

Myanmar Roundtable 2012: Understanding the changes, realising the opportunities

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Private sector's perspective on Myanmar Business & Investment Opportunities

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Overview

- 1) Eden Group**
- 2) Business potentials in Myanmar**
- 3) Challenges of doing business in Myanmar**
- 4) Business opportunities for investors**

Introduction to Eden Group Co. Ltd

- Eden Group: six business areas
 - Eden construction
 - Eden Energy
 - Eden Hotels and Resorts
 - Eden Trading (Denko)
 - Eden Banking (Myanmar Apex Bank - MAB)
 - Eden Agriculture (Gold Delta and Peacock Banner)

Potentials

Myanmar has a lot of growth potentials.

- **Many natural resources (e.g. natural gas, oil, coal, iron, copper, gold, fishery products, forest products, jewels, gemstones, semi-precious stones, etc).**
- **Production industries may get cheaper raw materials.**
- **Political and democratic reform lead to softening of foreign sanctions, hopefully all sanctions will be lifted in the near future.**

Challenges

- **Political stability, but unresolved conflicts with ethnic minority in certain areas.**
- **Foreign investment and international trade rely on financial sector reform and overcoming infrastructure deficiencies.**
- **Lack of transparency (sometimes agenda and timeframe) in the government's plan for development in various sectors.**

Challenges

- **Poverty is still pervasive, especially in rural areas**
- **Weaker infrastructure**
- **Lack of financing and access to banking facilities**
- **Lack of skilled human resources: capacity building is necessary**
- **Low power supply: electricity cut is still experiencing, but not that much like before**
- **Choice of local partners**

Opportunities

- Total populations is about 60 millions: this is your potential consumers.
- Low labour cost
- Opening up of business sectors: banking, financial services, construction, oil and gas, hotels and tourism, livestock & fisheries, real estate, mining, etc.
- Economy is expected to boom in a few years time.

Opportunities

- **Industry example: Hotel & Tourism**
 - **At the moment, difficult to get a hotel room in Yangon**
 - **No more vacancies or very high price**
 - **The same situation for service apartments: long waiting list**
 - **For potential investors, we still have beautiful land, islands, beaches and cultural & historical places**
 - **Business visa on arrival**

Opportunities

- **As Myanmar shares its border with 5 countries, it is located in a strategically important geographical position**
- **New infrastructure - four ports for future**
 - Thilawa
 - Sittwe
 - Kyaukphyu
 - Dawei Deep Sea Port
 - Patheingyi

Opportunities: Top 5 investors in Myanmar

As of Dec 2011, the followings are top 5 investors in Myanmar:

Country	US\$ (in million)
1) China	13947.15
2) Thailand	9568.09
3) Hong Kong	6308.50
4) Republic of Korea	2938.86
5) United Kingdom	2659.96

Malaysia is no. 7th and total investment is about US\$ 977.46 million.

Extracts from speech

- ***"Good policies are already in place here, but it will not be a success unless people are good. Conservatives who do not have a reformist mindset will be left behind."***

Myanmar President U Thein Sein

Nay Pyi Taw, Myanmar

May 2012

- **"Today we say to American business: Invest in Burma and do it responsibly; be an agent of positive change and be a good corporate citizen; let's all work together to create jobs, opportunity, and support reform,"**

US Secretary of State Hillary Clinton

Washington, DC, US

May 17, 2012

Whether the timing is right?

Is it too early to invest in Myanmar's emerging market?

- If the President's reform process takes its course towards political and economic stability, Myanmar will be a major player, both in Asia and the world.

Come and see for yourself



Thank you for your time and attention.

Eden Group

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