

June 28, 2017

Daiwa PI Partners Co. Ltd.

Attention

This is an unofficial translation of an excerpt of the press release issued on June 28, 2017, Daiwa PI Partners Co. Ltd. The original press release is in Japanese.

### **Daiwa PI to Invest in Frontiir Pte. Ltd. in Singapore/Myanmar**

Daiwa PI Partners Co. Ltd. (President: Hideki Araki, Headquarter: Gran Tokyo North Tower 1-9-1, Marunouchi, Chiyoda-ku, Tokyo/"Daiwa PI"), a wholly consolidated subsidiary of Daiwa Securities Group Inc., invested US\$6.06mn to acquire stake in Frontiir Pte. Ltd. (CEO: Wai Lin Tun, Headquarter of Myanmar Business: No.5 Bayint Naung Road, Hlaing, Yangon, Myanmar/"Frontiir").

Frontiir, through its wholly owned subsidiary in Myanmar, provides Internet Service Provider (ISP) business to Myanmar business enterprises as well as consumers. Myanmar's smartphone penetration rate has been rapidly increased after the opening of the mobile phone operating business to foreign players. Broadband internet, however, is still in the very early stage in Myanmar and the number of users and data traffic are expected to enjoy fast growth. Frontiir obtained the license for ISP business in 2016 and started to provide broadband communication services through optical fiber and wireless network. Frontiir has been providing broadband network within the main area in Yangon and enjoying the rapid increase in its subscribers. Frontiir plans to expand its service network in urban cities, such as Mandalay and the raised capital will be used for Capital Expenditure to expand the network. In addition to its financial support, Daiwa PI will hold a board seat to support Frontiir's business expansion.

#### 1. Summary of Investment

Company name	Frontiir Pte. Ltd.
Investor	Daiwa PI Partners Co. Ltd.
Investment amount	US\$6.06mn
Completion date	June 27, 2017

#### 2. Summary of Frontiir

Establishment date	January 9, 2013
Address in Myanmar	No.5 Bayint Naung Road, Hlaing, Yangon, Myanmar
Business description	Internet Service Provider in Myanmar
Web address	<a href="http://www.frontiir.com/">http://www.frontiir.com/</a>