THE REPUBLIC OF THE UNION OF MYANMAR
The Myanmar Investment Commission

PERMIT

Permit No. 603/2013

The Myanmar Investment Commission issues this Permit under section 13(b) of the Republic of the Union of Myanmar Foreign Investment Law-

(a) Name of Investor/Promoter U THAN HTUT

(b) Citizenship MYANMAR

(c) Address ROOM NO. (4), BUILDING (10), MYAWADDY AVENUE, MINGALAR TAUNG NYUNT TOWNSHIP, YANGON, REPUBLIC OF THE UNION OF MYANMAR.

(d) Name and Address of principal Organization MYANMA ECONOMIC HOLDINGS LIMITED, NO.189/191, MAHABANDOOLA ROAD, BOTATAUNG TOWNSHIP, YANGON, REPUBLIC OF THE UNION OF MYANMAR.

(e) Place of incorporation MYANMAR

(f) Type of business in which investment is to be made MANUFACTURING AND MARKETING OF COLOR COATED STEEL, ROLL FORMED COLOR SHEET, [EPS] PANEL, URETHANE PANEL, GLASS WOOL PANEL AND ANY OTHER SIMILAR PRODUCTS

(g) Place(s) at which investment is permitted PLOT NO. (22), NO.3 TRUNK ROAD, PYINMABIN INDUSTRIAL COMPLEX, MINGALARDON TOWNSHIP, YANGON REGION

(h) Amount of foreign capital US$ 12.187 MILLION

(i) Period for bringing in foreign capital WITHIN TWO YEARS FROM THE DATE OF ISSUANCE OF MIC PERMIT

(j) Total amount of capital (Kyat) EQUIVALENT IN KYAT OF US$ 13,987 (INCLUDING US$ 12,187 MILLION)

(k) Construction period 13 MONTHS

(l) Permitted duration of investment 30 YEARS

(m) Form of investment JOINT VENTURE

(n) Name of the economic organization to be formed in Myanmar MYANMAR POSCO C&C CO., Ltd.

[Signature]
Chairman
The Myanmar Investment Commission
THE REPUBLIC OF THE UNION OF MYANMAR
MYANMAR INVESTMENT COMMISSION
Building No.(32), Nay Pyi Taw

Our ref: Ya Ka-1/Na-847/2013(9383) Date: 20/August 2013
Tel: 067-406334, 406075 Fax: 95-67-406333

Subject: Decision of the Myanmar Investment Commission on the Proposal for “Manufacturing and Marketing of Color Coated Steel, Roll Formed Color Sheet, [EPS] Panel, Urethane Panel, Glass Wool Panel and any other similar products” under the name of “Myanmar POSCO C & C Co., Ltd.”


1. The Myanmar Investment Commission, at its meeting (20/2013) held on (7-8-2013) had approved the proposal for investment in “Manufacturing and Marketing of Color Coated Steel, Roll Formed Color Sheet, [EPS] Panel, Urethane Panel, Glass Wool Panel and any other similar products” under the name of “Myanmar POSCO C & C Co., Ltd.” submitted as a joint venture between Myanmar Economic Holdings Limited (30%) of Myanmar and POSCO Coated & Color Steel Co., Ltd. (70%) of Korea.

2. Hence, the "Permit" is herewith issued in accordance with Chapter VII, section 13(b) of the Republic of the Union of Myanmar Foreign Investment Law and Chapter VIII, Rule 49 of the Foreign Investment Rules relating to the said Law. Terms and conditions to the "Permit" are stated in the following paragraphs.

3. The permitted duration of the project shall be 30(Thirty) years commencing from the date of signing of the Lease Agreement for land and extendable for another 15(fifteen) years two terms period by mutual agreement between Myanmar Economic Holdings Limited and Myanmar POSCO C & C Co., Ltd.. At the end of the Lease Agreement for land and buildings, Myanmar POSCO C & C Co., Ltd.shall transfer the leased land.
and buildings (immovable properties) to the lessor in good condition, ground damages having been refilled and repaired.

4. The rent for the land and building shall be US$ 1.8 million (United States Dollar one million and eight hundred thousand only) for 30 years calculated at the rate of US$ 3 per square metre per year of the Land measuring 20,000 square metres (4.942 acres), contributed as equity by Myanmar Economic Holdings Limited.

5. In issuing this "Permit," the Commission has granted, the followings, exemptions and reliefs as per section 27(a) (h) (i) and (k) of the Republic of the Union of Myanmar Foreign Investment Law. Other exemptions and reliefs under section 27 shall have to be applied upon the actual performance of the project;

(a) As per section-27(a), income tax exemption for a period of five consecutive years including the year of commencement on commercial production;

(b) As per section-27(h), exemption or relief from customs duty or other internal taxes or both on machineries, equipments, instruments, machinery components, spare parts and materials used in the business which are imported as they are actually required for used during the period of construction of business;

(c) As per section-27(i), exemption or relief from customs duty or other internal taxes or both on raw materials imported for production for the first three-year after the completion of construction of business;

(d) As per section- 27(k), exemption of relief from commercial tax on the goods produced for export.

6. Myanmar Economic Holdings Limited shall have to sign the Joint Venture Agreement with POSCO Coated & Color Steel Co., Ltd. and the Lease Agreement for Land with Myanmar POSCO C & C Co., Ltd. After signing
such Agreements, each of (5) copies shall have to be forwarded to the Commission.

7. Myanmar POSCO C & C Co., Ltd. in consultation with the Department of Company Registration, Directorate of Investment and Company Administration shall have to be registered. After registration, (5) copies each of Certificate of Incorporation and Memorandum and Articles of Association shall have to be forwarded to the Commission.

8. Myanmar POSCO C & C Co., Ltd. shall use its best efforts for timely realization of works stated in the Proposal. If none of such works has been commenced within one year from the date of issue of this “Permit” it shall become null and void.

9. Myanmar POSCO C & C Co., Ltd. has to abide by Chapter X, Rules 58 and 59 of the Foreign Investment Rules for construction works.

10. As per Chapter X, Rule 61 of the Foreign Investment Rules, extension of construction period shall not be granted more than one except it is due to unavoidable events such as natural disasters, instabilities, riots, strikes, emergency of State condition, insurgency and outbreak of wars.

11. As per Chapter X, Rule 63 of the Foreign Investment Rules, if the investor cannot construct completely in time the construction period or extension period, the Commision will have to terminate the permit issued to the investor and there is no refund for the expenses of the project.

12. The commercial date of operation shall be reported to the Commission.

13. The Commission approves periodical appointments of foreign experts and technicians from abroad as per proposal and also in accordance with Chapter XI section 24 and section 25 of the Republic of the Union of Myanmar Foreign Investment Law and Myanmar POSCO C & C Co., Ltd. has to follow the existing Labour Laws for the recruitment of staff and labour in accordance with Chapter XIII Rule 81 of the Foreign Investment Rules.
14. In order to evaluate foreign capital and for the purpose of its registration in accordance with the provisions under Chapter XV section 37 of the Republic of the Union of Myanmar Foreign Investment Law, it is compulsory to report as early as possible in the following manner:

(a) the amount of foreign currency brought into Myanmar, attached with the necessary documents issued by the respective bank where the account is opened and defined under Chapter XVI Rules 134 and 135 of the Foreign Investment Rules;

(b) the detailed lists of the type and value of foreign capital defined under section 2(i) of the said Law, other than foreign currency.

15. Myanmar POSCO C & C Co., Ltd. brings in foreign capital defined under section 2(i) of the said Law, other than foreign currency in the manner stated in paragraph 14(b) mentioned above, the Inspection Certificate endorsed and issued by an internationally recognized Inspection Firm with regard to quantity, quality and price of imported materials shall have to be attached.

16. Myanmar POSCO C & C Co., Ltd. has the right to make account transfer and expend the foreign currency from his bank account in accordance with Chapter XVI Rule 136 of the Foreign Investment Rules and for transfer of local currency generated from the business to the local currency account opened at the bank by a citizen or a citizen-owned business in the Union and right to transfer back the equivalent amount of foreign currency from the foreign currency bank account of citizen or citizen-owned business by submitting the sufficient document in accordance with Chapter XVII Rule 145 of the Foreign Investment Rules.

17. Myanmar POSCO C & C Co., Ltd. shall report to the Commission for any alteration in the physical and financial plan of the project. Cost over run, over and above the investment amount pledged in both local and foreign currency shall have to be reported as early as possible.
18. Myanmar POSCO C & C Co., Ltd. has to undertake the appropriate and effective management and mitigation measures to alleviate the environmental and social concerns which have identified in the impact assessment section of the Environmental Management Plan and also on a report of an EIA study prepared by UAung Myat Kyaw & Associate & EIA Consulting Group.

19. Myanmar POSCO C & C Co., Ltd. shall have to hold ultimate responsibility and shall fully exercise in developing, reviewing, updating and affective implementing according to the EMP.

20. Myanmar POSCO C & C Co., Ltd. shall be responsible for the preservation of the environment at and around the area of the project site. In addition, Myanmar POSCO C & C Co., Ltd. shall responsible to abide by the Environmental Conservation Law, rules & regulation under the Ministry of Environmental Conservation and Forestry.

21. Payment of principal and interest of the loan as well as payment for import of raw materials and spare parts etc., shall be made either out of the local sales in kyat currency and US$ or from export earning of Myanmar POSCO C & C Co., Ltd.

22. Myanmar POSCO C & C Co., Ltd. in consultation with Myanmar Insurance, shall effect such types of insurance defined under Chapter XII, Rules 79 and 80 of the Foreign Investment Rules.

\[\text{Signature}\]
(Win Shein)
Chairman

Myanmar POSCO C & C Co., Ltd.
c/o
Myanmar Economic Holdings Limited


Confidential
2. Office of the Yangon Region Government
3. Ministry of National Planning and Economic Development
4. Ministry of Finance
5. Ministry of Commerce
6. Ministry of Foreign Affairs
7. Ministry of Home Affairs
8. Ministry of Immigration and Population
9. Ministry of Labour, Employment and Social Security
10. Ministry of Electric Power
11. Ministry of Industry
12. Ministry of Environmental Conservation and Forestry
13. Director General, Directorate of Investment and Company Administration
14. Director General, Directorate of Industrial Supervision and Inspection
15. Director General, Department of Human Settlements & Housing Development
16. Director General, Customs Department
17. Director General, Internal Revenue Department
18. Director General, Directorate of Trade
19. Director General, Immigration and National Registration Department
20. Director General, Directorate of Labour
21. Managing Director, Myanmar Foreign Trade Bank
22. Managing Director, Myanmar Investment and Commercial Bank
23. Managing Director, Myanmar Insurance
24. Managing Director, Myanmar Electric Power Enterprise
25. Chairman, Republic of the Union of Myanmar Federation of Chambers of Commerce and Industry (UMFCCI)