

## Myanmar Investments International Limited

### MFIL secures US\$6 million loan

Myanmar Investments International Limited [AIM: MIL] (“MIL” or the “Company”), the Myanmar focused investment company, today announces that its microfinance joint venture, Myanmar Finance International Limited (“MFIL”), has secured a US\$6 million, local-currency denominated loan facility (approximately MMK 8 billion) from Yoma Bank, one of Myanmar’s leading banks.

Security for the loan was provided by the Norwegian Investment Fund for Developing Countries (“Norfund”), one of MIL’s joint venture partners in MFIL, together with third parties Triple Jump B.V. (“Triple Jump”) and Developing World Markets LLC (“DWM”). Like Norfund, Triple Jump and DWM are international investors/lenders focused on lending to microfinance institutions globally.

MIL has played a leading role in co-ordinating the activities of MFIL, Norfund, the international lenders and Yoma Bank to structure and arrange this complex facility.

MFIL will use the loan to further expand its loan portfolio and open new branches in Yangon and Bago, as well as continuing to roll out its newly launched micro-business loan product.

As at 28 February 2018, MFIL continued its growth trajectory with over 54,000 borrowers and a loan portfolio of MMK 11.5 billion (US\$8.6 million), being a compound annual growth rate (“CAGR”) of 62% and 114% respectively since MIL’s initial investment in September 2014. Since then the average loan size provided by MFIL has increased by 164% to MMK 211,000 (US\$158).

Aung Htun, MIL’s Managing Director noted, “MIL is committed to making investments that are both profitable and also socially transformational. MFIL is not only providing MIL with a great return on capital but has helped to increase the income and opportunities of over 50,000 families. This back-to-back facility led by Norfund will allow MFIL to accelerate its lending.”

“Norfund cooperates with and invests in financial institutions to strengthen their ability to supply capital and financial services to microbusinesses and the unbanked. Norfund appreciates the partnership with DWM, Triple Jump, Yoma Bank, and MFIL. Our investment will contribute to economic growth and poverty reduction in Myanmar,” said Fay Chetnakarnkul, Head of Asia Norfund.

“Yoma Bank is pleased to support access to finance for Myanmar’s MFI Community. Specifically, our role in hedging foreign exchange risk and providing additional liquidity to MFIs greatly increases their impact in the local community. Equally important, by enabling microfinance institutions like MFIL, Yoma Bank is supporting micro-entrepreneurs to access the formal financial system,” said the Advisor to the Chairman and CEO of Yoma Bank, Mr. Hal Boshier.

MFIL is a joint venture between MIL (37.5%), Myanmar Finance Company Limited (37.5%) and the Norwegian Investment Fund for Developing Countries (“Norfund”) (25%), with total paid up capital of approximately US\$6 million.

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**Notes to Editors:**

Myanmar Investments International Limited (AIM: MIL) was the first Myanmar-focused investment company to be admitted to trading on the AIM market of the London Stock Exchange. MIL was established in 2013 with the intention of building long term shareholder value by proactively investing in a diversified portfolio of Myanmar businesses that will benefit from the country's re-emergence and ongoing economic development. The Company is led by an experienced and entrepreneurial team who between them have considerable industrial, corporate and financial management experience.

MIL aims to identify investments with strong growth which if necessary can be "de-risked" through the introduction of experienced senior line-management, mentors and / or strategic partners sourced by MIL's management board. The Company's main focus is on opportunities that are experiencing acute supply and demand imbalances, such as within the consumer and capacity-constrained sectors.

With its strong proprietary investment pipeline of deals, MIL provides investors with a highly disciplined and conservative investment process into one of the most promising growth opportunities of this era.

MIL's largest investment (US\$21 million cost for a 9.3% shareholding) is in Apollo Towers, one of Myanmar's top telecom towers companies with 1,800 towers. Apollo operates in the high growth telecom sector with a strong management that is growing the number of co-locations (i.e. multiple tenancies) on its portfolio of towers. In June 2016, the US Government's Overseas Private Investment Corporation ("OPIC") provided a US\$250 million debt facility to Apollo Towers.

MIL's first investment in August 2014 was into Myanmar Finance International Limited ("MFIL") which today is one of the leading microfinance companies in Myanmar. Since MIL invested, MFIL's business has expanded rapidly. The business is profitable with zero NPLs and a sustainable expansion plan for long term growth. In November 2015, the Norwegian Government's Norwegian Investment Fund for Developing Countries ("Norfund"), the Norwegian development finance institution, also became a 25% shareholder in MFIL.

In May 2017 MIL announced it had established a pharmacy, healthcare and personal care product franchise joint venture. It is expected that the business will fill a vacuum in the present retail landscape and at the same time tap into the rapid growth of the middle and affluent classes in Myanmar. The two joint venture partners are: a) an experienced retail group that runs over 55 pharmacy, health and beauty outlets in a neighbouring Asian country; and b) an industry veteran with significant experience leading Asian-based retail concepts.

MIL's latest investment in October 2017 was into the tourism sector. Together with two leading Myanmar tourism entrepreneurs (the "Myanmar Partners") it has established Myanmar Voyages Group Company Limited ("Myanmar Voyages") to invest into tourism-related assets in Myanmar.

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 it was 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.

The country has undergone an unprecedented and peaceful transformational reform process, initiated by U Thein Sein's Administration in 2011. This is now continuing under the elected civilian administration led by Daw Aung San Suu Kyi which came to power in April 2016 as a result of the first democratic elections in 50 years. While the process is still evolving, the new government has broad support and significant progress has been made to the economic prospects of the country.

In October 2016, the United States government lifted all remaining sanctions against Myanmar and re-admitted the country into its preferred tariff system.

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

MMK 1,335 = US\$1 (as at 31 March 2018)