

The Government of the Republic of the Union of Myanmar
Ministry of Investment and Foreign Economic Relations
Directorate of Investment and Company Administration

Directive No. 7 / 2023

(12), Waning of Pyatho 1384 M.E.

(17 , January 2023)

Announcement for nominee directors and members
as nominee shareholders are not allowed under
Myanmar Companies Law

In exercise of the power conferred under the Section 462 (a)(ii) of the Myanmar Companies Law (hereinafter the Law), the Directorate of Investment and Company Administration hereby announces that it will not allow nominee directors and nominee shareholders.

1 In Division (18) of the Myanmar Companies Law, regardless of whether the position of director is appointed to the rights and responsibilities of directors, those who direct or control the affairs of the company are defined as directors, and are allowed to appoint as alternate directors under the Law. Hence, the appointment of nominee directors that is not consistent with the law, is not allowed.

2 The Myanmar Companies Law prescribes that any member of the company who owned the shares needs to be submitted for registration to the Company Registrar and also to be registered in the register of members kept by the company.

3 At present, it has been observed that some countries allow the registration of nominee shareholders and practice a system in which the beneficial owner is separately disclosed.

4 It is hereby announced that Myanmar does not allow the registration of such nominee shareholders and considers, as the beneficial owner, only the person/legal entity who are registered at the Registrar and also involved in the register of members kept by the company. According to the Section 421 of the Myanmar Companies Law, everyone can have access to beneficial owner information of companies with the prescribed fee.

5 This directive shall come into effect from the date of its announcement.

(Thant Sin Lwin)

Director General

Directorate of Investment and Company Administration