

## Regulatory Story

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**Myanmar Strategic Holdings Ltd** - SHWE Proposed acquisition of WSE Vietnam  
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*The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulations (EU) No. 596/2014 ("MAR"). Upon the publication of this announcement via a Regulatory Information Service, this inside information is now considered to be in the public domain.*

26 May 2020

**Myanmar Strategic Holdings Ltd.**  
("MSH" or the "Company")

**Proposed acquisition of Wall Street English Vietnam,  
a leading provider of English Language Training in Vietnam**

Myanmar Strategic Holdings Ltd. (LSE: SHWE ), the independent developer and operator of consumer businesses located in Myanmar, is pleased to announce that its wholly owned subsidiary MS English 2 Pte. Ltd., has exchanged contracts with White Coral Limited (a subsidiary of Verlinvest S.A.) for the acquisition of the entire charter capital of Wall Street English Limited Liability Company ("WSE Vietnam"), a leading provider of English Language Training ("ELT") services in Vietnam (the "Acquisition").

WSE Vietnam caters to the premium ELT market, focusing exclusively on adult learning, and offers its services through a flexible and integrated blended learning solution that can be delivered entirely online.

As of 30 April 2020, WSE Vietnam served over 6,000 students at 7 centres located in Ho Chi Minh and Binh Dhuong. The centres will continue to operate under 10-year Centre Franchise Agreements with Wall Street English International on terms similar to those in place for Wall Street English Myanmar.

For the twelve-month period ended 30 April 2020, WSE Vietnam generated unaudited revenues of approximately US\$13.8 million (VND321.6 billion) and incurred a net loss of US\$1.4 million (VND33.7 billion). As at 30 April 2020, its gross assets amounted to US\$3.4 million (VND79.5 billion).

The Acquisition will be carried out for a nominal consideration payable in cash plus the assumption of certain liabilities, including a commitment to service the existing WSE Vietnam students.

The Acquisition is expected to complete by July 2020, subject to customary regulatory approvals including the approval of the acquisition by the Department of Planning and Investment of Ho Chi Minh City.

Alain Thibault, COO of Myanmar Strategic Holdings and CEO of Wall Street English Myanmar, will be appointed as CEO of Wall Street English Vietnam with immediate effect.

**Commenting on the proposed Acquisition, Alain Thibault, COO of Myanmar Strategic Holdings and CEO of Wall Street English Myanmar, said:**

*"I am delighted to announce the proposed acquisition of WSE Vietnam, a leading provider of English Language Training services for adults in Vietnam. Similarly to WSE Myanmar, WSE Vietnam is powered by Wall Street English International, whose best-in-class products, methodology and e-learning solutions have enabled it to build a dominant position in ELT with over 400 centres across 29 countries.*

*"Since the launch of WSE Myanmar in 2017, we have invested in creating strategic assets, designing processes and implementing systems that are scalable. While accelerating the growth of WSE Myanmar, this Acquisition is a tremendous opportunity to generate operational synergies and leverage the competencies we have developed over the years. We expect a seamless transition and significant economies of scale and expertise across several areas such as digital transformation, lead acquisition and localized content creation strategies, process-driven innovation and business intelligence."*

**Enrico Cesenni, CEO of Myanmar Strategic Holdings, commented:**

*"I am particularly proud of this Acquisition as it is one of very few cross-border M&A transactions by a Myanmar company. This demonstrates the strength and potential of the Myanmar economy and the depth of management expertise built up by MSH over the years.*

*"Vietnam and Myanmar share strong strategic ties and have both demonstrated leadership throughout the COVID-19 pandemic. We are confident that both economies will re-open to trade quickly and remain among the fastest growing economies in the world."*

**Commenting, Raphael Thiolon, Executive Director of Verlinvest S.A., said:**

*"We are excited to partner with Myanmar Strategic Holdings and Wall Street English Myanmar for the future development of WSE in Vietnam. We expect the WSE Myanmar team, led by Alain Thibault, to apply in Vietnam the same leadership, vision and ability to build scalable systems and processes it has demonstrated in Myanmar.*

*"Through the sale process, Enrico Cesenni convinced us of the long-term potential of Myanmar Strategic Holdings, hence Verlinvest will also become a shareholder in Myanmar Strategic Holdings through a strategic investment, as announced separately today by Myanmar Strategic Holdings. We look forward to working together with the MSH and WSE teams."*

**For more information please visit [www.ms-holdings.com](http://www.ms-holdings.com) or contact:**

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**Notes to editors**

**Myanmar Strategic Holdings Ltd.**

Myanmar Strategic Holdings Ltd. (LSE: SHWE ) is an independent developer and manager of consumer businesses located in Myanmar, one of the fastest growing economies in the world. The Company's portfolio currently focuses on Education, Services and Hospitality with the view to expand within the broader consumer sector.

**Education sector:** the Company currently has exclusive development and franchising agreements with Wall Street English for ten English language centres across Myanmar over the course of the ten-year agreement. Two centres were opened in 2017, a third in August 2018, and a fourth in February 2020. As of April 2020, Wall Street English Myanmar served over 4,000 students since its inception.

In May 2020, the Company exchanged contracts for the acquisition of the Wall Street English business in Vietnam. Founded in 2013, the WSE Vietnam business operates through seven centres in Ho Chi Minh and Binh Dhuong serving over 6,000 students. The acquisition of WSE Vietnam is expected to complete by July 2020.

The Company also operates a joint venture with Auston Institute of Management to develop and operate the Auston College Myanmar. The private school opened in May 2018 offering diplomas in Engineering Technology, Mechanical Engineering and Networking, Information Systems, and Security. English language learning is also provided by the Company's nearby Wall Street English centre. In February 2020, the Company announced a partnership with Liverpool John Moores University to provide high quality engineering training programmes for young, working professionals in Myanmar, to be taught by Auston College Myanmar's teaching staff at its Junction Square complex in Yangon.

The Company launched its first private K-12 international school, the Yangon American International School in Yangon, in August 2019.

**Services sector:** through its acquisition of EXERA, the Company offers security, risk management and secure logistics services, including cash-in-transit. Founded in 2013, EXERA employs approximately 1,300 well-trained and high-quality security officers making it one of the largest security services providers in Myanmar.

**Hospitality sector:** through its portfolio, the Company currently manages over 470 beds across four boutique hotels in three core tourist locations across Myanmar,

operating under the award winning Ostello Bello budget hospitality brand. MSH operates an asset light strategy, entering into long-term operating and management agreements with local hotel owners.

Myanmar was one of the fastest growing economies in Asia in 2017-2019 (Source: Asian Development Bank). In 2020 and 2021, its annual GDP growth is expected to be respectively 4% and 7% (Source: Asian Development Bank), making it one of the fastest growing economies in the world.

MSH is well positioned to provide investors early exposure to Myanmar's strong economic fundamentals enhanced by ASEAN's wider growth prospects.

*To receive news alerts on Myanmar Strategic Holdings please sign up here under the 'RNS' header:*

<https://ms-holdings.com/investor-relations/#>

### **Verlinvest S.A.**

Established in 1995 and with approximately €1.6 billion of assets under management, Verlinvest is present in Brussels, London, Singapore and New York.

With over 20 active investments in Asia (particularly in India), North America and Europe, the group focuses on investing behind visionary business leaders to build global, fast-growing consumer businesses and brands, particularly in the food and beverages, digital and healthcare sectors. Verlinvest's largest portfolio companies to date include Oatly, Vita Coco, Mutti, Hint Water, Sula, Byju's, Valtech, Toluna and recent exits have featured Chewy.com, Sir Kensington's, popchips, F&B Asia, Zalando, Lazada, Carrières du Hainaut and Armonea.

### **Wall Street English**

Founded in Italy in 1972, acquired by Pearson in 2010 and currently owned by a private equity consortium, Wall Street English ("WSE") is one of the largest global English language learning franchises in the world. WSE currently serves over 162,000 students across 422 learning centres located in Asia, Europe, Latin America and the Middle East. Utilising both company-owned and franchised centres, WSE has provided instruction to over 3 million people.

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