicative of the market price of the Ordinary Shares or the Warrants after Admission and therefore the market price of the Ordinary Shares after Admission may be significantly different from the Issue Price. As a result of these and other factors, investors may be unable to resell their Ordinary Shares at or above the Issue Price. The following factors, in addition to other risks described in this document, may have a significant effect on the market price of the Ordinary Shares and the Warrants:

– variations in operating results;

– actual or anticipated changes in the estimates of operating results or changes in stock market analyst recommendations regarding the Ordinary Shares or the Warrants, other comparable companies or Myanmar generally;

– global and regional economic or political instability or stock market turmoil;

– macro-economic conditions and regulatory developments in Myanmar affecting the Company and its Investee Companies;

– foreign currency exchange fluctuations and the denominations in which the Company conducts business and holds cash reserves;

– market conditions in the Investee Company's industry and the Myanmar economy as a whole;

– the addition or departure of the Company's executive officers;

– changes in the market valuation of similar companies;

– trading volume of the Ordinary Shares or the Warrants; and

– sales of the Ordinary Shares or the Warrants by the Directors, Shareholders or Warrantholders.

In addition, if the market for investment company stocks or the stock market in general experiences loss of investor confidence, the trading price of the Ordinary Shares or the Warrants could decline for reasons unrelated to the Group's business, financial condition or operating results. The trading price of the Ordinary Shares or the Warrants might also decline in reaction to events that affect other companies in the industry, in the same geographic region, or in other similarly perceived 'frontier' countries even if these events do not directly affect the Company. Each of these factors, among others, could harm the value of an investor's investment in the Ordinary Shares or Warrants.

Future issuances of Ordinary Shares

If the Company issues Ordinary Shares in the future, or if the Warrantholders convert their Warrants into Ordinary Shares, or if Shareholders sell a substantial number of the Ordinary Shares in the public market after Admission, or if there is a perception that these sales, conversions or issuances might occur, the market price of the Ordinary Shares could decline. The Company may issue Ordinary Shares, or other securities, from time to time so as to raise funds or as consideration for future acquisitions and investments. In the event any such acquisition or investment is significant, the number of Ordinary Shares, or the number or aggregate principal amount, as the case may be, of other securities that the Company may issue, may in turn be significant, causing further downward pressure on the Company's share price.

Published research

The trading market for the Ordinary Shares and the Warrants will depend, in part, on the research and reports that securities or industry analysts publish about the Company. The Directors may be unable to obtain, attract or sustain coverage by well-regarded securities and industry analysts. If only a limited number of securities or industry analysts, or no analysts, maintain coverage of the Company, or if these securities or industry analysts are not widely respected within the general investment community, the trading price for the Ordinary Shares or the Warrants could be negatively impacted. In the event the Company obtains securities or industry analyst coverage, if one or more of the analysts who cover the Company downgrade the Ordinary Shares or the Warrants or publish inaccurate or unfavourable research about the Company's business, the share price could decline. If one or more of these analysts cease coverage of the Company or fail to publish reports regularly, demand for the Ordinary Shares and the Warrants could decrease, which might cause the share price and trading volume to decline.

Dividends

The Directors may retain all available funds and any future earnings to support the operation of and to finance the growth and development of the business. Any future determination to declare cash dividends will be made at the discretion of the Board, subject to compliance with applicable laws and covenants under current or future credit facilities, which may restrict or limit the ability to pay dividends and will depend on financial condition, operating results, capital requirements, general business conditions and other factors that the Board may deem relevant. The Directors do not anticipate paying any cash dividends on the Ordinary Shares in the foreseeable future. As a result, a return on an investor's investment will only occur if the price of the Ordinary Shares or the Warrants appreciates.

Use of proceeds

While the Directors intend to use the net proceeds from the Placing and Subscription as described in paragraph 12 of Part II of this document, Management will still have considerable discretion in the application of the net proceeds received from the Placing and Subscription. Investors will not have the opportunity, as part of their investment decision, to assess whether such proceeds are being used appropriately. Investors must rely on the judgment of the Management regarding the application of the proceeds received from the Placing and Subscription. Such proceeds may be used for corporate purposes that do not improve the Company's profitability or increase the price of the Ordinary Shares or the Warrants. The proceeds received from the Placing and Subscription may also be placed in investments that do not produce income or may lose value.

UK Takeover Code protections

The UK Takeover Code applies, *inter alia*, to offers for all listed public companies considered by the UK Panel on Takeovers and Mergers to be registered and traded in the UK, the Channel Islands or the Isle of Man. Accordingly, as a BVI incorporated company with a registered office in the BVI and whose securities are not traded on a regulated market, the UK Takeover Code will not be applied to

the Company with the result that Shareholders will not receive the benefit of the protections provided by the UK Takeover Code in relation to takeovers. The Articles contain certain protections similar to those set out in the UK Takeover Code. These are set out at paragraph 4.20.2 of Part VI of this document. However, it is the Board, and not the UK Panel on Takeovers and Mergers which will have the power to determine how and when such provisions should be applied, and the Board has power to waive such provisions.

BVI incorporation

The Company's corporate affairs are governed by its Memorandum and Articles, as amended and restated from time to time. The rights of shareholders to take action against the Directors, actions by minority shareholders and the fiduciary responsibilities of Directors to the Company under BVI law are governed by the BVI Business Companies Act, and to an extent common law, which differ in certain respects from English law. Information on certain provisions of BVI company law is set out in paragraph 4 of Part VI of this document.

Enforcing judgments

Substantially all of the Company's operations will be conducted in Singapore and Myanmar. In addition, most of the Directors and officers are residents of countries other than the UK. As a result, it may be difficult for investors to effect service of process within the UK upon these persons. It may also be difficult for third parties to enforce non-Singapore law judgments against the Company and its officers and directors, most of whom are not residents in the UK and the substantial majority of whose assets are located outside of the UK.

Volatile market price of the Ordinary Shares and the Warrants

The market price of the Ordinary Shares and Warrants may be subject to wide fluctuations in response to many factors. Such factors include, but are not limited to, variations in the operating results of the Company, divergence in financial results from analysts' expectations, changes in earnings estimates by stock market analysts, general economic conditions, legislative changes in the Company's sector and other events and factors outside of the Company's control. In addition, stock markets have from time to time experienced extreme price and volume fluctuations, which, as well as general economic and political conditions, could adversely affect the market price for the Ordinary Shares and the Warrants.

Secondary fundraisings

Once the first investment opportunity is identified the Company will likely be required to seek further equity financing. There can be no guarantee that the Company will be successful in future rounds of fundraising. Such failure to secure further financing may result in the Company abandoning its Investment Policy.

6. Foreign exchange risks

Foreign exchange control risks

On 2 April 2012, the Central Bank of Myanmar adopted a managed float for the Kyat after a 35-year fixed exchange rate regime. Although this policy shift is widely considered to be a positive development in the liberalisation of Myanmar's economy, the actual impact of such change is yet to be ascertained. Significant fluctuations of the Kyat against the US Dollar could have a material adverse effect on the Group's operations and financial conditions and prospects. In addition, the NAV per Ordinary Share is expressed in US Dollars and will fluctuate in accordance with, among other things, changes in the foreign exchange rate. There can be no assurance that fluctuations in exchange rates will not have an adverse effect on: (i) the Net Asset Value and Net Asset Value per Ordinary Share; or (ii) the value of distributions received by Shareholders in US Dollars after conversion of the income and realisation proceeds from the Company's non-US Dollar denominated investments.

Further, the remittance of foreign currency into Myanmar is generally unlimited but for remittance of foreign currency out of Myanmar the approval by the Central Bank of Myanmar will be required. The significant assets of the Group will be its interests in Myanmar. The ability of the Investee Companies to pay dividends or make other distributions, payments of service fees and repayments of loans to the Group by way of repatriation or remittance from the Myanmar operations may be restricted by, amongst other things, the availability of funds and statutory and other legal restrictions. To the extent that the ability of the Investee Companies to distribute to the Group is restricted, it may have an adverse effect on the Group's business, operations and financial condition.

Currency conversion

The Company will need to convert Kyats back to US Dollars to make distributions to Shareholders, but the Kyat is currently not a freely convertible currency. The government of Myanmar does not guarantee that hard currency will be available to the Company or that it will receive any priority if there is a shortage.

The Company may seek to hedge against a decline in the value of the Company's investments resulting from currency depreciation but only if and when suitable hedging instruments are available on a timely basis and on acceptable terms. There is no assurance that any hedging transactions engaged in by the Company will be successful in protecting against currency depreciation or that the Company will have opportunities to hedge on commercially acceptable terms.

Foreign exchange regulations

The FEML replaced the CBM approval requirements under the 1947 Foreign Exchange Regulations Act for each and every foreign currency payment out of the country. The FEML is intended, among other things, to liberalise transfer payments relating to 'current account transactions' which include: (i) remittances for trading, services fees, settlement of short term bank loans; (ii) remittances for payment of interest on loans and net income from investments; and (iii) instalment loan payments or depreciation on direct investments. Under section 25 of the FEML, current account transactions 'shall not be restricted directly or indirectly for settlement or remittance out of the country'.

However, there is evidence that local banks do not yet know how to implement these new rules and until the publication by the CBM of the implementation of the notifications relating to the FEML, there will be little evidence or understanding as to how the regime of remittances will work in practice.

Approval for such activities is also required from the Myanmar Investment Commission if the borrower is doing business under the FIL. If a foreign lender makes a loan to a borrower in Myanmar without the above mentioned approvals the loan agreement will be void and unenforceable.

References to Myanmar in transfer of US Dollars

The Company may need to transfer US Dollars from the US to Myanmar and/or transfer funds with a reference relating to Myanmar. Transfers of US Dollars thorough New York where the underlying transaction relates to Myanmar may be subject to sanctions scrutiny and as a result delays may be experienced with transactions of this kind. The Directors' experience is that usually such funds are cleared eventually, but there is a risk that the situation may change and funds may not be approved by the authorities for transfer or that any delays experienced may affect investment opportunities.

7. Intellectual property

New intellectual property laws were expected to be introduced in Myanmar by January 2006. These have not been produced as yet, therefore new intellectual property laws relating to trademark, patent, copyright, and industrial design have yet to be enacted. In the meantime, there are no laws relating to patents and designs and the Myanmar Copyright Law of 1914, although it is still technically in force, has not been recently tested in the courts or enforced in Myanmar.

There is no specific law in Myanmar dedicated solely to trademarks. However, the legal right to a trademark exists in Myanmar and is partially statutory in nature and partially dependent upon the general principles of commercial law. A strong custom has developed for the evidentiary assertion of the rights of ownership in a trademark. This is accomplished by first registering a trademark at the Office of Registration of Deeds, and then having a licensed lawyer publish a cautionary notice in a newspaper of broad circulation. Although such procedures do not legally guarantee enforceability due to the absence of specific trademark law, this registration will serve an evidentiary function in any subsequent common law suit for passing off, or in a suit for trademark infringement. Because of the foregoing, trademark ownership is subject to judicial discretion and factors including registration may be taken into account by a judge deciding on ownership of a mark.

8. Taxation

The attention of potential investors is drawn to paragraph 11 of Part VI of this document headed 'Taxation'.

The tax rules and tax treaties, including stamp duty provisions, and their interpretation relating to an investment in the Company may change during the life of the Company and may alter the tax benefit of an investment in the Company or an investment made by the Company.

The levels of, and reliefs from, taxation may change. The tax reliefs referred to in this document are those that are currently available and their value may depend upon the individual circumstances of investors. Any change in the Company's tax status or the tax applicable to holding Ordinary Shares or Warrants or in taxation legislation or its interpretation, could affect the value of the investments held by the Company, affect the Company's ability to provide returns to Shareholders and/or alter the post-tax returns to Shareholders. Statements in this document concerning the taxation of the Company and its investors are based upon current tax law and practice which is subject to change, possibly with retrospective effect.

9. Litigation

The Company may be exposed to litigation or product liability claims in the future. While the Directors intend to arrange what they believe to be adequate levels of insurance cover, sufficient for the Company's current position, there can be no assurance that the level of insurance in the future will be adequate to cover the financial damages resulting from any claim or judgment made against the Company. Any claim or judgment which exceeds the Company's insurance coverage limits could have a material adverse effect on the Company's business, financial conditions, results, operations and cash flows. Insurance coverage is increasingly expensive and the Company may not have, and it may not be able to maintain, adequate protection against potential liabilities. If the Company is unable to maintain insurance at an acceptable cost or otherwise protect against potential product liability claims, it could be exposed to significant liabilities, which may materially and adversely affect its business and financial position.

10. US Risks

Investment Company Act

The Directors believe that, by virtue of Section 3(c)(7) of the Investment Company Act, the Company should not be deemed to be an 'investment company' and, accordingly, should not be required to register as such under the Investment Company Act. This interpretation depends in part, however, on the application of Section 3(c)(7) of the Investment Company Act. Section 3(c)(7) of the Investment Company Act excludes from regulation certain private investment companies: (i) whose outstanding securities are beneficially owned exclusively (for purpose of Section 3(c)(7)) by persons who, at the time of acquisition of such securities, are 'Qualified Purchasers'; and (ii) are not making and do not presently propose to make a public offering of their securities.

Lack of Regulatory Oversight

The Company's activities will generally not be subject to the same degree of regulatory oversight to which other investment vehicles are subject. While the Company may be considered similar to an investment company, it is not registered as such under the Investment Company Act in reliance upon exclusions available to privately offered investment companies (see risk factor 'Investment Company Act' above). Accordingly, the provisions of the Investment Company Act (which, among other things, require investment companies to have disinterested directors and to maintain their assets and securities in the custody of a qualified custodian, and which regulate the relationship between the adviser and the investment company) are not applicable to the Company.

US Transfer Restrictions

The Ordinary Shares and Warrants have not been registered in the US under the US Securities Act or under any other applicable securities laws and are subject to restrictions on transfer. They may not be resold in the US, except pursuant to registration or an exemption from the registration requirements of the US Securities Act and any applicable state securities laws and subject to the limitations set out in paragraph 12 of Part VI of this document to which prospective investors should refer.

Passive Foreign Investment Company

The Company may be treated as a passive foreign investment company (a "**PFIC**") for US federal income tax purposes, which could result in adverse tax consequences to holders of Ordinary Shares or Warrants that are US Holders (as defined in paragraph 11.5 of Part VI of this document (Taxation—US federal income taxation)). A non-US corporation generally will be classified as a PFIC for US federal income tax purposes for any taxable year if either: (i) 75 per cent. or more of its gross income for such year (looking through certain 25 per cent. or more owned corporate subsidiaries) consists of certain types of 'passive' income (e.g., interest and dividends); or (ii) 50 per cent. or more of the value of its assets (based on an average of the quarterly values of the assets and looking through certain 25 per cent. or more-owned corporate subsidiaries) is attributable to assets that produce, or are held for the production of, passive income. PFIC status is a fact-intensive determination made on an annual basis. It is possible the Company may become a PFIC in the current or any future taxable year due to changes in the Company's asset or income composition (which will be affected by, among other things, how, and how quickly, the Company spends the cash it raises in this offering). Furthermore, because the Company's status as a PFIC may depend in part upon the market value of the Ordinary Shares, a decrease in such market value may also result in the Company becoming a PFIC. Accordingly, no assurance can be given that the Company is not, or will not become classified as, a PFIC. If the Company were to be classified as a PFIC in any taxable year, a US Holder of Ordinary Shares would be subject to special rules generally intended to reduce or eliminate any benefits from the deferral of US federal income tax that a US Holder could otherwise derive from investing in a non-US corporation that does not distribute its earnings on a current basis. In addition, if the Company were classified as a PFIC for any year during which a US Holder holds Ordinary Shares, the Company generally would continue to be treated as a PFIC for all succeeding years during which such US Holder holds the Ordinary Shares. Furthermore, the application of the PFIC rules to a US Holder of Warrants is not entirely clear. For these reasons, the acquisition of Ordinary Shares or Warrants may not be a suitable investment for US Holders (other than US Holders that are tax-exempt organisations). See 'Taxation—US federal income taxation—Passive Foreign Investment Company Rules' at paragraph 11.5 of Part VI of this document for more information. US investors should consult their tax advisers regarding the application of the PFIC rules to an investment in Ordinary Shares and/or Warrants.

The foregoing factors are not exhaustive and do not purport to be a complete explanation of all the risks and significant considerations involved in investing in the Company. Accordingly and as noted above, additional risks and uncertainties not presently known to the Directors, or that the Directors currently deem immaterial, may also have an adverse effect on the Company's business.

PART VI

ADDITIONAL INFORMATION

1. Responsibility

The Company, whose registered office address appears on page 9 of this document and the Directors, whose names, business address and functions appear on page 9 of this document, accept responsibility for all the information contained in this document including individual and collective responsibility for compliance with the AIM Rules for Companies. To the best of the knowledge and belief of the Directors and the Company (who have taken all reasonable care to ensure that such is the case), the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

2. Incorporation and status of the Company

2.1 The Company was incorporated in the British Virgin Islands on 17 May 2013 with the company registration number 1774652 as a company limited by shares.

2.2 On 28 May 2013, the Company acquired all of the issued share capital of Myanmar Investments Limited ("**MIL**") from the Founders as set out in paragraph 3.3 below. MIL was incorporated in Singapore on 1 March 2013 with registration number 201305522R as a public company limited by shares. Prior to Admission MIL had not commenced trading and has had no material assets or liabilities since incorporation. The Company is the parent company of MIL.

2.3 On 13 May 2013, MIL acquired all of the issued share capital of Myanmar Investments (Singapore) Pte. Limited ("**MIS**"), formerly known as Myanmar Investments Pte. Limited, from Michael Dean and Craig Martin for S$50. MIS was incorporated in Singapore on 8 November 2012 with registration number 201227553K as a private company limited by shares. Prior to Admission MIS had not commenced trading and has had no material assets or liabilities since incorporation. MIL is the parent company of MIS.

2.4 The principal legislation under which the Company operates is the BVI Business Companies Act.

2.5 The Company's legal and commercial name is Myanmar Investments International Limited.

2.6 The Company's registered office is at Jayla Place, Wickhams Cay I, Road Town, Tortola, British Virgin Islands and the business address of the Company's principal subsidiary, MIL, is 37th Floor Singapore Land Tower, 50 Raffles Place, Singapore 048623 and its telephone number is +65 68297251.

2.7 The address of the Company's website which discloses the information required by Rule 26 of the AIM Rules for Companies is www.myanmarinvestments.com.

2.8 The Directors confirm that since the date of incorporation of the Company, the Company has not commenced operations, and has no material assets or liabilities and therefore no financial statements have been made up as at the date of this document. The Company's accounting period will terminate on 31 March of each year. The first accounting period will run for approximately 11 months, ending on 31 March 2014.

3. Share capital of the Company

3.1 As at the date of this document, the issued share capital of the Company is:

Class of Ordinary Shares	**Issued Number**
Ordinary Shares	500,000

3.2 The issued share capital of the Company immediately following Admission will be:

Class of Ordinary Shares	Issued Number
Ordinary Shares	6,342,619

3.3 The history of the Company's share capital since incorporation on 17 May 2013 is as follows:

(i) Upon the incorporation of the Company on 17 May 2013, Michael Dean subscribed for one Ordinary Share.

(ii) On 28 May 2013 Michael Dean, Aung Htun, William Knight and Chris Appleton each contributed their shares in MIL to the Company as consideration for the issue to them of Ordinary Shares as follows:

	MIL Shares contributed	Ordinary Shares issued
Michael Dean	125,000	124,999
Aung Htun	250,000	250,000
Craig Martin	50,000	50,000
Chris Appleton	50,000	50,000
William Knight	25,000	25,000

(iii) On 21 May 2013 the Memorandum of Association of the Company was amended to allow the issue of an unlimited number of Ordinary Shares. No further Shareholder approval is required for the issue of the New Ordinary Shares.

(iv) By a resolution of the Board at a meeting held on 21 June 2013, the Company has, conditional upon Admission, alloted 5,842,619 Ordinary Shares pursuant to the Placing and Subscription.

3.4 The Ordinary Shares have no par value.

3.5 As at the date of this document the Company does not hold any Ordinary Shares in treasury.

3.6 No Ordinary Shares of the Company are currently in issue with a fixed date on which entitlement to a dividend arises and there are no arrangements in force whereby future dividends are waived or agreed to be waived.

3.7 Save as set out in this document, there has been no other share issue by the Company since incorporation and (other than pursuant to the Placing and Subscription or following the exercise of the Warrants or the Share Options) no further share issues are currently proposed in the near future.

3.8 Save as disclosed in this document no commissions, discounts, brokerages or other special terms have been granted by the Company in connection with the issue or sale of any share or loan capital of the Company since incorporation.

3.9 Save as disclosed in this paragraph 3, on Admission no share or loan capital of the Company will be under option or has been agreed conditionally or unconditionally to be put under option.

3.10 It is expected that definitive share certificates for the Ordinary Shares and Warrants not to be held through CREST will be posted to allottees by 4 July 2013. Warrants and Depositary Interests representing Ordinary Shares to be held through CREST will be credited to CREST accounts on Admission.

3.11 The Ordinary Shares will be allotted and issued pursuant to the BVI Business Companies Act and the Articles.

4. Summary of BVI Company Law

The Company is incorporated in the BVI as a BVI business company ("**BVIBC**") under the provisions of the BVI Business Companies Act and therefore is subject to BVI law. Certain provisions of the BVI Business Companies Act are summarised below. The following is not intended to provide a comprehensive review of the applicable law, or of all provisions which differ from equivalent provisions in jurisdictions, with which interested parties may be more familiar. This summary is based upon the law and the interpretation of the law applicable as at the date of this document and is subject to change.

4.1 *Memorandum of Association*

Clause 5 of the Memorandum contains, *inter alia*, provisions relating to the capacity and powers of the Company. Subject to the BVI Business Companies Act and any other BVI legislation, the Company has, irrespective of corporate benefit: (i) full capacity to carry on or undertake any business or activity, do any act or enter into any transaction; and (ii) for the purposes of (i) full rights, powers and privileges.

4.2 *Share capital*

Subject to any limitation or provisions to the contrary contained in the memorandum or articles of association of a company, the BVI Business Companies Act places the issuance of shares and other securities in a company under the control of its directors. Under the Articles, shares and other securities may be issued at such times, to such persons for such consideration and on such terms as the Directors may by a resolution of directors determine.

Shares may be issued for consideration in any form, including money, a promissory note or other written obligation to contribute money or property, real property, personal property (including goodwill and know-how), services rendered or a contract for future services, or any combination thereof.

4.3 *Rights attaching to Ordinary Shares*

The rights attaching to the shares, as set out in the Memorandum and the Articles, contain, amongst others, the following provisions:

(i) Votes of Shareholders

Section 34 of the BVI Business Companies Act deals with the voting rights of shareholders. This section provides that except as provided in a company's memorandum or articles, all shares have one vote. There are no contrary provisions in the Memorandum or Articles.

(ii) Variation of rights

The rights attached to Ordinary Shares may only, whether or not the Company is being wound up, be varied with the consent in writing of or by a resolution passed at a meeting by the holders of more than 50 per cent. of the issued Ordinary Shares of that class.

(iii) Transfers of shares

(a) Subject to any limitations in the Memorandum, shares may be transferred by a written instrument of transfer signed by the transferor and containing the name and address of the transferee.

(b) In the case of interests in shares in the Company in the form of Depositary Interests, a Shareholder shall be entitled to transfer his interests by means of a

relevant system and the operator of the relevant system shall act as agent of the Shareholders for the purposes of the transfer of such interests.

(c) The Company shall not be required to treat a transferee of a share in the Company as a Shareholder until the transferee's name has been entered in the share register.

(iv) Mandatory Transfer Provisions

The Company may at any time require a Shareholder to sell some or all of the Ordinary Shares held by it within a specified period at the prevailing market price for the Ordinary Shares if necessary or desirable in order to comply with the US Securities Act or if it shall come to the attention of the Directors that:

(a) any Ordinary Share is or may be held directly or beneficially by a US Person and such person has not provided the Company with such representation as the Company may require from such holder;

(b) any Ordinary Share is held by a person whose ownership or holding of any Ordinary Shares might in the opinion of the Directors contribute to a requirement for registration of the Company as an Investment Company under the Investment Company Act;

(c) any Ordinary Share is held by a person whose ownership or holding of any Ordinary Shares might in the opinion of the Directors require contribute to a requirement for registration of the Company as an Investment Company under the US Investment Advisers Act of 1940, as amended; or

(d) any Ordinary Share is held by a person whose ownership or holding of any Ordinary Shares might in the opinion of the Directors increase the risk of the Company becoming a 'Reporting Issuer' under the US Securities Exchange Act of 1934.

If a Shareholder does not comply with such a demand within the period specified, the Company may repurchase the Ordinary Shares at the prevailing market price without the consent of the Shareholder.

4.4 ***Redemption of shares***

By Regulation 3 of the Articles, the Company may purchase, redeem or otherwise acquire and hold its own shares save that the Company may not purchase, redeem or otherwise acquire its own shares without the consent of Shareholders whose shares are to be purchased, redeemed or otherwise acquired unless the Company is permitted by the BVI Business Companies Act or any other provision in the Memorandum or Articles to purchase, redeem or otherwise acquire the shares without their consent. The Company may only offer to purchase, redeem or otherwise acquire shares if the directors authorising the purchase, redemption or other acquisition confirm that they are satisfied, on reasonable grounds, that immediately after the acquisition the value of the Company's assets will exceed its liabilities and the Company will be able to pay its debts as they fall due.

Shares that the Company purchases, redeems or otherwise acquires may be cancelled or held as treasury shares (with no rights attaching to such shares while held in treasury) except to the extent that such shares are in excess of 50 per cent. of the issued shares in which case they shall be cancelled but they shall be available for reissue.

4.5 ***Conversion of loans or other debt instruments***

The Articles do not restrict the Company from issuing convertible loans or other debt instruments, of any nature, which may be converted to shares in the Company (subject to the relevant terms and conditions attaching to such convertible loan or debt instrument). The Directors are accordingly free to authorise the issue of convertible loans or other debt instruments by a resolution of Directors on such terms and at such time and to such persons as they in their sole discretion deem fit.

4.6 ***Payment of dividends***

The profits of the Company available for dividend and resolved to be distributed shall be applied in the payment of dividends to the Shareholders in accordance with their respective rights and priorities, provided that no dividend may be paid otherwise than in accordance with BVI law.

A dividend can be declared and paid, at any time or from time to time, by the Board once they are satisfied that the Company can immediately after the distribution satisfy the Solvency Test.

The Company satisfies the Solvency Test if: (i) the value of the Company's assets exceeds its liabilities; and (ii) the Company is able to pay its debts as they fall due.

The Board may from time to time pay interim dividends to the Shareholders if such interim dividends appear to be justified by the profits of the Company.

Dividends in money, shares or other property may be declared by the Directors.

4.7 ***Return of capital***

Section 206 of the BVI Business Companies Act deals with the distribution of assets by a voluntary liquidator on a winding-up of a company. Subject to payment of, or to discharge of, all claims, debts, liabilities and obligations of the Company any surplus assets shall then be distributed amongst the Shareholders according to their rights and interests in the Company according to the Memorandum and Articles. If the assets available for distribution to Shareholders are insufficient to pay the whole of the paid up capital such assets shall be shared on a *pro rata* basis amongst Shareholders entitled to them by reference to the number of fully paid up shares held by such Shareholders respectively at the commencement of the winding up.

4.8 ***Borrowing powers***

The business and affairs of the Company may be managed by, or under the direction or supervision of the Board. The Board has all the powers necessary for managing and for directing and supervising, the business and affairs of the Company. There are no restrictions in the BVI Business Companies Act or the Articles, on the Board's ability to exercise the powers of the Company to borrow money and to mortgage or charge its undertakings, property and assets (both present and future), or to issue debentures, debenture stock and other securities whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party.

4.9 ***Directors***

(a) Directors shall be elected by a resolution of shareholders or by a resolution of directors.

(b) The minimum number of directors is one and the maximum number of directors is 12.

(c) Each director holds office for the term, if any, fixed by the resolution of shareholders or the resolution of directors appointing him, or until his earlier death, resignation or removal. If no term is fixed on the appointment of a director, the director serves

indefinitely until his earlier death, resignation or removal. Directorships will terminate upon a director reaching 75 years of age.

(d) The directors may, at any time, appoint a person to be a director either to fill a vacancy or as an addition to the existing directors. Where a person is appointed to fill a vacancy, or as an additional director, the term shall not exceed the term that remained when the person who has ceased to be a director ceased to hold office.

(e) At every annual general meeting, one third of the directors who are subject to retirement by rotation, or as near to it as may be, will retire from office. A retiring director is eligible for re-appointment.

(f) A director may be removed from office:

i. with or without cause, by a resolution of Shareholders passed at a meeting of Shareholders called for the purposes of removing the director or for purposes including the removal of the director;

ii. pursuant to the provisions regarding the retirement of directors by rotation; or

iii. with cause, by a resolution of directors passed at a meeting of directors called for the purpose of removing the director or for purposes including the removal of the director.

(g) No shareholding qualification is required by a director.

(h) The directors may by a resolution of the directors appoint or remove officers of the Company at such times as may be considered necessary or expedient.

4.10 ***Meetings of Members***

Any director may call meetings of the Shareholders at such times and in such manner and places within or outside the BVI as the director considers necessary or desirable. Upon the written requisition of Shareholders entitled to exercise 10 per cent. or more of the voting rights in respect of the matter for which the meeting is requested, the directors shall convene a meeting of Shareholders.

The Company is required to hold a meeting of shareholders as its annual general meeting in addition to any other meetings in that year, and not more than fifteen months shall elapse between the date of one annual general meeting of the Company and that of the next, provided that so long as the Company holds its first annual general meeting within eighteen months of its incorporation, it need not hold it in the year of its incorporation or in the following year.

A meeting of the Shareholders may be called by at least 14 days' notice to those Shareholders whose names on the date the notice is given appear as Shareholders in the register of members of the Company and are entitled to vote at the meeting and to the directors. The inadvertent failure of a director who convenes a meeting to give notice of a meeting to a Shareholder or another director, or the fact that a Shareholder or another director has not received notice, does not invalidate the meeting.

A Shareholder may be represented at a meeting of Shareholders by a proxy who may speak and vote on behalf of the Shareholder. The instrument appointing a proxy shall be produced at the place designated for the meeting before the time for holding the meeting at which the person named in such instrument proposes to vote. The notice of the meeting may specify an alternative or additional place or time at or by which the proxy shall be presented.

The instrument appointing a proxy shall be in a form to be agreed to by the directors of the Company and which complies with the rules of the recognised investment exchange.

4.11 ***Pre-emption rights of Shareholders***

There is a statutory provision providing for pre-emption rights but this has been expressly disapplied by the Articles.

The Articles provide pre-emption rights on issues of Equity Securities, subject to certain exceptions. The Articles provide that the Company shall not allot or issue, save as otherwise approved by a resolution passed by at least 75 per cent. of the votes cast in person or by proxy at a meeting of Shareholders, any Equity Securities unless such issue is made pursuant to: (i) an issue of Equity Securities for non-cash consideration which does not exceed (together with all other issues in the last 12 months excluding issues which fell within an exemption from the pre-emption rights or in respect of which the pre-emption rights were disapplied by shareholders' consent) one third of the Company's issued share capital at the time of such issue (excluding treasury shares); (ii) a fully pre-emptive offer; (iii) an issue of equity securities pursuant to an initial public offering on AIM; (iv) an employee share scheme; (v) an issue of shares upon exercise, conversion or exchange of any rights to granted on or before Admission; (vi) an issue of Equity Securities as a dividend or distribution payable in Ordinary Shares *pro rata* to all shareholders; (vii) an issue of shares for cash in connection with or pursuant to an open offer or an offer by way of rights in favour of holders of Ordinary Shares in proportion (as nearly as may be) to the respective numbers of Ordinary Shares held by or deemed to be held by them subject only to such exclusions as the Directors may deem necessary or expedient to deal with fractional shares or legal or practical problems arising under the laws of any overseas territory or the requirements of any regulatory authority or any stock exchange; (viii) an issue of Equity Securities upon exercise of a right to subscribe for, or convert or exchange any, securities into Ordinary Shares where such right was granted in accordance with the pre-emption provisions in the Articles; (ix) an issue of Equity Securities provided that the price for such Equity Securities does not represent a discount to the Company's last published NAV; or (x) an issue of Equity Securities at an issue price that represents a discount of not more than 10 per cent. to its last published NAV up to a maximum number of shares representing (together with all other issues in the previous 12 months, excluding issues which fell within an exemption from the pre-emption rights or in respect of which the pre-emption rights were disapplied by shareholder consent) 10 per cent. of its existing issued share capital at the time of such issue excluding treasury shares.

For the purposes of this section:

(a) "**Equity Securities**" means a Relevant Share or a right to subscribe for, or convert securities (including any debt securities) into, or exchange any securities (including any debt securities) for, Relevant Shares; and

(b) "**Relevant Shares**" means any shares of the Company other than shares which as respects dividends or capital carry a right to participate only up to a specified amount in a distribution.

4.12 ***Financial assistance to purchase shares of a company or its holding company***

The Company may give financial assistance to any person in connection with the acquisition of its own shares pursuant to Section 28 of the BVI Business Companies Act.

4.13 ***Purchase of shares***

A company may, subject to its memorandum and articles of association, purchase, redeem or otherwise acquire and hold its own shares in the manner provided for under its articles.

A company may only offer to purchase, redeem or otherwise acquire shares if the resolution of directors authorising the purchase, redemption or other acquisition contains a statement that the directors are satisfied, on reasonable grounds, that immediately after the acquisition the

value of the company's assets will exceed its liabilities and the company will be able to pay its debts as they fall due.

Subject to any limitations in the memorandum or articles of association, shares that a company purchases, redeems or otherwise acquires may be cancelled or held as treasury shares.

A company is not prohibited from purchasing and may purchase its own warrants subject to and in accordance with the terms and conditions of the relevant warrant instrument or certificate. There is no requirement under BVI law that a company's memorandum or articles of association contain a specific provision enabling such purchases and the directors of a company may rely upon the general power contained in its memorandum of association.

A subsidiary may hold shares in its parent company.

4.14 ***Dividends and distribution***

There is, at present, no BVI taxation or withholding tax on dividends declared and paid by the Company to non-residents of the BVI.

4.15 ***Protection of minorities***

Part XA of the BVI Business Companies Act provides certain statutory remedies to shareholders including derivative actions, personal actions and representative actions. The courts may consider claims by minority shareholders alleging that a company has acted *ultra vires*, illegally or fraudulently, where there has been a fraud by the majority on the minority or where (subject to certain conditions) a particular transaction involving a director is unfairly prejudicial to one or more of its shareholders.

The BVI Business Companies Act further provides that any shareholder of a company is entitled to payment of the fair value of his shares upon dissenting from any of the following:

(i) a merger, if the company is a constituent company, unless the company is the surviving company and the shareholder continues to hold the same or similar class of shares;

(ii) a consolidation, if the company is a constituent company;

(iii) any sale, transfer, lease, exchange or other disposition of more than 50 per cent. of the assets or business of the company if not made in the usual or regular course of the business carried on by the company but not including: (i) a disposition pursuant to an order of the court having jurisdiction in the matter; (ii) a disposition for money on terms requiring all or substantially all net proceeds to be distributed to the shareholders in accordance with their respective interests within one year after the date of disposition; or (iii) a transfer pursuant to the power of the directors to transfer assets as described in Section 28(2) of the BVI Business Companies Act;

(iv) a redemption of 10 per cent. or fewer of the issued shares of the company required by the holders of 90 per cent. or more of the issued shares of the company pursuant to the terms of the BVI Business Companies Act; or

(v) an arrangement, if permitted by the court.

Generally any other claims against a company by its shareholders must be based on the general laws of contract or tort applicable in the BVI or their individual rights as shareholders as established by the company's memorandum and articles of association.

A majority of the shareholders must approve a proposed merger of a company, unless the merger is with a wholly owned subsidiary.

Any sale, transfer, lease, exchange or other disposition, other than a mortgage, charge or other encumbrance or the enforcement thereof, of more than 50 per cent. of the assets of a company, if not made in the usual or regular course of the business carried on by the company requires shareholder approval.

Shareholders dissenting from the proposal to dispose of 50 per cent. or more of the assets or from any arrangement (which may cover other types of reorganisation or reconstruction of a company) are entitled to require the company to pay the fair value of their shares, in accordance with the procedures and conditions laid down by the BVI Business Companies Act.

Although the BVI Business Companies Act does not prescribe procedures for variation of the rights of different classes of shareholders, the rights of such shareholders are governed by common law. The Memorandum permits variation in class rights with the consent in writing of the holders of at least 75 per cent. of the issued shares of the relevant class or with the sanction of a resolution passed by at least a 75 per cent. Majority of the holders of shares of the class present in person or by a proxy at a separate meeting of the holders of the shares of that class.

4.16 ***Management***

The Company is managed by its directors, consisting of not less than one or more than 12 directors, who each have full authority to bind the Company. Directors are required under BVI law to act honestly and in good faith with a view to the best interests of the company, and to exercise the care, diligence and skill a reasonable director would exercise in the same circumstances taking into account but without limitation the position of the director and the nature of the company, the nature of the decision and the nature of the responsibilities undertaken by him. As mentioned above, certain actions require prior approval of the shareholders, as a matter of statute. While the Company may provide certain indemnity for its directors, the BVI Business Companies Act precludes the directors from taking advantage of such indemnities unless they act honestly and in good faith and in what they believed to be in the best interests of the Company, and in the case of criminal proceedings, where the director had no reasonable cause to believe that his conduct was unlawful.

4.17 ***Accounting and auditing requirements***

BVI law makes no specific provision for the types of books and records to be maintained. It requires only that a company keep such accounts and records as the directors of the company consider necessary or desirable in order to reflect the financial position of the company. There is no statutory requirement to audit or file annual accounts unless the company is engaged in certain businesses, which require a licence under BVI law.

4.18 ***Inspection of corporate records***

Shareholders are entitled to inspect, on giving written notice, the Memorandum and Articles, the register of members, the register of directors and minutes of meetings and resolutions of members and of those classes of members which he is a member. However, the Directors have power to refuse the request on the grounds that the inspection is not in the best interest of the Company or of any other Shareholder of the Company. A Shareholder who has been refused an inspection may apply to court for an order to permit the inspection.

The only corporate records generally available for inspection by members of the public are those required to be maintained at the BVI Registry of Corporate Affairs, namely the certificate of incorporation and memorandum and articles of association together with any amendments to these documents, and certain other documents which the company may optionally elect to file.

A company may elect to maintain a copy of its share register and register of directors at the Registry of Corporate Affairs, but this is not required under BVI law. These documents are, however, maintained in the office of the company's registered agent and may be inspected with the company's consent, or in limited circumstances pursuant to a court order.

4.19 ***Winding up***

The BVI Business Companies Act and the Insolvency Act 2003 (in the case of insolvency) make provision for both voluntary and compulsory winding up of a company, and for appointment of a liquidator. The shareholders or the directors may resolve to appoint a voluntary liquidator. If it is the directors who resolve to commence the winding up by the appointment of the voluntary liquidator, they must present a liquidation plan for approval by the shareholders, incorporating the matters set out in the BVI Business Companies Act.

A company, any member or creditor may petition the court, pursuant to the Insolvency Act, for the winding up of the company upon various grounds amongst others, that it is just and equitable that the company should be wound up or that the company is insolvent within the meaning of that term in the Insolvency Act. This includes circumstances when the value of a company's liabilities exceeds its assets or the company is unable to pay its debts as they fall due.

4.20 ***Takeovers***

4.20.1 Takeovers – General

Generally the merger or consolidation of a BVIBC requires shareholder approval (however a BVIBC parent company may merge with one or more BVI subsidiaries without shareholder approval, provided that the surviving company is also a BVIBC). Shareholders dissenting from a merger are entitled to payment of the fair value of their shares unless the company is the surviving company and the shareholder continues to hold a similar interest in the surviving company.

The BVI Business Companies Act permits BVIBCs to merge with companies incorporated outside the BVI, provided the merger is lawful under the laws of the jurisdiction in which the non-BVI company is incorporated.

Under the BVI Business Companies Act, following a statutory merger, one of the companies is subsumed into the other (the surviving company) or both are subsumed into a third company (a consolidation). In either case, with effect from the effective date of the merger, the surviving company assumes all of the assets and liabilities of the other entity(ies) by operation of law and the other entities cease to exist.

4.20.2 Takeover Code

There is no takeover code or similar regulation of takeover offers applicable in the BVI. However, Regulation 23 of the Articles provides that a person must not (other than solely as Depositary) (the "**Offeror**"):

(a) whether by himself or with persons determined by the Board to be acting in concert with him, acquire after the date of Admission (the "**Effective Date**") an interest in Ordinary Shares which, taken together with Ordinary Shares in which persons determined by the Board to be acting in concert with him have become interested since the Effective Date, carry 30 per cent. or more of the voting rights attributable to all the Ordinary Shares of the Company except where either: (i) the Board consents to the acquisition; (ii) the acquisition is made in circumstances in which the Takeover Code, if it applied to the Company, would require an offer to be made as a consequence and such offer is made in

accordance with Rule 9 of the Takeover Code; (iii) if the acquisition arises from repayment of a stock borrowing arrangement (on arm's length commercial terms); or (iv) the acquisition is approved by a resolution of a majority of the Shareholders not affiliated or acting in concert (as defined in the Takeover Code) with the person making the acquisition who are entitled to vote and who vote on such resolution (each "**a Permitted Acquisition**"); or

(b) whilst he, together with persons determined by the Board to be acting in concert with him, is interested in Ordinary Shares which in aggregate carry 30 per cent. or more of the voting rights attributable to all the Ordinary Shares in the Company but does not hold shares carrying more than 50 per cent. of such voting rights, acquire after the Effective Date, whether by himself or with persons determined by the Board to be acting in concert with him, an interest in additional Ordinary Shares which, taken together with Ordinary Shares in which persons determined by the Board to be acting in concert with him are interested, increases the percentage of Ordinary Shares carrying voting rights in which he is interested, except as a result of a Permitted Acquisition; or

(c) effect or purport to effect an acquisition (other than a Permitted Acquisition) to which Rules 4, 5 or 6 of the Takeover Code would in whole or part apply if the Company was subject to the Takeover Code and the acquisition was made (or, if not yet made, would when made be) in breach of or otherwise not comply with Rules 4, 5 or 6 of the Takeover Code.

(d) If a person breaches any of the limits set out in paragraphs (a) and (b) above, or is in breach of paragraph (c) above, the Board has the discretion to act in a number of ways including requiring the sale of any Ordinary Shares acquired in breach of the Articles (the "**Excess Shares**") and/or removing the right to vote some or all of the Excess Shares and/or the right to any dividends or distributions from a particular time or a definite period until either: (a) an offer is made in accordance with Rule 9 of the Takeover Code; or (b) until such Excess Shares are sold to a person who is not acting in concert with the holder.

4.20.3 Squeeze Out Rights

If an offer shall be made pursuant to Regulation 23 of the Articles or otherwise for all of the Ordinary Shares of the Company and:

(a) the offeror (together with persons acting in concert with him) has by virtue of acceptance of the offer acquired or contracted to acquire some (but not all) of the Ordinary Shares to which the offer relates; and

(b) those Ordinary Shares, with or without any other Ordinary Shares which the offeror (together with persons acting in concert with him) holds or has acquired or contracted to acquire, would result in the offeror (together with persons acting in concert with him) obtaining or holding an interest in Ordinary Shares conferring in aggregate 90 per cent. or more of the voting rights conferred by all the Ordinary Shares then in issue then the offeror shall be entitled to give a notice (the "**Squeeze Out Notice**") to all other holders of Ordinary Shares in respect of all the Ordinary Shares then in issue and held by them in respect of which the offer has not yet been accepted. The Squeeze Out Notice shall be made in writing, be at the same price and on the same terms as the offer and be capable of acceptance for a period of not less than 30 days after the date of the Squeeze Out Notice.

Upon delivery of the Squeeze Out Notice each of the recipients (the "**Called Shareholders**"): (a) shall be deemed to have accepted the offer in respect of all shares held by it; and (b) shall become obliged to deliver to the offeror or as the offeror may direct an executed transfer of such Ordinary Shares and (if it exists) the certificate(s) in respect of the same. Squeeze Out Notices shall be irrevocable but will lapse if for any reason there is not a sale of the Called Shareholders' shares within 60 days after the date of service of the Squeeze Out Notice. The offeror shall be entitled to serve further Squeeze Out Notices following the lapse of any particular Squeeze Out Notice.

Completion of the sale of Ordinary Shares pursuant to a Squeeze Out Notice shall take place on the same date on which Ordinary Shares are sold under the offer (or, if later, within seven days of expiry of the period for acceptances as set out in the Squeeze Out Notice).

Upon any person, following the issue of a Squeeze Out Notice, becoming a member of the Company pursuant to the exercise of a pre-existing option or right to acquire Ordinary Shares in the Company (a "**New Member**"), a Squeeze Out Notice shall be deemed to have been served upon the New Member on the same terms as the previous Squeeze Out Notice who shall thereupon be bound to sell and transfer all such shares acquired by him to the offeror or as the offeror may direct and the provisions of this Regulation shall apply *mutatis mutandis* to the New Member save that completion of the sale of such Ordinary Shares shall take place forthwith upon the Squeeze Out Notice being deemed served on the New Member.

4.21 ***Disclosure of Interests in Shares***

The provisions of chapter 5 of the FCA's Disclosure and Transparency Rules (the "**Disclosure and Transparency Provisions**") and section 793 of the UK Companies Act 2006 (the "**2006 Act Provisions**") are incorporated by reference into the Articles.

The Disclosure and Transparency Provisions detail the circumstances in which a person may be obliged to notify the Company that he has an interest in voting rights in respect of Ordinary Shares (a "**notifiable interest**"). An obligation to notify the Company arises: (a) when a person becomes or ceases to be interested (by way of a direct or indirect holding of shares or of certain '**Qualifying Financial Instruments**' (as defined in the Disclosure and Transparency Provisions) or other instruments creating a long position on the economic performance of the Ordinary Shares) in three per cent. or more of the voting rights attaching to the Ordinary Shares; and (b) where such person's interest alters by a complete integer of one per cent. of the voting rights attaching to the Ordinary Shares.

The 2006 Act Provisions permit the Company to serve a notice on any person where the Company has reasonable cause to believe such person is interested in the Company's Ordinary Shares or has been interested in the Company's Ordinary Shares at any time during the three years immediately preceding the date on which the notice is issued. Such notice may require the person to confirm or deny that he has or was interested in the Company's Ordinary Shares and, if he holds, or has during that time held, any such interest to give such further information as may be required in accordance with the Articles. Where such Shareholder fails to comply with the terms of the notice within the period specified in such notice the Shareholder will be in default (such Shareholder's shares being referred to as "**Default Shares**"). The Board may direct that voting rights and dividend rights be suspended in respect of Default Shares.

The full text of the Disclosure and Transparency Provisions and the 2006 Act Provisions are set out in the Articles which will be available from Admission on the Company's website.

5. Founders' Initial Shareholdings and Founders' Liquidation Agreement

As a result of the share exchange described at paragraph 3.3 of this Part VI, the Founders hold the following Ordinary Shares each with a deemed consideration at issue of US$0.10 per share:

Name	Shares
Aung Htun	250,000
Michael Dean	125,000
William Knight	25,000
Craig Martin	50,000
Chris Appleton	50,000
Total	**500,000**

In recognition of the difference between the Founder Issue Price and the Issue Price, the Founders have agreed with one of the Cornerstone Investors that should the Delisting Approval be given (as more fully described in paragraph 2 of Part II of this document) then as part of the consequential liquidation the Founders shall pay to the designated Cornerstone Investor a sum equal to 90 per cent. of the amount otherwise receivable by each of them in respect of Ordinary Shares issued at the Founder Issue Price in such liquidation and that the Founders and the designated Cornerstone Investor shall work with the Company's liquidator to distribute such monies amongst the remainder of the Shareholders in proportion to their shareholdings. In the event that any part of such monies cannot be so distributed within six months of completion of a liquidation then the net amount remaining will be donated to one or more children's charities in Myanmar at the Cornerstone Investor's discretion. The Company is not a party to such Agreement and neither the Company nor the Directors give any guarantee that such payment will be made.

6. Warrants

6.1 The Company has agreed that for every New Ordinary Share subscribed for by a Subscriber or a Placee, such Subscriber or Placee shall receive one Warrant at nil cost. All Warrants will be admitted to trading on AIM. Warrantholders will have the option to hold their Warrants electronically through CREST or in certificated form. The Company may repurchase Warrants in accordance with the terms of the Warrant Instrument.

6.2 The principal terms of the Warrant Instrument are summarised at Part IV of this document.

6.3 The ISIN number for the Warrants will be VGG636111186.

7. Share Options

7.1 The Company has adopted a Share Option Plan.

7.2 The Share Option Plan will be administered by the remuneration committee. The remuneration committee will seek to allocate some, but not necessarily all, of the available Share Options to employees and Directors of the Group, as well as the employees and directors of its Investee Companies that they deem appropriate with a view to attracting, retaining and rewarding the most suitable managers and employees for the Company's long term benefit. Additionally, Share Options can be granted to advisers of any company within the Group and/or an Investee Company at the discretion of the remuneration committee. Any Share Options which have not been allocated or which have not vested will not be eligible for conversion into Ordinary Shares.

7.3 The Share Option Plan has the following key terms:

(i) The Share Option Plan allows for the total number of Ordinary Shares issuable under Share Options granted under the Share Option Plan to constitute a maximum of one-tenth of the number of the total number of Ordinary Shares in issue on the date preceding the date of grant (excluding shares held by the Company as treasury shares and Shares issued to the Founders prior to publication of this document);

(ii) Any issuance of Ordinary Shares will give rise to the ability of the remuneration committee to award additional options. Share Options will be granted with an exercise price set at a 10 per cent. premium to the subscription price paid by shareholders on the relevant issue of Ordinary Shares that gave rise to the availability of each tranche of the Share Options (save in relation to the Share Options referred to in sub-paragraph (iii) below);

(iii) Share Options that arise as a result of the new Ordinary Shares being issued in connection with Admission have an exercise price of US$1.10;

(iv) Share Options can be exercised any time after the first anniversary and before the tenth anniversary of the grant (as may be determined by the remuneration committee in its absolute discretion) of the respective Share Options;

(v) Share Options will not be admitted to trading on AIM but application will be made for Ordinary Shares that are issued upon the exercise of the Share Options to be admitted to trading on AIM;

(vi) Share Options which have not been allocated or which have not vested will not be eligible for conversion into Ordinary Shares. If an employee leaves before his Share Options have fully vested, then in the case of a 'good leaver' the remuneration committee has the discretion to allow the employee to keep some or all of the unvested allocation or otherwise the remuneration committee has the discretion to re-allocate the unvested Share Options as and when they determine as it sees fit, subject to certain conditions;

(vii) In the event that a takeover offer is made for the Company or an order is made or a resolution is passed for the solvent winding up of the Company or in the event of a delisting of the Company from AIM then all unvested Share Options will accelerate and immediately vest;

(viii) The Share Option Plan may be modified and/or altered at any time by the remuneration committee save that in relation to material alterations to the Share Option Plan the remuneration committee shall first have obtained the consent of the Shareholders; and

(ix) After five years from the date of adoption of the Share Option Plan, it may be amended or terminated at the discretion of the remuneration committee or by a resolution of the Shareholders, subject to all relevant approvals which may be required and if the Share Option Plan is so terminated, no further Share Options shall be offered by the Company. The termination of the Share Option Plan shall not affect Share Options which have been granted and accepted prior to such expiry or termination, whether such Share Options have vested or been exercised (whether fully or partially) or not.

7.4 At Admission there will be 6,342,619 Ordinary Shares in issue and 584,261 Share Options available for issue.

8. Directors' and other interests

8.1 As at the date of this document and on Admission, none of the Directors or any person connected with a Director within the meaning of section 252 to 255 of the 2006 Act has or will have an interest in the Company's issued share capital save as set out below:

(a) As at the date of this document, the Directors and their immediate families and persons connected with them were interested in the Ordinary Shares as follows:

	Before Admission		Following Admission	
Name	Ordinary Shares	Percentage of voting rights (per cent.)	Ordinary Shares	Percentage of voting rights (per cent.)
William Knight	25,000	5	25,000	0.39
Aung Htun	250,000	50	325,000	5.12
Michael Dean	125,000	25	175,000	2.76
Craig Martin	50,000	10	100,000	1.58
Chris Appleton	50,000	10	100,000	1.58

(b) As at the date of this document, the Directors and their immediate families and persons connected with them held Warrants to subscribe for Ordinary Shares as follows:

	Before Admission		Following Admission	
Name	Warrants	Percentage of total issued Warrants (per cent.)	Warrants	Percentage of total issued Warrants (per cent.)
William Knight	—	—	—	—
Aung Htun	—	—	75,000	1.3
Michael Dean	—	—	50,000	0.9
Craig Martin	—	—	50,000	0.9
Chris Appleton	—	—	50,000	0.9

(c) As at the date of this document, the Directors and their immediate families and persons connected with them held the following Share Options over Ordinary Shares as follows:

	Before Admission		Following Admission	
Name	Share Options	Percentage of voting rights (per cent.)	Share Options	Percentage of voting rights (per cent.)
William Knight	—	—	20,000	0.32
Aung Htun	—	—	180,000	2.84
Michael Dean	—	—	140,000	2.21
Craig Martin	—	—	30,000	0.47
Chris Appleton	—	—	40,000	0.63

8.2 Save as set out in paragraphs 8.1(b) and 8.1(c) above, none of the Directors holds any options to subscribe for Ordinary Shares or Warrants or options exerciseable into Ordinary Shares or any securities convertible into Ordinary Shares.

8.3 As at the date of this document and as expected to be held on Admission the Company is aware of the following Shareholders (other than any Director), who or who will be immediately

following Admission be interested, directly or indirectly, in 3 per cent. or more of the Company's issued share capital:

	Pre Admission			Following Admission		
	Shares	Warrants	Percentage of Voting Rights	Shares	Warrants	Percentage of Voting Rights
LIM Asia Special Situations Master Fund Limited	—	—	—	620,000	620,000	9.78
Crystal Consultancy Services Limited	—	—	—	500,000	500,000	7.88
Pachira Holdings Limited	—	—	—	500,000	500,000	7.88
Presnow Limited	—	—	—	500,000	500,000	7.88
Red Oak Operations Limited	—	—	—	500,000	500,000	7.88
G.K. Goh Strategic Holdings Pte. Ltd	—	—	—	450,000	450,000	7.09
Hansabay Pte Ltd	—	—	—	450,000	450,000	7.09
Incagrove Limited	—	—	—	450,000	450,000	7.09
Value Regain Limited	—	—	—	450,000	450,000	7.09
Schola Capital Limited	—	—	—	225,000	225,000	3.55
Nishit Kothari	—	—	—	200,000	200,000	3.15

8.4 The Company is not aware of any person who directly or indirectly, jointly or severally, exercises or could exercise control over the Company nor is it aware of any arrangements, the operation of which may at a subsequent date result in a change of control of the Company.

8.5 The Company and the Directors are not aware of any arrangements, the operation of which may at a subsequent date result in a change of control of the Company.

8.6 The Directors currently hold, and have during the five years preceding the date of this document held, the following directorships or partnerships:

William Knight

Current directorships/partnerships	*Previous directorships/partnerships*
Abingworth Bio Ventures II	Axis Bank Private Equity Limited
Aureos India Advisers Pvt Ltd	Campbell Lutyens & Co Ltd
Axis Fiduciary Ltd	China Opportunities Fund
Ceylon Guardian Investment Trust Plc	Evolvence India Holdings Limited
China Chaintek United Co., Limited	KASB Bank Limited
Emerisque Capital Limited	KASB Capital Limited
Fidelity Asian Values Plc	The Mauritius Fund Ltd
Greater China Corporation	Navigator London Financial Group Ltd
JP Morgan Chinese Investment Trust Plc	Relief International-UK
LG India Fund Ltd	Siberian Investment Co Plc
Myanmar Investments Limited	Sonae Investimentos SGPS
Smith-Tan Asia Phoenix Fund	Sonae International Limited
William Knight & Associates Limited	Thai-Euro Fund Ltd
	The Vietnam Fund Ltd

Aung Htun

Current directorships/partnerships

Asian University of Science and Technology
Draco PCB Plc
GHP Arbitrium Far East Partners Inc
Imperial Technology and Management Services Company Ltd
Kingcell Investments Ltd
KT ZMICO Securities Ltd.
Myanmar Investments Limited
Myanmar Investments (Singapore) Pte. Limited
Nam Seng Insurance Plc.
Thai Private Equity & Venture Capital Association
Thai Strategic Capital Management Co. Ltd
Thai Strategic Partners II L.P.
WCG (Cayman) Ltd
Wuttisak Clinic Inter Group Ltd

Previous directorships/partnerships

Faye Capital (Cayman) Inc
Modern Asia Environmental Holdings Inc
Modern Asia Ltd
Seamico Securities Plc
Thai Strategic Environmental Holdings Ltd
Thai Strategic Capital Co. Ltd
Thai Strategic Holdings Ltd

Michael Dean

Current directorships/partnerships

Consulsis Limited
Epic Advisory Pte Ltd
Epic Shipping Project 7 Limited
Lothian Shipping Services Limited
Meridian Marine Management Limited
Meridian Shipping Holdings Limited
Meridian Shipping Limited
Myanmar Investments Limited
Myanmar Investments (Singapore) Pte Limited
Petra Foods Limited
Prospect Number 55 Limited
Prospect Number 57 Limited
Prospect Number 58 Limited
Stratus Aviation Limited

Previous directorships/partnerships

Abel (HK) Limited
Akeman Street Shipping Limited
Amanda Foods Pte Ltd
Botany Shipping Investments Limited
Brave Shipping Limited
Buckburst Limited
Cefalu Pte. Ltd.
Chance City International Limited
Daybreak Shipping Limited
Dover Sole Limited
Elba Pte. Ltd.
Ennerdale Pte. Ltd.
Epic Advisers Limited
Epic Advisers LLP
Epic Hong Kong Limited
Epic Shipping (UK) Ltd
Epic Shipping Holdings Limited
Epic Shipping Investments Pte. Ltd.
Epic Shipping Pte Ltd
Ermine Street Shipping Limited
Everyjoy City Limited
Fine Seas Limited
Fosse Way Shipping Limited
Giant Stone Limited
Gibraltar Strait Limited
Global Maritime Supplies Ltd
Illuminous Limited
Kumberstar Limited
Lady Angelica Limited
Lady Buttercup Limited

Michael Dean *(continued)*

Current directorships/partnerships

Previous directorships/partnerships

Lady Cherry Limited
Lady Daisy Limited
Lady Erica Limited
Lady Foxglove Limited
Lagan Viking Limited
Mersey Viking Limited
Minorca Pte. Ltd.
Prospect Number 56 Limited
Prospect Number 59 Limited
Prospect Number 60 Limited
Prospect Number 61 Limited
Prospect Number 70 Limited
Prospect Number 76 Limited
Prospect Number 77 Limited
St. Kitts Pte. Ltd.
St. Lucia Pte. Ltd.
St. Martin Pte. Ltd.
St. Vincent Pte. Ltd.
Strait of Dover Limited
Strait of Gibraltar Limited
Synergy Aviation Holdings Limited
Syracuse Pte. Ltd.
Watling Street Shipping Limited

Craig Martin

Current directorships/partnerships

Asia Infrastructure Fund GP Limited
AIF Infrastructure Fund Private Limited
AIF Infrastructure Fund Management Private Limited
AIF Toll Road Holdings 1 Pte Ltd
AIF Toll Road Holdings (Thailand) Company Limited
CAIF III Infrastructure Holdings SDN BHD
CAIF III Pte Ltd
CapAsia ASEAN Infrastructure Fund General Partner Limited
CapAsia Islamic Infrastructure Fund (General Partner) Limited
CapAsia Management Ltd
CapAsia Solar One Ltd
Capital Advisors Partners Asia Pte Ltd
Capital Advisors Partners Asia Sdn Bhd Asia
Don Muang Tollway Public Co Limited
DPRM Asia Pte Ltd
George Street Capital Advisors Pte Ltd
George Street Capital BVI Ltd
Malakoff Corporation Berhad
Myanmar Investments Limited
Myanmar Investments (Singapore) Pte Limited
PT CapAsia Indonesia

Previous directorships/partnerships

Albizia ASEAN Opportunities Fund
Amanda Foods Pte. Limited
Corbyns International Limited
Envoy Media Partners Limited
Fine Seas Limited
Proconco Joint Stock Company (Vietnam)
Robust Success Sdn Bhd
SSE Steel Limited
Vietnam Industrial Investments Limited
Vinausteel Limited

Craig Martin *(continued)*

Current directorships/partnerships	*Previous directorships/partnerships*
SEASAF Education Sdn Bhd	
SEASAF Highway Sdn Bhd	
SEASAF Power Sdn Bhd	
SEASAF 1 Resources Pte Ltd	

Christopher Appleton

Current directorships/partnerships	*Previous directorships/partnerships*
Faye Holdings Ltd	Faye Capital Asia Fund
Myanmar Investments Limited	Faye Capital Cayman Ltd
Silver Max (HK) Ltd	Faye Capital Ltd
	Max Dragon Asia Ltd

8.7 None of the Directors has any unspent convictions in relation to indictable offences.

8.8 None of the Directors have been the subject of any public criticism by any statutory or regulatory authority (including a recognised professional body).

8.9 Save as disclosed in this paragraph 8, none of the Directors has been a director of a company at the time of, or within the 12 months preceding the date of, that company being the subject of a receivership, compulsory liquidation, creditors' voluntary liquidation, administration, company voluntary arrangement or any composition or arrangement with its creditors generally or any class of its creditors.

8.10 None of the Directors has been a partner of a partnership at the time of, or within 12 months preceding the date of, that partnership being placed into compulsory liquidation or administration or being entered into a partnership voluntary arrangement nor in that time have the assets of any such partnership been the subject of a receivership.

8.11 No asset of any Director has at any time been the subject of a receivership.

8.12 None of the Directors is or has been bankrupt nor been the subject of any form of individual voluntary arrangement.

8.13 None of the Directors is or has ever been disqualified by a court from acting as a director of a company or from acting in the management or conduct of the affairs of any company.

8.14 None of the Directors has, or has had, any conflict of interest between any duties to the Company and his private interests or any other duties he owes. The Company does not intend to make investments which involve related parties but, if any such investment is to be proposed, the Company will comply with the requirements relating to such transactions under the AIM Rules for Companies.

8.15 Michael Dean and Craig Martin are both former directors of Amanda Foods Private Limited, a company incorporated in Singapore. The company was a holding company for a private equity funded management-led buyout of a distressed Vietnamese shrimp processing and trading company. Despite the efforts of the management to turn the company around, due in part to the global financial crisis, high levels of inflation in Vietnam and interest rates and the leveraged nature of the company, the investment failed. The company was placed into administration on 23 March 2011 with a deficit to creditors of S$13.8 million.

8.16 Michael Dean is a director of Prospect Number 57 Limited and Prospect Number 58 Limited, both companies incorporated in England and Wales. These companies were special purpose vehicles formed in 2007, each to build and acquire a 3,600 lane metre roll on/roll off ferry. They were funded by a consortium of high net worth investors together with a highly leveraged

debt package provided by a European bank. Following the downturn in European shipping in 2008 both companies entered into creditors voluntary liquidation on 8 January 2013 with a deficit to creditors of £33,628,715 and £33,603,334, respectively.

9. Directors' letters of appointment and service agreements

9.1 Each of the Non-executive Directors of the Company, being William Knight, Craig Martin and Christopher Appleton, have entered into a letter of appointment with the Company under the terms of which they each agreed to act as a non-executive director of the Company. Each non-executive director shall receive a fee of US$25,000 per annum, save for William Knight who is also appointed to act as chairman and shall receive a fee of US$30,000 per annum. Each Non-executive Director's appointment is subject to retirement by rotation in accordance with the Articles and is terminable by either party on one month's notice.

9.2 The Company entered into an employment agreement with Aung Htun on 21 June 2013 pursuant to which Mr. Htun will be employed as Managing Director of the Company.

Pursuant to the agreement, Mr. Htun's gross annual salary will be US$200,000 with 50 per cent. of each month's salary being deferred until either the Company has substantially implemented its investing policy or the Shareholders agree to extend the period for implementing the investment policy at the First Shareholder Meeting. If neither of these events occurs, Mr Htun's entitlement to the deferred element will lapse without any compensation. If the deferred element of salary becomes payable, a review of Mr. Htun's salary will immediately be conducted by the remuneration committee to assess the level it should be re-based at given the prevailing market rate for an executive in similar or related sector. In addition, Mr. Htun will be eligible to be considered for a variable bonus in an amount to be determined by the remuneration committee at its absolute discretion.

The employment of Mr. Htun will continue for an initial period of two years commencing on 27 June 2013 (the "**Commencement Date**") during which time the agreement cannot be terminated by either party. On the second anniversary of the Commencement Date the parties can agree to extend the term by mutual consent for such a period and on such terms and conditions as they agree. If an extension is agreed, the agreement may be terminated by either party giving the other not less than six months' written notice. In addition, the Company may terminate Mr. Htun's employment without notice in certain circumstances.

The agreement contains non-competition and non-solicitation provisions effective for a period of 12 months following the termination of Mr. Htun's employment.

9.3 The Company entered into an employment agreement with Michael Dean on 21 June 2013 pursuant to which Mr. Dean will be employed as Finance Director of the Company.

Pursuant to the agreement, Mr. Dean's gross annual salary will be US$150,000 with 50 per cent. of each month's salary being deferred until either the Company has substantially implemented its investing policy or the Shareholders agree to extend the period for implementing the investment policy at the First Shareholder Meeting. If neither of these events occurs, Mr. Dean's entitlement to the deferred element will lapse without any compensation. If the deferred element of salary becomes payable, a review of Mr. Dean's salary will immediately be conducted by the remuneration committee to assess the level it should be re-based at given the prevailing market rate for an executive in similar or related sector. In addition, Mr. Dean will be eligible to be considered for a variable bonus in an amount to be determined by the remuneration committee at its absolute discretion. In addition Mr. Dean will have the right to participate in certain other remuneration schemes including, health and welfare benefits for himself and his dependants and accommodation benefits.

The employment of Mr. Dean will continue for an initial period of two years commencing on the Commencement Date during which time the agreement cannot be terminated by either

party. On the second anniversary of the Commencement Date the parties can agree to extend the term by mutual consent for such a period and on such terms and conditions as they agree. If an extension is agreed, the agreement may be terminated by either party giving the other not less than six months' written notice. In addition, the Company may terminate Mr. Dean's employment without notice in certain circumstances.

The agreement contains non-competition and non-solicitation provisions effective for a period of 12 months following the termination of Mr. Dean's employment.

10. Employees

As at the date of this document the Group has no employees, other than the executive directors being Aung Htun and Michael Dean.

11. Taxation

11.1 *UK Taxation*

The following statements are intended to address only certain UK tax consequences for Shareholders or Warrantholders who are resident and, in the case of individuals, resident and domiciled in the UK (except where expressly stated otherwise), who are beneficial owners of their Ordinary Shares (or Warrants) and the dividends on those Ordinary Shares and who hold the Ordinary Shares or Warrants as capital assets. They may not apply to certain classes of Shareholders or Warrantholders including (but not limited to):

(i) dealers in securities;

(ii) insurance companies;

(iii) collective investment schemes;

(iv) employees;

(v) persons who control or hold, either alone or together with one or more associated or connected persons, directly or indirectly, 10 per cent. or more of: (a) the Ordinary Shares; (b) the voting power of the Company; or (c) any other interests in the Company, whether debt, equity or otherwise; or

(vi) persons who acquire Ordinary Shares or Warrants pursuant to the Placing and Subscription other than for *bona fide* commercial reasons or who have a tax avoidance purpose or motive, who may be subject to a materially different tax treatment.

Any Shareholders or Warrantholders who are in any doubt as to their UK tax position should consult their own professional advisers.

It is the intention of the Directors to conduct the affairs of the Company such that the central management and control of the Company is not in the UK and so that the Company does not carry out any business in the UK. On the assumption that this intention is realised, the Company should not be tax resident in or establish any taxable presence in the UK. On this basis the Company should not be liable to UK tax on its income or gains other than income deriving from a UK source.

Taxation implication for UK residents

Taxation of dividends

A UK resident and domiciled individual Shareholder who receives a dividend paid by the Company will generally be liable to UK income tax on the gross amount of any such dividend. Dividend income from the Company will be treated as forming the highest part of a

Shareholder's income. The income tax rates are 10 per cent., 32.5 per cent. or 37.5 per cent. depending on the taxable income of the individual. A UK resident individual owning less than 10 per cent. of the issued share capital of the Company will generally be entitled to a non-repayable tax credit equal to 10 per cent. of the aggregate of the dividend and the tax credit, or one ninth of the dividend received. The effect of this is to reduce the effective tax rates to 0 per cent., 25 per cent. and approximately 30.6 per cent. respectively. Individual Shareholders will be able to claim relief for withholding tax suffered on dividends paid to them to the extent of any UK tax liability thereon. However at present no withholding tax is levied by the BVI on dividend payments.

UK resident individuals who are not domiciled in the UK and pay tax on a remittance basis, will be taxed on dividends paid by the Company to the extent that such dividends are remitted to the UK. If remitted to the UK, the tax treatment will follow that outlined in the paragraph above.

In principle, UK tax resident corporate Shareholders will be liable to corporation tax on dividends received from the Company (currently chargeable at 23 per cent., although reduced rates may apply in certain cases). Part 9A of the Corporation Tax Act 2009 contains a comprehensive set of rules and exemptions governing the taxation of dividends and other distributions received by a company liable to UK corporation tax from another company (tax resident in the UK or not). A UK tax resident corporate Shareholder may well be exempt from UK tax on dividends paid by the Company, but prospective investors should seek their own specialist advice in relation to how these rules affect them.

Trustees of discretionary trusts receiving dividends from Ordinary Shares are also liable to account for income tax at the dividend trust rate, currently 37.5 per cent.

UK pension funds and charities are generally exempt from tax on dividends that they receive.

Taxation of chargeable gains

A UK resident and domiciled individual Shareholder or Warrantholders who disposes (or is deemed to dispose) of all or any of the Ordinary Shares or Warrants acquired may be liable to capital gains tax in relation thereto at rates up to 28 per cent. subject to any available exemptions or reliefs. In addition, an individual UK Shareholder or Warrantholders who ceases to be resident in the UK for a period of less than five complete tax years and who disposes of the Ordinary Shares or Warrants held prior to departure during that period of temporary non residence may, under anti-avoidance legislation, be liable to capital gains tax on his or her return to the UK.

UK resident individuals who are not domiciled in the UK and pay tax on a remittance basis, will be taxed on any capital gains made by them on the disposal of Ordinary Shares or Warrants, but only if the proceeds are remitted to the UK. If remitted to the UK, the tax treatment will follow that outlined in the paragraph above.

A UK resident corporate Shareholder or Warrantholder disposing of its Ordinary Shares or Warrants may be liable to corporation tax on chargeable gains arising on the disposal at the corporation tax rate applicable to its taxable profits (currently 20 to 23 per cent.). In computing the chargeable gain liable to corporation tax, the corporate Shareholder or Warrantholder is entitled to deduct from the disposal proceeds the cost to it of the Ordinary Shares and Warrants together with incidental costs of acquisition and disposal costs. Indexation allowance may be available, but this can only apply to reduce any chargeable gain arising on disposal of the Ordinary Shares or Warrants, not to create or increase a capital loss.

The exercise of Warrants by a Warrantholder should not be treated as a disposal of those Warrants as the acquisition of the Warrants and their exercise should be treated as a single transaction.

Inheritance tax

Ordinary Shares and Warrants will constitute non-UK situated property for inheritance tax purposes.

Individuals and trustees subject to inheritance tax in relation to a shareholding and warrantholding in the Company may be entitled to business property relief of up to 100 per cent. after a holding period of two years providing that all the relevant conditions for the relief are satisfied at the appropriate time.

Anti-avoidance

A UK resident corporate Shareholder or Warrantholder who, together with connected or associated persons, is entitled to at least 25 per cent. of the Ordinary Share capital of the Company should note the provisions of the Controlled Foreign Companies legislation contained in Part 9A of the Taxation (International and Other Provisions) Act 2010. These provisions are part of a new regime for controlled foreign companies which applies to accounting periods beginning on or after 1 January 2013 (accounting periods beginning before that date are subject to the previous regime for controlled foreign companies which followed similar principles). The legislation is not directed towards the taxation of capital gains and is generally focused on profits artificially diverted from the UK.

Individual Shareholders and Warrantholders who are resident in the UK should note the provisions of sections 714 to 751 (inclusive) of the Income Tax Act 2007 which could render them liable to income tax on the income arising to a person who is resident or domiciled outside the UK such as the Company. These provisions seek to prevent avoidance of income tax by UK resident individuals transferring assets to persons who are resident or domiciled outside the UK where the transferor (i.e. the UK resident individual) has, or is deemed to have, power to enjoy the income of the non-resident/non-domiciled transferee. However, the provisions do not apply if such a Shareholder can satisfy HMRC that, either:

(i) it would not be reasonable to conclude from all the circumstances of the case that avoiding liability to tax was the purpose or one of the purposes of effecting the transaction; or

(ii) the transaction was a genuine commercial transaction and it would not be reasonable to conclude from all the circumstances of the case that one or more of the transactions was more than incidentally designed for the purpose of avoiding liability to taxation.

Investors should also note the rules in section 13 of the Taxation of Chargeable Gains Act 1992 which look through non-resident closely controlled companies to UK residents who are participators in the Company. Such UK residents may be liable to capital gains tax or corporation tax on chargeable gains on a proportionate share of the Company's chargeable gains. However, these rules apply only to Shareholders and Warrantholders who together with connected persons (the connection test is very broad) would be attributed a share of more than 10 per cent. of the Company's chargeable gains. Shareholders should note that the UK Government is currently in the process of amending these provisions, with a view to increasing the participation threshold from 10 per cent. to 25 per cent. and creating an exemption from the charge for gains from genuine business activity overseas. These revisions are expected to come into force when the Finance Bill 2013 receives Royal Assent, but with retrospective effect for chargeable gains arising on or after from 6 April 2012.

Stamp Duty and Stamp Duty Reserve Tax ("SDRT")

Neither UK stamp duty nor SDRT should arise on the issue of the Ordinary Shares or Warrants.

If Ordinary Shares are transferred in the UK by an instrument of transfer executed in the UK, or the instrument of transfer relates to any matter or thing done or to be done in the UK, stamp duty at 0.5 per cent. (rounded up to the nearest £5) will ordinarily be chargeable on the amount or value of the consideration given.

No SDRT should arise on any agreement to transfer Ordinary Shares for money or money's worth so long as the Ordinary Shares fall outside the definition of chargeable securities in section 99 of the Finance Act 1986, which should be the case provided that the Ordinary Shares are not registered in a register kept in the UK by or on behalf of the Company or paired with shares issued by a body corporate incorporated in the UK.

If Warrants (which will be registered in a register kept in the UK and which therefore fall within the definition of chargeable securities in section 99 of the Finance Act 1986) are transferred by an instrument of transfer or if an agreement is entered into to transfer Warrants for money or money's worth, stamp duty or SDRT will ordinarily be charged at the rate of 0.5 per cent. (rounded up to the nearest £5 for stamp duty or rounded up or down to the nearest penny for SDRT) on the amount or value of the consideration given. SDRT will also be chargeable at 0.5 per cent. on any transfers of Warrants in CREST.

SDRT at the rate of 0.5 per cent. (rounded up or down to the nearest penny) will be chargeable on any agreement to transfer Depositary Interests unless the conditions for exemption set out in the Statutory Instrument 1999/2383 (Stamp Duty Reserve Tax (UK Depositary Interests in Foreign Securities) Regulations 1999 are met. SI 1999/2383 requires, *inter alia*, that the Depositary Interests are depositary interests in 'foreign securities' which are listed on a recognised stock exchange (which currently does not include AIM). Accordingly, the conditions for exemption are not currently met and (as long as that state of affairs continues) SDRT will be chargeable at 0.5 per cent. on any agreement to transfer the Depositary Interests, which includes any transfers of Depositary Interests in CREST.

11.2 ***BVI Taxation***

The Company and all dividends, interest, rents, royalties, compensations and other amounts paid by the Company to persons who are not persons resident in the BVI are exempt from the provisions of the BVI Income Tax Act 2003, as amended from time to time, and any capital gains realised with respect to any shares, debt obligations or other securities of the Company by persons who are not persons resident in the BVI are exempt from all forms of taxation in the BVI. As of 1 January 2005, the Payroll Taxes Act, 2004 came into force. It will not apply to the Company except to the extent that the Company has employees (and deemed employees) rendering services to the Company wholly or mainly in the BVI. The Company at present has no employees in the BVI and no intention of having any employees in the BVI.

No estate, inheritance, succession or gift tax, rate, duty, levy or other charge is payable by persons who are not persons resident in the BVI with respect to any shares, debt obligations or other securities of the Company.

All instruments relating to transfer of property to or by the Company and all instruments relating to transactions in respect of the shares, debt obligations or other securities of the Company and all instruments relating to other transactions relating to the business of the Company are exempt from the payment of stamp duty in the BVI. There are currently no withholding taxes or exchange control regulations in the BVI applicable to the Company or its Shareholders.

11.3 ***Singapore Taxation***

The statements made herein regarding taxation are general in nature and based on certain aspects of the tax laws of Singapore, administrative guidelines issued by the relevant authorities in force as of the date of this document and are subject to any changes in such laws or administrative guidelines, or in the interpretation of these laws or guidelines, occurring after such date, which changes could be made on a retrospective basis. These laws and guidelines are also subject to various interpretations and the relevant tax authorities or the courts could later disagree with the explanations or conclusions set out below. The statements below are not to be regarded as advice on the tax position of any holder of the Ordinary Shares and Warrants or of any person acquiring, selling or otherwise dealing with the Ordinary Shares or Warrants or on any tax implications arising from the acquisition, sale or other dealings in respect of the Ordinary Shares or Warrants. The statements made herein do not purport to be a comprehensive or exhaustive description of all of the tax considerations that may be relevant to a decision to purchase, own or dispose of the Shares or Warrants and do not purport to deal with the tax consequences applicable to all categories of investors some of which (such as dealers in securities) may be subject to special rules. Prospective investors are advised to consult their own tax advisers as to the Singapore or other tax consequences of the acquisition, ownership or disposition of the Ordinary Shares or Warrants including, in particular, the effect of any foreign state or local tax laws to which they are subject. It is emphasised that neither the Company nor any other persons involved in the offering of the New Ordinary Shares or Warrants accepts responsibility for any tax effects or liabilities resulting from the subscription for, purchase, holding or disposal of the Ordinary Shares or Warrants.

Income tax

Individual income tax

An individual is a tax resident in Singapore in a given year of assessment if in the preceding year he was physically present in Singapore or exercised an employment in Singapore (other than as a director of a company) for 183 days or more, or if he ordinarily resides in Singapore regardless of who makes the payment, where the payment is received or who the legal employer is.

Individual taxpayers who are Singapore tax residents are subject to Singapore income tax on income accruing in or derived from Singapore. All foreign-sourced income received in Singapore on or after 1 January 2004 and certain Singapore sourced investment income from financial instruments derived by a Singapore tax resident individual (except for income received through a partnership in Singapore or derived from the carrying on of a trade or business in Singapore) is exempt from Singapore income tax if the Comptroller of Income Tax (the "**Comptroller**") is satisfied that the exemption would be beneficial to the individual.

A Singapore tax resident individual is taxed at progressive rates currently ranging from zero per cent. to 20 per cent. Non-resident individuals are subject to Singapore income tax at 15 per cent. or resident rate, whichever gives rise to a higher tax, on their employment income. As for director's fees, consultation fees and other income the tax rate is 20 per cent.

Corporate income tax

A company is tax resident in Singapore if the control and management of its trade or business is exercised in Singapore.

Singapore resident companies are subject to Singapore income tax on income accruing in or derived from Singapore and, subject to certain exceptions, on foreign-sourced income received or deemed to be received in Singapore.

Foreign-sourced income in the form of dividends, branch profits and services income received or deemed to be received in Singapore by Singapore resident companies on or after 1 June 2003 are exempt from tax if the following prescribed conditions are all met:

i. such income is subject to tax of a similar character to income tax under the law of the jurisdiction from which such income is received;

ii. at the time the income is received in Singapore, the highest rate of tax of a similar character to income tax (by whatever name called) levied under the law of the territory from which the income is received is at least 15 per cent.; and

iii. the Comptroller is satisfied that the tax exemption would be beneficial to the recipient of the foreign income.

Non-resident companies are subject to income tax on income accruing in or derived from Singapore, and on foreign-sourced income received or deemed to be received in Singapore.

The corporate tax rate in Singapore for both resident and non-resident companies is currently 17 per cent. However, corporate tax exemption is available on the first S$300,000 of the company's normal chargeable income as follows:

(i) 75 per cent. of up to the first S$10,000 of chargeable income; and

(ii) 50 per cent. of up to the next S$290,000 of chargeable income.

For qualifying newly incorporated Singapore companies, the start-up tax exemption scheme is available on the first S$300,000 of the company's normal chargeable income as follows:

(i) 100 per cent. of up to the first S$100,000 of chargeable income; and

(ii) 50 per cent. of up to the next S$200,000 of chargeable income.

The remaining chargeable income (after the corporate tax exemption above) will be taxed at the prevailing corporate tax rate of 17 per cent.

As announced in the 2013 Budget, the above tax exemption scheme does not apply to the following companies incorporated after 25 February 2013:

- A company whose principal activity is that of investment holding; and
- A company whose principal activity is that of developing properties for sale, for investment, or for both investment and sale.

In the 2013 Budget, the Minister of Finance has announced that both resident and non-resident companies will enjoy a corporate income tax rebate from year of assessment 2013 to year of assessment 2015. This rebate will be based on 30 per cent. of the tax payable up to a maximum rebate of S$30,000 per year of assessment.

Dividend distributions

Singapore adopts the one-tier corporate tax system. Under the one-tier corporate tax system, the tax paid by a Singapore tax resident company is a final tax and the after-tax profits of the company can be distributed to its shareholders as tax exempt (one-tier) dividends. Dividends payable by Singapore companies on the one-tier corporate tax system would be tax exempt from Singapore income tax in the hands of their shareholders, regardless of whether the shareholder is a corporate or individual shareholder or whether the shareholder is a Singapore tax resident.

There is no Singapore withholding tax on dividends paid to both Singapore resident shareholders as well as non-Singapore resident shareholders. Foreign shareholders are advised to consult their own tax advisers to take into account the tax laws of their respective countries of residence and the existence of any double tax treaty which their country of residence may have with Singapore.

Gain on disposal of shares

Singapore does not impose tax on capital gains. However, gains may be construed to be of an income nature and subject to Singapore income tax if they arise from activities which are regarded as the carrying on of a trade or business in Singapore. Any profits from the disposal of the shares generally is not taxable in Singapore unless the seller is regarded as having derived gains of an income nature, in which case, the disposal gains would be taxable.

Pursuant to Section 13Z of the Singapore Income Tax Act, the gains derived from the disposal of ordinary shares in an investee company during the period 1 June 2012 to 31 May 2017 (both dates inclusive) are not taxable if immediately prior to the date of the share disposal, the divesting company has held at least 20 per cent. of the ordinary shares in the investee company for a continuous period of at least 24 months. Section 13Z shall not apply to a divesting company which is in a business of insurance whose gains or profits from the disposal of shares are included as part of its income based on the provisions of Section 26 of the Singapore Income Tax Act, or disposal of shares in an unlisted investee company that is in the business of trading or holding Singapore immoveable properties (excluding property development).

Stamp duty

No stamp duty is payable if an instrument of transfer is not executed or the instrument of transfer is executed outside Singapore and not brought into Singapore. However, stamp duty may be payable if the instrument of transfer which is executed outside Singapore is received in Singapore.

There is no stamp duty payable on the subscription for, allotment or holding of shares. Where shares evidenced in certificated form are acquired in Singapore, stamp duty is payable on the instrument of transfer of shares at the rate of S$0.20 for every S$100 or part thereof of the consideration for, or market value of the shares, whichever is higher. The purchaser is liable for stamp duty unless there is an agreement to the contrary.

Estate duty

Singapore estate duty has been abolished with effect from 15 February 2008.

Goods and services tax ("GST")

The issue, sale or transfer of ownership of shares is considered a supply of exempt services for Singapore GST purposes.

Hence, the sale of shares by an investor belonging in Singapore through a Singapore Stock Exchange member or to another person belonging in Singapore is an exempt supply and would not be subject to GST. Any GST incurred by the investor in respect of such exempt supplies may not be recovered from the Comptroller of GST, Singapore.

Where the shares are supplied by a GST-registered investor to a person belonging outside Singapore and who is outside Singapore at the time the sale is executed, the sale is generally a taxable sale subject to GST at zero-rate. Any GST incurred by a GST-registered investor in making a zero-rated supply in the course of furtherance of a business carried on by him may be recovered from the Comptroller of GST, Singapore.

Services consisting of arranging, broking, underwriting or advising on the issue, allotment or transfer of ownership of the shares rendered by a GST-registered person to an investor belonging in Singapore for GST purposes in connection with the investor's purchase, sale or holding of the shares will be subject to GST at the standard rate, currently at 7 per cent. Similar services rendered to an investor belonging outside Singapore are subject to GST at zero-rate, provided that the investor belongs outside Singapore when the services are performed and the services provided do not directly benefit any Singapore persons.

Singapore-Myanmar Double Taxation Agreement

An Avoidance of Double Taxation Agreement ("**DTA**") signed between two jurisdicitions serves to prevent double taxation of income earned in one jurisdiction by a resident of the other jurisdiction. A DTA also makes clear the taxing rights between two countries on different types of income arising from cross-border economic activities between the two jurisdictions. The agreement also provides for reduction or exemption of tax on certain types of income. Singapore and Myanmar concluded a DTA on 23 February 1999, the effective date of the DTA is 1 January 2010 for Singapore and 1 April 2010 for Myanmar.

Amongst others, the DTA between Singapore and Myanmar provides for:

i. Dividend distribution

At present both Singapore and Myanmar do not impose tax on dividends in addition to the tax chargeable on the profits or income of a company.

Should either or both countries impose a tax on dividend in future, the dividend withholding tax rate in the country of which the company paying the dividend is a resident shall not exceed 5 per cent. of the total dividends if the beneficial owner of the dividends is a company that holds at least 25 per cent. of the shares of the company paying the dividends. The withholding tax rate is 10 per cent. of the total dividends in all other cases.

ii. Gain on disposal of shares

Article 13 of the Singapore-Myanmar DTA provides that the tax in Singapore or Myanmar on gains from the alienation of shares of a company by a resident of Myanmar or Singapore (as the case may be) may be permitted in the following two situations and shall not exceed 10 per cent. of such gains. If the property of the company consists directly or indirectly of principally immovable property situated in Singapore or Myanmar, the gains may be taxed in that country. Otherwise gains from the alienation of shares of a company may be taxed in the country of which the company is a resident but only if:

a. The shares held or owned, directly or indirectly, by the alienator amount to at least 35 per cent. of the entire share capital of such company at any time during the fiscal year in which the alienation takes place; and

b. The total of the shares alienated by the alienator during the fiscal year in which the alienation takes place amounts to at least 20 per cent. of the aggregate of his holding in the share capital of such company at the beginning of such fiscal year and any acquisition of the shares in that year.

To enjoy the benefits conferred in the DTA, the relevant conditions stipulated in the DTA must be satisfied. Considerations should also be given to the specific requirements specified by the tax authorities of the respective jurisdictions when administering the DTA benefits.

11.4 ***Myanmar taxation***

11.4.1 The statements made herein regarding taxation are general in nature and based on certain aspects of the tax laws of Myanmar and administrative guidelines issued by the

relevant authorities in force as of the date of this document and are subject to any changes in such laws or administrative guidelines, or in the interpretation of these laws or guidelines, occurring after such date, which changes could be made on a retroactive basis. The statements below are not to be regarded as advice on the tax position of any holder of the Ordinary Shares or of any person acquiring, selling or otherwise dealing with the Ordinary Shares or on any tax implications arising from the acquisition, sale or other dealings in respect of the Ordinary Shares. The statements made herein do not purport to be a comprehensive description of all of the tax considerations that may be relevant to a decision to purchase, own or dispose of the Ordinary Shares and do not purport to deal with the tax consequences applicable to all categories of investors, some of which (such as dealers in securities) may be subject to special rules. Prospective holders of the Ordinary Shares are advised to consult their own tax advisers as to the Myanmar or other tax consequences of the acquisition, ownership of or disposition of the Ordinary Shares, including, in particular, the effect of any foreign, state or local tax laws to which they are subject.

11.4.2 *General overview of Myanmar Taxation*

(a) *Corporate tax*

The taxation of a company is determined by its tax residency. A company resident in Myanmar is:

- A company formed under the Myanmar Companies Act of 1914; or
- A company formed under any other existing law of Myanmar, including the Special Company Act of 1950 (a company with State equity) and the FIL

As of 1 April 2012, resident companies (both FIL and non-FIL) and branches of foreign companies operating under FIL are taxed at a rate of 25 per cent. Branches of foreign companies which do not operate under FIL are taxed at 35 per cent.

Foreign investors doing business under the FIL, having obtained an investment permit from the MIC, and Myanmar Citizen investors doing business under the Myanmar Citizen Investment Law, are entitled to receive special tax incentives (subject to the discretion of MIC in particular cases) including: income tax exemptions for a period of at least five consecutive years including the year of commencement of business operation; the right to pay income tax on the income of foreigners at the rates applicable to the citizens residing within Myanmar; exemptions and relief from customs duty or other internal taxes on plant, machinery and materials imported for use in a project; relief from commercial tax on the goods produced for export; and a right to deduct expenses from the assessable income incurred for research and development which is required and carried out within Myanmar.

Companies are required to pay tax in advance, on a monthly or quarterly basis, for income earned in a tax fiscal year ending 31 March annually. The tax in advance is based on projected income for the whole year. The monthly or quarterly payments must be made within 30 days of each month or quarter. Any additional tax to be paid, as determined in the annual tax returns, must be paid within 3 months of the tax year end. Any credits are carried forward to be utilised for the following year's advance tax payments.

Tax audits are generally conducted annually.

There are no thin capitalisation rules in Myanmar except for branch of foreign companies. Domestic debts are limited to 50 per cent. of the branch's net investment by its home office.

There are no transfer pricing rules. Tax treaties have been concluded with Bangladesh, India, Indonesia, Laos, Malaysia, Republic of Korea, Singapore, Thailand, United Kingdom and Vietnam. However, the application of tax treaties is at the discretion of the Ministry of Finance and Revenue.

The Income Tax Law 1974 empowers the Internal Revenue Department to:

- Adjust for non-market value of capital assets sold, exchanged or transferred;
- Re-assess tax and disallow expenses that are extravagant or not commensurate with the type of business; and
- Tax and penalise on 'unreported income'.

(b) *Individual tax*

Residents and resident foreigners (foreigners who reside in Myanmar for at least 183 days during an income year (1 April to 31 March)) are subject to income tax on all income derived from sources within and outside of Myanmar.

As of 1 April 2012 the top marginal income tax rate for resident foreigners is 20 per cent., although tax is only levied on income net of allowances. Available allowances include: a basic relief of 20 per cent. on total income up to a maximum of MMK 10,000,000; spouse relief of MMK 300,000 providing the spouse has no assessable income; life insurance premiums; and child relief of MMK 200,000 per child. There is an exemption from income tax if the total salary is less than MMK 1,440,000 in a tax year.

Non-resident foreigners are taxed only on income derived from sources within Myanmar. Non-resident foreigners who are not employed by an FIL company are subject to income tax at a rate of 35 per cent. on total gross receipts and are not granted any allowances or reliefs. Non-resident foreigners employed with an FIL company are taxed at band rates applicable to a resident.

11.4.3 *Ordinary Shares*

(a) Dividend distributions

Dividends received in respect of shares held in a non-Myanmar company by a resident of Myanmar are subject to Myanmar's income tax at a progressive tax rate of between 2 per cent. and 30 per cent. on a total income basis.

Dividends received in respect of Shares held in a Myanmar company by a resident or a non-resident of Myanmar are exempt from Myanmar's income tax.

(b) Myanmar Capital Gains Tax

Pursuant to a Notification issued by the tax authorities in 2006, gains from the sale, exchange or transfer by any means of capital assets, in Kyats or foreign currency, are taxed at the rate of 10 per cent. if the proceeds of all assets disposed of exceeds MMK 5,000,000. In the case of a non-resident foreigner, tax at a rate of 40 per cent. is to be paid in the same currency as the disposal or transfer transaction.

Companies carrying on businesses in the oil and gas sector in Myanmar are taxed at a progressive rate from 40 to 50 per cent. on gains realised from the sale, exchange or transfer by any means, of any capital assets including ordinary shares, capital assets ownership and benefits.

Foreign companies are prohibited from owning immovable property in Myanmar.

Losses from the sale, exchange or transfer by any means of capital assets, cannot be utilised to set-off against gains from other sources of income.

(c) Myanmar Stamp Duty

Stamp duties are collected from the affixing of judicial stamps, which are for use in judicial proceedings, and non-judicial stamps, which are for general purposes.

Non-Judicial Stamp Duty is levied on various types of instruments which are required to be stamped under the Myanmar Stamp Act of 1891. Stamp duty is levied at various levels, for example on a transfer of Ordinary Shares denominated in Kyat the rate is 0.3 per cent. of 'the value' and 1 per cent. of 'the value' payable on a transfer of shares denominated in a currency other than the Kyat.

(d) Withholding Tax

Withholding taxes are levied on a variety of payments to both residents and non-resident foreigners including royalties for the use of licences, trademarks and patent rights and interest. Taxes levied on residents are not final taxes and can be credited against liability.

The tax rates vary from 2 per cent. to 20 per cent. depending upon the nature of the payment

There is no withholding tax on the payment of dividends to both residents and non-residents and on interest payments to residents on the distribution of dividends by a Myanmar company.

11.4.4 *Commercial Tax*

Myanmar does not have a value added tax system at this time. However there is a commercial tax imposed on various items set out in schedules in the Commercial Tax Law ("**CTL**"). Commercial tax applies to goods produced and services rendered in Myanmar and to goods imported into Myanmar which are listed in the CTL's schedules. Current commercial tax rates range from 5 per cent. on items such as computers and legal and auditing services, up to 100 per cent. on items such as alcohol and cars.

While commercial tax is not a value added tax with full credits available, there is a partial offset system for the trading of goods and service where certain conditions are met.

Commercial taxes are also levied on imported goods based on the landed cost which is the sum of CIF value, port dues (calculated at the rate of 0.5 per cent. of the CIF value of goods) and custom duties.

11.4.5 *Share Warrants*

(a) Myanmar Capital Gains Tax

The Share Warrants will be subject to Myanmar's Capital Gain Tax (see paragraph 14.3.3 (b) above).

(b) Myanmar Stamp Duty

The Stamp Duty on a 'Certificate or Other Documents evidencing the right or title of the holder thereof, or any other person , either to any shares, scrip or stock in or of any incorporated company or other body corporate, or to become proprietor of shares, scrip or stock in or of any such company or body' is Kyat 300.

11.5 ***US federal income taxation***

The following is a discussion of certain US federal income tax considerations relating to the acquisition, ownership, and disposition of Ordinary Shares or Warrants by investors that acquire Ordinary Shares or Warrants in the offering and will hold the Ordinary Shares or Warrants as 'capital assets' (generally, property held for investment). This discussion is based upon applicable provisions of the Internal Revenue Code of 1986, as amended (the "**Code**"), Treasury regulations (proposed, temporary and final) promulgated thereunder, published Internal Revenue Service ("**IRS**") rulings, published administrative positions of the IRS, and court decisions that are currently applicable, any of which are subject to change, possibly with retroactive effect. This discussion does not address all aspects of US federal income taxation that may be important to particular investors in light of their individual circumstances, including investors subject to special tax rules (for example, financial institutions, insurance companies, broker-dealers, partnerships and their partners, and tax-exempt organisations), holders who own (directly, indirectly, or constructively) 10 per cent. or more of the Company's voting stock, investors that will hold the Ordinary Shares or Warrants as part of a straddle, hedge, conversion, constructive sale, or other integrated transaction for US federal income tax purposes, investors that are traders in securities that have elected the mark-to-market method of accounting, or investors that have a functional currency other than the US Dollar, all of whom may be subject to tax rules that differ significantly from those discussed below. In addition, this discussion does not address any non-US, state, or local tax considerations. Each US Holder should consult its tax adviser regarding the US federal, state, local, and non-US income and other tax considerations of an investment in Ordinary Shares or Warrants.

For purposes of this discussion: (i) a 'US Holder' is a beneficial owner of Ordinary Shares or Warrants that is, for US federal income tax purposes; (a) an individual who is a citizen or resident of the US; (b) a corporation created in, or organised under the law of the US or any state thereof or the District of Columbia; (c) an estate the income of which is includible in gross income for US federal income tax purposes regardless of its source; or (d) a trust: (1) the administration of which is subject to the primary supervision of a US court and which has one or more US persons who have the authority to control all substantial decisions of the trust; or (2) that has otherwise validly elected to be treated as a US person under the Code; and (ii) a 'Non-US Holder' is a beneficial owner of Ordinary Shares or Warrants that, for US federal income tax purposes, is an individual, corporation, trust or estate and that is not a US Holder.

If a partnership is a beneficial owner of Ordinary Shares or Warrants, the tax treatment of a partner in the partnership generally will depend upon the status of the partner and the activities of the partnership. A partner of a partnership holding Ordinary Shares or Warrants should consult its tax adviser regarding an investment in the Ordinary Shares or Warrants.

Circular 230

Any discussion of US federal tax issues set forth in this document was written in connection with the promotion and marketing by the Company of the Ordinary Shares and the Warrants. Such discussion was not intended or written to be legal or tax advice to any person and was not intended or written to be used, and it cannot be used, by any person for the purpose of avoiding any US federal tax penalties that may be imposed on such person. Each prospective investor should seek advice based on its particular circumstances from an independent tax adviser.

US Holders

Dividends on Ordinary Shares

Subject to the PFIC rules discussed below, the gross amount of any distribution (including non-cash property) paid by the Company (including any taxes withheld therefrom) with respect to the Ordinary Shares generally will be included in the gross income of a US Holder as a

dividend to the extent such distribution is paid out of the Company's current or accumulated earnings and profits, as determined under US federal income tax principles. Because the Company does not intend to determine its earnings and profits on the basis of US federal income tax principles, any distribution the Company pays generally will be treated as a dividend for US federal income tax purposes. Dividends received on Ordinary Shares generally will not be eligible for the dividends-received deduction generally allowed to US corporations.

The amount included in gross income for any dividend paid in currency other than the US Dollar (a "**foreign currency**") will equal the US Dollar value of the foreign currency received, calculated by reference to the exchange rate in effect on the date the dividend is received, regardless of whether the foreign currency is converted into US Dollars at such time. If the foreign currency is not converted into US Dollars at the date of receipt, a US Holder will have a tax basis in the foreign currency equal to the US Dollar amount included in gross income. Any gain or loss on a subsequent conversion or other disposition of the foreign currency will be treated as ordinary income or loss and generally will be US source income or loss for foreign tax credit purposes.

Dividends with respect to the Ordinary Shares generally will be treated as income from foreign sources for foreign tax credit purposes. A US Holder may be eligible, subject to a number of complex limitations, to claim a foreign tax credit in respect of any non-US withholding taxes imposed on dividends received with respect to the Ordinary Shares. A US Holder who does not elect to claim a foreign tax credit for any non-US tax withheld may instead claim a deduction for US federal income tax purposes in respect of such withholding, but only for a year in which such holder elects to do so for all creditable non-US income taxes.

Taxable Disposition of Ordinary Shares

Subject to the PFIC rules discussed below, a US Holder generally will recognise capital gain or loss upon the sale, exchange or other taxable disposition of Ordinary Shares in an amount equal to the difference between the amount realised upon such disposition and the US Holder's adjusted tax basis in such Ordinary Shares. Such capital gain or loss generally will be long-term capital gain or loss if the US Holder has held the Ordinary Shares for more than one year and generally will be US source gain or loss for foreign tax credit purposes. Long-term capital gains recognised by certain non-corporate US Holders (such as individuals) generally are eligible for reduced rates of US federal income tax. The deductibility of a capital loss may be subject to limitations.

A US Holder that receives foreign currency on the disposition of Ordinary Shares will realise an amount on such disposition equal to the US Dollar value of the currency received, calculated at by reference to the exchange rate in effect on the date of the disposition (or, in the case of cash basis and electing accrual basis taxpayers, the settlement date). A US Holder will recognise foreign currency gain or loss to the extent of any difference between the US Dollar value of the amount received at the exchange rate on the settlement date and the US Dollar amount recognised on the date of the disposition. A US Holder will have a tax basis in the foreign currency received equal to the US Dollar value of the currency received on the settlement date. Any gain or loss on a subsequent conversion or other disposition of the foreign currency will be treated as ordinary income or loss and generally will be US source income or loss for foreign tax credit purposes.

Taxation of Warrants

A US Holder of a Warrant will not recognise gain or loss as a result of the US Holder's receipt of Ordinary Shares upon exercise of a Warrant. A US Holder's adjusted tax basis in the Ordinary Shares received generally will equal the sum of: (i) the US Holder's adjusted tax basis in the Warrant exercised (i.e., the amount paid to acquire the Warrant); and (ii) the exercise

price for the Warrant. A US Holder's holding period for Ordinary Shares received upon exercise of a Warrant will commence on the date the Warrant is exercised.

If a Warrant is allowed to lapse unexercised, a US Holder of such Warrant generally will recognise a capital loss equal to the US Holder's adjusted tax basis in the Warrant. Such loss generally will constitute long-term capital gain or loss if the US Holder held such Warrant for more than one year at the time of lapse. The deductibility of capital losses is subject to certain limitations. Any loss realised by a US Holder on the lapse of a Warrant generally will be treated as US source loss for foreign tax credit purposes.

Subject to the PFIC rules discussed below, upon the sale, exchange or other taxable disposition of a Warrant, a US Holder generally will recognise capital gain or loss equal to the difference between the amount realised upon such disposition and the US Holder's tax basis in the Warrant at the time of such disposition. Such capital gain or loss generally will be long-term capital gain or loss if the US Holder has held the Warrant for more than one year and generally will be US source gain or loss for foreign tax credit purposes. Long-term capital gains recognised by certain non-corporate US Holders (such as individuals) generally are eligible for reduced rates of US federal income tax. The deductibility of a capital loss may be subject to limitations. A US Holder that receives foreign currency on the disposition of a Warrant will be subject to the same rules that apply with respect to foreign currency received by a US Holder on the disposition of Ordinary Shares, as described under "Taxable Disposition of Ordinary Shares" above.

The exercise price of the Warrants is subject to adjustment in certain circumstances. US Holders may be treated as receiving a constructive distribution from the Company if such exercise price is adjusted and as a result of such adjustment, the proportionate interest of US Holders in the assets or earnings of the Company is increased, unless such adjustment is made pursuant to a *bona fide*, reasonable anti-dilution formula. An adjustment in the exercise price of the Warrants would not be considered made pursuant to a *bona fide* anti-dilution formula if the adjustment were made to compensate a US Holder for certain taxable distributions with respect to the Ordinary Shares. Thus, under certain circumstances, an adjustment to the exercise price of the Warrants may give rise to a taxable dividend to US Holders of Warrants even though such US Holders would not receive any cash related thereto.

Passive Foreign Investment Company Rules

A non-US corporation generally will be classified as a PFIC for US federal income tax purposes for any taxable year if either: (i) 75 per cent. or more of its gross income for such year consists of certain types of "passive" income; or (ii) 50 per cent. or more of the value of its assets (determined on the basis of a quarterly average) during such year produce or are held for the production of passive income. For this purpose, a non-US corporation is treated as owning a proportionate share of the assets and earning a proportionate share of the income of any other corporation in which such non-US corporation owns, directly or indirectly, more than 25 per cent. (by value) of such other corporation's stock. Pursuant to a start-up exception, a corporation will not be a PFIC for the first taxable year the corporation has gross income, if: (1) no predecessor of the corporation was a PFIC; (2) the corporation satisfies the IRS that it will not be a PFIC for either of the first two taxable years following the start-up year; and (3) the corporation is not in fact a PFIC for either of those years.

PFIC status is a fact-intensive determination made on an annual basis. It is possible the Company may become a PFIC in the current or any future taxable year due to changes in the Company's asset or income composition (which will be affected by, among other things, how, and how quickly, the Company spends the cash it raises in this offering). Furthermore, because the Company's status as a PFIC may depend in part upon the market value of the Ordinary Shares, a decrease in such market value may also result in the Company becoming a PFIC. In

addition, the applicability of the start-up exception to the Company will not be determinable until a future date (i.e., no sooner than after the Company's second taxable year). Accordingly, no assurance can be given that the Company is not, or will not become classified as, a PFIC. If the Company were to be classified as a PFIC for any taxable year during which a US Holder holds Ordinary Shares, the PFIC tax rules discussed below generally would apply for such taxable year and would apply in all succeeding years during which such US Holder holds the Ordinary Shares, even if the Company ceased to be a PFIC in subsequent years.

If the Company were classified as a PFIC for any taxable year during which a US Holder holds Ordinary Shares, and unless the US Holder made a mark-to-market election with respect to the Shares (as described below), the US Holder generally will be subject to special tax rules that have a penalising effect, regardless of whether the Company remains a PFIC, on: (i) any 'excess distribution' (i.e., in general, any distribution paid during a taxable year that is greater than 125 per cent. of the average annual distributions paid in the three preceding taxable years or, if shorter, the US Holder's holding period for the Ordinary Shares) that the Company makes to the US Holder; and (ii) any gain realised on the sale or other disposition, including a pledge, of the Ordinary Shares. Under the PFIC rules: (a) the excess distribution or gain will be allocated ratably over the US Holder's holding period for the Ordinary Shares; (b) the amount allocated to the current taxable year and any taxable year prior to the first taxable year in which the Company was classified as a PFIC (a "**pre-PFIC year**") will be taxable as ordinary income; (c) the amount allocated to each prior taxable year, other than the current taxable year or a pre-PFIC year, will be subject to tax at the highest tax rate in effect applicable to the US Holder for that year; and (d) an interest charge generally applicable to underpayments of tax will be imposed on the tax attributable to each prior taxable year, other than the current taxable year or a pre-PFIC year.

Under Section 1298(a)(4) of the Code, to the extent provided in Treasury regulations, any US person having an option to acquire stock in a PFIC is considered to own such stock. No final Treasury regulations have been promulgated under this statute. Proposed Treasury regulations under Section 1291 of the Code generally provide that a US person holding an option to acquire stock in a PFIC is treated as owning such stock for purposes of applying the rules above to a disposition of the option, and treating the holding period of any stock acquired upon exercise of the option to include the holding period for the option. However, we are unable to predict whether, in what form, and with what effective date final Treasury regulations will be adopted. Accordingly, the application of the PFIC rules to a US Holder of Warrants is not entirely clear.

As an alternative to the foregoing rules, a US Holder of 'marketable stock' in a PFIC may make a mark-to-market election. For purposes of this mark-to-market election, 'marketable stock' generally includes stock that is regularly traded on certain established securities markets within the US, or on any exchange or other market the IRS determines has trading, listing, financial disclosure and other rules adequate to carry out the purposes of the mark-to-market election. AIM may qualify as such an exchange, but no assurances may be given in this regard or as to whether the Ordinary Shares will be regularly traded. If a US Holder makes this election, the US Holder generally will: (i) include as income for each taxable year the excess, if any, of the fair market value of the Ordinary Shares held at the end of the taxable year over the adjusted tax basis of such Ordinary Shares; and (ii) deduct as a loss the excess, if any, of the adjusted tax basis of such Ordinary Shares over the fair market value of such Ordinary Shares held at the end of the taxable year, but only to the extent of the amount previously included in income as a result of the mark-to-market election. The US Holder's adjusted tax basis in the Ordinary Shares would be adjusted to reflect any income or loss resulting from the mark-to-market election. If a US Holder makes a mark-to-market election in respect of a corporation classified as a PFIC and such corporation ceases to be classified as a PFIC, the US Holder would not be required to take into account the gain or loss described above during any period that such corporation were not classified as a PFIC.

As a further alternative to the foregoing rules, a US Holder of stock in a PFIC may make a 'qualified electing fund' election with respect to such PFIC to elect out of the tax treatment discussed above. A US Holder who makes a valid qualified electing fund election with respect to a PFIC generally will include in gross income for a taxable year such holder's *pro rata* share of the corporation's earnings and profits for the taxable year. However, the qualified electing fund election is available only if such PFIC provides such US Holder with certain information regarding its earnings and profits as required under applicable Treasury regulations. The Company does not currently intend to prepare or provide the information that would enable US Holder's to make a qualified electing fund election.

If a US Holder holds Ordinary Shares in any year in which the Company is classified as a PFIC, such US Holder may be required to file IRS Form 8621. In addition, each US Holder of a PFIC may be required to file an annual report containing such information as the US Treasury may require.

For the foregoing reasons, the acquisition of Ordinary Shares or Warrants may not be a suitable investment for US Holders (other than US Holders that are tax-exempt organisations). US Holders should consult their tax advisers regarding the application of the PFIC rules to an investment in Ordinary Shares and/or Warrants.

Medicare Tax on 'Net Investment Income'

For taxable years beginning after 31 December 2012, certain US Holders (including individuals, estates and trusts) will be subject to an additional 3.8 per cent. Medicare tax on unearned income. For individuals, the additional Medicare tax applies to the lesser of: (i) 'net investment income'; or (ii) the excess of 'modified adjusted gross income' over certain specified amounts. 'Net investment income' generally equals the taxpayer's gross investment income reduced by the deductions that are allocable to such income. Investment income generally includes passive income, such as interest, dividends, annuities, royalties, rents and capital gains. US Holders should consult their own tax advisers regarding the implications of the additional Medicare tax resulting from an investment in Ordinary Shares or Warrants.

Backup Withholding and Information Reporting

US Holders may be subject to information reporting to the IRS with respect to dividends on and proceeds from the sale or other disposition of the Ordinary Shares or Warrants that are made within the US or through certain US-related financial intermediaries. Dividend payments with respect to the Ordinary Shares and proceeds from the sale or disposition of the Ordinary Shares or Warrants generally are not subject to US backup withholding (provided that certain certification requirements are satisfied). Backup withholding is not an additional tax. Amounts withheld as backup withholding may be credited against a US Holder's US federal income tax liability, and a US Holder generally may obtain a refund of any excess amounts withheld under the backup withholding rules by timely filing the appropriate claim for refund with the IRS and furnishing any required information. US Holders should consult their tax advisers regarding the application of the US information reporting and backup withholding rules to their particular circumstances.

US Holders that are individuals who hold 'specified foreign financial assets' (including stock of a non-US corporation that is not held in an account maintained by a US 'financial institution') whose aggregate value exceeds US$50,000 during the taxable year may be required to attach to their tax returns for the taxable year certain specified information. An individual who fails to timely furnish the required information may be subject to a penalty. US Holders who are individuals should consult their tax advisers regarding the application of their reporting obligations under these rules as a result of an investment in Ordinary Shares or Warrants.

Non-US Holders

A Non-US Holder of Ordinary Shares or Warrants generally will be exempt from any US federal income or withholding taxes with respect to gains derived from the disposition of Ordinary Shares or Warrants and with respect to any dividends on Ordinary Shares, unless such gain or dividend, as applicable, is effectively connected with a trade or business conducted in the US by such Non-US Holder (or, if an income tax treaty applies, is attributable to a US permanent establishment of such Non-US Holder) or, in the case of gain, such Non-US Holder is an individual who is present in the US for 183 days or more during the taxable year and certain other conditions are satisfied. If a Non-US Holder is engaged in the conduct of a trade or business in the US (or, if an income tax treaty applies, has a US permanent establishment) and gain from the disposition of Ordinary Shares or Warrants, or any dividends on Ordinary Shares, is effectively connected to such trade or business (or, if an income tax treaty applies, is attributable to such US permanent establishment), such Non-US Holder would be subject to US federal income tax with respect to such gains, interest or dividends, as applicable, in the same manner as a US Holder, as described above.

12. US Securities Laws

Resales of Regulation D Ordinary Shares and Warrants

The restrictions described below will generally not prohibit resales on AIM of the Ordinary Shares or Warrants offered hereby following the Placing and Subscription provided such a resale is effected in a valid transaction under Regulation S. However, due to the restrictions described below, subscribers for and subsequent purchasers of the Ordinary Shares or Warrants (outside of CREST only) and their brokers may be required to execute representation letters prior to resales of such shares and provide legal opinions. Among other things, prior to any resale during such period, and in addition to certain other representations, a reseller of Ordinary Shares or Warrants (outside of CREST only), and such reseller's broker may each be required to represent that neither such reseller, nor any person acting on such reseller's behalf, knows that the resale transaction has been pre-arranged with a buyer in the US. The Company reserves the right to modify this process as may be deemed required or appropriate and may require such other documentation evidencing a valid exemption from registration to comply with applicable US securities law requirements and the AIM Rules for Companies.

Restricted Trading

The Ordinary Shares and Warrants will be subject to certain restrictions on transfer in accordance with Regulation D and the Investment Company Act, and the certificates in respect of such Ordinary Shares and Warrants will bear legends with respect to such transfer restrictions. Subscribers, Placees and subsequent purchasers of such Ordinary Shares and Warrants will be deemed to have agreed to be bound by the transfer restrictions and to have agreed not to effect transfers of the Ordinary Shares or Warrants except to transferees who also agree to be bound by the restrictions, while the restrictions are still applicable.

Representations

Due to the following restrictions, subscribers for or purchasers of Ordinary Shares or Warrants in the US are advised to consult legal counsel prior to making any offer for, resale, pledge or other transfer of such Ordinary Shares or Warrants.

By receiving this document, each Placee or Subscriber (each, for the purposes of paragraphs 1 to 15 below, an "**Investor**") and, to the extent applicable, any person confirming his agreement to acquire New Ordinary Shares on behalf an Investor (each, for the purposes of paragraphs 1 to 15 below, an "**Investor**"), is deemed to acknowledge, agree, undertake, represent and warrant that:

1. the Ordinary Shares and the Warrants have not been and will not be registered under the US Securities Act, or under the securities legislation of, or with any securities regulatory authority

of, any state or other jurisdiction of the US or under the applicable securities laws of Australia, Canada, Japan, the Republic of Ireland or the Republic of South Africa or where to do so may contravene local securities laws or regulations;

2. except as provided in paragraph 3 below, the Investor is not a person located in the US and is eligible to participate in an 'offshore transaction' as defined in and in accordance with Regulation S and the shares offered to the Investor as part of the Placing and Subscription were not offered to such Investor by means of 'directed selling efforts' as defined in Regulation S;

3. where the Investor is a US person as defined in Regulation S, it is an 'accredited investor', as defined in Rule 501(a) under Regulation D, and is acquiring the New Ordinary Shares and the Warrants either for: (i) its own account; (ii) for the account of one or more 'accredited investors' for which it is acting as duly authorised agent; or (iii) a discretionary account or accounts as to which it has complete investment discretion and the authority to make, and does make, the statements contained herein;

4. the Company has not registered under the Investment Company Act and that the Company has put in place restrictions for transactions not involving any public offering in the US, and to ensure that the Company is not and will not be required to register under the Investment Company Act;

5. where an Investor is a US person, it is a 'qualified purchaser' as defined in Section 2(a)(51) under the Investment Company Act.

6. it is acquiring the New Ordinary Shares and the Warrants for investment purposes only and not with a view to any resale, distribution or other disposition of the New Ordinary Shares or the Warrants in violation of the US Securities Act or any other US, federal or applicable state securities laws and or in circumstances which would require the Company to register under the Investment Company Act;

7. the New Ordinary Shares and the Warrants may not be offered, resold, pledged or otherwise transferred except: (a)(i) in an offshore transaction meeting the requirements of Rule 903 or Rule 904 of Regulation S; (ii) pursuant to an effective registration statement under the US Securities Act; or (iii) pursuant to an available exemption from the registration requirements of the US Securities Act; (b) in accordance with all applicable securities laws of the states of the US and any other jurisdictions; and (c) in circumstances which would not require the Company to register under the Investment Company Act. Each Investor agrees to, and each subsequent holder is required to, comply with, and notify any purchaser of the New Ordinary Shares and/or the Warrants from it of the resale restrictions referred to in this paragraph, if then applicable;

8. upon the issuance of the New Ordinary Shares and the Warrants, and until such time as the same is no longer required under applicable requirements of the US Securities Act or applicable state securities laws, all certificates representing New Ordinary Shares and all certificates representing the Warrants, if any, and all certificates issued in exchange therefor or in substitution thereof, shall bear the following legend:

"MYANMAR INVESTMENTS INTERNATIONAL LIMITED (THE "COMPANY") HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE US INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE "INVESTMENT COMPANY ACT"). THIS SECURITY MAY NOT BE OFFERED, SOLD, PLEDGED, EXERCISED OR OTHERWISE TRANSFERRED WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, US PERSONS EXCEPT IN CIRCUMSTANCES WHICH WILL NOT REQUIRE THE COMPANY TO REGISTER UNDER THE INVESTMENT COMPANY ACT. THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT") OR ANY STATE SECURITIES LAWS IN THE UNITED STATES. THE

HOLDER HEREOF, BY PURCHASING SUCH SECURITIES, AGREES, FOR THE BENEFIT OF THE COMPANY, THAT SUCH SECURITIES MAY BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED, ONLY: (I) TO THE COMPANY; (II) OUTSIDE OF THE UNITED STATES IN ACCORDANCE WITH REGULATION S UNDER THE SECURITIES ACT, IN COMPLIANCE WITH ALL APPLICABLE LAWS AND REGULATIONS; (III) WITHIN THE UNITED STATES PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT, IN COMPLIANCE WITH ALL APPLICABLE STATE SECURITIES LAWS IN THE UNITED STATES; OR (IV) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT, AND IN COMPLIANCE WITH ALL APPLICABLE STATE AND OTHER SECURITIES LAWS AND, IN ANY CASE, UPON THE SUBMISSION TO THE COMPANY OF SUCH EVIDENCE AS MAY BE SATISFACTORY TO THE COMPANY TO THE EFFECT THAT ANY SUCH TRANSFER WILL NOT BE IN VIOLATION OF THE SECURITIES ACT AND APPLICABLE STATE AND OTHER SECURITIES LAWS AND, IN THE CASE OF SECURITIES BEING SOLD UNDER (III) OR (IV) ABOVE, UPON THE DELIVERY TO THE COMPANY OF AN OPINION OF COUNSEL OF RECOGNIZED STANDING, IN FORM AND SUBSTANCE REASONABLY SATISFACTORY TO THE COMPANY, THAT REGISTRATION IS NOT REQUIRED FOR SUCH TRANSFER'';

provided that, if securities are being sold under (II) above, and provided that the Company is a 'foreign issuer' within the meaning of Regulation S under the US Securities Act at the time of sale, any such legend may be removed by providing a declaration to the Company in such form as the Company may prescribe from time to time; and provided further, that, if any such securities are being sold under (III) or (IV) above, such transfer of securities will be recognised by the Company only upon the submission to the Company of such evidence as may be satisfactory to the Company to the effect that any such transfer will not be in violation of the US Securities Act, the Investment Company Act and applicable state and other securities laws and, the legend may be removed upon delivery to the Company of an opinion of counsel of recognised standing, in form and substance reasonably satisfactory to the Company, to the effect that such legend is no longer required under applicable requirements of the US Securities Act, the Investment Company Act or state securities laws;

9. the New Ordinary Shares and the Warrants are 'restricted securities' within the meaning of Rule 144(a)(3) under the US Securities Act and the Investor undertakes to notify any transferee to whom it subsequently offers, reoffers, resells, pledges or otherwise transfers the shares and/or the Warrants acquired as part of the Placing and Subscription of the foregoing restrictions on transfer;

10. the Company is not obliged to file any registration statement in respect of resales of the New Ordinary Shares or the Warrants in the US with the US Securities and Exchange Commission or with any state securities administrator;

11. the Investor has not been solicited by any form of 'general solicitation' or 'general advertising' (as those terms are used in Regulation D) including advertisements, articles, notices or other communications published in any newspaper, magazine or similar media or broadcast over radio or television, or in connection with any seminar or meeting to which the Investor was invited by any such general solicitation or general advertising, and the Investor has not become aware of any advertisement in printed media of general and regular paid circulation or on radio, television or other form of telecommunication or any other form of advertisement (including electronic display or the Internet) or sales literature with respect to the acquisition of the New Ordinary Shares or the Warrants;

12. the Investor invests in or purchases securities similar to the New Ordinary Shares and/or the Warrants in the normal course of its business and it has such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of an investment in the New Ordinary Shares and the Warrants;

13. the Investor has conducted its own investigation with respect to the Company and the New Ordinary Shares and the Warrants and has had access to such financial and other information concerning the Company, the New Ordinary Shares and the Warrants as the Investor deemed necessary to evaluate the merits and risks of an investment in the New Ordinary Shares and the Warrants, and the Investor has concluded that an investment in the New Ordinary Shares and the Warrants is suitable for it or, where the Investor is not acting as principal, for any beneficial owner of the New Ordinary Shares and the Warrants, based upon each such person's investment objectives and financial requirements;

14. the Investor or, where the Investor is not acting as principal, any beneficial owner of the new Ordinary Shares and/or the Warrants, is able to bear the economic risk of an investment in the New Ordinary Shares and the Warrants for an indefinite period and the loss of its entire investment in the New Ordinary Shares and the Warrants; and

15. there may be adverse consequences to the Investor under US and other tax laws resulting from an investment in New Ordinary Shares and/or the Warrants and the Investor has made such investigation and has consulted such tax and other advisers with respect thereto as it deems necessary or appropriate.

Additional Matters

The Ordinary Shares or Warrants are being placed and sold outside the US to non-US persons in reliance on the exemption from registration provided by Regulation S. Each purchaser of the Ordinary Shares or Warrants who is not an Accredited Investor, by acquiring the Ordinary Shares or Warrants or a beneficial interest therein, will be deemed to have represented, agreed and acknowledged: (i) that it is outside the US and not a US person; (ii) that it is acquiring such Ordinary Shares or Warrants or a beneficial interest therein pursuant to Regulation S; and (iii) that such Ordinary Shares or Warrants or beneficial interest therein may only be resold in an offshore transaction complying with Rule 903 or Rule 904 of Regulation S.

13. Material contracts

The following are the only contracts (not being contracts entered into in the ordinary course of business) which have been entered into by the Group since incorporation up until the date of this document or which are expected to be entered into prior to Admission and which are, or may be, material or which have been entered into at any time by the Company and which contain any provision under which the Company has any obligation or entitlement which is, or may be, material to the Company as at the date of this document:

(a) Placing Agreement

On 21 June 2013, the Company and the Directors entered into the Placing Agreement with Allenby and Grant Thornton pursuant to which the Company has agreed to issue New Ordinary Shares and Warrants at the Issue Price pursuant to the Placing, and Allenby has agreed to use its reasonable endeavours to procure Placees for the New Ordinary Shares and Warrants at the Issue Price pursuant to the Placing. The Placing will not be underwritten by Allenby. Pursuant to the terms of the agreement, the Company agrees to use reasonable endeavours to procure Admission by 8.00 a.m. on or before 27 June 2013 and Grant Thornton agrees that it will provide reasonable assistance to the Company to assist it in doing so.

The Placing is conditional, *inter alia*, on:

(a) each of the warranties set out in the Placing Agreement being true and accurate as at the date of the Placing Agreement and there being no further breach of any of the warranties prior to the date of Admission;

(b) the warranty certificate having been duly executed and delivered to Grant Thornton and Allenby or to their solicitors on the Business Day immediately prior to the date of Admission;

(c) the delivery of certain documentation in connection with the Placing, Subscription and Admission on or before the date of execution of this Agreement;

(d) Admission taking place on or before 27 June 2013 or such later date as Allenby and Grant Thornton may agree, not being later than 31 August 2013; and

(e) receipt by Beaufort Asset Clearing Services Limited on behalf of Allenby of not less than £3,000,000 from the Subscribers, pursuant to the Subscription, and the Placees, pursuant to the Placing, by no later than 5.00 p.m. on 20 June 2013.

The Placing Agreement contains customary warranties and undertakings given by the Company and the Directors to Allenby and Grant Thornton as to the accuracy of the information contained in this document and other matters relating to the Ordinary Shares, the Warrants, the Subscription, the Placing, the Company and its business. In addition, the Company has given an indemnity to Allenby and Grant Thornton in respect of certain customary matters.

Allenby and Grant Thornton are entitled to terminate the Placing Agreement in certain specified circumstances prior to Admission including, *inter alia*, if any statement in this document becomes untrue, inaccurate or misleading in a material respect; any of the warranties has ceased or is likely to cease to be true and accurate and not misleading in all material respects; any of the Directors or the Company have failed to comply in any material respect with any of their respective obligations under the agreement; a material adverse change in the financial position or prospects of the Company or any member of the Group has or will occur; or on the occurrence of certain force majeure events.

In consideration of its services in connection with the Placing, the Company has agreed to pay Allenby in aggregate US$35,325.

The Company has agreed to pay or cause to be paid (together with any related value added tax) certain costs, charges, fees (including legal fees) and expenses of, or incidental to the Placing and Admission.

The Placing Agreement is governed by and construed in accordance with the laws of England.

(b) Nominated Adviser Agreement

The Company has entered into a nominated adviser agreement dated 21 June 2013 between the Company and Grant Thornton pursuant to which Grant Thornton has agreed to act as nominated adviser to the Company following Admission. The nominated adviser agreement contains certain undertakings and indemnities given by the Company to Grant Thornton. The appointment of Grant Thornton as nominated adviser can be terminated by either party giving 30 days written notice (provided that the Company may not serve such written notice to Grant Thornton in the first 24 months from Admission) and on shorter notice in certain limited circumstances.

(c) Broker Agreement

The Company has entered into a Broker Agreement dated 21 June 2013 between the Company and Allenby pursuant to which Allenby has agreed to act as broker to the Company following Admission. The broker agreement contains certain undertakings and indemnities given by the Company to Allenby. The appointment of Allenby as broker can be terminated by either party giving three months' written notice and on shorter notice in certain limited circumstances.

(d) Subscription Agreements

The Subscribers entered into Subscription Agreements with the Company pursuant to which they have conditionally agreed to subscribe for a certain number of New Ordinary Shares at the Issue Price per New Ordinary Share. For each New Ordinary Share that a Subscriber subscribes for they will also receive one Warrant at no additional cost which shall be constituted by and which shall be subject to the terms of the Warrant Instrument (see Part IV for further details).The Subscription Agreements are conditional on: (i) the Company entering into a placing agreement with Allenby and that agreement becoming unconditional save as to Admission; (ii) Admission occurring on or before 8.00 a.m. London time on 27 June 2013 or such later date as the Company and Grant Thornton shall agree, not to be later than 31 August 2013; and (iii) in relation to the Subscription Agreements entered into by the Cornerstone Investors only, the Cornerstone Investors entering into an orderly market agreement and co-investment agreement with the Company. In accordance with the requirements of the Subscription Agreements the Subscribers are required to give certain customary confirmations. The Subscription monies shall be paid by the Subscribers to Beaufort Asset Clearing Services Limited, who will hold the money as escrow agents until the Subscription Agreements have become unconditional in all respects, whereupon certain pre-agreed expenses will be settled and the net amount will be transferred to the Company. Subscribers, or in some cases their brokers, will be entitled to receive a commission of US$0.05 per New Ordinary Share subscribed for, subject to their subscription becoming unconditional. Placees will not execute Subscription Agreements, but will subscribe by way of a placing letter via Allenby as the Company's agent. No commission will be payable to Placees.

(e) Warrant Instrument

The Company has entered into a Warrant Instrument pursuant to which the Warrants have been constituted. Further details of the Warrant Instrument are set out in Part IV of this document.

(f) Share Option Plan

The Company has entered into a Share Option Plan pursuant to which the Share Options may be granted. Further details of the Share Option Plan are set out in paragraph 7 of this Part VI.

(g) Co-investment Agreements

Each of the Cornerstone Investors have entered into a co-investment agreement with the Company (the "**Co-investment Agreement**"). Under the terms of the Co-investment Agreement, where the Company has the opportunity to invest in a project and does not wish to, or cannot, take up the full potential investment opportunity the Company shall use reasonable endeavours to procure that the Cornerstone Investors (or affiliates of, or funds managed by such Cornerstone Investors) have an opportunity to invest in such projects. Any opportunity to invest will be in proportion to the Cornerstone Investor's share of the total investment made in the Subscription by all the Cornerstone Investors. To the extent that any of the Cornerstone Investors elect not to take up any investment opportunity made available to them within 14 days of notification of such opportunity, the Company shall use its reasonable endeavours to procure that the other Cornerstone Investors have the option to take up such remaining investment opportunity in proportion to their share of the total investment made by the Cornerstone Investors in the Subscription, adjusted to subtract any Cornerstone Investors who did not participate in the opportunity. Any rights granted to a Cornerstone Investor may be taken up by an affiliated entity of, or any fund managed by, a Cornerstone Investor.

The Co-investment Agreement places no obligation on the Company to make such an opportunity available to the Cornerstone Investors, and no obligation where a Cornerstone Investor invests independently of the Company. The Co-investment Agreement is conditional upon Admission becoming effective before 31 August 2013 or such later date as the Company, Grant Thornton and Allenby may agree.

Any participation by a Cornerstone Investor in any investment contemplated by the Co-investment Agreement will be subject to such terms as are offered by the investee company, including as to timetable, and the Company shall not have any liability for the Cornerstone Investor's inability to comply with such terms. To the extent that the Cornerstone Investor does not intend, or is not able, to participate in any opportunity to invest that is presented to them by the Company, the Cornerstone Investor must inform the Company as soon as possible once this conclusion is reached in order to enable the Company to source a replacement Cornerstone Investor to take up the opportunity.

The Co-investment Agreement contains non-compete and confidentiality provisions and shall become effective upon the date of Admission and shall terminate on the earlier of: (a) the third anniversary of Admission; or (b) the decision by the Company's shareholders to commence the liquidation of the Company. The agreement may also be terminated earlier in certain specified circumstances.

(h) Orderly Market Agreement

Each of the nine Cornerstone Investors who together hold in aggregate 4,420,000 Ordinary Shares (representing 69.7 per cent. of the enlarged share capital following Admission), have severally undertaken that they will not (save in certain permitted circumstances) for a period of 12 months from Admission, dispose of, directly or indirectly: (i) any Ordinary Shares or any legal or equitable interest in any Ordinary Shares owned by them immediately after Admission or any Ordinary Shares which may accrue as a result of such holding; and (ii) any Warrants held by such person, unless such disposals are conducted through Allenby, or such person as Allenby may designate, in accordance with its requirements for an orderly market.

(i) Lock-In Agreement

Each of the Directors has severally undertaken that they will not (save in certain permitted circumstances) for a period of 12 months from Admission, dispose of, directly or indirectly, (i) any Ordinary Shares or any legal or equitable interest in any Ordinary Shares owned by him during such 12 month period or any Ordinary Shares which may accrue as a result of such holding; and (ii) any Warrants held by such Director. Each of the Directors has also undertaken that, for a further 12 month period, any disposals of Ordinary Shares are to be conducted through Allenby in accordance with its requirements for an orderly market. The Directors' lock-in agreements comply with the provisions of the AIM Rules for Companies.

(j) Depository Agreement

On 19 June 2013 the Company entered into a depository agreement with the Depository (the "**Depository Agreement**") pursuant to which the Depository was appointed to constitute and issue from time to time, upon the terms of a deed poll, uncertificated Depositary Interests, representing the Ordinary Shares issued by the Company, with a view to facilitating the indirect holding of, and settlement of transactions in, such Ordinary Shares by participants in CREST. The Depository will also provide certain other services in connection with the Depositary Interests.

Pursuant to the terms of the Depository Agreement the Company is to pay certain fees and charges to the Depository including set-up fees, annual fees and, in certain circumstances, fees for transfers, storage and insurance.

Except in limited circumstances (such as a material breach of contract) the Depository Agreement will remain in force for a minimum of two years. Following the initial two year period, the Depository Agreement will continue until terminated by either party giving the other three months' notice, such notice not to expire before the end of the initial two year period.

(k) Share Registrar Agreement

On 19 June 2013, the Company entered into an agreement with the Registrars (the "**Share Registrar Agreement**") pursuant to which the Company has appointed Capita Registrars (Guernsey) Limited as its share registrar to provide, or procure the provision of, share registration services and certain online services.

Pursuant to the terms of the Share Registrar Agreement, the Company is to pay certain fees and charges to the Registrar including annual fees, set-up fees and in certain circumstances fees for transfers and insurance.

Except in certain limited circumstances (including a material breach of contract or insolvency of one of the parties) the Share Registrar Agreement will remain in force for a minimum of two years. Following the initial two year period, the Share Registrar Agreement will continue until terminated by either party giving the other three months' notice, such notice not expire before the end of the initial two year period.

(l) Warrant Registrar Agreement

On 17 June 2013, the Company entered into an agreement with the Warrant Registrar (the "Registrar Agreement") pursuant to which the Company has appointed Capita Registrars Limited as its warrant registrar to provide, or procure the provision of, warrant registration services and certain online services.

Pursuant to the terms of the Warrant Registrar Agreement, the Company is to pay certain fees and charges to the Warrant Registrar including annual fees, set-up fees and in certain circumstances fees for transfers, warrant conversions and insurance.

Except in certain limited circumstances (including a material breach of contract or insolvency of one of the parties) the Warrant Registrar Agreement will remain in force for a minimum of two years.

Following the initial two year period, the Warrant Registrar Agreement will continue until terminated by either party giving the other three months' notice, such notice not expire before the end of the initial two year period.

14. Related party transactions

Since incorporation the Company has not entered into any related party transaction save as set out in this document.

15. Working capital

The Directors are of the opinion, having made due and careful enquiry, that after taking into account the net proceeds of the Placing and Subscription, the working capital of the Group will be sufficient for its present requirements, that is for at least 12 months from the date of Admission.

16. Litigation

The Group is not and nor has it been involved in any governmental, legal or arbitration proceedings which may have, or have had during the 12 months preceding the date of this document, a significant effect on the Company's financial position or profitability and, so far as the Directors are aware, there are no such proceedings pending or threatened against the Group.

17. General

17.1 Save as disclosed in this document, there has been no significant change in the financial or trading position of the Company since 17 May 2013.

17.2 The estimated costs and expenses relating to the Placing and Subscription payable by the Company are estimated to amount to approximately US$889,367 (including VAT) including: (a) US$285,881 of commissions payable to Subscribers under the Subscription Agreements described in paragraph 13(d) of Part VI of this document; and (b) the deferred professional fees described in paragraph 10 of Part II of this document. The total net proceeds of the Placing and Subscription will be US$5,245,383. These figures are calculated on the basis of contracts entered into with Subscribers, advisers and service providers.

17.3 Grant Thornton has given and not withdrawn its written consent to the issue of this document with the inclusion of the references to its name in the form and context in which they appear and Grant Thornton has no material interest in the Company.

17.4 Grant Thornton is registered in England and Wales under number OC307742 and its registered office is at Grant Thornton House, Melton Street, Euston Square, Euston, London NW1 2EP, United Kingdom. Grant Thornton is regulated by the Financial Conduct Authority and is acting in the capacity as nominated adviser to the Company.

17.5 Allenby has given and has not withdrawn its written consent to the issue of this document with the inclusion of its name and references to it in the form and context in which they appear and Allenby has no material interest in the Company.

17.6 Allenby is registered in England and Wales under number 06706681 and its registered office is at 3 St. Helen's Place, London, EC3A 6AB, United Kingdom. Allenby is regulated by the Financial Conduct Authority and is acting in the capacity as broker to the Company.

17.7 Save as otherwise disclosed in this document there are no patents or other intellectual property rights, licences, industrial, commercial or financial contracts or new manufacturing processes which are material to the Company's business or profitability.

17.8 Where information has been sourced from a third party, this information has been accurately reproduced and as far as the Company is aware and is able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading.

17.9 No person (excluding professional advisers otherwise disclosed in this document and trade suppliers) has:

(a) received, directly or indirectly, from the Company within the 12 months preceding the date of application for Admission; or

(b) entered into contractual arrangements (not otherwise disclosed in this document) to receive, directly or indirectly, from the Company on or after Admission;

any of the following:

(i) fees totalling £10,000 or more;

(ii) securities in the Company with a value of £10,000 or more calculated by reference to the Issue Price; or

(iii) any other benefit with a value of £10,000 or more at the date of Admission.

18. Availability of Admission Document

Copies of this document will be available to the public free of charge from the registered office of the Company at Jayla Place, Wickhams Cay I, Road Town, Tortola, British Virgin Islands during normal office hours, Saturdays and Sundays excepted, from the date of this document until the date which is one month following Admission and from the Company's website at www.myanmarinvestments.com, subject to certain access restrictions.

Dated 21 June 2013

Printed by **Rubicon** Corporate Print
R2615