

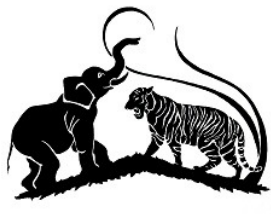


LINCOLN LEGAL SERVICES (MYANMAR) LIMITED

\CONVENIENCE TRANSLATION - ACCURACY NOT GUARANTEED

Notice

1. It is important to obtain export revenues in full as they are the main source of foreign currency inflow into the country. Therefore, section 38B Foreign Exchange Management Law and para. 35 Foreign Exchange Management Regulation provide that exporters must deposit their export earnings in foreign currency into their bank account within six months (from 10th November 2021, within three months) from the date of the shipment of the goods.
2. Therefore, exporters who exported in 2016, 2017 and 2018 had to transfer their export earnings within six months to their bank accounts in foreign currency. To ensure compliance, the [SAC's] Central Committee to Ensure a Smooth Flow of Trade and Goods, the Ministry of Investment and Foreign Economic Relations, the Ministry of Legal Affairs, the Ministry of Commerce, the Central Bank of Myanmar (CBM), the Union of Myanmar Federation of Chambers of Commerce and Industry (UMFCCI) and banks authorised to deal in foreign exchange (AD [authorised dealer] banks) together did the following:
 - (a) Clearing by the AD banks (within 3 years);
 - (b) clearing by UMFCCI (after 60 days);
 - (c) announcement of the clearing in newspapers and on the CBM website (after 60 days);
 - (d) Ministry of Commerce revoked exporter/importer registration certificates (Pakatha) of those who did not pass clearing (after 30 days); and
 - (e) holding five meetings with exporters led by the Central Committee to Ensure a Smooth Flow of Trade and Goods.
3. Exporters are required to comply with section 38B Foreign Exchange Management Law which states that "no one shall fail to deposit all export earnings in foreign currency into his own bank account in the state within the prescribed period." A violation of this obligation shall be prosecuted according to section 42A of this law according to which a violator "shall be punished with imprisonment for a term not exceeding 1 year or with a fine or with both."
4. Although, as per paragraph 2, non-compliant companies with exports in 2016, 2017 or 2018 were notified to repatriate their export earnings, exporter/importer registration certificates were revoked, and there were several meetings and discussions, there still remain 158 companies that have not repatriated their export earnings.



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5. Therefore, it is announced that these 158 companies (as in the attached list) are being prosecuted under section 42A Foreign Exchange Management Law, that the members of their boards of directors are blacklisted, and that further scrutiny is underway to take action against other companies to collect remaining export earnings.

Central Bank of Myanmar
9th May 2022



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About Lincoln Legal Services (Myanmar) Limited

Lincoln Legal Services (Myanmar) Limited provides the full range of legal and tax advisory and compliance work required by investors. We pride ourselves in offering result-oriented work, high dependability and a fast response time at very competitive prices. Please do not hesitate to contact us:

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