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## **A. ACQUISITION OF SHARES IN ASIA GOLDEN GLORY DEVELOPMENT COMPANY LIMITED**

## **B. INCORPORATION OF A NEW SUBSIDIARY**

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The Board of Directors of First Myanmar Investment Co., Ltd. (the “Company” and with its subsidiaries, the “Group”) wishes to announce that the Company has entered into a conditional purchase agreement (the “Agreement”) to acquire an effective 30% stake in Asia Golden Glory Development Company Limited (“Asia Golden Glory”), a company involved in developing the Yeni Industrial Town Project (the “Yeni Project”) approximately 40km south of Naypyitaw.

The Company’s investment in Asia Golden Glory will be carried out through a newly incorporated subsidiary, the details of which are as follows:

Name of Company:	FMI Industrial Investment Company Limited
Place of Incorporation:	Myanmar
Issued and paid-up share capital:	Ks. 1,000,000,000/- comprising 1,000,000 shares of Ks. 1,000 each
Interest:	Effective 100% interest held by the Company

The Yeni Project occupies an area of approximately 1,900 acres in Yedashe Township, on the northern edge of Bago Region. Yeni is well-connected to road and rail transportation, with convenient access to Asian Highway 1 as well as Yeni Railway Station, which is situated at the eastern end of the project. Populous townships such as Lewe, Yedashe and Pyinmana are located near the project and have the capacity to provide abundant labor.

The first phase of the Yeni Project will focus on the development of an industrial zone designed to accommodate light industries such as textiles and garments, paper and pulp, printing and packaging, food and beverage and warehousing.

The Yeni Project possesses existing infrastructure and utilities including a natural gas substation and water system which will be utilized and upgraded to support the needs of international manufacturers. Master planning of the development is being undertaken by a team of global experts to ensure the estate meets international standards.

## **SALIENT TERMS OF THE AGREEMENT**

Under the Agreement, the Company will play a leading role in the development, construction, operation and maintenance of the Yeni Project, including sales, marketing, promotion and financing activities.

In order to ensure the successful implementation of the Yeni Project, various licenses, authorizations, orders, grants, confirmations, permissions, registrations and other necessary approvals (the "Approvals") must be obtained. The Approvals must be on terms satisfactory to the Company, and must remain in full force and effect. The Approvals include, but are not limited to, the consent to be obtained from the Myanmar Investment Commission for the Yeni Project.

In the event that the Approvals cannot be obtained, or any other conditions of the Agreement cannot be satisfied, any consideration paid by the Company shall be refunded. The longstop date for the Agreement is 31 December 2017.

## **FINANCIAL EFFECTS**

The purchase consideration will be funded using internal sources and represents approximately 7.09%<sup>1</sup> of the Group's consolidated net tangible assets at the date of this announcement. The transaction is not expected to have a material impact on the Group's consolidated earnings per share for the current financial year ending 31 March 2018.

By Order of the Board

Tun Tun  
Executive Director

5 May 2017

### **FIRST MYANMAR INVESTMENT CO., LTD.**

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<sup>1</sup> Based on the prevailing Central Bank of Myanmar exchange rate of US \$1 to Ks. 1357 at the date of this announcement.