



To help businesses prepare for upcoming trends in the market, KPMG's 3<sup>rd</sup> Myanmar Business Forum discussed with C-level executives from various businesses how to create positive business partnerships in the country.



*"What makes a positive business partnership in Myanmar? Preparation, patience, and a focus on doing the right deal for the right reasons."*

**Ian Thornhill**

Advisory Executive Director  
KPMG

Myanmar's emergence continues to captivate regional and multinational business leaders, as they explore how to become a part of the country's growth story.

Joint ventures and strategic alliances are common vehicles for such investments, as they balance the opportunity to access the growth with the uncertainties of entering a new territory. But such partnerships also come with their own unique challenges, not least of which is ensuring that strategic and operational objectives of both partners are aligned.

Like any relationship, a successful business partnership relies on a fair exchange of benefits and obligations. Local businesses should demand more than just cash investment from foreign partners, as multinationals can bring knowhow, expertise and best practices to help Myanmar's development. Foreign investors in turn rely on the local market knowledge and networks of their partner.

Executing the JV in Myanmar can be challenging due to limitations in accounting, financial and legal information. Local groups often have complex structures and commercial arrangements. This can make it difficult for a foreign investor to evaluate the investment with confidence, leading to frustrating and drawn-out due diligence processes.

Businesses in Myanmar can benefit by preparing now. Consider restructuring to make diverse business units more accessible and transparent, whilst allowing flexibility for other options such as an IPO. Improving accounting processes and internal controls will make management information more reliable.

Businesses considering a JV or alliance can benefit by using advisers who understand both the investment expectations of global corporations, and how to overcome the practical challenges of executing transactions in Myanmar.



*"Understanding the local business culture and behaviours is one of the keys for the success of an international partnership."*

**Tanate Kasemsarn**

Partner  
KPMG



*"I'm very optimistic that international alliances will bring best practices to the country."*

**Kyaw Soe Han**

Director  
Shwe Taung Group



*"Valuation is crucial, especially as international investors are coming to Myanmar to utilise the local assets, businesses and resources."*

**Thurane Aung**

Director  
Dagon International Limited



*"The key success factor for a JV is for both partners to be as happy as each other, and make for a long-term relationship."*

**Myo Thaw Khaing**

Assistant General Manager  
Redlink Communication

**Website:** [www.kpmg.com/mm](http://www.kpmg.com/mm)

**Email:** [myanmar@kpmg.com](mailto:myanmar@kpmg.com)

[www.twitter.com/KPMG\\_MM](https://twitter.com/KPMG_MM)

[www.facebook.com/KPMGinMyanmar](https://www.facebook.com/KPMGinMyanmar)

[www.youtube.com/KPMGinMyanmar](https://www.youtube.com/KPMGinMyanmar)