

16 November 2015

**PRESS RELEASE**

## **Norfund invests into MIL's microfinance joint venture**

Myanmar Investments International Limited ("MIL"), the only Myanmar focused investment company whose shares trade on the AIM market of the London Stock Exchange, today announced that the Norwegian Investment Fund for Developing Countries ("Norfund") has signed up to become a shareholder in Myanmar Finance International Ltd. ("MFIL"), MIL's microfinance joint venture.

Norfund is the Norwegian development finance institution owned by the Norwegian Government to combat poverty in selected countries through private sector development. One of the areas that it specialises in is microfinance and as a result brings significant experience to MFIL.

Norfund will own a 25% shareholding in MFIL, while MIL and its joint venture partner Myanmar Finance Co. Ltd. will own 37.5% each. MFIL intends to secure long-term debt facilities to leverage its business and Norfund's participation as a shareholder and its connections with well-established microfinance lenders will greatly assist in this. If required MIL will consider making additional equity contributions to MFIL in future.

Aung Htun, MIL's Managing Director said, "Norfund is an experienced investor in microfinance businesses in developing countries where they provide both equity and debt financing. We are delighted that Norfund is joining us as co-investors in MFIL. We look forward to leveraging on Norfund's experience in the sector to build MFIL into one of the leading microfinance companies in Myanmar."

U Htet Nyi, Chairman of MFIL added, "We are honoured to welcome Norfund as a shareholder in MFIL. Their participation validates our belief in both the opportunities that exist in the microfinance space in Myanmar as well as the platform that we have already established in MFIL."

Kjell Roland, Norfund's Managing Director said, "We are impressed with MFIL's progress and are looking forward to being an active shareholder in MFIL. Microfinance is a cornerstone of Norfund's investments in financial institutions in developing countries. Provision of financial services to low-income individuals and micro, small and medium sized enterprises that otherwise would have little or no means of access to capital is essential for enabling economic growth and poverty reduction in Myanmar."

Norfund's investment is subject to typical closing conditions, such as the registration of the new shares and the amendment of the articles of association of MFIL.

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## **Notes to Editors:**

Myanmar Investments International Limited (the “Company”) is the first Myanmar focused investment company to be admitted to trading in London and has been established for the purpose of investing in businesses operating in or with business exposure to Myanmar. 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. In addition to investing into local businesses the Company will also partner with foreign companies investing in Myanmar.

In August 2014 the Company made its first investment in MFIL. Further details can be found in its announcements in August and September 2014.

In July 2015 the Company led a US\$30 million investment in Apollo Towers Pte Ltd a telecommunication tower company. Further details can be found in its announcement on 31 July 2015.

Since its Admission in June 2013, the Company has raised nearly US\$30 million.

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 will benefit from Myanmar's re-emergence.

Myanmar, a country of approximately 51.4 million people and roughly the size of France, has been isolated for much of the last 50 years. Once one of the more prosperous countries in Southeast Asia as it has an abundance of natural resources (oil, natural gas, arable land, tourist attractions and a long coastline), 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.

General elections were held in Myanmar on 8 November 2015. Amidst much scrutiny by the international community, the elections took place largely without incident, and official results show the National League for Democracy, led by Daw Aung San Suu

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Kyi, will hold a controlling majority of the seats in the next parliament. The current ruling party, Union Solidarity and Development Party, has accepted the results of the election, and together with the military will be engaging in discussions with Daw Aung San Suu Kyi for the transfer of power.

For more information about MIL, please visit [www.myanmarinvestments.com](http://www.myanmarinvestments.com)

## **About Myanmar Finance International Limited**

Myanmar Finance International Limited was formed in 2014 in Myanmar as a joint venture between Myanmar Investments Limited and Myanmar Finance Company Limited to provide microfinance products to local communities in Yangon and Bago. As of 30 September 2015, MFIL has 5 branches, with over 21,000 clients and an outstanding loan portfolio of over Kyat 3,325 million (US\$2.6 million at current exchange rates).

## **About Norfund**

The Norwegian Investment Fund for Developing Countries was established by the Norwegian Parliament in 1997. The organisation is the Norwegian government's main instrument for combatting poverty through private sector development and Norfund's objective is to contribute to sustainable commercial businesses in developing countries. Norfund provides equity, other risk capital and loans to companies in selected countries and sectors where businesses lack access to sufficient capital to develop and grow.

The sectors in which Norfund invests are clean energy, financial institutions and agribusiness, in addition to small and medium sized companies through investment funds. Norfund has substantial experience in investing in the microfinance sector within the Asian region. Norfund always invests jointly with partners, both Norwegian and non-Norwegian.

Its main investment regions are Southern and Eastern Africa, with offices in Nairobi, Johannesburg and Maputo. Norfund also invests in selected countries in South-East Asia and Central America via its regional offices in Bangkok and San José.

All of Norfund's activities are conducted in accordance with the core principles of Norway's development cooperation policy.

Norfund is a state-owned company with limited liability, established by a special Act of the Norwegian Parliament. Norfund is owned on behalf of the Norwegian government by the Ministry of Foreign Affairs. The Minister of Foreign Affairs has constitutional responsibility for the organisation and Norfund's Board of Directors is appointed by the King in Council.

At the end of 2014, Norfund had a portfolio of about US\$1.7 billion and 61 employees.

*1,288 Kyat = US\$1 (as of 16 November, 2015)*