

Press release 16.03.2018

NORFUND CONTRIBUTES TO A NEW, INNOVATIVE MFI LOAN FACILITY IN MYANMAR

Norfund, together with TripleJump and Developing World Markets (DWM), arranged an up to USD 6.0 million facility agreement with Myanmar Finance International (MFIL). The innovative facility will support a back-to-back arrangement between MFIL and Yoma Bank. The proceeds of the financing will be used to support MFIL's microfinance activities in Myanmar and increase access to capital for micro- entrepreneurs.

Norfund led an up to USD 6 million club loan, with funding from Norfund (USD 2 million), TripleJump (USD 2 million), and DWM's managed fund, ACTIAM Institutional Microfinance Fund III (USD 2 million), to support the innovative back to back structure devised by Norfund and Myanmar Investments, another of MFIL's shareholders. This is the first club loan arranged to support an MFI in Myanmar under this innovative back to back structure.

Lack of access to capital is a major hindrance for micro and small entrepreneurs to develop their businesses in the country. In mid-2016, a change in the legislation allowed Myanmar banks to start lending to microfinance institutions (MFIs). The new facility is transformational as it will enable MFIL to double its loans portfolio from current levels. It is expected to enable MFIL to reach out to an additional estimated 50 000+ borrowers.

Yoma Bank is one of Myanmar's largest banks with over 3,000 staff and 74 branches nationwide. MFIL is a microfinance institution that offers services to nearly 54,000 borrowers in Yangon and Bago, with an aggregate loan book of over MMK 11 billion. MFIL focuses on lending to micro-entrepreneurs, currently offering microfinance loans through 8 branch offices.

"We are delighted to receive the support from Norfund, TripleJump and DWM/ACTIAM as well as Yoma to make this facility possible", said Mr. Po Yort, Managing Director of MFIL. "The participation of major investors underscores MFIL's emphasis on both social impact and commercial sustainability. Further, we are excited by the opportunity to work with Yoma Bank to further increase our outreach to continue to grow our business."

"A more inclusive formal financial system contributes to higher transparency, better services, and more affordable loans", said Teun van Vlerken, Credit Risk Consultant with Yoma Bank.

"Norfund cooperates with and invests in financial institutions to strengthen their ability to supply capital and financial services to micro-businesses and unbanked people. We appreciate the partnership with MFIL, TripleJump, DWM and Yoma Bank, and we hope this investment also will contribute to economic growth and poverty reduction in Myanmar," said Ms Fay Chetnakarnkul, investment director in Norfund and Head of Asia regional office

"DWM is pleased to partner with MFIL in support of its microfinance activities and the growth of the sector in Myanmar" said Bogdan Tatarchevskiy, head of debt at DWM.

"By providing this loan facility to MFIL, Triple Jump contributes to a more inclusive finance sector in Myanmar. Access to affordable financial services is essential for small entrepreneurs to reach their full potential and Triple Jump is happy to have partnered with Yoma Bank, Norfund and DWM to support MFIL in its mission," comments Freek Kortekaas Regional Manager Asia Pacific within Triple Jump.

For media enquiries contact:

- Norfund: Inger Nygaard Communication Manager, inger.nygaard@norfund.no; Mobile: +47 47701248

- Yoma Bank: May Oo Head of Communication and Marketing, Yoma Bank. Mobile +95 9 771 000 071 / +95 9 967 000 071 Email mayoo@yomabank.com
- Triple Jump: Jessica Heller Corporate communications +31 20 512 0620

About Norfund:

Norfund is the Norwegian Investment Fund for Developing Countries. Established by the Norwegian Parliament in 1997, the organisation is the government's main instrument for combatting poverty through private sector development. Norfund's objective is to contribute to sustainable commercial businesses in developing countries. Funding is provided via capital allocations from Norfund's development assistance budget. Norfund provides equity, other risk capital, and loans to companies in selected countries in Southern, Eastern and Western Africa, South-East Asia and Central America. With a portfolio of USD 2.4bn, Norfund invests in three main sectors: financial institutions, clean energy and agribusiness, in addition to small and medium sized companies through third-party investment funds. Further details on Norfund can be found at: www.norfund.no

About MFIL

MFIL began operations in 2012 when Myanmar passed the Microfinance Law. It was founded by a group of Myanmar nationals, led by U Htet Nyi, a highly-regarded businessman who also serves as the Honorary-Consul of Norway and Finland. MFIL is currently jointly owned between its Myanmar founders, Myanmar Investments International Limited – a Myanmar-focused investment company listed on the London Stock Exchange, and Norfund – the Norwegian government's development finance institution.

About TripleJump

Triple Jump is an impact-focused investment manager that provides meaningful and responsible investment opportunities in developing countries. We believe a responsible, inclusive financial sector can enable people to unlock their potential and improve their quality of life. Our investors range from institutional investors, banks, financial development institutions to foundations, family offices and governments. The funds participating in this transaction are the Oxfam Novib Fund and the ASN Microcredit Pool. Triple Jump's main offices are in the Netherlands and our regional offices in Georgia, Kenya, Mexico, Peru and Thailand. Our clients are both financial service providers and funds, who serve our end clients, which are micro, small and medium enterprises (MSMEs) that operate in developing countries.

About DWM

As a pioneer in the field of impact investing, DWM has invested or arranged \$1.5 billion in financing for more than 200 socially positive companies in 50 emerging and frontier markets. The firm, founded in 1994, is headquartered in Stamford, CT, USA and works from nine international locations. For more information visit: www.dwm.com

About Yoma Bank

Founded in 1993, Yoma Bank is Myanmar's most progressive domestic bank. Over the past few years, Yoma Bank has made significant investments in strategic priorities - people, technology and corporate governance. Yoma Bank is Myanmar's fourth largest bank by assets with 3000+ employees and 74 branches across the country. Yoma Bank was the International Finance Corporation's (IFC) first direct investment in Myanmar in 2014 and it benefitted from a comprehensive 3-year advisory package to upgrade credit risk management, finance, treasury, product development and to procure a new core banking system (Misys Fusion Banking Essence). Yoma Bank also receives ongoing technical assistance from GIZ, the German development agency, to improve and expand our SME lending. In 2015, Yoma Bank formed a

strategic partnership with Telenor (Myanmar's largest foreign Telco) to develop nationwide digital financial services through the formation of Wave Money, a mobile financial services company. Yoma Bank has benefitted from a significant grant from LIFT, a multi-donor, UNDP administered trust fund, to expand agribusiness finance to Myanmar's underserved agricultural community - a key segment in Myanmar's development. Technical assistance for this program is provided by Rabobank, a Dutch agricultural bank. Yoma Bank is committed to financial inclusion in Myanmar.