

12 July 2019

Daiwa PI Partners Co. Ltd.
Daiwa Corporate Investment Co., Ltd.

Establishment of “DAIWA Myanmar Growth Fund”

Daiwa PI Partners Co. Ltd. (“DPI”) and Daiwa Corporate Investment Co., Ltd. (“DCI”) as Co-General Partners are pleased to announce the establishment of "DAIWA Myanmar Growth Fund". (The “Fund”)

Total capital commitment of the Fund is USD 30million, contributed by Co-General Partners and Taiyo Life Insurance Company. The Fund will invest primarily in unlisted companies operating in Myanmar, where is expected to achieve strong economic growth over the next decades. The Fund aims to provide growth-capital as well as active hands-on supports to fast-growing companies in Myanmar to contribute the increase of their corporate value and vitalization of the country’s economy.

1. Purpose

Myanmar is expected to continue its sustainable high economic growth driven by expansion of domestic consumption along with the rise of middle income class in the large population of over 50million (average age of 28 years) and the surge of the importance as a destination for foreign direct investment (“FDI”) and favorable export condition.

Since the new government took office in 2011, when the military government’s control was over, Myanmar government has initiated a process of extensive political and economic structural reform. In recent years, international community has witnessed many positive changes in Myanmar, especially the efforts to open up its economy to global market by enforcing the new Foreign Investment Law and Myanmar Companies Law, as well as the positive impact from lifting of economic sanction. With the country’s plentiful resources, geographical advantage and the input of foreign investment, Myanmar is now ready to pursue stronger economic growth with more

international exposure.

Since June 2017, DPI has been expanding its private equity investment in Myanmar, so-called “the last frontier of Asia” through its own principal capital.

To further capture the opportunities of high potential of economic growth in Myanmar, DPI and DCI have decided to establish the Fund dedicated mainly to the private companies actively operating in Myanmar.

We strongly believe that the Fund, by supporting the growth of portfolio companies, will be able to contribute to the better quality of life of people in Myanmar through the improvement of relevant social infrastructure and life convenience.

2. Investment Strategy of the Fund

The Fund’s investment focus areas are consumer goods & services-related sector, where strong growth is expected, driven by attractive demographics, rapid urbanization, rise of middle income class and changes in life style, and telecommunication & logistics Infrastructure sector, that are essential to the rapid economic and social development.

In order to secure a meaningful influence on the corporate governance of each investee companies and encourage enhancing their value, the Fund intends to make a significant minority with an ownership of 10% to 30% and take appropriate board seats of each investee companies as well as providing growth-capital.

Key Terms of the Fund

Name:	: DAIWA Myanmar Growth Fund L.P.
Total Fund Commitment:	: USD 30 million
General Partners:	: Daiwa PI Partners Co. Ltd. and Daiwa Corporate Investment Co., Ltd.
Fund Maturity:	: 12 years (Investment period: 5years)