

08 July 2016

## Myanmar Investments International (MILM.L)

### United Kingdom | Financial Services

**Not Rated**

#### US\$250 million OPIC loan to Apollo Towers

- **Apollo receives the first tranche of \$250mn OPIC loan.** Apollo Towers ('Apollo'), a portfolio company of MIL, has secured \$250mn debt financing from Overseas Private Investment Corporation (OPIC). OPIC has commenced the initial disbursement of the loan. This marks OPIC's first financing in Myanmar. MIL has an effective 9.3% holding in Apollo while private equity investor TPG holds the majority share.

MIL's press release regarding the announcement notes that with only about half of the required infrastructure in place to meet the MNOs' ambitious target of countrywide coverage within the next three years, Apollo will continue to play an essential role in the development of Myanmar's telecommunications sector. The gearing provided by OPIC will enhance Apollo's ability to continue to grow its tower portfolio as well as enhance the equity returns to Apollo's shareholders.

Elizabeth Littlefield, OPIC President and CEO, said that telecommunications are a critical part of ongoing development across the world and, through this project, OPIC is looking to have a significant impact on those who previously lacked access to telecommunications coverage in Myanmar.

- **Viettel Global wins telecom license:** Vietnam's Viettel Global along with a local consortium has won the license to start operations as a mobile network operator (MNO) in Myanmar. Viettel will become the fourth telecom operator in the country, joining the incumbents, Telenor, Ooredoo and MPT.
- **About Apollo:** Apollo is a joint venture between Sanjiv Ahuja's Tillman Global Holdings, TPG Growth and MIL. Apollo, founded in 2013 by Sanjiv Ahuja (former CEO of Orange Telecom and founder of Eaton Towers, Africa), is one of the seven telecom tower building companies in Myanmar. It currently owns and operates 1,800 towers across Myanmar and aims to build more than 2,000 towers in the next phase. MIL led a syndicated US\$30 million equity investment into Apollo in July 2015, of which US\$20 million was from MIL's balance sheet.
- **About OPIC:** OPIC is the U.S. government's development finance institution. It mobilizes private capital to help address critical development challenges in emerging markets. OPIC supports U.S. private investment in more than 160 developing and post-conflict countries around the world in products/services that produce important economic, environmental, and developmental benefits.
- **About TPG Growth:** TPG Growth is the middle market and growth equity investment platform of TPG, the global private investment firm. With over US\$7 billion of assets under management, TPG Growth targets investments in a broad range of industries and geographies.

**Nidhesh Jain**  
+91 (22) 61367422  
nidhesh.jain@investec.co.in

**Prasad Padala**  
+91 (22) 6136 7421  
prasad.padala@investec.co.in

## Disclosures

### Third party research disclosures

This report has been produced by a non-member affiliate of Investec Securities (US) LLC and is being distributed as third-party research by Investec Securities (US) LLC in the United States. This Report is not intended for use by or distribution to US corporations or businesses that do not meet the definition of a major institutional investor in the United States, or for use by or distribution to any individuals who are citizens or residents of the United States. Investec Securities (US) LLC accepts responsibility for the issuance of this report when distributed in the United States to entities who meet the definition of a US major institutional investor.

### Research recommendations framework

Investec Securities bases its investment ratings on a stock's expected total return (ETR) over the next 12 months (with total return defined as the expected percentage change in price plus the projected dividend yield). Our rating bands take account of differences in costs of capital, risk premia and required rates of return in the various markets that we cover. Prior to 21st January 2013 our rating system for European stocks was: Sell ETR <-10%, Hold ETR -10% to 10%, Buy ETR >10%. From 21st January 2013 any research produced will be on the new framework set out in the tables below. Prior to 11th March 2013, our rating system for South African stocks was: Sell ETR <10%, Hold ETR 10% to 20%, Buy ETR >20%. From 11th March 2013, any research produced on South African stocks will be on the new framework set out in the table below.

#### Stock ratings for European/Hong Kong stocks

	Expected total return 12m performance	Count	All stocks		Corporate stocks	
			% of total	Count	% of total	
Buy	greater than 10%	197	61%	86	44%	
Hold	0% to 10%	93	29%	8	9%	
Sell	less than 0%	35	11%	1	3%	

Source: Investec Securities estimates

### Analyst certification

Each research analyst responsible for the content of this research report, in whole or in part, and who is named herein, attests that the views expressed in this research report accurately reflect his or her personal views about the subject securities or issuers. Furthermore, no part of his or her compensation was, is, or will be, directly or indirectly, related to the specific recommendations or views expressed by that research analyst in this research report.

#### Stock ratings for Indian stocks

	Expected total return 12m performance	Count	All stocks		Corporate stocks	
			% of total	Count	% of total	
Buy	greater than 15%	50	61%	0	0%	
Hold	5% to 15%	20	24%	0	0%	
Sell	less than 5%	12	15%	0	0%	

Source: Investec Securities estimates

### Managing conflicts

Investec Securities (Investec) has investment banking relationships with a number of companies covered by our Research department. In addition we may seek an investment banking relationship with companies referred to in this research. As a result investors should be aware that the firm may have a conflict of interest which could be considered to have the potential to affect the objectivity of this report. Investors should consider this report as only a single factor in making their investment decision.

#### Stock ratings for African\* stocks

	Expected total return 12m performance	Count	All stocks		Corporate stocks	
			% of total	Count	% of total	
Buy	greater than 15%	28	38%	5	18%	
Hold	5% to 15%	24	32%	1	4%	
Sell	less than 5%	22	30%	2	9%	

Source: Investec Securities estimates

\*For African countries excluding South Africa, ratings are based on the 12m implied US dollar expected total return (ETR). This is derived from the expected local currency (LCY) ETR by making assumptions on the 12month forward exchange rates for the respective currencies. For South African stocks, ratings are based on the ETR in rand terms.

For European and Hong Kong stocks, within the Hold banding, an Add rating may be (optionally) applied if the analyst is positive on the stock and the ETR is greater than 5%; a Reduce rating may be (optionally) applied if the analyst is negative on the stock and the ETR is less than 5%.

Not rated (N/R) is applied to any stock where we have no formal rating and price target. Under Review (U/R) can be applied to an analyst's rating, price target and/or forecasts for a limited time period and indicates that new information is available that has not yet been fully digested by the analyst. We regularly review ratings across our coverage universe as we seek to ensure price targets and ratings remain aligned. However, during periods of market, sector or stock volatility, we may allow minor deviations from our recommendation framework to persist on a temporary basis to avoid a high frequency of rating changes arising from rapid share price movements.

The subject company may have been given access to a pre-published version of this report (with recommendation and price target redacted) to verify factual information only.

Investec Securities research contains target prices and recommendations which are prepared on a 12 month time horizon, and therefore may not reflect the different circumstances, objectives and investment time horizons of those who receive it. Investors should therefore independently evaluate whether the investment(s) discussed is (are) appropriate for their specific needs. In addition, the analysts named in this report may from time to time discuss with our clients, including Investec salespersons and traders, or may discuss in this report, trading strategies that reference near term catalysts or events which they believe may have an impact in the shorter term on the market price of securities discussed in this report. These trading strategies may be directionally counter to the analyst's published target price and recommendation for such stocks.

For price target bases and risks to the achievement of our price targets, please contact the Key Global Contacts for the relevant issuing offices of Investec Securities listed on the last page of this research note.

Investec may act as a liquidity provider in the securities of the subject company/companies included in this report.

For full disclosures, including any company mentioned herein, please visit: <http://researchpdf.investec.co.uk/Documents/WDisc.pdf>

Our policy on managing actual or potential conflicts of interest in the United Kingdom can be found at:

<https://www.investec.co.uk/legal/uk/conflicts-of-interest.html>

Our policy on managing actual or potential conflicts of interest in South Africa can be found at:

<http://www.investec.co.za/legal/sa/conflicts-of-interest.html>

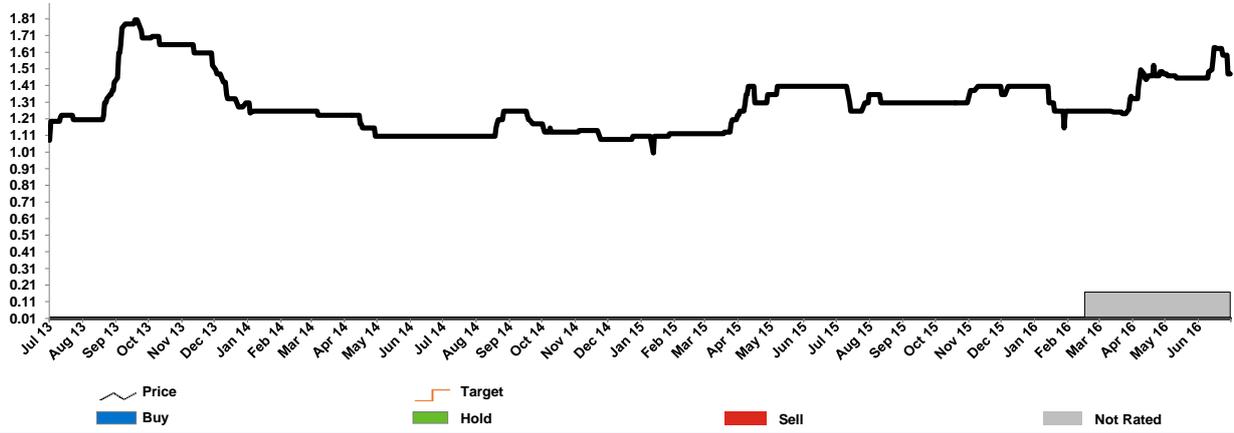
### Company disclosures

Myanmar Investments International ◆◆◆

Key: ◆ Investec has received compensation from the company for investment banking services within the past 12 months, ◆ Investec expects to receive or intends to seek compensation from the company for investment banking services in the next 6 months, ◇ Investec has been involved in managing or co-managing a primary share issue for the company in the past 12 months, ◎ Investec has been involved in managing or co-managing a secondary share issue for the company in the past 12 months, ● Investec makes a market in the securities of the company, ⊙ Investec holds/has held more than 1% of common equity securities in the company in the past 90 days, ■ Investec is broker and/or advisor and/or sponsor to the company, ▣ The company holds/has held more than 5% of common equity securities in Investec in the past 90 days, ★ The analyst (or connected persons) is a director or officer of the company, ◆ The analyst (or connected persons) has a holding in the subject company, ◆ The analyst (or connected persons) has traded in the securities of the company in the last 30 days, ▣ Investec Australia Limited holds 1% or more of a derivative referenced to the securities of the company, ⊙ Investec holds a net long position in excess of 0.5% of the total issues share capital in the company, ⊖ Investec holds a net short position in excess of 0.5% of the total issued share capital of the company, ⊙ The sales person has a holding in the subject company.

## Recommendation history (for the last 3 years to previous day's close)

Myanmar Investments International (MILM.L) – Rating Plotter as at 08 Jul 2016



Source: Investec Securities / FactSet

## Important Disclaimer – please read

### Investec Securities:

In the United Kingdom refers to Investec Securities a division of Investec Bank plc.

Investec Bank plc is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority and is a member of the London Stock Exchange.

Registered in England No. 489604

**Registered Office Address:**  
2 Gresham Street London EC2V 7QP

In Ireland refers to Investec Bank plc (Irish Branch)

Investec Bank plc (Irish Branch) is authorised by the Prudential Regulation Authority in the United Kingdom and is regulated by the Central Bank of Ireland for conduct of business rules. Registered in Ireland No. 904428

**Registered Office Address:**  
The Harcourt Building, Harcourt Street, Dublin 2

In South Africa refers to Investec Bank Limited an authorised financial services provider and a member of the JSE Limited.

Registered in South Africa No. 1969/004763/06

**Registered Office Address:**  
100 Grayston Drive  
Sandown

In Australia refers to Investec Securities a division of Investec Australia Limited.

Investec Australia Limited is authorised and regulated by the Australian Securities & Investments Commission (Licence Number 342737, ABN 77 140 381 184)

**Registered Office Address:**  
Level 23, Chifley Tower  
2 Chifley Square  
Sydney, NSW 2000

In Hong Kong refers to Investec Capital Asia Limited a Securities and Futures Commission licensed corporation (Central Entity Number AFT069).

**Registered Office Address:**  
Suite 3609, 36/F, Two International Finance Centre  
8 Finance Street, Central  
Hong Kong

In India refers to Investec Capital Services (India) Private Limited which is registered with the Securities and Exchange Board of India, the Capital Market regulator in India as a research analyst, Registration number INH000000263.

**Registered Office Address:**  
Unit no 607, 6th floor  
The Capital,  
Plot no C-70, GBlock,  
Bandra Kurla Complex,  
Bandra East,  
Mumbai 400051

In the United States refers to Investec Securities (US) LLC.

**Registered Office Address:**  
10 East 53rd Street, 22nd Floor  
New York, NY 10022

Further details of Investec office locations, including postal addresses and telephone/fax contact details:  
[www.investec.com/about-investec/contact-us](http://www.investec.com/about-investec/contact-us)

### Key Global Contacts

#### United Kingdom

**Andrew Fitchie**  
+44 (0)20 7597 5084  
[andrew.fitchie@investec.co.uk](mailto:andrew.fitchie@investec.co.uk)

#### South Africa

**Leon van Heerden**  
+27 11 286 7941  
[leon.vanheerden@investec.co.za](mailto:leon.vanheerden@investec.co.za)

#### Analyst(s)

**Nidhesh Jain**  
+91 (22) 61367422  
[nidhesh.jain@investec.co.in](mailto:nidhesh.jain@investec.co.in)  
**Prasad Padala**  
+91 (22) 6136 7421  
[prasad.padala@investec.co.in](mailto:prasad.padala@investec.co.in)

For the purposes of this disclaimer, "Investec Securities" shall mean: (i) Investec Bank plc ("IBP"); (ii) Investec Bank plc (Irish Branch) (iii) Investec Bank Limited ("IBL"); (iv) Investec Australia Limited ("IAL"); (v) Investec Capital Asia Limited ("ICAL"), (vi) Investec Capital Services (India) Private Limited and (vii) from time to time, in relation to any of the foregoing entities, the ultimate holding company of that entity, a subsidiary (or a subsidiary of a subsidiary) of that entity, a holding company of that entity or any other subsidiary of that holding company, and any affiliated entity of any such entities. "Investec Affiliates" shall mean any directors, officers, representatives, employees, advisers or agents of any part of Investec Securities. This research report has been issued solely for general information and should not be considered as an offer or solicitation of an offer to sell, buy or subscribe to any securities or any derivative instrument or any other rights pertaining thereto.

This research may have been issued to you by one entity within Investec Securities in the fulfilment of another Investec Securities entity's agreement to do so. In doing so, the entity providing the research is in no way acting as agent of the entity with whom you have any such agreement and in no way is standing as principal or a party to that arrangement. The information in this report has been compiled by Investec Securities from sources believed to be reliable, but neither Investec Securities nor any Investec Affiliates accept liability for any loss arising from the use hereof or makes any representations as to its accuracy and completeness. Any opinions, forecasts or estimates herein constitute a judgement as at the date of this report. There can be no assurance that future results or events will be consistent with any such opinions, forecasts or estimates. Past performance should not be taken as an indication or guarantee of future performance, and no representation or warranty, express or implied is made regarding future performance. The information in this research report and the report itself is subject to change without notice.

This research report as well as any other related documents or information may be incomplete, condensed and/or may not contain all material information concerning the subject of the research and/or its group companies (including subsidiaries); its accuracy cannot be guaranteed. There is no obligation of any kind on Investec Securities or any Investec Affiliates to update this research report or any of the information, opinions, forecasts or estimates contained herein. Investec Securities (or its directors, officers or employees) may, to the extent permitted by law, own or have a position in the securities or financial instruments (including derivative instruments or any other rights pertaining thereto) of any company or related company referred to herein, and may add to or dispose of any such position or may make a market or act as a principal in any transaction in such securities or financial instruments. Directors of Investec Securities may also be directors of any of the companies mentioned in this report. Investec Securities may from time to time provide or solicit investment banking, underwriting or other financial services to, for or from any company referred to herein. Investec Securities (or its directors, officers or employees) may, to the extent permitted by law, act upon or use the information or opinions presented herein, or research or analysis on which they are based prior to the material being published. Investec Securities may have issued other reports that are inconsistent with, and reach different conclusions from, the information presented in this report. Those reports reflect the different assumptions, views and analytical methods of the analysts who prepared them. The value of any securities or financial instruments mentioned in this report can fall as well as rise. Foreign currency denominated securities and financial instruments are subject to fluctuations in exchange rates that may have a positive or adverse effect on the value, price or income of such securities or financial instruments. Certain transactions, including those involving futures, options and other derivative instruments, can give rise to substantial risk and are not suitable for all investors. This report does not contain advice, except as defined by the *Corporations Act 2001* (Australia). Specifically, it does not take into account the objectives, financial situation or needs of any particular person. Investors should not do anything or forebear to do anything on the basis of this report. Before entering into any arrangement or transaction, investors must consider whether it is appropriate to do so based on their personal objectives, financial situation and needs and seek financial advice where needed. No representation or warranty, express or implied, is or will be made in relation to, and no responsibility or liability is or will be accepted by Investec Securities or any Investec Affiliates as to, or in relation to, the accuracy, reliability, or completeness of the contents of this research report and each entity within Investec Securities (for itself and on behalf of all Investec Affiliates) hereby expressly disclaims any and all responsibility or liability for the accuracy, reliability and completeness of such information or this research report generally.

The securities or financial instruments described herein may not have been registered under the US Securities Act of 1933, and may not be offered or sold in the United States of America or to US persons unless they have been registered under such Act, or except in compliance with an exemption from the registration requirements of such Act. US entities that are interested in trading securities listed in this report should contact a US registered broker dealer.

This report and the distribution of this report do not constitute an offer or an invitation to offer to the Hong Kong or Singaporean public to acquire, dispose of, subscribe for or underwrite any securities or related financial instruments. Neither this research report nor the information contained in it is intended to be an offer to any person, or to induce or attempt to induce any person to enter into or to offer to enter into any agreement for or with a view to acquiring, disposing of, subscribing for or underwriting securities. The distribution of this document in other jurisdictions may be prohibited by rules, regulations and/or laws of such jurisdiction. Any failure to comply with such restrictions may constitute a violation of United States securities laws or the laws of any such other jurisdiction.

For readers of this report in: **South Africa:** this report is produced by IBL an authorised financial services provider and a member of the JSE Limited. **United Kingdom and Europe:** this report is produced by IBP and was prepared by the analyst named in this report. IBP is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. This report may only be issued to professional clients, eligible counterparties and investment professionals, as described in S19 of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005 and is not intended for retail clients. **Ireland:** this report is produced by Investec Bank plc (Irish Branch) and was prepared by the analyst named in this report. Investec Bank plc (Irish Branch) is authorised by the Prudential Regulation Authority in the United Kingdom and is regulated by the Central Bank of Ireland for conduct of business rules. **Australia:** this report is issued by IAL holder of Australian Financial Services License No. 342737 only to 'Wholesale Clients' as defined by S761G of the Corporations Act 2001.

**Hong Kong:** this report is distributed in Hong Kong by ICAL, a Securities and Futures Commission licensed corporation (Central Entity Number AFT069) and is intended for distribution to professional investors (as defined in the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)) only. This report is personal to the recipient and any unauthorised use, redistribution, retransmission or reprinting of this report (whether by digital, mechanical or other means) is strictly prohibited. **India:** this report is issued by Investec Capital Services (India) Private Limited which is registered with the Securities and Exchange Board of India. **Singapore:** this report is distributed by ICAL. This document may only be distributed in Singapore to institutional investors (within the meaning of the Financial Advisers Act, Cap 110), and is personal to the recipient and not for general circulation in Singapore. It may not be reproduced in any form. By accepting this report, you confirm that you are an "institutional investor" and agree to be bound by the foregoing limitations. **Canada:** this report is issued by IBP, and may only be issued to persons in Canada who are able to be categorised as a "permitted client" under National Instrument 31-103 Registration Requirements and Exemptions or to any other person to whom this report may be lawfully directed. This report may not be relied upon by any person other than the intended recipient.

This publication is confidential for the information of the addressee only and may not be reproduced in whole or in part, copies circulated, or disclosed to another party, without the prior written consent of an entity within Investec Securities. Securities referred to in this research report may not be eligible for sale in those jurisdictions where an entity within Investec Securities is not authorised or permitted by local law to do so. In the event that you contact any representative of Investec Securities in connection with receipt of this research, including any analyst, you should be advised that this disclaimer applies to any conversation or correspondence that occurs as a result, which is also engaged in by Investec Securities and any relevant Investec Affiliate solely for the purposes of providing general information only. Any subsequent business you choose to transact shall be subject to the relevant terms thereof. We may monitor e-mail traffic data and the content of email. Calls may be monitored and recorded. Investec Securities does not allow the redistribution of this report to non-professional investors or persons outside the jurisdictions referred to above and Investec Securities cannot be held responsible in any way for third parties who effect such redistribution or recipients thereof. © 2016