

Exclusive: Myanmar's MySQUAR aims to raise \$2.5m in May London listing

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April 30, 2015

MySQUAR, Myanmar's only social media platform in the local language, is looking to raise \$2.5 million, at a valuation of \$25 million, through an initial public offering on London's Aim, next month, an executive linked to the company said.

Shashi Fernando, Chief Executive Officer at Yonder and Beyond, the Australia listed global technology accelerator, that has 3 per cent equity holdings in MySQUAR, said that the social media platform was targeting a listing for the middle of next month.

AIM is the London Stock Exchange's international market for smaller growing companies. A wide range of businesses including early stage, venture capital backed as well as more established companies join AIM seeking access to growth capital.

"When we started talking to MySQUAR, smartphone penetration in Myanmar was 7 per cent – it became 10 per cent by the time we reached a deal- it is growing that quickly. Handset prices are coming right down all the time, they have just given out two new mobile (permits) to Telenor and Ooredoo and that is exciting, and it felt like it was a great market," Fernando said in an interaction with DEALSTREETASIA.

"It was also felt that existing social media applications like wechat and line were not configuring for the Burmese language. So the opportunity was there. The reality is that, it is not easy to invest in companies Myanmar, and the main reason we are listing is to allow people to have access to Myanmar market, as well as raise money for development," he added.

Fernando further said the social media platform was looking to list at a valuation of \$25 million, and added that the platform already had more than 460,000 users, and expects the numbers to more than triple to over 1,480,000 by the end of the year. At this valuation, the company will have to offer at least 10% of its stock in the initial public offering to raise \$2.5 million, "MySQUAR is growing at 5000 users per day," he said.

In August last year, MySQUAR had unveiled its free mobile messaging app – MyChat – built solely for Myanmar.

The social media platform's chairman is Piers Pottinger, the co-founder of Bell Pottinger Communications, and its chief executive Eric Schaer is also the head of Singapore-based private investment firm Rising Dragon. Last year, techinasia, had an interesting post, where MySQUAR's erstwhile Canadian founder claimed she was ousted in a 'hostile takeover' of the

social media platform. The report further quoted a blogpost titled, 'When investors turn into bullies', where Rita Nguyen, founder and former CEO of MySQUAR, had said that her co-founder Nguyen Quynh Anh, and she were "locked out" of the company. Another report, in local media, had said that Rita Nguyen, who had been named one of Forbes' Asia Power Businesswomen, had taken down this blog post, on June 17, a week after she had uploaded the same.

Earlier this year, Myanmar granted mobile licenses to Telenor and Ooredoo after these two companies were selected last year following a bidding process, becoming the first foreign mobile phone companies to operate in the country. Their rollout of services has seen Myanmar's low mobile phone penetration rise rapidly over the last few months.

Correction: While the earlier version of the story had Shashi Fernando on quote stating MySQUAR was looking to raise \$1.5 million, but the agency representing Yonder and Beyond later clarified on email that the social media platform was aiming to raise \$2.5 million. This change has been incorporated.

Read more at: <http://www.dealstreetasia.com/stories/mysquar-myanmars-only-local-language-social-media-to-raise-1-5m-in-may-london-listing-5774/>