



PRESS RELEASE

Yoma Strategic plans to take controlling stake of Wave Money, the leading mobile financial services provider in Myanmar

Yangon, 24 June, 2020 – Yoma Strategic Holdings (“Yoma Strategic”) will establish a new company, Yoma MFS Holdings (“Wave Holdco”), to increase its existing shareholding¹ and take a controlling interest in Digital Money Myanmar Limited (“Wave Money”). Wave Holdco plans to acquire the entirety of Telenor Group’s current 51% stake in Wave Money for US\$76.5 million (the “Proposed Acquisition”) and will raise funds from a consortium of investors led by Yoma Strategic. Upon the completion of the transactions, Yoma Strategic will invest up to an additional US\$25 million and become the largest controlling shareholder in Wave Money, cementing its role as a leading player in Myanmar’s fintech sector.

Wave Money is a dominant mobile financial services provider in Myanmar, and the country’s non-bank financial services sector is expected to see significant growth in the coming years supported by a large unbanked population. With financial technology and mobile solutions expected to play a significant role in this growth, the Proposed Acquisition will allow Yoma Strategic to strengthen its interest in Myanmar’s financial services sector and forge greater collaboration between Wave Money and the Yoma Group’s² businesses.

“This acquisition is part of our goal to build a strong financial technology ecosystem in Myanmar. Wave Money continues to see sustained growth in its agent and digital platforms, with Wave Pay gaining strong traction during the COVID-19 pandemic through the acceleration in and adoption of cashless payment solutions. The investment by Ant Group will further fuel Wave Money’s growth trajectory and will help to create a greater value for our shareholders in the longer term,” said **Melvyn Pun, CEO, Yoma Strategic**.

Wave Money runs a network of more than 58,000 agents or “Wave Shops” in urban and rural areas across 295 out of the 330 townships nationwide. In 2019, Wave Money’s transfer volume more than tripled year-on-year to reach MMK6.4 trillion (US\$4.3 billion). During the same period, revenue and transaction numbers also tripled. Wave Money became EBITDA positive in September 2018, just two years after its launch and has continued to maintain its profitability.

In 12M-Mar2020 (April 2019 – March 2020), the share of profit of associated companies from Yoma Strategic’s 34% stake in Wave Money increased significantly to US\$6.1 million as compared to US\$0.2 million for the corresponding period a year ago.

¹ Wave Money is a joint venture between Yoma Strategic (34%), First Myanmar Investment Public Company Limited (10%), Yoma Bank (5%) and Telenor (51%). Please refer to the announcement made by Yoma Strategic on 8 November 2019 on the proposed acquisition of 10% stake in Wave Money held by First Myanmar Investment Public Company Limited. Upon the completion of acquisition of this 10% stake, Yoma Strategic will hold 44% stake in Wave Money. The acquisition will be completed prior to the investment by the Ant Group in Wave Money and the Proposed Acquisition.

² For this purpose, Yoma Group comprises Yoma Strategic and First Myanmar Investment Public Company Limited.



“Over the last three years, Wave Money has built up a strong team with its own capabilities to provide financial services, bringing financial inclusion for the people of Myanmar. Telenor has been a great strategic partner and we look forward to building on this partnership as Wave Money continues to provide an efficient and reliable method for people to conveniently pay or transfer money in Myanmar,” said **Brad Jones, CEO, of Wave Money**.

“This is an opportune time for Telenor Group to divest. Both Yoma Group and Ant Group’s core operation is financial services and technology and they are therefore the strongest owners to take Wave Money forward. Wave Money has built a leading position in money transfer and will continue to be a strategic distribution channel for our mobile operator, Telenor Myanmar. We are proud to have been part of Wave Money’s impressive growth journey from day one and contributed towards making Myanmar a more financially inclusive society,” said **Lars Erik Tellmann, Head of Financial Services at Telenor Group**.

Yoma Strategic acquired its initial 34% stake in Wave Money at a valuation of US\$57 million in March 2018 and announced the proposed acquisition of an additional 10% stake in November 2019 at a valuation of US\$78 million¹.

Wave Money is expected to become a subsidiary of Yoma Strategic following the completion of the Proposed Acquisition of Telenor’s interest subject to certain conditions, including regulatory approval. Yoma Strategic will fund its investment of up to US\$25 million through a combination of corporate resources.

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Note: This news release should be read in conjunction with the announcement released on the SGXNet on 24 June 2020.

About Yoma Strategic Holdings Ltd. (www.yomastrategic.com)

Listed on the Main Board of the Singapore Securities Exchange Trading Limited (SGX-ST), Yoma Strategic Holdings Ltd. is a leading business corporation with a diversified portfolio of businesses in Real Estate, Consumer, Automotive & Heavy Equipment, Financial Services and Investments in Myanmar. Together with its Yoma Group partners, Yoma Strategic is taking a conglomerate approach to build a diversified portfolio of businesses in Myanmar. The Company was ranked in the top 5% of the Governance and Transparency Index 2019, ranked 26th out of top 100 largest Singapore companies in the ASEAN Corporate Governance Scorecard 2017 and won the Best Managed Board (Gold) Award at the Singapore Corporate Awards in 2016.

About Wave Money (<http://www.wavemoney.com.mm>)

Wave Money is the leading mobile financial services provider operating with over 58,000 Wave shops across Myanmar. Wave Money is a joint venture between Telenor, Yoma Bank and Singapore Exchange listed Yoma Strategic Holdings and provides easy, fast and reliable mobile financial services through a nationwide agent network. Wave Money introduced a unique way of transferring money, bringing millions of people in Myanmar access to formal financial services. Through Wave Money, thousands of people a day are sending money anywhere and at any time. The Wave Money call center operates 24/7 and is always available to respond to any customer queries.



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