MYANMAR INVESTMENTS

Myanmar Investments International Limited

ANNUAL REPORT 2016

CONTENTS

Overview

Myanmar Investments International Limited is an AIM quoted investment company focussing exclusively on investing in Myanmar.

MYANMAR UPDATE

- First free elections in over 50 years held in November 2015
- Daw Aung San Suu Kyi's National League for Democracy ("NLD") was elected by a landslide and now controls both the Upper and Lower Houses of Parliament
- The new Government, led by U Htin Kyaw of the NLD, took over on 1 April 2016 with Daw Aung San Suu Kyi acting as State Counsellor
- US is to lift the last remaining sanctions and re-admit Myanmar to its preferential tariff program for developing countries

MYANMAR INVESTMENTS INTERNATIONAL LIMITED

- MIL has raised US$34 million since Admission
- Led a US$31.2 million investment into Apollo Towers, one of Myanmar's leading telecommunication tower companies:
  - Strong growth in tower construction – Apollo Towers now has 1,800 towers with plans to build over 2,000 more
  - US$250 million loan secured from US Government's OPIC
  - Favourable tailwinds as Myanmar's mobile penetration rate is expanding rapidly, from 5% in 2013 to more than 75% today
- Made a US$2 million investment into Myanmar Finance International Limited ("MFIL"), a microfinance joint venture:
  - Norfund became a 25% shareholder in MFIL, contributing decades of successful experience investing in microfinance companies in emerging economies
  - Strong growth in borrower base from 10,000 to over 32,000 – a Compound Annual Growth Rate ("CAGR") of 108% since MIL's investment
  - Loan book has grown from US$800,000 to US$4 million, a CAGR of 178% since MIL's investment
  - Now profitable despite significant investment in upgraded overheads and systems
- A strong pipeline of potential investment opportunities, especially consumer-related and capacity-constrained situations
- Continued development of proprietary dealflow through our extensive local and regional networks
- MIL is considering seeking an additional stock exchange listing in Asia

Chairman's Letter

DEAR FELLOW SHAREHOLDER

The past year has been an important period for both Myanmar and Myanmar Investments International Limited ("MIL"). While the pace of investment into the country and some of the structural changes appear to have slowed as investors and policy makers waited for the election, the daily lives of Myanmar citizens is improving and economic progress is being made.

Your Company has continued to establish itself as a leading investor in Myanmar. This has included:

- leading a US$31.2 million investment into Apollo Towers, one of Myanmar's leading telecommunication tower companies, into which the Company has invested US$20.8 million;
- overseeing solid growth at Myanmar Finance International, our joint venture micro-finance company;
- completion of two successful equity fund raisings which raised a total of US$24.2 million;
- making significant progress in developing and sourcing a growing pipeline of exciting investment opportunities;
- broadening further our network of contacts both within Myanmar and in neighbouring countries; and
- developing our human resources.

MYANMAR COUNTRY UPDATE

In November 2015 Myanmar held its first free election in over 50 years. This landmark event cemented the reforms that were started by President U Thein Sein. The peaceful and undramatic transfer of power understates the historic nature of the changes that were implemented and illustrates the buy-in from all segments of society. This bodes well for the future.

Daw Aung San Suu Kyi's National League for Democracy Party ("NLD") was elected by a landslide majority and now controls both the Upper and Lower Houses of Parliament. This result was immediately accepted by the army and already these two erstwhile opponents have forged a working alliance that is expected to continue to propel the country forward. However, implementing that progress is something that will undoubtedly take time.

Myanmar has been significantly de-risked following the peaceful transition and broad based reform movement begun by U Thein Sein's administration:

RECENT REFORMS	
2010	• Aung San Suu Kyi released from house arrest • Freedom to establish political parties (there are now over 90 such parties)
2011	• Thousands of prisoners freed under amnesty • Peaceful demonstrations legalised
2012	• Hundreds of prominent political prisoners released • Media and communications liberalised by abolishing pre-publication media censorship and allowing private newspapers to operate for the first time in almost 50 years • New Foreign Investment Law enacted • Central Bank of Myanmar ("CBM") introduced a managed float of the Kyat. The CBM was later separated from the Ministry of Finance and declared an autonomous body in mid-2013
2013	• Myanmar formally acceded to the New York Convention on the Recognition and Enforcement of Foreign Arbitral Awards • Anti-Corruption Law enacted • Signed up to UN Convention against Corruption
2014	• The telecom and banking industries were opened to foreign participation • Significant advances were made on a draft national ceasefire agreement signed by a number of ethnic militias and the Government • Signed agreement with U.N.'s Office on Drugs and Crime
2015	• Anti-Money Laundering Law enacted

As a result of these widespread reforms, sanctions have been eased or lifted by all the main western countries.

A number of investment-related legal reforms are also set to bear fruit in the early days of the new administration:

- a revamped **Foreign Investment Law ("FIL")**, is expected to extend the benefits of the existing law to a wider group of Foreign Direct Investment ("FDI") projects;
- a complete overhaul of the **Companies Act** of 1914 is planned, which is expected to drastically reduce the bureaucratic process of investing in Myanmar; and
- a **Condominium Law**, which grants foreigners the right to purchase certain condominium apartments.

Assuming power in April 2016, the NLD has now started a period of intense reflection and consultation on establishing the objectives and priorities for the new government. This is new territory for a party that has only been in power for a few months and has few administrators amongst its ranks. The Civil Service is also woefully undermanned and so planning for, let alone implementing, significant change will take time. This has led to a sense of delay and a slowdown, certainly amongst the business community that had been hoping for some "quick fixes". The fixes will undoubtedly come and when they do they will hopefully be thoughtful and long lasting.

As a further illustration of the NLD's long term vision, they have prioritised the ongoing conflicts that have ravaged the border regions of the country for decades. Daw Aung San Suu Kyi has re-initiated the Panglong Peace Conference where all of Myanmar's ethnic militias are invited to participate regardless of whether they have already signed the nationwide ceasefire agreement.

Daw Aung San Suu Kyi has also indicated that rural development will be among her top priorities.

At this time, therefore, there is a high level of optimism amongst the Myanmar people. They have already seen a significant number of improvements (particularly in the cities) and believe that the NLD will continue to improve their lives. Their expectations may be unrealistic given the scale of the work to be done but for now there is a strong sense of optimism for the future. This, however, contrasts with the more sober mood among business leaders who had, probably unrealistic, expectations that Daw Aung San Suu Kyi's government would announce more granular measures to reform the economy and help businesses.

President Obama's recent decision to lift all the remaining sanctions against Myanmar and re-admit the country into the United States' preferred tariff system is both an endorsement of the progress made to date as well as a catalyst for further economic growth ahead.

With a new administration, an 8% per annum average growth rate, plenty of natural resources and excellent geographic positioning we believe Myanmar has the opportunity to realise its true potential.

STRATEGY

"Our vision is to build a diversified portfolio of investments that will benefit from Myanmar's emergence"

Your Company has recently celebrated its third anniversary. The management team is reviewing the Company's strategy as stated at the time of our AIM

Chairman's Letter

"With a new administration, an 8% per annum average growth rate, plenty of natural resources and excellent geographic positioning we believe Myanmar has the opportunity to realise its true potential."

admission in light of on-the-ground conditions and experiences. Our strategy to make either "core" or "financial" investments is unchanged although we are refining the *modus operandi.*

First and foremost, we still consider quality of management and their integrity the key driver in any business. However, in Myanmar there is a shortage of experienced local executives and there is often a need to bring in foreign expertise to augment a team. This is where MIL has a distinct advantage through its network in the region.

From our experience of being on-the-ground for the past three years and having reviewed over 180 opportunities we are now focussing on two themes:

- businesses that will grow strongly because of people's desire for a better way of life, and supported by what we expect to be, a fast and sustainable increase in disposable income. Typically these will be consumer related; and
- businesses that address a severe shortage in the country, including areas such as education, logistics and energy.

We also target companies that are, or have the potential to be, one of the top three players in their sector where a strong and sustainable franchise value can be built.

In some of these businesses, where we believe that there will be substantial growth based on experiences elsewhere in ASEAN but as yet there is no clear leader, we may get involved in the earlier stages to help them build the right platform. These will be more akin to early stage venture-like investments. Our initial capital at risk will be smaller and our stake higher, often these will be control deals. In these companies we will be significantly more involved in management.

In essence, our strategy is to build net asset value per share as well as to generate dividends when it becomes commercially appropriate. Over time this should allow us to generate an attractive total return to our shareholders.

Whilst we are building our portfolio of investments, we will need to continually raise capital as our strategy is not to over-capitalise the Company. To this end we will, in accordance with the strategy set out in the Company's AIM admission document, consider raising additional equity to fund further investments as well as syndicating some investments with like-minded co-investors. The latter will also generate fee income for the Company.

To date we have made two investments and have a strong pipeline, which, whilst it has been slow to close during this election year, we believe will bear fruit in due course. Details of the two investments that have been made to date are set out in the Executive Directors' Review.

FINANCIAL PERFORMANCE

The Directors have assessed the Group's net asset value as at 31 March 2016 to be US$24.3 million, representing a year on year increase of 268%. This is equivalent to US$0.89 per share, based on the shares in issue at that time. Further details are provided in the Executive Directors' Review.

“The Directors have assessed the Group’s net asset value as at 31 March 2016 to be US$24.3 million, representing a year on year increase of 268%”

For the year to 31 March 2016, the Company’s loss after tax was US$2.2 million. This loss principally represents the overheads associated with running the Company’s business.

In this context, given the significant work that has been done over the past year, in building both our portfolio and our pipeline, I am pleased to commend the Executive Directors for their excellent work in keeping our costs to a minimum.

Subsequent to the year-end the Company successfully closed a further equity issue, raising US$4.2 million before costs.

SHAREHOLDER MATTERS

Investor Day

We were pleased to host our inaugural Investor Day conference on 12 October 2015. The event attracted an esteemed group of institutional and high net worth investors from Europe and Asia, who joined us in Yangon to review and discuss the economic and political situation in Myanmar. The conference was very well received, and we look forward to hosting this year’s Investor Day on 17 October 2016 in Yangon. We hope that you will be able to join us for this signature event.

Board Appointment

We are pleased to welcome Henrik Bodenstab to the Board. Henrik joined us as a non-executive director on 17 May 2016. Henrik contributes a diverse range of business skills and contacts to the Company. A more complete description of Henrik’s background can be found in the section headed “Board of Directors”.

Corporate Governance

The Company seeks to uphold the fundamental principles of good corporate governance and is guided by the responsibilities laid down for AIM quoted companies. The section of this report headed “Corporate Governance” provides more details on how the Board itself operates as well as the steps taken to ensure that its staff adhere to principles such as compliance with the UK Bribery Act 2010.

Corporate Broker

We were pleased to appoint Investec Bank plc (“Investec”) as our corporate broker in February 2016. As a global financial services group Investec is well placed to provide us with in-depth advice on the development of the Company’s funding strategy.

Secondary Listing

From our discussions with investors through this past year it has become clear that there is interest in the Company pursuing a stock exchange listing on a market geographically closer to our operations in Myanmar. Our discussions have indicated that shareholders consider that such a listing would be of great benefit in attracting regional investors to the Company and equally importantly in building up liquidity in the trading of the Company’s shares and warrants. The Board has commissioned the Executive Directors to investigate the prospects for establishing an additional listing for the Company in Asia.

Chairman's Letter

Annual General Meeting

This year's Annual General Meeting will be held at The British Club, Yangon, Myanmar at 9.00a.m. (Myanmar time) on Monday 31 October 2016. All shareholders, but particularly those who are unable to attend the Annual General Meeting in person, are encouraged to use their proxy votes. Shareholders who hold their shares through CREST are able to lodge their votes electronically. Details of the Annual General Meeting and voting instructions are set out in the Notice of Annual General Meeting enclosed with this report.

CORPORATE AND SOCIAL RESPONSIBILITY

The Company continuously seeks opportunities to positively impact Myanmar during the country's unprecedented period of re-emergence. We have designed our investment programme to target sustainable investee companies, evaluated from economic, social and environmental perspectives. We carefully consider both the positive and negative impacts of any investment we make.

At the corporate level we support worthwhile causes, such as the educational and environmental development of the country or humanitarian relief efforts, while at the portfolio company level we strongly encourage our partners to identify and adopt practices that will help to develop the workforce in their local communities.

GENERAL OUTLOOK

The past year has been a busy time for the executive management team and the staff of the Company, with:

- a significant investment in Apollo Towers coupled with a US$250 million loan to the tower company from the US Government's Overseas Private Investment Corporation ("OPIC");
- solid growth in the development of our microfinance joint venture's customer base, loan book and product offerings;
- a significant investment of time and effort in our dealflow pipeline; and
- two successful equity fund raisings.

I would like to express my appreciation to each and every member of the team for all for their hard work and efforts in assisting the Company to reach this stage.

After the unprecedented reforms undertaken by President U Thein Sein which paved the way for the election, the future for Myanmar is more positive today than it has been for a very long time. The future is not without its possible pitfalls and detours but the will of the Myanmar people, the military and its newly elected government is clearly for peace and economic progress.

Against this backdrop I see MIL's strong portfolio of investments, its burgeoning pipeline of investment opportunities and the prospect of an additional listing in Asia as positive steps forward and I am excited at the opportunities that lie ahead.

Finally, to my fellow shareholders: I would like to extend my thanks to you all for your continued support and encouragement during the course of this year and look forward to continuing to work with you to build on the success of our Company going forward.

WILLIAM KNIGHT
Chairman
19 September 2016

Executive Directors' Review

DEAR FELLOW SHAREHOLDER

We are pleased to provide an update on the Company's operations.

INVESTMENTS

As at the date of this report we have made two investments.

Apollo Towers Pte Ltd ("Apollo")

On 31 July 2015, MIL led a US$30 million investment into Apollo in return for a 14.18% interest. Of this MIL contributed US$20 million (for a 9.46% indirect shareholding) with LIM Asia Special Situations Master Fund Limited, one of our substantial shareholders, contributing US$9.8 million (for a 4.63% indirect shareholding). The remaining 0.09% was contributed by an unconnected third-party. All three investors made the investment in Apollo through a special purpose vehicle, MIL 4 Limited. During the financial year ending 31 March 2016 MIL has invested a further US$0.8 million and currently holds an indirect interest in Apollo of 9.3%.

Apollo was founded in 2013 by Sanjiv Ahuja and TPG Growth, the middle market and growth equity investment platform of TPG (formerly Texas Pacific Group), the leading global private investment firm with approximately US$70 billion of assets under management. Mr Ahuja, a global telecom veteran and the former CEO of Orange S.A., has founded several successful telecommunications infrastructure businesses around the world.

Myanmar's telecommunication sector continues to be a case study to illustrate what can be achieved with a well-planned strategy and the reforms since 2011 have rapidly changed the country's economic and social landscape. Apollo plays a critical part in this providing telecommunication towers to Myanmar's three largest Mobile Network Operators ("MNOs"): Telenor, Myanmar Posts and Telecommunication ("MPT") and Ooredoo. Together they have played a leading role in driving Myanmar's mobile penetration rate from one of the world's lowest at 5% in 2013 to more than 75% today. Apollo's towers provide essential voice and data coverage to many areas of the country for the first time bringing with it greater liberalisation in the availability of communication and information.

Since MIL's investment was made in July 2015, Apollo has made great strides forward and has almost doubled its telecommunication tower portfolio, currently owning and operating approximately 1,800 towers across Myanmar. Apollo has plans to build more than 2,000 additional towers in its next phase of development. In this regard, Apollo reached a major milestone in June 2016 when it secured financing for its business through a US$250 million debt facility made available by the United States' Overseas Private Investment Corporation ("OPIC") - the organisation's first investment in the country.

Apollo's extensive tower portfolio has endowed it with a high quality EBITDA stream (most of its customers are Grade A international telecom companies) that grows as new tenants are added to its towers. The portfolio was built with Telenor as the anchor tenant but given that co-location is a major profitability driver for Apollo, the coming year should be very exciting as both of the other MNO's, Ooredoo and MPT, expand their networks. Co-location will get an additional boost with the expected launch of a fourth MNO, a collaboration between Vietnam's Viettel and a consortium of local companies. Apollo is uniquely positioned to benefit from and support the entry of this new fourth MNO with its high-quality towers designed for multiple tenants.

Executive Directors' Review

MIL classifies Apollo as a "financial investment" since an exit is likely once Apollo has completed the rollout of its tower portfolio – a strategy that is aligned with that of its fellow shareholders. With a strong management team of experienced telecommunication professionals, Apollo stands as a prime example of a Myanmar company run to international standards and fit for a listing on one of the region's major stock exchanges or as an entry acquisition for one of the global tower companies.

Myanmar Finance International Co. Ltd ("MFIL")

During the financial year, MIL invested US$407,500 into MFIL, bringing the total (and final) investment by MIL to US$1.92 million (up from a total investment of US$1.51 million in 2015). More significantly, in December 2015, the Norwegian government's Investment Fund for Developing Countries ("Norfund") invested US$1.43 million for a 25% shareholding in MFIL. Norfund's investment validates the platform that has been built by MFIL, and brings to the shareholder group decades of successful experience investing in microfinance companies in emerging economies.

With a fully drawn down capital base of US$4.95 million, MFIL opened another branch in Yangon during the financial year, bringing its branch network to six in total (four in Yangon and two in Bago). As of 31 March 2016, MFIL had over 32,000 borrowers (up from a total of 15,000 in 2015) with a loan portfolio of over US$4.04 million (up from US$1.92 million in 2015). For the first time since the Company's investment, MFIL also reported full-year net profits for the 2015-2016 financial year despite increased overheads as a result of upgrades to its operations and systems.

MIL has been, and remains, actively engaged with MFIL both operationally and strategically. During this financial year, MIL assisted with the restructuring of the MFIL board to bring on board a new Finance Director in parallel with the establishment of an internal audit function. Working with MFIL management, the Company has also been actively engaged in product development and branch network expansion. Together with Norfund, MIL will continue to support MFIL in its growth and expansion plans through an active role in the acquisition of debt facilities from both commercial and development finance sources.

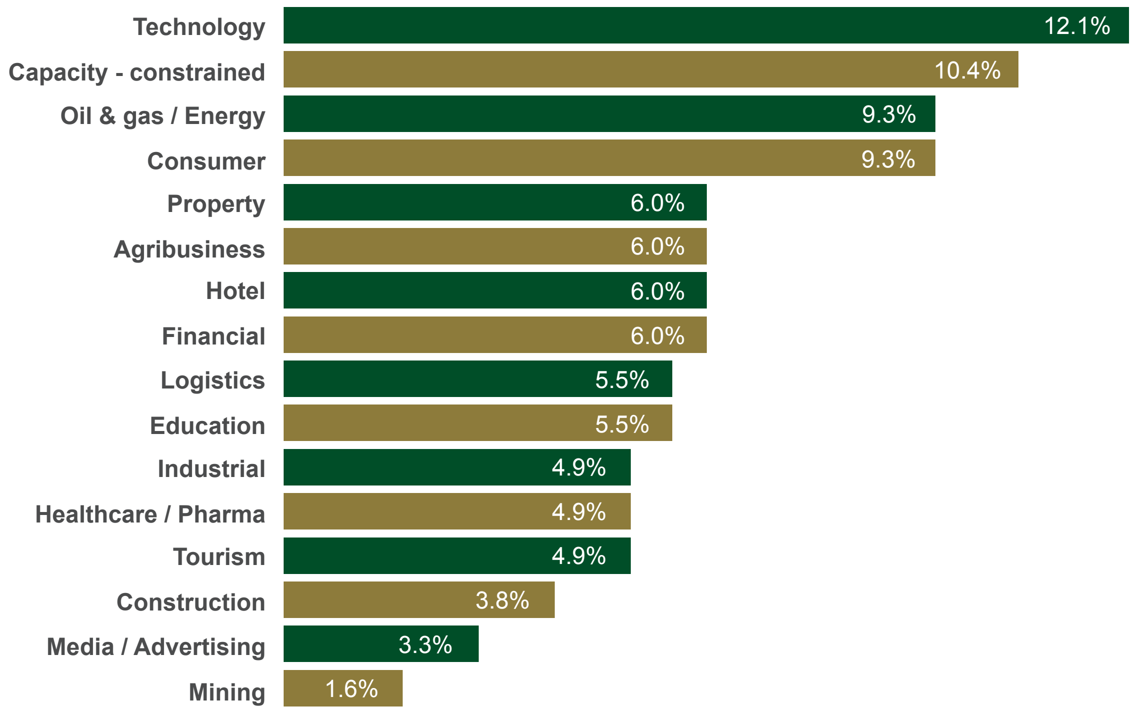
MFIL remains a core investment of the Company, as validated by its rapid growth since MIL's original investment was made. The new Myanmar government has also stated that liberalisation of the microfinance sector is one of its financial sector reform priorities, which further underpins MIL's investment thesis. MFIL works closely within the Myanmar Microfinance Association to promote the sector with the government and to address regulatory reform constraining the sector. While competition has certainly increased with the entrance of new participants in the sector, MIL will continue to work closely with MFIL management to enhance its visibility and branding, as well as product offerings, to maintain its position as one of the leading microfinance companies in Myanmar.

ONGOING INVESTMENT ACTIVITIES

In our 3 plus years on the ground in Myanmar we have reviewed over 180 potential investments.

As the table below shows, these opportunities have straddled a wide range of sectors:

Opportunities Reviewed to Date



Whilst sectorially the investments that we have considered are diverse, they share a number of similarities:

- they have nearly all been sourced by the Executive Directors, as there is currently little to no intermediation in Myanmar; and
- they are characterised almost equally between opportunities with two very different types of partners:
  - local entrepreneurs who have grown their business in spite of the past difficulties in Myanmar and who are now looking to raise capital to propel the business to the next level – MFIL would be an example of this; and
  - foreign players, well experienced in their sector, looking to enter the same, often empty, space in Myanmar – Apollo would be an example of this.

From our time here we have learned to swiftly sift through this deluge of opportunities and are now prioritising opportunities in the following spaces:

Consumer

In Myanmar this is a nascent sector with a limited number of mainly small competitors. However, experience in other ASEAN economies has illustrated that there are significant growth prospects in this sector, especially when coupled to the predicted growth of the Middle and Affluent Class ("MAC") and the significant increase in their disposable income. Additionally, as the phenomenal surge in mobile phone ownership (and most of it has been smartphones) has illustrated, there is significant pent-up spending power across all strata of society.

We are particularly focussing on opportunities in retailing, healthcare and family entertainment; building the brands of tomorrow in otherwise empty spaces.

One of the features of these opportunities is that they require only a modest initial investment that can then

Executive Directors' Review

"We are focussing on opportunities in retailing, healthcare and family entertainment; building the brands of tomorrow in otherwise empty spaces"

be scaled up as the business develops and the ability to develop more branches unfolds.

For this sector we have assembled a panel of experienced Asian retail executives that we can bring in to assist with the initial investment assessment, or if needed to remain in the business as company executives, mentors or board members.

In all cases the objective is to develop market-leading franchises that can be sold to multinationals in 3 to 5 years.

Capacity-constrained opportunities

Opportunities in this sector occur where there is an acute imbalance between supply and demand and yet a significant requirement for capital investment to unlock the supply. As such these are typically larger ticket opportunities (up to US$25 million) and are situations in which we would often be partnering with a proven international company who is looking for a strong and knowledgeable local partner. Our investment in Apollo is an example of this type of opportunity.

Where such opportunities arise we would not look to take all of this on our books but would look to bring in a syndicate of investors (possibly including our own shareholders). We would take responsibility for managing the syndicate's investment and in return charge fees and also take a carried interest thereby leveraging the opportunity by extracting a higher reward than just the IRR of the investment itself.

These opportunities focus on shortages of soft infrastructure (for example financial services, education etc.) as well as more traditional hard infrastructure (for example utilities such as power, waste water treatment etc.). An additional attraction of these types of opportunities is that they are frequently capable of being partially funded by third party debt, often from the Development Finance Institution ("DFI") community which is especially active in Myanmar. The US$250 million loan from the US Government's Overseas Private Investment Corporation ("OPIC") to Apollo would be an illustration of this.

Proactivity

Picking up on our earlier point about the lack of intermediation, the opportunities that we source do not come with an information memorandum and a data room. They come from numerous meetings with businessmen and women who have business plans that still need to be stress-tested and refined to make sure that they are both commercially feasible and capable of being executed in the Myanmar of today. This is a time-consuming process that requires patience, knowledge and an extensive Rolodex of partners who can participate to fix any of the parts that might not work as well as they might otherwise.

Often the potential rewards from an opportunity are obvious. What is more time-consuming is looking to de-risk each and every opportunity. This requires not only a disciplined professional assessment of the challenges that the business faces but the ability to address these and to put in place real solutions. When we invested in MFIL, this was only agreed after we had conducted an extensive executive search for a proven microfinance chief executive.

It is because of our extensive time building such businesses in Asia over the past 30 years that we feel we have a distinct advantage over many of the more traditional "private equity" style (i.e. passive) investors who are trying to set up in Myanmar.

To manage this process, we have developed a very strong team in Yangon. We currently have 10 investment professionals on the ground in Yangon comprising a mix of international and Myanmar professionals with complementary backgrounds, skill sets and experiences.

FINANCIAL REVIEW

In the last financial year, the Company completed a further significant equity fund raising. On 21 July 2015, the Company raised US$20 million (before expenses) from a placing of shares (with warrants on a one for three basis) to a range of institutional investors, family offices and high net worth individuals.

The Directors' assessment of the Group's net asset value attributable to the shareholders of the Company as at 31 March 2016 is that it was US$24.3 million, a year on year increase of 268%. This represents US$0.89 per share, based on the shares in issue at that time.

At that date the Company had:

- an investment in Apollo Towers (the telecommunication tower venture) of US$20.8 million (excluding non-controlling interests), being the cost of the investment made to date;
- an investment in MFIL (the microfinance joint venture) at a fair value of US$2.1 million; and
- cash and equivalents of US$1.4 million.

In the attached audited financial statements, the net asset value differs from the above stated value of US$24.3 million due to the following differences:

	US$
Net asset value per the audited financial statements	24,154,579
Apollo Towers [1]	(185,010)
MFIL [2]	332,123
Net asset value per the Directors' valuation	24,301,692

(1) This represents transaction costs. In accordance with IAS 39 Financial Instruments: Recognition and Measurement, the investment in Apollo Towers is accounted for as an investment in available for sale securities with initial recognition at fair value of consideration paid plus transaction costs that are directly attributable to the acquisition or issue, and changes in fair value are recorded in other comprehensive income. Whereas in accordance with the Company's Valuation Policy the Directors' valuation is based on the International Private Equity and Venture Capital Guidelines. As the investment has been made within the 12 months prior to the balance sheet date, and there has been no impairment, the estimate of fair value is based on the 'price of recent investment' (which excludes transaction costs), equivalent to the original cost paid by the Company.

(2) In accordance with IFRS 11 Joint Arrangements, the investment in MFIL is accounted for as an investment in a joint venture using the equity method, an accounting measure which includes (a) the share of results, (b) gain on dilution, and (c) a foreign exchange adjustment. Whereas in accordance with the Company's Valuation Policy the Directors' valuation is based on the International Private Equity and Venture Capital Guidelines. As an investment was made into MFIL by an independent third party in November 2015, within the 12 months prior to the balance sheet date, and there has been no impairment, the estimate of fair value is based on the 'price of the recent investment'.

Executive Directors' Review

For the year to 31 March 2016 the Company's audited loss after tax was US$2.2 million. This represents:

- the overheads associated with running the Company's business; and
- the impact of the share based payments arising from the Company's Employee Share Option Scheme.

Within this, the core cash-based overheads, excluding discretionary compensation and share option expense amounted to US$1.87 million.

Barring unforeseen circumstances, we do not expect the level of such running costs to fluctuate significantly in the foreseeable future.

The Directors do not recommend payment of a dividend at this time.

Subsequent to the year end, on 16 September 2016 the Company closed a further equity fund offering, raising US$4.2 million (before costs) through an issue of new ordinary shares and warrants. Directly following this offering, MIL's unaudited net assets stood at US$27.4 million or US$0.90 per share.

As of the date of this announcement the Company has adequate financial resources to cover its working capital needs for the next 12 months.

OUTLOOK

The Directors are pleased with the strong fundamental performance of both of the Company's existing investments over the past year. Barring unforeseen circumstances, we expect both businesses to continue to grow strongly in the years ahead.

However, as noted above, the prevailing expectation in the business community is of a slowdown in business activity in Myanmar for the near future as the NLD takes its time to formulate and prioritise its various strategies and then determine how best to implement each.

For ourselves, we have not seen any such slowdown in investment opportunities.

Following discussions with shareholders and a wide range of investors over the past year, the Directors are also exploring the possibility of a secondary stock market listing in Asia. This consideration is still at a very early stage and further details will be made available as any developments are made.

We continue to encounter investment opportunities on an almost weekly basis. They will not all become investments: the attrition rate today is obviously very high. But as the Company's local reputation has grown and continues to grow the Directors find that the Company is often sought out by both the local and foreign business communities. As such, the Directors hope that they will soon be in a position to conclude further investments to add to the Company's already exciting portfolio.

AUNG HTUN
Managing Director
19 September 2016

MICHAEL DEAN
Finance Director
19 September 2016

Board of Directors

CHRISTOPHER WILLIAM KNIGHT
Independent Non-Executive Chairman

Mr Knight is an alternative asset investment specialist who has spent almost his entire career dealing with the financial development of growth companies in developing economies with particular emphasis on Asia. His early pioneering led to him winning a capital goods export finance mandate for Myanmar in the early 1980s and establishing the first London listed investment fund for Thailand in 1988 and the first investment fund for Vietnam in 1991. His experience covers involvement with a number of listing jurisdictions, including AIM, in his capacity as an independent non-executive director.

He is a co-founder of Emerisque Brands, and chairs three Chinese joint ventures the company has established: MCS Apparel (HK) Ltd, Henry Cotton's (Greater China) Ltd and Marina Yachting (Hong Kong) Ltd. He is chairman of JP Morgan Chinese Investment Trust Plc and of the Advisory Board of Homestrings Ltd. He is also a member of the Boards of Ceylon Guardian Investment Trust Plc, Smith-Tan Asia Phoenix Fund Ltd and GNet Group Plc.

MAUNG AUNG HTUN
Managing Director

Mr. Htun is half Myanmar and an engineering graduate from Imperial College. He brings 30 years of hands-on experience of advising, starting, building and managing companies.

Mr. Htun started at Kleinwort Benson in London before founding, in 1987, Seamico Securities in Thailand, a company he took public in 1995. In 1999 he founded Thai Strategic Capital, a Bangkok based private equity fund manager where he led investments into, inter alia, B-Quik, Modern Asia Environmental Holdings and Wuttisak Clinic.

Mr. Htun brings a wealth of experience and contacts in a diverse range of industries and currently sits on the boards of Draco PCB Plc, Wuttisak Clinic Inter Group Ltd, and Nam Seng Insurance Plc., as well as being a member of the investment committee of Lakeshore Capital Partners. He is a director of the Thai Private Equity & Venture Capital Association which he co-founded in 1989.

ANTHONY MICHAEL DEAN
Finance Director

Mr. Dean has over 30 years of experience in the financial industry in investment banking, private equity and accounting. 25 of these years have been spent in Asia, principally Hong Kong and Singapore. He has held senior management positions with Credit Lyonnais Securities Asia ("CLSA") including Head of its Investment Banking and co-Head of its Private Equity businesses; was a Director of PPMV Asia (the private equity arm of Prudential plc); and spent a further eight years as chief financial officer for a global shipping group.

Mr. Dean is a non-executive independent director of Singapore main board listed Delfi Limited. He is a Fellow of the Institute of Chartered Accountants in England and Wales, an Associate of the Chartered Institute of Taxation and a member of the Singapore Institute of Directors.

CRAIG ROBERT MARTIN
Independent Non-Executive Director

Mr. Martin has over 22 years of business building and direct investment experience in emerging markets in Southeast Asia. He has lived and worked in Southeast Asia since 1993, living in Cambodia (seven years), Vietnam (five years) and Singapore (twelve years), and has invested in many sectors across Asia. His direct investment experience covers fintech, telecoms, agribusiness, building materials, education, media, retail, real estate, manufacturing, finance, logistics, transportation and renewable energy.

Mr. Martin has a Masters of Engineering from the University of York, UK, and a MBA with Distinction from INSEAD, and is a member of the Singapore Institute of Directors. Mr. Martin is co-CEO of CapAsia, a Singapore headquartered private equity fund manager, focussing on investments in emerging markets.

Board of Directors

CHRISTOPHER DAVID APPLETON

Independent Non-executive Director

Mr. Appleton has worked in finance since 1982 and in Asia since 1984. Mr. Appleton worked in Japan as equity analyst then equity sales and management. Moving to Hong Kong in 1998 Mr. Appleton worked for Salomon Smith Barney as Head of Asian Sales before becoming Head of Asia for Fox-Pitt, Kelton directly running all the equity functions, as well as responsibility for capital markets and advisory. During this time he also set up their Tokyo office. In 2005 he founded Faye Capital as an advisory business and in 2008 acquired a licence for third party asset management. After closing Faye Capital in 2010 Mr. Appleton briefly worked at HSBC Private Bank as Head of Investment Advisory. Since 2011 he has been running his private assets.

Mr. Appleton was educated at Oxford University with post graduate studies at Tokyo University.

HENRIK ONNE BODENSTAB

Independent Non-executive Director

Mr. Bodenstab was appointed to the Board of Directors on 17 May 2016. Over the past 20 years Mr. Bodenstab has gained broad international experience by living and working extensively in Asia, the US and Europe. He started his professional career in 1992 in Asia, at the Wünsche Group of Companies, a diversified group of companies focussing on international trade and shipping. In 1996, he joined the Boston Consulting Group in Hamburg, Germany, covering financial services, wholesale, construction and real estate. In 1998 he co-founded OneClip, a direct marketing and advertising company in New York which he led until 2002. Mr. Bodenstab re-joined the Wünsche Group in 2002 as a managing partner, where he founded and managed Globaltronics, the consumer products division of the company. After leaving Wünsche in 2011, he joined Trilantic Capital Partners as an operating partner and in 2014 as a partner.

Mr. Bodenstab is Chairman of the Board of Meridian 10 Holding AG, on the Advisory Board of Prettl SWH GmbH and a Director of Hansabay Pte Ltd in Singapore. He holds a BA in Economics and Political Science from the University of Michigan and an MBA from the Harvard Business School.

Directors' Report

The Directors present their annual report and audited consolidated financial statements of the Group for the year ended 31 March 2016.

The Company

Myanmar Investments International Limited (the "Company") is a public company limited by shares incorporated under the laws of the British Virgin Islands. The Company was admitted to trading on the AIM market of the London Stock Exchange ("AIM") on 27 June 2013.

The Group

The Group's investments are managed through two companies: a wholly owned subsidiary in Singapore, MIL Management Pte Ltd, and its own wholly owned subsidiary in Myanmar, MIL Management Co., Ltd.

Three wholly owned subsidiaries have been established in Singapore to act as investment holding companies for investments in Myanmar. Of these, as of the end of the financial year, Myanmar Investments Limited holds a 37.5% shareholding in Myanmar Finance International Limited ("MFIL"), a Myanmar incorporated microfinance joint venture company. The other two companies, MIL No. 2 Pte. Ltd. and MIL No. 3 Pte. Ltd. have not yet commenced business.

MIL 4 Limited ("MIL4") was established in the BVI to invest in Apollo Towers Pte Ltd ("Apollo"). MIL4 Limited is 66.7% owned by the Company and, as of 31 March 2016, holds a 13.48% interest in Apollo. Subsequent to the year end this was increased to 14.0%.

The above named companies comprise the Myanmar Investments Group (the "Group").

Fund raisings

On 21 July 2015 the Company concluded a share offering which raised US$19,942,397 (gross) through a subscription of 17,341,214 new ordinary shares at a subscription price of US$1.15 per share. The Company also issued 5,780,408 warrants in the ratio of 1 warrant for every 3 shares subscribed for as part of the subscription.

After the year end, on 16 September 2016 the Company concluded a share offering which raised US$4,219,081 (gross) through a subscription of 3,245,447 new ordinary shares at a subscription price of US$1.30 per share. The Company also issued 811,368 warrants in the ratio of 1 warrant for every 4 shares subscribed for as part of this subscription.

Investment Policy

The Company's investment policy was set out in its Admission Document and is reproduced below. There has been no change in its investment policy since Admission.

Strategy

The Company's primary objective is to build capital value over the long term by making investments in a diversified portfolio of Myanmar businesses that the Directors believe will benefit from Myanmar's re-emergence. In the first few years it is expected that the portfolio of the Company will be concentrated as it seeks out new potential investments. However, in time and subject to available opportunities the Directors intend to diversify the portfolio.

The Company intends to be a proactive investor, seeking to add value to the development of each of its Investee Companies. As such, the Company will usually, where permitted under Myanmar or other applicable law, seek participation in the management process through board representation, with a view to helping improve the performance and growth of the Investee Company. The Company may acquire majority or minority stakes in Investee Companies.

Value may be added through advice on such matters as capital structure and introductions to potential foreign lenders; introductions to foreign markets; sourcing suitable senior management hires or mentors to help develop the business; access to foreign technical partners; implementation of governance issues; and listing on the Yangon Stock Exchange (YSX) or other regional bourse.

Where appropriate the Company may seek to bring in strategic investors who are capable of adding operational value to the Investee Company.

Directors' Report

Investment Categories

Investments will fall into two categories, core investments and financial investments:

Core investments

The Company intends that its core investments will be in businesses which, in the Directors' opinion:

- are considered essential to the domestic economy in Myanmar;
- are businesses where there are limited opportunities, creating a medium term barrier to entry; and/or
- are capable of being built into leading franchises in Myanmar.

For core investments, the Company will seek to help the Investee Company enhance its return on equity and, as soon as it is prudent, generate dividends. When appropriate, the Investee Company will be encouraged to list on a local or regional stock exchange although the Group will generally expect to continue to hold its investment for a further period of time.

It is expected that core investments will be held until such time as the Directors believe that long term growth rates have started to moderate. As such there will not be an expectation of a near term disposal unless a compelling opportunity for full or partial divestment arises.

Financial investments

The Company's financial investments are intended to be 'private equity style' investments where the Company sees potential for capital gains and liquidity.

Financial investments therefore, unlike core investments, are expected to be made only when there is a realistic and credible exit plan. As such they are likely to be disposed of within a five- to seven-year time horizon, though this may be adjusted in appropriate circumstances. Exits may be achieved through listings on the YSX or on suitable overseas stock exchanges, trade sales or share swaps.

It is expected, in the initial years, that the Company's investments will typically range between US$5 million and US$25 million, although it may consider

larger or smaller investments. Investments that are larger than the Company's existing resources are expected to be funded through further equity issues. Additionally, where an Investment Target is larger than the Company's appetite or does not fall within the Investment Policy, the Group may seek to generate fee income (for example placement and management fees and carried interests) through placements to financial investors.

Sanctions and Restrictions

The Company will comply with any sanctions and restrictions imposed by the EU, the UK, the BVI and Singapore. The Directors will also take into consideration other actions by jurisdictions relevant to the business of the Company relating to investment in and trade with Myanmar. Should there be any addition to or re-imposition of sanctions or restrictions at any time in the future, the Directors will seek to ensure compliance with such regulations.

Portfolio

The Company expects to build a diversified portfolio. However, this will take some time and as a consequence, particularly during the early life of the Company, its investment portfolio will be concentrated in a limited number of Investee Companies.

There is no minimum or maximum number of companies that the Company can invest in at any one time. Similarly, there are no sector limits nor minimum or maximum exposure limits to any one company or joint venture partner.

Geographical Diversity

The Company will primarily make investments in companies, businesses or assets located in Myanmar. This will include Myanmar businesses that are listed on foreign stock exchanges but also foreign companies that have a material exposure to doing business with or in Myanmar.

Forms of Investment

The Company may employ all forms of permitted investment mechanisms, utilising instruments and structures that might be suitable to allow participation in Investment Targets in a manner that seeks to minimise risks and maximise rewards. The Company may invest in equity, quasi-equity or debt instruments, which may or may not represent shareholding or management control. Investments are likely to be made through special purpose vehicles established specifically for each Investee Company, or by way of legal joint ventures or nominee or trust structures. In some circumstances the Company may invest via contracts that grant an economic interest in an asset.

Because Myanmar businesses are relatively small compared to their more developed Asian counterparts, the Company's investments are more likely to be in the form of expansion capital than buyouts and may also be in greenfield businesses.

Funding of Investments

In order to finance future Investments, the Company will issue further Ordinary Shares to raise capital as and when investment opportunities become available. The Company may also consider issuing Ordinary Shares as consideration for acquiring Investments or have the Company or one of its subsidiaries issue debt or hybrid financial instruments.

Borrowings

The Directors believe that an appropriate amount of appropriately structured debt could enhance the overall returns from the Company's Investments.

It is the Directors' present intention that any borrowings taken on in support of an Investment should ideally be raised at a subsidiary level on a non-recourse basis. Where this is not available and the Directors consider that the assumption of debt will enhance the overall return from an investment without giving rise to a disproportionate risk, then the Company may borrow directly or may provide guarantees to its subsidiaries for such borrowings. The Directors do not intend to take on borrowings of more than 50% of the prevailing NAV of the Company, though if the NAV were to decline this benchmark might be breached.

The Company or its subsidiaries may also issue hybrid financial instruments and may borrow in any currency that the Directors consider appropriate.

It is not expected that the Company will borrow to fund its operating expenses.

Sectors

The Company does not plan to limit itself to any specific sectors. However, at this time there are certain sectors falling within its Investment Policy which, given the large funding requirements typically required, it would not currently look to focus on. These sectors include large real estate development, infrastructure development and exploration and production of natural resources. However, the Company would

Directors' Report

consider establishing sector specific vehicles in the future - possibly with suitable joint venture partners - to participate in such opportunities.

Whilst the Investment Policy is not sector specific, in assessing which sectors the Company may invest in, the following themes will be considered:

- Regulatory framework: under present foreign investment regulations there are limitations and prohibitions imposed with regard to foreign investment in certain specified sectors. However these regulations may be subject to change and refinement.
- Ease of upgrading: the Directors believe that there are many areas of the Myanmar economy that can benefit from practices and technology that are commonplace in Western and other Asian economies without the need to introduce advanced technology. Relatively easy to implement changes can have a significant improvement on efficiency and profitability. These might be in manufacturing industries but also in services such as distribution and retailing.
- Scalability: the Company will be looking at sectors where there are opportunities for significant scalability given their potential, both domestically as well as in export markets.
- Barriers to entry: in some sectors being first to market may help secure key retail locations or licences, giving rise to competitive advantages.
- Leverage: the Company will take into consideration the availability of locally sourced debt where that may be influenced by the nature of the underlying business.

Key sectors particularly attractive to the Company are those experiencing acute supply vs. demand imbalances, such as consumer (products, services, retail, distribution) and other capacity-constrained (infrastructure, energy, logistics) sectors.

Investment Policy Review

The Directors will review the Investment Policy on an annual basis and, subject to their review and in the absence of unforeseen circumstances, the Company intends to adhere to the Investment Policy for the foreseeable future.

Notwithstanding the above, should the Company wish to make a material change to its Investment Policy, which may be prompted, inter alia, by changes in government policies or economic conditions which alter, reduce or introduce investment opportunities, the Company will seek prior Shareholder consent at a general meeting.

In the event of a breach of the Investment Policy or any restrictions imposed on the Investment Policy, if the Board considers the breach to be material, notification shall be made to a Regulatory Information Service provider.

Results and dividends

During the year to 31 March 2016 the Group made an initial investment into Apollo Towers and follow-on investments into MFIL, as described in detail in the Executive Directors' Report.

In addition, the Company has expanded its pipeline of potential investments and the Directors believe that, barring unforeseen circumstances, the Group expects to make additional investments within the next financial year.

The Directors assess the Group's net asset value as of 31 March 2016 to have been US$24,301,692 (2015: US$6,608,414), a 268% increase over the period. Net Asset Value per share as of 31 March 2016 was US$0.89 per share (2015: US$0.66 per share). This change principally reflects the proceeds from the fund raising in July 2015 (which was used to fund the initial investment in Apollo Towers) less the running costs for the year.

The results for the year are set out in detail in the consolidated statement of comprehensive income.

The Directors do not recommend the payment of a dividend for the financial year ended 31 March 2016.

Review of the Company's Business and Future Outlook

The Chairman's Letter and the Executive Directors' Report provide further details as to the development of the business in the year under review as well as the future outlook.

Directors

The members of the Board are listed in the section headed "Board of Directors".

Aung Htun and Michael Dean served as Executive Directors throughout the year under review. William Knight, Craig Martin and Christopher Appleton, all of whom are independent Non-Executive Directors, also served throughout the year under review. After the year end, Henrik Bodenstab joined the Board as an independent Non-Executive Director on 17 May 2016.

In accordance with the Company's Articles of Association Christopher William Knight and Christopher David Appleton retire by rotation and offer themselves for re-election at the Company's Annual General Meeting.

The means by which the Board administers its responsibilities are set out in detail in the section headed "Corporate Governance".

Directors' Shareholdings

There are no requirements in place pursuant to the Company's Articles of Association for the Directors to own shares in the Company.

At the date of signing this report, the Directors' interests in the equity of the Company was as follows:

Director	Ordinary Shares	Warrants	Share options
William Knight	28,000	3,000	120,000
Aung Htun	373,000	123,000	742,000
Michael Dean	223,000	98,000	658,000
Craig Martin	195,000	145,000	130,000
Christopher Appleton	148,000	98,000	140,000
Henrik Bodenstab	543,477	181,159	-

Share Option Plan

The Company established its Share Option Plan as a long term incentive scheme for its employees, Directors and advisers, built around the fundamental principle of aligning their interests with those of our Shareholders.

The Share Option Plan is designed to reward a participant only if there is an appreciation in value of the Company's share price. The Share Option Plan is administered by the Remuneration Committee.

Directors' Report

The Share Option Plan provides that Share Options available for grant by the Company shall constitute a maximum of one-tenth of the total number of Ordinary Shares in issue on the date preceding the date of grant (excluding shares held by the Company as treasury shares and Founder Shares). Following Admission there were 6,342,619 Ordinary Shares in issue and up to 584,261 Share Options available for issue.

Any issue of Ordinary Shares by the Company will enable the Remuneration Committee to grant further Share Options which will be granted with an exercise price set at a 10% premium to the subscription price paid by Shareholders for the issue of Ordinary Shares that gave rise to the availability of each tranche of the Share Options. However, the Share Options that arose as a result of the Ordinary Shares issued in connection with the Admission have an exercise price of US$1.10.

Share Options can be exercised at any time after the first anniversary and any time up to the tenth anniversary of the grant of the Share Options (as may be determined by the Remuneration Committee in its absolute discretion). Share Options will not be admitted to trading on AIM but application will be made for Ordinary Shares that are issued upon the exercise of the Share Options to be admitted to trading on AIM.

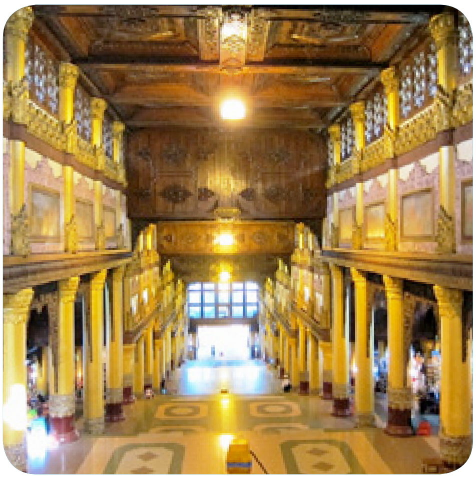
Series	Occasion	Number of Share Options	Options Granted as at 31st March 2016	Options available to be granted	Exercise price (US$)
Series 1	Admission placing	584,261	580,861	3,400	1.100
Series 2	December 2014 placing	361,700	357,200	4,500	1.155
Series 3	July 2015 placing	1,734,121	956,600	777,521	1.265
		2,680,082	1,894,661	785,421	

Insurance

The Group maintains appropriate insurance including D&O insurance in respect of its Directors and officers.

Related Party Transactions

Other than the Directors compensation, details of which are described in the section headed "Directors'



Remuneration Report", the Group has not undertaken any related party transactions during the year under review.

Substantial Interests

As at 19 September 2016, the following interests of 3% or more of the issued ordinary share capital had been notified to the Group:

Name	Number of Ordinary Shares	Percentage of Issued Capital
LIM Asia Special Situations Master Fund Limited	7,718,665	25.3%
Stewart Investors Asia Pacific Fund	3,023,695	9.9%
Red Oak Operations Limited	2,105,569	6.9%
Incagrove Limited	2,103,258	6.9%
Alpha Investments Asia FCP-SIF Fund	1,449,475	4.7%
Finanzverwaltungs GbR Langen II	1,443,051	4.7%
Pachira Holdings Limited	1,113,499	3.6%
Crystal Consultancy Services Limited	1,113,499	3.6%
Bank Alpinum AG	1,065,000	3.5%

Going Concern

Based on the Group's current resources and projected cash flows, the Board believes that the Group will be able to satisfy its working capital requirements for at least the next twelve months. The Board has therefore concluded that it is appropriate to continue to adopt the going concern basis in preparing the financial statements.

Litigation

The Group is not engaged in any litigation or claim of material importance, nor, so far as the Directors are aware, is any litigation or claim of material importance pending or threatened against the Group.

Business Integrity

The Directors place great emphasis on Business Integrity in all aspects of the Group's operations.

Whilst conforming to appropriate regulations this emphasis goes further and is embodied in the Group's culture.

Specifically the Group's Business Integrity culture seeks to ensure compliance with a broad range of ethical considerations, not all of which are financial in nature. These include:

- Sanctions;
- Financial Action Task Force ("FATF") recommendations;
- Anti-Money laundering ("AML");
- Countering the Financing of Terrorism ("CFT");
- Anti-Bribery procedures;
- Whistleblowing procedures;
- Politically Exposed Persons ("PEP");
- Confidentiality;
- Share Dealing; and
- Social and environmental considerations.

In furtherance of these aims all staff receive training in all of these areas.

Additionally, the Group conducts a risk-focussed approach to all its business dealings with third parties. This will include conducting appropriate enquiries as to the background and sources of funding of significant counter-parties including potential new shareholders (where a new equity issue is involved), potential Investee Companies and potential staff. This may involve retaining third party research and assessment functions.

Payment to Suppliers

The Group's policy is to agree the terms of payment with suppliers prior to engaging them; to ensure that suppliers are made aware of the terms of payment; and to abide by the terms of payment.

Transparency to Shareholders

The Company seeks to be open and transparent to its Shareholders. In accordance with AIM rules the Company will use the RNS of the London Stock Exchange to announce significant milestones. It has also established a website that allows viewing of published information.

All Shareholders are encouraged to attend the Annual General Meeting and ask further questions.

Internal Controls

The Directors acknowledge their responsibility for the Group's system of internal control and for reviewing its effectiveness. However, the system of internal controls

Directors' Report

is designed to manage rather than eliminate the risk of failure to achieve business objectives and as such can only provide reasonable, but not absolute, assurance against material misstatement or loss.

The Board also considers the process for identifying, evaluating and managing any significant risks faced by the Company.

The Audit Committee has reviewed the Group's risk management and internal control systems and believes that the controls are satisfactory given the size and nature of the Group.

Financial Risk Profile

The Directors have overall responsibility for the establishment and oversight of the Group's risk management framework. The Group's risk management policies are established to set out its overall business strategies, tolerance of risk and general risk management philosophy. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities.

Further details on financial risk management objectives and policies are given in the notes to the consolidated financial statements.

Disclosure of Information to Auditors

All of the Directors confirm that they have taken all the steps that they ought to have taken to make themselves aware of any information needed by the Company's auditors for the purposes of their audit and to establish that the auditors are aware of that information. The Directors are not aware of any relevant audit information of which the auditors are unaware.

Auditors

BDO LLP were appointed as auditors to the Group during the period and have expressed their willingness to continue in office and a resolution for their re-appointment will be proposed at the forthcoming Annual General Meeting.

On behalf of the Board of Directors

WILLIAM KNIGHT
Chairman
19 September 2016

AUNG HTUN
Managing Director
19 September 2016

Corporate Governance

The Company has established a corporate governance framework grounded in international best practices which it believes to be appropriate given its size and Investment Policy.

As a BVI incorporated company, the UK Corporate Governance Code does not formally apply to the Company. Nonetheless, the Directors recognise that it is in the best interests of the Company and its Shareholders to apply its principles as far as they are appropriate for a company of this size. The Directors also seek to comply with the recommendations on corporate governance made by the Quoted Companies Alliance in its *'Corporate Governance Code for Small and Mid-Size Quoted Companies 2013'* guide as far as is practicable, taking into account the Company's size and stage of development.

Board Responsibilities, Composition and Committees

The board of directors (the "Board") of Myanmar Investments comprises a well balanced mix of professionals whose individual skill sets and extensive experiences complement each other to ensure that the Board has the requisite resources to enable the Company to achieve its strategic goals.

The Board is responsible for setting Company strategy and then ensuring that the Company has the requisite wherewithal to achieve that strategy. In this context the Board is also responsible for managing the risks inherent in the strategy and implementation. The Board seeks to maintain an open dialogue with the Company's Shareholders through the Regulatory News Service ("RNS") system of the London Stock Exchange.

Out of a total of six directors, the Board comprises two executive directors and four non-executive directors. There is a clear separation of the roles of the Managing Director and the Chairman. The Board meets regularly and is provided with timely updates and information from the two Executive Directors. As and when there are urgent commercial or other corporate matters, Board meetings are convened to seek guidance from the Board or to elicit a decision. All directors are expected to act in good faith and to act in the interests of the Company.

The Chairman oversees the Agenda for all Board Meetings liaising closely with the executive and non-executive directors. The same applies for the meetings of the various committees outlined below and their respective chairmen. The Chairman is specifically responsible for the Chairman's Report, the governance statements in the Annual Report and answerable to the Shareholders on behalf of the board for it. The Chairman is ultimately responsible to Shareholders for the ethos, and oversight of good practice, of the executive management.

The Board is supported by the Investment Committee, the Audit Committee, the Remuneration Committee

Corporate Governance

and the Nomination and Corporate Governance Committee ("NCGC"). These committees have been established with clear Terms of Reference and they regularly review matters within their purview.

The Directors have access to the Company's Nominated Adviser ("Nomad"), Broker, legal advisers, auditor, Company Secretary and, should it prove necessary in the furtherance of their duties, to independent professional advice at the expense of the Group.

Unless there is an unexpected event, Board and Committee meetings are scheduled well in advance at a time and place that will enable the Directors to participate. All members of the Board are expected to attend each Board meeting and to arrange their schedules accordingly, although non-attendance is unavoidable in certain circumstances.

An agenda and supporting papers are circulated to the Board and the relevant Committees well in advance of the meeting. Directors may request any agenda items be added that they consider appropriate for Board discussion. Additionally, each Director is required to inform the Board of any potential or actual conflicts of interest prior to Board discussion.

During the year under review there were seven Board meetings and all directors attended all of them.

During the year under review there were appropriately timed meetings of each of the Investment Committee, Audit Committee, Remuneration Committee and Nomination and Corporate Governance Committee and all the members of the various committees attended all of their respective meetings.

Where appropriate, administrative matters requiring the Board's approval are dealt with by way of circulating resolutions in writing.

Directors' and Officers' liability insurance cover is maintained by the Company on behalf of the Directors.

Investment Committee

The Investment Committee comprises Aung Htun, Michael Dean and Craig Martin and is chaired by Aung Htun. During the year under review there were fifteen meetings of the Investment Committee and all the members of the committee attended all of the meetings. The Investment Committee has responsibility for, amongst other things, establishing the Investment Policy, guiding Management in the execution of this policy, monitoring the deal flow and investments in progress, supervising Management's management of Investments, and planning the realisation of Investments. During the year under review it assessed a number of specific investment opportunities as well as reviewed and prioritised the deal flow of potential investment opportunities. It has made recommendations to the Board regarding making investments and is responsible for computing the Company's net asset value for the Board's consideration.

Audit Committee

The Audit Committee comprises Craig Martin, William Knight and (since 17 May 2016) Henrik Bodenstab and is chaired by Craig Martin. During the year under review there were five meetings of the Audit Committee and all the members of the committee attended all of the meetings. The Audit Committee has responsibility for, amongst other things, the planning and review of the Company's annual report and accounts and half-yearly reports and the involvement of the Company's auditors in that process. The Audit Committee also has oversight of the Company's cash flow projections. The committee focuses in particular on compliance with legal requirements, accounting standards and on ensuring that an effective system of internal financial control is maintained over the Group's underlying assets and liabilities as well as the books and records. The ultimate responsibility for reviewing and approval of the annual report and accounts and the half-yearly reports remains with the Board.

The Audit Committee also advises the Board on the appointment of the external Auditors, reviews their fees and the audit plan. It approves the external Auditors' terms of engagement, their remuneration and any non-audit work.

The Audit Committee also meets the Group's Auditors and reviews reports from the Auditors relating to accounts and internal control systems. The Audit Committee meets with the Auditors as and when the Audit Committee requires and, in conformity with good practice, meets the Auditors without the presence of the executive directors.

Auditor objectivity and independence is safeguarded through limiting non-audit services to tax work.

Remuneration Committee

The Remuneration Committee comprises William Knight, Craig Martin, Christopher Appleton and (since 17 May 2016) Henrik Bodenstab and is chaired by William Knight. During the year under review there were four meetings of the Remuneration Committee and all the members of the committee attended all of the meetings. The Remuneration Committee is responsible for establishing a formal and transparent procedure for developing policy on executive remuneration and to set the remuneration packages of individual Directors. This includes agreeing with the Board the framework for remuneration of the Managing Director and the Finance Director and such other members of the executive management of the Company as it is designated to consider. This includes the administration of the Employee Share Option Plan. It is also responsible for determining the total individual remuneration packages of each Director including, where appropriate, bonuses, incentive payments and allocation of Share Options. No Director plays a part in any decision about his own remuneration.

Nomination Committee

The Nomination and Corporate Governance Committee ("NCGC") comprises Christopher Appleton, William Knight, Craig Martin and Aung Htun and is chaired by Christopher Appleton. During the year under review there were four meetings of the NCGC and all the members of the committee attended all of the meetings. The NCGC is responsible for assessing the performance of the Board and the various committees and also considering new or replacement appointments to the Board or senior management. This committee is also responsible for ensuring the Company's compliance with the AIM Rules for Companies as well as other relevant corporate governance standards.

The NCGC formally assesses the effectiveness of the Board, the balance of skills represented and

the composition and performance of its various committees. The NCGC has confirmed that the Board has an appropriate balance of skills and experience in relation to the activities of the Group.

When considering the appointment and reappointment of Directors, the NCGC and the Board consider whether the Board and its committees have the appropriate balance of skills, experience, independence, knowledge and diversity to enable them to discharge their respective duties and responsibilities effectively.

The NCGC also established guidelines to determine the independence of each of the Directors and has affirmed that all the Directors have been found to be independent.

As of the date of this report the Board consists of six Directors. The Board does not believe that it is currently in the best interests of the Group to seek to appoint a new Director, in addition to the current Directors, to broaden the diversity of the Board.

Shareholders vote on the re-appointment of at least one Director at each Annual General Meeting, with every Director's appointment being voted on by Shareholders every three years.

During the year under review the NCGC ensured that all new employees received appropriate training and the employment handbook which includes adequate explanation on such topics as share dealing, anti-bribery legislation, anti-money laundering and whistle blowing.

The NCGC has direct access to the Company's Nomad and, in conformity with good practice, non-executive members of the committee periodically met with the Nomad without the presence of the executive directors during the year under review.

Share Dealing

The Company has adopted a share dealing code to comply with the EU Market Abuse Regulation ("MAR") and remains consistent with the obligations set out in Rule 21 of the AIM Rules for Companies relating to directors' dealings in Ordinary Shares and Warrants. The revised share dealing code was approved by the Board on 3 July 2016. The Company takes all reasonable steps to ensure compliance by the Directors and the Group's applicable employees.

The Takeover Code

As the Company was incorporated in the BVI, it is not treated by the Panel on Takeovers and Mergers as resident in the UK, the Channel Islands or the Isle of Man and therefore it is not subject to the Takeover Code. However, the Company has incorporated certain provisions in its Articles of Association which are broadly similar to those of Rules 4, 5, 6 and 9 of the Takeover Code. It should however be noted that, as the Takeover Panel will have no role in the interpretation of these provisions, Shareholders will not necessarily be afforded the same level of protection as is available to a company subject to the Takeover Code which now has the effect of law for those companies within its jurisdiction. Additionally, the Directors have the right to waive the application of these provisions.

Financial Action Task Force ("FATF")

In 2015 the Company adopted an Operations Manual to ensure the policies and procedures associated with its operations and investments are compliant with FATF requirements.

On 19 February 2016, Myanmar was recognized by the FATF as having made progress in addressing its AML/CFT deficiencies and has developed an action plan for compliance. On 24 June 2016 Myanmar was further recognized by the FATF as having made significant progress in addressing its strategic AML/CFT deficiencies earlier identified by the FATF and included in its action plan. As a result, Myanmar is no longer subject to monitoring by the FATF.

On behalf of the Board of Directors

WILLIAM KNIGHT
Chairman
19 September 2016

AUNG HTUN
Managing Director
19 September 2016

Directors' Remuneration Report

Remuneration Policy

The Remuneration Committee is responsible for determining the Remuneration Policy of the Company.

It is the Group's policy to ensure that compensation arrangements are appropriate and are fairly applied across the Group.

The Group's long term incentive plan is embodied within the Share Option Scheme which is fundamentally driven around the principle of aligning interests with our Shareholders by pricing the options out of the money and by making them vest over a prolonged period.

Directors' Remuneration

The Directors' remuneration for each of the years ended 31st March 2016 and 2015 was (all amounts in US dollars):

	2016		2015	
Director	Directors' fees	Short term employee benefits (1,3)	Directors' fees	Short term employee benefits (2,3)
William Knight	35,000	-	30,000	-
Aung Htun	-	447,208	-	334,315
Michael Dean	-	429,909	-	279,903
Craig Martin	27,500	-	25,000	-
Christopher Appleton	27,500	-	25,000	-
	90,000	877,117	80,000	614,218

(1)The short term employee benefits include bonuses totalling US$150,000 for the Executive Directors that relate to the financial year ended 31 March 2015 as determined by the Remuneration Committee.

(2)During the financial period ended 31 March 2014 the Executive Directors had agreed to forgo 50% of their compensation unless and until, in accordance with Rule 8 of the AIM Rules for Companies, the Company had "substantially implemented its Investment Policy". This condition was fulfilled with the investment in Myanmar Finance International Limited in September 2014. As such the contingent liability of the unpaid compensation, which amounted to US$132,968 as at 31 March 2014, was recognised and settled in the financial year ended 31 March 2015. This amount is included in the Short Term Employee Benefits in the financial year ended 31 March 2015.

(3)The short term employee benefits also include rental expenses paid for the Directors' accommodation.

The remuneration of the Executive Directors is determined by the Remuneration Committee. Following the satisfaction of the conditions referred to in Note 2 above, the Remuneration Committee increased the Executive Directors' compensation but to sub-market rates to reflect the present size of the Company's balance sheet.

The remuneration of the Non-Executive Directors is determined by the Remuneration Committee but no director may vote on his own compensation arrangements.

No additional sums were paid in the year to Directors for work on behalf of the Company outside their normal duties.

The Group's Share Option Scheme is described in the Directors' Report.

There are no further cash payments or benefits provided to Directors.

Each of the Non-Executive Directors of the Company, William Knight, Craig Martin, Christopher Appleton and Henrik Bodenstab, have entered into a letter of appointment with the Company under the terms of which they each agreed to act as a Non-Executive Director of the Company. Each Non-Executive Director's appointment is subject to retirement by rotation in accordance with the Articles and is terminable by either party on one month's notice.

Statement of Directors' Responsibilities

The Directors are responsible for preparing the Annual Report, the Directors' Remuneration Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union.

Under company law the Directors must not approve the financial statements unless they are satisfied that, taken as a whole, the annual report and accounts provide the information necessary for the Shareholders to assess the Company's performance, business model and strategy and that they give a true and fair view of the state of affairs of the Company for that period. The directors are also required to prepare financial statements in accordance with the AIM rules for Companies.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether they have been prepared in accordance with IFRS as adopted by the European Union, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Board confirms that the annual report and accounts taken as a whole are fair, balanced and understandable and provide the information necessary for Shareholders to assess the performance model and strategy of the Company. The Directors are responsible for keeping proper accounting records that are sufficient to show and explain the Company's activities and disclose with reasonable accuracy at any time the financial position of the Company and ensure that the financial statements and the Directors' Remuneration Report comply with the BVI Business Companies Act, 2004. They also are responsible for safeguarding the assets of the Company and therefore for taking reasonable steps for the prevention of fraud and other irregularities.

Under the applicable law and regulations, the Directors are also responsible for preparing a Directors' Report and Statement of Corporate Governance that comply with that law and those regulations.

The accounts are published on www.myanmarinvestments.com which is maintained by the Company. The Company is responsible for the integrity of the website as far as it relates to the Company.

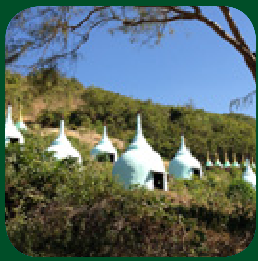
Each of the Directors, whose names and functions are listed in the Directors' Report confirms to the best of his knowledge:

- the financial statements, which have been prepared in accordance with IFRS give a true and fair view of the assets, liabilities, financial position of the Company; and
- the Directors' Report includes a fair review of the development and performance of the business and the position of the Company, together with a description of the principal risks and uncertainties that it faces.

Legislation in the British Virgin Islands governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

For and on behalf of the Board of Directors

WILLIAM KNIGHT
Chairman
19 September 2016



Report of the Directors and Financial Statements

DIRECTORS' STATEMENT

The Directors of Myanmar Investments International Limited (the "Company") present their statement to the members together with the audited financial statements of the Company and its subsidiaries (the "Group") for the financial year ended 31 March 2016.

1. Opinion of the Directors

In the opinion of the Board of Directors,

(a) the accompanying consolidated statement of financial position of the Group as at 31 March 2016, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows together with notes thereon are drawn up in accordance with International Financial Reporting Standards so as to give a true and fair view of the state of affairs of the Group as at 31 March 2016 and the results of the business, changes in equity and cash flows of the Group for the financial year ended 31 March 2016; and

(b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

2. Directors

The Directors of the Company in office at the date of this statement are:

Christopher William Knight
Maung Aung Htun
Anthony Michael Dean
Craig Robert Martin
Christopher David Appleton
Henrik Bodenstab (Appointed on 17 May 2016)

3. Arrangements to enable directors to acquire shares and debentures

Except as disclosed in paragraphs 4 and 5 below, neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose object was to enable the Directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

4. Directors' interests in shares or debentures

The following directors, who held office at the end of the financial year, had interests in shares in the Company (other than wholly-owned subsidiaries) as stated below:

Name of directors and companies in which interests are held	Shareholdings registered in name of director or nominee	
	At 1 April 2015	At 31 March 2016
Company		
Myanmar Investments International Limited		
Number of ordinary shares		
Christopher William Knight	28,000	28,000
Maung Aung Htun	373,000	373,000
Anthony Michael Dean	223,000	223,000
Craig Robert Martin	195,000	195,000
Christopher David Appleton	148,000	148,000
Number of warrants to subscribe for ordinary shares of the Company		
Christopher William Knight	3,000	3,000
Maung Aung Htun	123,000	123,000
Anthony Michael Dean	98,000	98,000
Craig Robert Martin	145,000	145,000
Christopher David Appleton	98,000	98,000
Number of share options to subscribe for ordinary shares of the Company		
Christopher William Knight	20,000	120,000
Maung Aung Htun	242,000	742,000
Anthony Michael Dean	198,000	658,000
Craig Robert Martin	30,000	130,000
Christopher David Appleton	40,000	140,000

5. Share option plan

The Company has established a Share Option Plan (the "Plan") for the employees, Directors and advisers of the Group, as well as the employees, directors and advisers of its Investee Companies ("Participants").

The Plan is administered by the Remuneration Committee whose members are:

- Christopher William Knight (Chairman)
- Craig Robert Martin
- Christopher David Appleton
- Henrik Bodenstab (with effect from 13 June 2016)

The Plan in respect of unissued ordinary shares in the Company was adopted by the Company on 21 June 2013.

5. Share option plan (continued)

The Plan is designed to reward a Participant only if there is an appreciation in value of the Company's share price.

The Plan provides that share options granted by the Company under the terms of the Plan shall constitute a maximum of one-tenth of the number of the total number of ordinary shares in issue on the date preceding the date of grant.

Any issue of ordinary shares by the Company will enable the Remuneration Committee to grant further share options which will be granted with an exercise price set at a 10 percent premium to the subscription price paid by shareholders for the issue of ordinary shares that gave rise to the availability of each tranche of the share options. However, the share options that arise as a result of the new ordinary shares being issued in connection with admission have an exercise price of US$1.10.

Share options can be exercised at any time after the first anniversary and before the tenth anniversary of the grant (as may be determined by the remuneration committee in its absolute discretion) of the respective share options.

Any share options which have not been allocated or which have not vested will not be eligible for conversion into ordinary shares. Where a Participant ceases to be in the employment of or engaged by the Group entities before their Share Options have fully vested, then in the case of a 'good leaver', the Remuneration Committee shall determine in its absolute discretion whether any unvested share options shall continue to be retained by the Participant or lapse without any claim against the Company. The Remuneration Committee has the discretion to re-allocate the number of ordinary shares underlying the portion of any lapsed or unvested share options to be the subject of further options granted under the Plan, subject to certain conditions.

During the financial year, there were 2,680,082 share options available for issue. Of these 1,324,000 share options were granted to Directors and employees during the financial year as follows:

Option series	Date of grant	Granted	Exercise price per share	Exercisable period
Series 2	2 June 2015	25,500	US$1.155	To 1 June 2025
Series 1	15 January 2016	10,200	US$1.100	To 14 January 2026
Series 2	15 January 2016	331,700	US$1.155	To 14 January 2026
Series 3	15 January 2016	956,600	US$1.265	To 14 January 2026

There were no shares issued during the financial year by virtue of the exercise of options to take up unissued shares of the Company or its subsidiaries.

There were 785,421 share options unallocated as at the end of the financial year.

5. Share option plan (continued)

The information on Directors of the Company participating in the Plan is as follows:

Name of Director	Options granted during the financial year	Aggregate options granted since commencement of the Plan to the end of financial year	Aggregate options exercised since commencement of the Plan to the end of financial year	Aggregate options lapsed since commencement of the Plan to the end of financial year	Aggregate options outstanding as at end of the financial year
Christopher William Knight	100,000	120,000	–	–	120,000
Maung Aung Htun	500,000	742,000	–	–	742,000
Anthony Michael Dean	460,000	658,000	–	–	658,000
Craig Robert Martin	100,000	130,000	–	–	130,000
Christopher David Appleton	100,000	140,000	–	–	140,000

6. Independent auditor

The independent auditor, BDO LLP, has expressed its willingness to accept reappointment.

On behalf of the Board of Directors

Anthony Michael Dean
Director

Maung Aung Htun
Director

19 September 2016

Independent Auditor's Report

To the Members of Myanmar Investments International Limited

Report on the consolidated financial statements

We have audited the accompanying consolidated financial statements of Myanmar Investments International Limited (the "Company") and its subsidiaries (the "Group"), which comprise the consolidated statement of financial position of the Group as at 31 March 2016, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the financial year ended 31 March 2016, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the consolidated financial statements

Management is responsible for the preparation of these consolidated financial statements that give a true and fair view in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements of the Group are properly drawn up in accordance with the International Financial Reporting Standards so as to give a true and fair view of the state of affairs of the Group as at 31 March 2016 and of the results, changes in equity and cash flows of the Group for the financial year ended 31 March 2016.

BDO LLP
Public Accountants and
Chartered Accountants

Singapore
19 September 2016

Consolidated Statement of Comprehensive Income

For the financial year ended 31 March 2016

	Note	2016 US$	2015 US$
Revenue		–	–
Other item of income			
Other income	4	21,598	216
Items of expense			
Employee benefits expense	5	(1,384,666)	(1,011,340)
Depreciation expense	12	(14,996)	(12,996)
Other operating expenses		(840,653)	(642,099)
Finance costs	6	(14,413)	(11,718)
Share of results of joint venture, net of tax	10	16,485	(62,305)
Loss before income tax	7	(2,216,645)	(1,740,242)
Income tax expense	8	(19,009)	(3,156)
Loss for the financial year		(2,235,654)	(1,743,398)
Other comprehensive income:			
Items that may be reclassified subsequently to profit or loss:			
Exchange loss arising on translation of foreign operations		(188,435)	–
Exchange differences arising from dilution of interest in joint ventures		107,303	–
Other comprehensive income for the financial year, net of tax	10	(81,132)	–
Total comprehensive income for the financial year		(2,316,786)	(1,743,398)
Loss attributable to:			
Owners of the parent		(2,233,369)	(1,743,398)
Non-controlling interests	13	(2,285)	–
		(2,235,654)	(1,743,398)
Total comprehensive income attributable to:			
Owners of the parent		(2,314,501)	(1,743,398)
Non-controlling interests		(2,285)	–
		(2,316,786)	(1,743,398)
Loss per share (cents)			
- Basic and diluted	9	(10.21)	(23.58)

The accompanying notes form an integral part of these consolidated financial statements.

Consolidated Statement of Financial Position

As at 31 March 2016

	Note	2016 US$	2015 US$
ASSETS			
Non-current assets			
Investment in joint venture	10	1,813,957	1,450,195
Available-for-sale financial assets	11	31,385,522	–
Plant and equipment	12	16,887	24,252
Total non-current assets		33,216,366	1,474,447
Current assets			
Other receivables	14	91,750	88,854
Cash and cash equivalents	15	1,386,059	5,049,268
Total current assets		1,477,809	5,138,122
Total assets		34,694,175	6,612,569
EQUITY AND LIABILITIES			
Equity			
Share capital	16	28,765,805	8,996,282
Share option reserve	17	313,561	160,113
Accumulated losses		(4,843,655)	(2,610,286)
Foreign exchange reserve		(81,132)	–
Equity attributable to owners of the parent		24,154,579	6,546,109
Non-controlling interests	13	10,398,648	–
Total equity		34,553,227	6,546,109
LIABILITIES			
Current liabilities			
Other payables	18	131,421	65,195
Income tax payable		9,527	1,265
Total current liabilities		140,948	66,460
Total equity and liabilities		34,694,175	6,612,569

The accompanying notes form an integral part of these consolidated financial statements.

Consolidated Statement of Changes in Equity

For the financial year ended 31 March 2016

2016	Note	Share capital US$	Share option reserve US$	Foreign exchange reserve US$	Accumulated losses US$	Equity attributable to owners of the parent US$	Non-controlling interests US$	Total US$
At 1 April 2015		8,996,282	160,113	–	(2,610,286)	6,546,109	–	6,546,109
Loss for the financial year		–	–	–	(2,233,369)	(2,233,369)	(2,285)	(2,235,654)
Other comprehensive income for the financial year								
Exchange gains arising on translation of foreign operations		–	–	(188,435)	–	(188,435)	–	(188,435)
Exchange differences arising from dilution of interest in joint ventures		–	–	107,303	–	107,303	–	107,303
Total other comprehensive income for the financial year	10	–	–	(81,132)	–	(81,132)	–	(81,132)
Total comprehensive income for the financial year		–	–	(81,132)	(2,233,369)	(2,314,501)	(2,285)	(2,316,786)
Transactions with non-controlling interests:								
Contribution from non-controlling interests to a subsidiary	13	–	–	–	–	–	10,400,933	10,400,933
Total transactions with non-controlling interests		–	–	–	–	–	10,400,933	10,400,933
Contributions by and distributions to owners								
Issue of shares	16	19,942,397	–	–	–	19,942,397	–	19,942,397
Share issue expenses	16	(172,874)	–	–	–	(172,874)	–	(172,874)
Grant of share options to employees	17	–	153,448	–	–	153,448	–	153,448
Total contributions by and distributions to owners		19,769,523	153,448	–	–	19,922,971	–	19,922,971
At 31 March 2016		28,765,805	313,561	(81,132)	(4,843,655)	24,154,579	10,398,648	34,553,227

The accompanying notes form an integral part of these consolidated financial statements.

Consolidated Statement of Changes in Equity

For the financial year ended 31 March 2016

2015	Note	Share capital US$	Share option reserve US$	Accumulated losses US$	Total US$
At 1 April 2014		5,439,353	74,749	(866,888)	4,647,214
Loss for the financial year		-	-	(1,743,398)	(1,743,398)
Total comprehensive income for the financial year		–	–	(1,743,398)	(1,743,398)
Contributions by and distributions to owners					
Issue of shares	16	3,797,850	–	–	3,797,850
Share issue expenses	16	(240,921)	–	–	(240,921)
Grant of share options to employees	17	–	85,364	–	85,364
Total contributions by and distributions to owners		3,556,929	85,364	–	3,642,293
At 31 March 2015		8,996,282	160,113	(2,610,286)	6,546,109

The accompanying notes form an integral part of these consolidated financial statements.

Consolidated Statement of Cash Flows

For the financial year ended 31 March 2016

	Note	2016 US$	2015 US$
Operating activities			
Loss before income tax		(2,216,645)	(1,740,242)
Adjustments for:			
Interest income	4	(181)	–
Finance costs	6	14,413	11,718
Depreciation of plant and equipment	12	14,996	12,996
Share-based payment expense	17	153,448	85,364
Share of results of joint venture, net of tax	10	(16,485)	62,305
Gain on dilution of interest in joint venture	4	(20,909)	–
Operating cash flows before working capital changes		(2,071,363)	(1,567,859)
Changes in working capital:			
Other receivables		(2,896)	10,381
Other payables		66,226	1,483
Cash used in operations		(2,008,033)	(1,555,995)
Interest received		181	–
Financial costs paid		(14,413)	(11,718)
Income tax paid		(10,747)	(1,891)
Net cash flows used in operating activities		(2,033,012)	(1,569,604)
Investing activities			
Investment in available-for-sale financial assets	11	(31,385,522)	–
Investment in joint venture	10	(407,500)	(1,512,500)
Purchase of plant and equipment	12	(7,631)	(5,223)
Net cash flows used in investing activities		(31,800,653)	(1,517,723)
Financing activities			
Contribution from non-controlling interests to a subsidiary	13	10,400,933	–
Net proceeds from issuance of shares	16	19,769,523	3,556,929
Increase in short-term deposits pledged		(163)	(35,981)
Net cash flows generated from financing activities		30,170,293	3,520,948
Net change in cash and cash equivalents		(3,663,372)	433,621
Cash and cash equivalents at beginning of the year		5,013,287	4,579,666
Cash and cash equivalents at the end of financial year	15	1,349,915	5,013,287

The accompanying notes form an integral part of these consolidated financial statements.

Notes to the Consolidated Financial Statements

For the financial year ended 31 March 2016

1. General corporate information

Myanmar Investments International Limited ("the Company") is a limited liability company incorporated and domiciled in the British Virgin Islands ("BVI"). The Company's registered office is at Jayla Place, Wickhams Cay I, Road Town, Tortola, British Virgin Islands.

The Company's ordinary shares and warrants are traded on the AIM market of the London Stock Exchange under the ticker symbols MIL and MILW respectively.

The Company has been established for the purpose of identifying and investing in, and disposing of, businesses operating in or with business exposure to Myanmar. The Company will target businesses operating in sectors that the Directors believe have strong growth potential and thereby can be expected to provide attractive yields, capital gains or both.

The principal activities of the subsidiaries are disclosed in Note 13 to the financial statements.

The consolidated financial statements of the Company and its subsidiaries (the "Group") for the financial year ended 31 March 2016 were approved by the Board of Directors on 19 September 2016.

1.1 Going concern

After due and careful enquiries, the Directors have a reasonable expectation that the Company has adequate financial resources to continue in operational existence for the foreseeable future.

This expectation is based on a review of the Company's existing financial resources, and the equity fund raising exercise amounting to US$4,219,081 as disclosed in Note 23 to the financial statements, its present and expected future commitments in terms of its overheads and running costs; and its commitments to its existing investments.

Accordingly, the Directors have adopted the going concern basis in preparing the consolidated financial statements.

2. Summary of significant accounting policies

2.1 Basis of preparation of the consolidated financial statements

The consolidated financial statements, which are expressed in United States dollars, have been prepared in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") which comprise standards and interpretations approved by IASB and International Financial Reporting Interpretations Committee ("IFRIC").

The consolidated financial statements have been prepared on an historical cost basis, except as disclosed in the accounting policies below.

For the purpose of IFRS 8 Operating Segments, the Group has only one segment, being "Investments" which comprise investment in joint venture and available-for-sale financial assets as disclosed in Notes 10 and 11 respectively. No further operating segment financial information is therefore disclosed.

2. Summary of significant accounting policies (continued)

2.1 Basis of preparation of the consolidated financial statements (continued)

The preparation of the consolidated financial statements in conformity with IFRS requires the management to exercise judgement in the process of applying the Group's accounting policies and requires the use of accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the end of the reporting period, and the reported amounts of revenue and expenses during the financial year. Although these estimates are based on the management's best knowledge of historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances, actual results may ultimately differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis.

In the current financial year, the Group has adopted all the new and revised IFRS and interpretations that are relevant to its operations and effective for the current financial year. The adoption of these new/revised FRS and interpretations did not result in any substantial changes to the Group's accounting policies and has no material effect on the amounts reported for the current financial year.

Revisions to accounting estimates are recognised in the financial year in which the estimate is revised if the revision affects only that financial year, or in the financial year of the revision and future financial years if the revision affects both current and future financial years.

Critical accounting judgements and key sources of estimation uncertainty used that are significant to the consolidated financial statements are disclosed in Note 3 to the financial statements

New or amended standards and interpretations that have been issued but are not yet effective

At the date of authorisation of these financial statements, the following IFRS that are relevant to the Group were issued but not yet effective, and have not been adopted early in these financial statements:

IFRS 2	Clarification of Classification and Measurement of Share-based Payment Transactions[3]
IFRS 9	Financial Instruments[3]
IFRS 11 (Amendments)	Accounting for Acquisitions of Interests in Joint Operations[1]
IFRS 15	Revenue from Contracts with Customers[3]
IFRS 15 (Amendments)	Clarifications to IFRS 15[3]
IFRS 16	Leases[4]
IFRS 10 and IAS 28 (Amendments)	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[1]
IAS 1 (Amendments)	Disclosure Initiative[1]
IAS 16 and IAS 38 (Amendments)	Clarification of Acceptable Methods of Depreciation and Amortisation[1]
IAS 27 (Amendments)	Equity Method in Separate Financial Statements[1]
IAS 7 (Amendments)	Disclosure Initiative[2]
Annual Improvements 2012-2014 Cycle[1]	

2. Summary of significant accounting policies (continued)

2.1 Basis of preparation of the consolidated financial statements (continued)

New or amended standards and interpretations that have been issued but are not yet effective (continued)

[1] Effective for annual periods beginning on or after 1 January 2016
[2] Effective for annual periods beginning on or after 1 January 2017
[3] Effective for annual periods beginning on or after 1 January 2018
[4] Effective for annual periods beginning on or after 1 January 2019

The Directors have considered the above and are of the opinion that the above Standards and Interpretations will have no material impact on the Group's consolidated financial statements, except as discussed below.

IFRS 9 – Financial Instruments

IFRS 9 supersedes IAS 39 Financial Instruments: Recognition and Measurement with new requirements for the classification and measurement of financial assets and liabilities, impairment of financial assets and hedge accounting.

Under IFRS 9, financial assets are classified into financial assets measured at fair value or at amortised cost depending on the Group's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets. Fair value gains or losses will be recognised in profit or loss except for certain equity investments, for which the Group will have a choice to recognise the gains and losses in other comprehensive income. A third measurement category has been added for debt instruments – fair value through other comprehensive income. This measurement category applies to debt instruments that meet the "Solely Payments of Principal and Interest" contractual cash flow characteristics test and where the Group is holding the debt instrument to both collect the contractual cash flows and to sell the financial assets.

IFRS 9 carries forward the recognition, classification and measurement requirements for financial liabilities from IAS 39, except for financial liabilities that are designated at fair value through profit or loss, where the amount of change in fair value attributable to change in credit risk of that liability is recognised in other comprehensive income unless that would create or enlarge an accounting mismatch. In addition, IFRS 9 retains the requirements in IAS 39 for de-recognition of financial assets and financial liabilities.

IFRS 9 introduces a new forward-looking impairment model based on expected credit losses to replace the incurred loss model in IAS 39. This determines the recognition of impairment provisions as well as interest revenue. For financial assets at amortised cost or fair value through other comprehensive income, the Group will always recognise (at a minimum) 12 months of expected losses in profit or loss. Lifetime expected losses will be recognised on these assets when there is a significant increase in credit risk after initial recognition.

IFRS 9 also introduces a new hedge accounting model designed to allow entities to better reflect their risk management activities in their financial statements.

2. Summary of significant accounting policies (continued)

2.1 Basis of preparation of the consolidated financial statements (continued)

New or amended standards and interpretations that have been issued but are not yet effective (continued)

IFRS 9 – Financial Instruments (continued)

The Group plans to adopt IFRS 9 in the financial year beginning on 1 April 2018 with retrospective effect in accordance with the transitional provisions. There may be a potentially significant impact on the accounting for financial instruments on initial adoption. The Group has reassessed the classification and measurement of its financial assets, and anticipates that there may be a material impact for the investment currently classified as available-for-sale which the Group will measure at fair value through other comprehensive income on adoption of IFRS 9.

The Group currently accounts for its investment in unquoted equity securities at cost less impairment loss, if any, as disclosed in Note 11 to the financial statements. On adoption of IFRS 9, the Group will be required to measure such investment in unquoted equity securities at fair value, with the difference between the previous carrying value and the fair value recognised in the opening balance of retained earnings.

IFRS 15 – Revenue from Contracts with Customers

IFRS 15 establishes principles for reporting useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers. The core principle is that a company should recognise revenue to depict the transfer of promised goods or services to the customer in an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The amendments are applied retrospectively subject to certain transitional provisions.

On initial adoption of this standard, there may potentially be an impact on the timing and profile of revenue recognition of the Group. The Group is in the process of making a detailed assessment of the impact of this standard. The Group plans to adopt the standard in the financial year beginning on 1 April 2018 with either full or modified retrospective effect in accordance with the transitional provisions, and will include the required additional disclosures in its financial statements for that financial year.

IFRS 16 – Leases

IFRS 16 supersedes IAS 17 Leases and introduces a new single lessee accounting model which eliminates the current distinction between operating and finance leases for lessees. IFRS 16 requires lessees to capitalise all leases on the statement of financial position by recognising a 'right-of-use' asset and a corresponding lease liability for the present value of the obligation to make lease payments, except for certain short-term leases and leases of low-value assets. Subsequently, the lease assets will be depreciated and the lease liabilities will be measured at amortised cost.

From the perspective of a lessor, the classification and accounting for operating and finance leases remains substantially unchanged under IFRS 16. IFRS 16 also requires enhanced disclosures by both lessees and lessors.

2. Summary of significant accounting policies (continued)

2.1 Basis of preparation of the consolidated financial statements (continued)

New or amended standards and interpretations that have been issued but are not yet effective (Continued)

IFRS 16 – Leases (continued)

On initial adoption of this standard, there may be a potentially significant impact on the accounting treatment for the Group's leases, particularly rented office premises and other operating facilities, which the Group, as lessee, currently accounts for as operating leases. Due to the recent release of this standard, the Group has not yet made a detailed assessment of the impact of this standard. The Group plans to adopt the standard in the financial year beginning on 1 April 2019 with either full or modified retrospective effect in accordance with the transitional provisions, and will include the required additional disclosures in its financial statements for that financial year.

2.2 Basis of consolidation

Where the Company has control over an investee, it is classified as a subsidiary. The Company controls an investee if all three of the following elements are present: power over the investee, exposure to variable returns from the investee, and the ability of the investor to use its power to affect those variable returns. Control is reassessed whenever facts and circumstances indicate that there may be a change in any of these elements of control.

Inter-company transactions, balances, income and expenses between group companies are eliminated.

Accounting policies of subsidiaries are changed where necessary to ensure consistency with the policies adopted by the Group.

The consolidated financial statements present the results of the Company and its subsidiaries ("the Group") as if they formed a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the parent.

When the Group loses control of a subsidiary, the profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. Amounts previously recognised in other comprehensive income in relation to the subsidiary are accounted for (i.e. reclassified to profit or loss or transferred directly to accumulated profits) in the same manner as would be required if the relevant assets or liabilities were disposed of. The fair value of any investments retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under IAS 39 Financial Instruments: Recognition and Measurement or, when applicable, the cost on initial recognition of an investment in an associate or joint venture.

2. Summary of significant accounting policies (continued)

2.2 Basis of consolidation (continued)

Non-controlling interests in subsidiaries relate to the equity in subsidiaries which is not attributable directly or indirectly to the owners of the parent. They are shown separately in the consolidated statements of comprehensive income, financial position and changes in equity.

Non-controlling interests in the acquiree that are a present ownership interest and entitle its holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the fair value, of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition-by-acquisition basis. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity. Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

2.3 Joint arrangements

The Group is a party to a joint arrangement when there is a contractual arrangement that confers joint control over the relevant activities of the arrangement to the Group and at least one other party. Joint control is assessed under the same principles as control over subsidiaries.

The Group classifies its interests in joint arrangements as either:

- Joint ventures: where the Group has rights to only the net assets of the joint arrangement.
- Joint operations: where the Group has both the rights to assets and obligations for the liabilities of the joint arrangement.

In assessing the classification of interests in joint arrangements, the Group considers:

- The structure of the joint arrangement.
- The legal form of joint arrangements structured through a separate vehicle.
- The contractual terms of the joint arrangement agreement.
- Any other facts and circumstances (including any other contractual arrangements).

The Group's interest in joint ventures are accounted for using the equity method. Under the equity method, the investment in joint ventures are carried in the statement of financial position at cost plus post-acquisition changes in the Group's share in net assets of the joint ventures. The share of results of the joint ventures are recognised in profit or loss. Where there have been a change recognised directly to equity of the joint ventures, the Group recognises its share of such changes. After application of the equity method, the Group determines whether it is necessary to recognise any additional impairment loss with respect to the Group's net investment in the joint ventures.

The Group's share of results and reserves of a joint venture acquired or disposed of are included in the financial statements from the date of acquisition up to the date of disposal or cessation of joint control over the relevant activities of the arrangements.

2. Summary of significant accounting policies (continued)

2.4 Revenue recognition

Interest income

Interest income is recognised on an accruals basis using the effective interest rate (“EIR”) method. EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or liability.

2.5 Foreign currency translation

Transactions in currencies other than US dollars, which is the functional currency of all of the respective Group entities, are recorded at the rate of exchange prevailing on the date of the transactions.

At the end of each reporting period, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rate prevailing at the end of the reporting period.

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group’s foreign operations (including comparatives) are expressed in United States dollars using exchange rates prevailing at the end of the financial year. Share of results of joint venture, net of tax (including comparatives) are translated at the average exchange rates for the period, unless exchange rates fluctuated significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, are recognised initially in other comprehensive income and accumulated in the Group’s foreign exchange reserve.

Non-monetary items carried at fair value which are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Foreign exchange gains and losses arising on the settlement of monetary items, and on the retranslation of monetary items, are included in net profit or loss for the period, except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised directly in equity in which cases, the exchange differences are also recognised directly in equity.

2.6 Income tax

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on the taxable profit for the year. Taxable profit differs from net profit as reported in profit or loss if it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group’s liability for current tax is calculated using tax rates that have been enacted or substantively enacted at the end of the financial year.

Deferred tax is recognised on all temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method.

2. Summary of significant accounting policies (continued)

2.6 Income tax (continued)

Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets, if any, is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on the tax rates (and tax laws) that have been enacted or substantially enacted by the end of the financial year. Deferred tax is charged or credited in profit or loss, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

2.7 Plant and equipment

Plant and equipment are all stated at cost less accumulated depreciation and any impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the items.

The cost of an asset comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Expenditure incurred after the plant and equipment have been put into operation, such as repairs and maintenance, is normally charged to profit or loss in the period in which it is incurred. In situations where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefits expected to be obtained from the use of the plant and equipment, the expenditure is capitalised as an additional cost of that asset.

Subsequent expenditure on an item of plant and equipment is added to the carrying amount of the item if it is probable that future economic benefits associated with the item will flow to the Group and the cost can be measured reliably. All other costs of servicing are recognised in profit or loss when incurred.

Disposals

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal.

The gain or loss arising from disposal of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

2. Summary of significant accounting policies (continued)

2.7 Plant and equipment (continued)

Depreciation

Depreciation is provided to write off the cost of plant and equipment, using the straight line method, over their useful lives. The principal annual rates are as follows:

	Years
Office equipment	3
Computer equipment	3
Furniture and fittings	3

The residual values, useful lives and depreciation method are reviewed at each financial year-end to ensure that the residual values, period of depreciation and depreciation method are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of plant and equipment.

Fully depreciated assets still in use are retained in the consolidated financial statements.

2.8 Impairment of non-financial assets

The carrying amounts of non-financial assets are reviewed at the end of each reporting period to determine whether there is any indication of impairment loss and whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. If any such indication exists, or when annual impairment testing for an asset is required, the asset's recoverable amount is estimated.

An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. A cash-generating unit is the smallest identifiable asset group that generates cash flows that largely are independent from other assets and groups of assets.

Impairment losses are recognised in profit or loss, unless they reverse a previous revaluation, credited to other comprehensive income, in which case they are charged to other comprehensive income up to the amount of any previous revaluation.

The recoverable amount of an asset or cash-generating unit is the higher of a) its fair value less costs to sell and b) its value in use. Recoverable amount is determined for individual assets, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. If this is the case, the recoverable amount is determined for the cash-generating unit to which the assets belong. The fair value less costs to sell is the amount obtainable from the sale of an asset or cash-generating unit in an arm's length transaction between knowledgeable, willing parties, less costs of disposal. Value in use is the present value of estimated future cash flows expected to be derived from the continuing use of an asset and from its disposal at the end of its useful life, discounted at pre-tax rate that reflects current market assessment of the time value of money and the risks specific to the asset or cash-generating unit for which the future cash flow estimates have not been adjusted.

2. Summary of significant accounting policies (continued)

2.8 Impairment of non-financial assets (continued)

An assessment is made at the end of each reporting period as to whether there is any indication that an impairment loss recognised in prior periods for an asset may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. An impairment loss recognised in prior periods is reversed only if there has been a change in the estimates used to determine the recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss has been recognised. Reversals of impairment loss are recognised in profit or loss unless the asset is carried at revalued amount, in which case the reversal in excess of impairment loss recognised in profit or loss in prior periods is treated as a revaluation increase. After such a reversal, the depreciation or amortisation is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

2.9 Financial assets

The Group classifies its financial assets as loans and receivables or available-for-sale depending on the purpose of which the assets was acquired. The Group has not classified any of its financial assets as held to maturity and fair value through profit or loss.

The Group's accounting policy for each category is as follows:

Loans and receivables

These assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment.

Impairment provisions are recognised when there is objective evidence (such as significant financial difficulties on the part of the counterparty or default or significant delay in payment) that the Group will be unable to collect all of the amounts due under the terms receivable, the amount of such a provision being the difference between the net carrying amount and the present value of the future expected cash flows associated with the impaired receivable. The carrying amount of the asset is reduced through the use of an allowance account. The amount of the loss is recognised in profit or loss.

If, in a subsequent year, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment loss was recognised, the previously recognised impairment loss is reversed either directly or by adjusting an allowance account. Any subsequent reversal of an impairment loss is recognised in profit or loss, to the extent that the carrying amount of the asset does not exceed its amortised cost at the reversal date.

2. Summary of significant accounting policies (continued)

2.9 Financial assets (continued)

The Group's loans and receivables comprise other receivables excluding prepayments and cash and cash equivalents in the consolidated statement of financial position.

Available-for-sale financial assets

Non-derivative financial assets not included in the above categories are classified as available-for-sale and comprise principally the Group's strategic investments in entities not qualifying as subsidiaries, associates or jointly controlled entities. They are carried at fair value with changes in fair value, other than those arising due to exchange rate fluctuations and interest calculated using the effective interest rate, recognised in other comprehensive income and accumulated in the available-for-sale reserve. Exchange differences on investments denominated in a foreign currency and interest calculated using the effective interest rate method are recognised in profit or loss.

Where there is a significant or prolonged decline in the fair value of an available-for-sale financial asset (which constitutes objective evidence of impairment), the full amount of the impairment, including any amount previously recognised in other comprehensive income, is recognised in profit or loss.

Purchases and sales of available-for-sale financial assets are recognised on settlement date with any change in fair value between trade date and settlement date being recognised in the available-for-sale reserve.

On sale, the cumulative gain or loss recognised in other comprehensive income is reclassified from the available-for-sale reserve to profit or loss.

Equity instruments without active quoted market prices and whose fair value cannot be reliably measured are measured at cost less impairment. For available for sale equity investment that is carried at cost, the amount of impairment loss is measured as the difference between the carrying amount of the asset and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss is not reversed.

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

On derecognition, any difference between the carrying amount and the sum of proceeds received and amounts previously recognised in other comprehensive income is recognised in profit or loss.

2. Summary of significant accounting policies (continued)

2.10 Financial liabilities

Financial liabilities are classified as other financial liabilities.

The accounting policies adopted for other financial liabilities are set out below:

Other payables

Other payables are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, where applicable, using the effective interest method.

Financial liabilities are recognised on the consolidated statement of financial position when, and only when, the Group becomes parties to the contractual provisions of the financial instruments.

Financial liabilities are derecognised when the contractual obligation has been discharged or cancelled or expired. On derecognition of a financial liability, the difference between the carrying amount and the consideration paid is recognised in profit or loss.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire. The difference between the carrying amount and the consideration paid is recognised in profit or loss.

2.11 Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

2.12 Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less.

2. Summary of significant accounting policies (continued)

2.13 Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

Ordinary shares are classified as equity and recognised at the fair value of the consideration received.

Incremental costs directly attributable to the issuance of new equity instruments are shown in equity as a deduction from the proceeds.

2.14 Share-based payments

Where equity settled share options are awarded to employees, the fair value of the options at the date of grant is charged to the consolidated statement of comprehensive income over the vesting period. Non-market vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each reporting date so that, ultimately, the cumulative amount recognised over the vesting period is based on the number of options that eventually vest. Non-vesting conditions and market vesting conditions are factored into the fair value of the options granted. As long as all other vesting conditions are satisfied, a charge is made irrespective of whether the market vesting conditions are satisfied. The cumulative expense is not adjusted for failure to achieve a market vesting condition or where a non-vesting condition is not satisfied.

Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to the consolidated statement of comprehensive income over the remaining vesting period.

Where equity instruments are granted to persons other than employees, the consolidated statement of comprehensive income is charged with the fair value of goods and services received.

Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. However, if a new award is substituted for the cancelled award, and is designated as a replacement award on the date that is granted, the cancelled and new awards are treated as if they were a modification of the original award, as described in the previous paragraph. All cancellation of equity-settled transaction awards are treated equally.

Fair value is measured using the Black-Scholes option pricing model. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations.

2. Summary of significant accounting policies (continued)

2.15 Operating leases

When the Group is the lessee of operating leases

Leases of assets in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are recognised in profit or loss on a straight-line basis over the period of the lease.

When an operating lease is terminated before the lease period has expired, any payment required to be made to the lessor by way of penalty is recognised as an expense in the financial year in which termination takes place.

2.16 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the financial year, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Changes in the estimated timing or amount of the expenditure or discount rate are recognised in profit or loss when the changes arise.

2.17 Contingent liabilities

A contingent liability is:

(a) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group; or

(b) a present obligation that arises from past events but is not recognised because:

  (i) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or

  (ii) the amount of the obligation cannot be measured with sufficient reliability.

Contingent liabilities are not recognised on the consolidated statement of financial position of the Group.

3. Significant accounting judgements and estimates

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosures, and the disclosure of contingent liabilities at the reporting date. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

3.1 Judgements made in applying accounting policies

In the process of applying the Group's accounting policies, management has made the following judgements which have the most significant effect on the amounts recognised in the consolidated financial statements:

(i) Impairment of investment in subsidiaries and joint ventures.

The Group follows the guidance of IAS 36 on determining whether investments in subsidiaries and joint ventures are impaired. This determination requires significant judgement. The Group evaluates, among other factors, the duration and extent to which the recoverable amount of an investment is less than its cost and the financial health of and near-term business outlook for the investment, including factors such as industry and sector performance, changes in technology and operational and financing cash flows.

(ii) Classification of joint arrangements

For all joint arrangements structured in separate vehicles, the Group must assess the substance of the joint arrangement in determining whether it is classified as a joint venture or joint operation. This assessment requires the Group to consider whether it has rights to the joint arrangement's net assets (in which case it is classified as a joint venture), or rights to and obligations for specific assets, liabilities, expenses, and revenues (in which case it is classified as a joint operation). Factors the group must consider include:

- Structure
- Legal form
- Contractual agreement
- Other facts and circumstances

Upon consideration of these factors, the Group has determined that its investment in a joint arrangement structured through a separate vehicle gives it rights to the net assets and it is therefore classified as a joint venture as disclosed in Note 10 to the financial statements.

3.2 Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

3. Significant accounting judgements and estimates (continued)

3.2 Key sources of estimation uncertainty (continued)

(i) Impairment of investment in joint venture

In determining whether the investment in a joint venture is impaired requires an estimation of the recoverable amount of the investment in the joint venture as at the end of the financial year. Management has assessed the value in use using the future cash flows expected to arise from the joint venture over a period of five years and assumed a terminal value up to perpetuity with 0% growth using a weighted average cost of capital discount rate of 11.1% (2015: 11.0%) per annum. Estimates of future cash flows are based on the expected growth of the loans portfolio. The carrying amount of the Group's investment in the joint venture as at 31 March 2016 was US$1,813,957 (2015: US$1,450,195) as disclosed in Note 10 to the financial statements.

(ii) Impairment of investment in available-for-sale financial assets

At the end of each financial year, an assessment is made on whether there is objective evidence that the available-for-sale equity instrument is impaired. In this respect, the Group evaluates among other factors the financial health and near term business outlook of the company that issued this equity instrument including industry and sector performance, changes in technology and operational and financing cash flows. In addition to the above objective evidence, the Group also assessed the present value of future cashflows expected to arise from the investment in this financial asset over a period of five years using the current market rate of return for a similar financial asset of 8.8% per annum and assumed a terminal value using discounted enterprise value. The estimates of future cash flows are based on a forecasted business plan. The amount of impairment loss is measured as the difference between the carrying amount of the available-for-sale equity instrument and the present value of estimated future cash flows as mentioned above. The carrying amount of the Group's investment in the available-for-sale financial assets as at 31 March 2016 was $31,385,522 as disclosed in Note 11 to the financial statements.

(iii) Employee share option plan

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. Estimating fair value for share-based payment transactions requires determining the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determining the most appropriate inputs to the valuation model including expected life of the share option, volatility and dividend yield and making assumptions about them. The assumptions and model for estimating fair value for share-based payment transactions are set out in Note 17 to the financial statements. The carrying amount of the Group's share option reserve at 31 March 2016 is US$313,561 (2015: US$160,113).

4. Other income

	2016 US$	2015 US$
Interest income	181	–
Gain on dilution of interest in joint venture	20,909	–
Other	508	216
	21,598	216

5. Employee benefits expense

	2016 US$	2015 US$
Salaries, wages and other staff benefits	1,230,710	925,976
Share option expenses	153,956	85,364
	1,384,666	1,011,340

The employee benefits expense includes the remuneration of Directors as disclosed in Note 19 to the financial statements.

6. Finance costs

Finance costs represent bank charges for the financial year.

7. Loss before income tax

In addition to the charges and credits disclosed elsewhere in the notes to the consolidated financial statements, the above includes the following charges and credits:

	2016 US$	2015 US$
Auditor's remuneration	48,791	34,131
Consultants fees	264,591	107,681
Foreign exchange loss, net	1,242	–
Operating lease expenses	83,460	79,452
Professional fees	16,076	44,275
Travel and accommodation	84,998	80,569

8. Income tax

	2016 US$	2015 US$
Current income tax		
- current financial year	9,779	1,265
- under-provision in prior financial year	9,230	1,891
	19,009	3,156

A reconciliation of income tax applicable to loss before income tax at the statutory income tax rate of 25% (2015: 25%) in Myanmar is as follows:

	2016 US$	2015 US$
Loss before income tax	(2,216,645)	(1,740,242)
Share of results of joint venture, net of tax	(16,485)	62,305
	(2,233,130)	(1,677,937)
Income tax at the applicable tax rates	(558,283)	(419,984)
Effects of different income tax rates in other countries	571,480	416,758
Under-provision in prior financial year	9,230	1,891
Tax effects of expenses not deductible for tax purposes	4,168	3,501
Others	(7,586)	990
Income tax for the financial year	19,009	3,156

9. Loss per share

Basic loss per share is calculated by dividing the loss for the financial year attributable to owners of the parent by the weighted average number of ordinary shares outstanding during the financial year.

The following reflects the loss and share data used in the basic and diluted loss per share computation:

	2016	2015
Loss for the financial year attributable to owners of the Company (US$)	(2,233,369)	(1,743,398)
Weighted average number of ordinary shares during the financial year applicable to basic loss per share	21,884,673	7,393,035
Loss per share		
Basic and diluted (cents)	(10.21)	(23.58)

Diluted loss per share is the same as the basic loss per share because the potential ordinary shares to be converted are anti-dilutive as the effect of the shares conversion would be to decrease the loss per share.

10. Investment in joint venture

Investment in joint venture	2016 US$	2015 US$
At 1 April	1,450,195	–
Investments during the year	407,500	1,512,500
Share of results of joint venture, net of tax	16,485	(62,305)
Foreign exchange adjustment	(81,132)	–
Gain on dilution of interest in joint venture	20,909	–
At 31 March	1,813,957	1,450,195

On 26 August 2014 the Company's wholly-owned subsidiary, Myanmar Investments Limited ("MIL"), signed a joint venture agreement ("JVA") with Myanmar Finance Company Limited ("MFC") in which, the two parties agreed to establish a Myanmar microfinance joint venture company, Myanmar Finance International Ltd. ("MFIL"). The principal activities of MFIL are in line with the Company's strategy of investing in Myanmar businesses operating in sectors with strong growth potential.

Under the terms of the JVA, MFC injected its existing microfinance business into the joint venture which is jointly managed by MIL and MFC. The two partners agreed to a four-phased contribution of US$4.8 million in capital (MIL's share being US$2.84 million) with MIL owning 55 per cent of the new company and MFC holding the remaining 45 per cent.

As at 31 March 2015, three out of the four tranches of the equity capital contribution had been called. For MIL this totalled US$1,512,500 with a further commitment, the fourth tranche, outstanding of US$1,327,500.

On 7 August 2015, MIL invested an additional US$266,667 in MFIL (which included US$120,000 as premium paid, reflecting MFC's injected microfinance business) and the Company's equity interest in MFIL remained at 55%.

On 16 November 2015, The Norwegian Investment Fund for Developing Countries ("Norfund") exercised an option to subscribe for new shares in MFIL for a total consideration of US$1,430,720. Concurrent with Norfund's investment, the fourth and final tranche of the initial capital specified under the JVA was called from MIL and MFC and MIL invested an additional US$140,833 bringing its total capital contribution to date of US$1,920,000. Following Norfund's investment and the final capital contributions by MIL and MFC, MIL's and MFC's shareholdings in MFIL were each reduced to 37.5%, while Norfund now has a 25% shareholding in MFIL. Arising from the dilution of equity interest in MFIL, a gain of US$20,909 was recognised to the consolidated statement of comprehensive income.

10. Investment in joint venture (continued)

MFIL is a well-established provider of microfinance loans to small-scale business operators in rural and urban areas of Yangon and neighbouring Bago.

MFIL is deemed to be a joint venture of the Company as the appointment of its directors and the allocation of voting rights for key business decisions require the unanimous approval of all its shareholders.

The detail of the joint venture is as follows:

Name of joint venture (Country of incorporation/place of business)	Principal activities	Effective equity interest held by the Company	
		2016	2015
		%	%
Myanmar Finance International Limited[1] (Myanmar)	Provider of microfinance loans	37.5	55.0

[1] Audited by JF Group Audit Firm, Yangon, Myanmar.

10. Investment in joint venture (continued)

The summarised financial information below reflects the amounts presented in the financial statements of the joint venture (and not the Company's share of those amounts), adjusted for differences in accounting policies between the Company and the joint venture.

	2016 US$	2015 US$
Assets and liabilities		
Cash and cash equivalents	1,259,004	945,056
Trade receivables	4,037,562	1,886,233
Other current assets	93,403	79,718
Current assets	5,389,969	2,911,007
Non-current assets	150,182	153,863
Total assets	5,540,151	3,064,870
Current liabilities	1,022,933	552,659
Total liabilities	1,022,933	552,659
Net assets	4,517,218	2,512,211
Investment in joint venture	37.5%	55.0%
Share of net assets	1,693,957	1,381,716
Currency re-alignment	–	68,479
Premium paid	120,000	–
	1,813,957	1,450,195
Included in the current liabilities are:		
Current financial liabilities (excluding trade and other payables and provision)	828,327	459,164
Income and expenses		
Revenue	819,948	215,949
Other income	142,255	91,655
Operating expense	(786,888)	(382,321)
Depreciation	(34,406)	(9,837)
Interest expense	(75,415)	(28,728)
Tax expense	(16,373)	–
Profit/(Loss) after income tax	49,121	(113,282)

11. Available-for-sale financial assets

Available-for-sale financial assets	2016 US$	2015 US$
Unquoted equity shares, at cost	31,385,522	–

As disclosed in Note 13 to the financial statements, MIL 4 Limited ("MIL 4") was incorporated by the Company to acquire shares in Apollo Towers Pte. Ltd. ("Apollo"), a Singapore incorporated company.

On 29 July 2015, MIL 4 acquired a 14.18% stake in Apollo Towers Pte. Ltd. ("Apollo"), an unquoted Singapore incorporated company, for a purchase consideration of US$30,182,725.

On 24 December 2015, Apollo held a further round of fund raising in which MIL 4 only invested US$1,202,797 into Apollo, resulting in a dilution of MIL 4's equity interest to 13.48%.

As at 31 March 2016, the Group's effective equity interest in Apollo is 8.99%.

Apollo owns and operates a leading telecommunication towers business in Myanmar through its subsidiary Apollo Towers Myanmar Limited.

The investment in unquoted equity securities is stated at cost, including transaction costs, less impairment loss, if any, as its fair value cannot be determined reliably. The investment is denominated in United States Dollars.

12. Plant and equipment

	Computer equipment US$	Office equipment US$	Furniture and fittings US$	Total US$
2016				
Cost				
Balance at 1 April 2015	10,749	2,297	27,797	40,843
Additions	2,990	2,283	2,358	7,631
Balance at 31 March 2016	13,739	4,580	30,155	48,474
Accumulated depreciation				
Balance at 1 April 2015	3,604	752	12,235	16,591
Depreciation for the financial year	4,045	847	10,104	14,996
Balance at 31 March 2016	7,649	1,599	22,339	31,587
Carrying amount				
Balance at 31 March 2016	6,090	2,981	7,816	16,887

12. Plant and equipment (continued)

	Computer equipment US$	Office equipment US$	Furniture and fittings US$	Total US$
2015				
Cost				
Balance at 1 April 2014	6,405	1,418	27,797	35,620
Additions	4,344	879	–	5,223
Balance at 31 March 2015	10,749	2,297	27,797	40,843
Accumulated depreciation				
Balance at 1 April 2014	566	158	2,871	3,595
Depreciation for the financial year	3,038	594	9,364	12,996
Balance at 31 March 2015	3,604	752	12,235	16,591
Carrying amount				
Balance at 31 March 2015	7,145	1,545	15,562	24,252
Balance at 1 April 2014	5,839	1,260	24,926	32,025

13. Investment in subsidiaries

Details of the investments in which the Group has a controlling interest are as follows:

Name of subsidiaries	Country of incorporation/ principal place of business	Principal activities	Proportion of ownership interest held by the Group 2016 %	Proportion of ownership interest held by the Group 2015 %	Proportion of ownership interest held by non-control interests 2016 %	Proportion of ownership interest held by non-control interests 2015 %
Myanmar Investments Limited [1]	Singapore	Investment holding company	100	100	–	–
MIL Management Pte. Ltd [1]	Singapore	Provision of management services to the Group	100	100	–	–
MIL No. 2 Pte. Ltd [2]	Singapore	Dormant	100	100	–	–
MIL No. 3 Pte. Ltd. [2]	Singapore	Dormant	100	100	–	–
MIL 4 Limited [1]	British Virgin Islands	Investment holding company	66.67	–	33.33	–
Held by MIL Management Pte. Ltd.						
MIL Management Co., Ltd [3]	Myanmar	Provision of management services to the Group	100	100	–	–

(1) Audited by BDO LLP, Singapore.
(2) Not required to be audited as the subsidiary is dormant since the date of its incorporation.
(3) Audited by JF Group Audit Firm, Yangon, Myanmar.

13. Investment in subsidiaries (continued)

Incorporation of a subsidiary

On 9 July 2015, the Company incorporated a 100.00% owned subsidiary, MIL 4 for a cash consideration of US$5,000, in the British Virgin Islands for the purpose of investing into Apollo as disclosed in Note 11 to the financial statements.

On 29 July 2015, the Company and new shareholders injected an amount of US$19,995,000 and US$10,000,000 into MIL 4 respectively, which resulted in the dilution of equity interest in the subsidiary to 66.67%.

On 24 December 2015, the Company and MIL 4's shareholders further increased its investment in MIL 4 by US$801,864 and US$400,933 respectively and the Company's equity interest in MIL 4 remains at 66.67% during this round of additional investment.

Non-controlling interests

The summarised financial information before intra-group elimination of the subsidiary that has material non-controlling interests as at the end of each reporting period is as follows:

	MIL 4 Limited 2016 US$
Assets and liabilities	
Non-current assets	31,385,522
Current assets	32,289
Current liabilities	(221,869)
Net assets	31,195,942
Accumulated non-controlling interests	10,398,648

	Period from 9 July 2015 (Date of incorporation) to 31 March 2016 US$
Revenue	–
Administrative expenses	(6,855)
Loss for the financial period, representing total comprehensive income for the financial period	(6,855)
Loss allocated to non-controlling interests, representing total comprehensive income allocated to non-controlling interests	(2,285)
Net cash used in operating activities	(3,022)
Net cash used in investing activity	(31,385,522)
Net cash generated from financing activities	31,388,544
Net change in cash and cash equivalents	–

14. Other receivables

	2016 US$	2015 US$
Other receivables	29,591	4,077
Deposits	14,605	10,398
Prepayments	47,554	74,379
	91,750	88,854

Other receivables are denominated in the following currencies:

	2016 US$	2015 US$
United States dollar	88,732	85,993
Singapore dollar	2,105	–
Myanmar kyat	913	2,861
	91,750	88,854

15. Cash and cash equivalents

	2016 US$	2015 US$
Cash and bank balances	1,349,915	5,013,287
Short-term deposit	36,144	35,981
	1,386,059	5,049,268

The short-term deposit bears interest at an average rate of 0.25% (2015: 0.25%) per annum and is for a tenure of approximately 12 months (2015: 12 months).

The short-term deposit of the Company amounting to US$36,144 (2015: US$35,981) is pledged to bank to secure credit facilities.

Cash and cash equivalents are denominated in the following currencies:

	2016 US$	2015 US$
United States dollar	1,233,692	4,912,866
Singapore dollar	146,834	132,955
Myanmar kyat	5,533	3,447
	1,386,059	5,049,268

15. Cash and cash equivalents (continued)

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following at the end of the financial year:

	2016 US$	2015 US$
Bank balances	1,386,059	5,049,268
Less: short-term deposits pledged	(36,144)	(35,981)
	1,349,915	5,013,287

16. Share capital

	2016 US$	2015 US$
Issued and fully-paid share capital:		
Ordinary shares at the beginning of the financial year	8,996,282	5,439,353
Issuance of ordinary shares during the financial year	19,942,397	3,797,850
Share issuance expenses	(172,874)	(240,921)
	28,765,805	8,996,282

	2016		2015	
Equity Instruments in issue	**Ordinary Shares**	**Warrants**	**Ordinary Shares**	**Warrants**
At the beginning of the financial year	9,959,619	9,459,619	6,342,619	5,842,619
Issuance during the financial year	17,341,214	5,780,408	3,617,000	3,617,000
At the end of the financial year	27,300,833	15,240,027	9,959,619	9,459,619

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share without restriction at meetings of the Company.

On 9 December 2014, the Company allotted 3,617,000 Ordinary Shares at US$1.05 per share (total of US$3,797,850) Ordinary Shares pursuant to a subscription for new shares (the “Second Subscription”).

On 21 July 2015, the Company allotted 17,341,214 Ordinary Shares at US$1.15 per share (total of US$19,942,397) pursuant to a subscription for new shares (the “Third Subscription”).

All the shares have been admitted to trading on AIM under the ticker MIL.

The new ordinary shares issued during the financial year ranked pari passu in all respects with the existing ordinary shares of the Company.

16. Share capital (continued)

Warrants

On 9 December 2014, the Company allotted 3,617,000 Warrants pursuant to the Second Subscription. The Company had agreed that for every Ordinary Share subscribed for by a subscriber they would receive one Warrant at nil cost.

On 21 July 2015, the Company allotted 5,780,408 Warrants pursuant to the Third Subscription. The Company had agreed that for every three Ordinary Shares subscribed for by a subscriber they would receive one Warrant at nil cost.

The Warrants entitle the holder to subscribe for an Ordinary share at an exercise price of US$0.75. The Warrants may be exercised during each 15 Business Day period commencing on the first day of each Quarter during the Subscription Period (from 21 June 2015 to 21 June 2018).

All Warrants have been admitted to trading on AIM under the ticker MILW.

17. Share option reserve

Details of the Share Option Plan (the "Plan")

The Plan allows for the total number of shares issuable under share options to constitute a maximum of one tenth of the number of the total number of ordinary shares in issue (excluding shares held by the Company as treasury shares and shares issued to the Founders prior to Admission).

Any future issuance of shares will give rise to the ability of the Remuneration Committee to award additional share options. Such share options will be granted with an exercise price set at a 10 percent premium to the subscription price paid by shareholders on the relevant issue of shares that gave rise to the availability of each tranche of share options.

Share options can be exercised any time after the first anniversary and before the tenth anniversary of the grant (as may be determined by the Remuneration Committee in its absolute discretion) of the respective share options.

Share options are not admitted to trading on AIM but application will be made for shares that are issued upon the exercise of the share options to be admitted to trading on AIM.

As at 31 March 2016, there were 2,680,082 (2015: 945,961) share options available for issue under the Plan of which 1,894,661 (2015: 574,061) had been granted. These granted share options have a weighted average exercise price of US$1.194 (2015: US$1.121) per share and a weighted average contractual life of 9.11 years (2015: 8.57 years).

The 2,680,082 share options available were created under the following series:

Series/Date	Occasion	Number	Exercise price (USD)
Series 1	Admission Placing and Subscription	584,261	1.100
Series 2	Second Subscription	361,700	1.155
Series 3	Third Subscription	1,734,121	1.265
		2,680,082	

17. Share option reserve (continued)

Details of the Share Option Plan (the "Plan") (continued)

The following share-based payment arrangements were in existence during the current financial year:

Option series	Number of share options	Grant date	Expiry date	Exercise price (USD)	Fair value at grant date
Series 1	410,000	27 June 2013	26 June 2023	1.100	153,495
Series 1	25,000	9 December 2013	8 December 2023	1.100	19,015
Series 1	135,661	25 September 2014	24 September 2024	1.100	64,555
Series 2	25,500	2 June 2015	1 June 2025	1.155	15,587
Series 1	10,200	15 January 2016	14 January 2026	1.100	6,235
Series 2	331,700	15 January 2016	14 January 2026	1.155	193,562
Series 3	956,600	15 January 2016	14 January 2026	1.265	508,734
	1,894,661				

Share options that are allocated to a Participant are subject to a three year vesting period during which the rights to the share options will be transferred to the Participant in three equal annual instalments provided, save in certain circumstances, that they are still in employment with or engaged by the Company.

Fair value of share options granted in the financial year

The weighted average fair value of the share options granted during the financial year is US$0.547 (2015: US$0.476). Share options were priced using Black-Scholes option pricing model. Where relevant, the expected life used in the model has been adjusted based on management's best estimate for the effects of non-transferability, exercise restrictions (including the probability of meeting market conditions attached to the option), and behavioural considerations. Expected volatility is based on historical share price volatility from the date of grant of the share options.

The Black-Scholes option pricing model uses the following assumptions:

	Grant date			
	2 June 2015	15 January 2016	15 January 2016	15 January 2016
Grant date share price (US$)	1.40	1.40	1.40	1.40
Exercise price (US$)	1.155	1.10	1.155	1.265
Expected volatility	22.30%	21.04%	21.04%	21.04%
Option life	10 years	10 years	10 years	10 years
Risk-free annual interest rates	2.27%	2.03%	2.03%	2.03%

The Group recognised a net expense of US$153,448 (2015: US$85,364) related to equity-settled share-based payment transactions during the financial year.

17. Share option reserve (continued)

Movement in share option during the financial year

The following reconciles the share options outstanding at the start of the year and at the end of the year.

	2016		2015	
	Number	Weighted average exercise price US$	Number	Weighted average exercise price US$
Balance at start of the financial year	574,061	1.10	435,000	1.10
Granted	1,324,000	1.234	139,061	1.10
Forfeited	(3,400)	1.10	–	–
Balance at end of financial year	1,894,661	1.194	574,061	1.10

No share options were exercised during the financial year.

Movement in share option reserve during the financial year

	2016 US$	2015 US$
Balance at start of the financial year	160,113	74,749
Grant of share options	153,448	85,364
Balance at end of financial year	313,561	160,113

18. Other payables

	2016 US$	2015 US$
Accruals	130,237	65,195
Other payables	1,184	–
	131,421	65,195

Other payables are denominated in the following currencies:

	2016 US$	2015 US$
Singapore dollar	50,613	39,037
United States dollar	57,348	9,251
British pound	20,678	14,999
Euro	2,782	1,908
	131,421	65,195

19. Significant related party disclosures

For the purposes of these consolidated financial statements, parties are considered to be related to the Group and the Company if the Group and the Company have the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the Company and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

Compensation of key management personnel

For the financial year ended 31 March 2016, no emoluments were paid by the Group to the Directors as an inducement to join or upon joining the Group or as compensation for loss of office.

The remuneration of Directors for the financial years ended 31 March 2016 and 31 March 2015 was as follows:

	Directors' fee	Short term employee benefits[3]	Share option plan	Total
	US$	US$	US$	US$
Financial year ended 31 March 2016				
Executive directors				
Maung Aung Htun	–	447,208 [1]	58,193	505,401
Anthony Michael Dean	–	429,909 [1]	52,119	482,028
Independent non-executive directors				
Christopher William Knight	35,000	–	7,896	42,896
Craig Robert Martin	27,500	–	8,461	35,961
Christopher David Appleton	27,500	–	9,027	36,527
	90,000	877,117	135,696	1,102,813
Financial year ended 31 March 2015				
Executive directors				
Maung Aung Htun	–	334,315 [2]	33,370	367,685
Anthony Michael Dean	–	279,903 [2]	27,412	307,315
Independent non-executive directors				
Christopher William Knight	30,000	–	2,681	32,681
Craig Robert Martin	25,000	–	4,022	29,022
Christopher David Appleton	25,000	–	5,363	30,363
	80,000	614,218	72,848	767,066

19. Significant related party disclosures (continued)

Compensation of key management personnel (continued)

(1) The short term employee benefits include bonuses totalling US$150,000 for the Executive Directors that relate to the financial year ended 31 March 2015 as determined by the Remuneration Committee.

(2) During the financial period ended 31 March 2014 the Executive Directors had agreed to forgo 50% of their compensation unless and until, in accordance with Rule 8 of the AIM Rules for Companies, the Company had "substantially implemented its Investment Policy". This condition was fulfilled with the investment in Myanmar Finance International Limited in September 2014. As such the contingent liability of the unpaid compensation, which amounted to US$132,968 as at 31 March 2014, was recognised and settled in the financial year ended 31 March 2015. This amount is included in the Short Term Employee Benefits in the financial year ended 31 March 2015.

(3) The short term employee benefits also includes rental expenses paid for the Director's accommodation.

20. Commitments

Operating lease commitments - as lessee

The Group leases the Yangon office and accommodation for Directors under non-cancellable operating leases. The operating lease commitments are based on rental rates as specified in the lease agreements. The Group has the option to renew certain agreements on the leased premises for another one year.

In accordance with prevailing market conditions in Yangon, lease payments are paid in advance.

Future minimum rentals payable under non-cancellable operating leases at the reporting date are as follows:

	2016 US$	2015 US$
Within one financial year	39,000	2,100
After one financial year but within five financial years	–	14,700
	39,000	16,800

21. Dividends

The Directors of the Company do not recommend any dividend in respect of the financial year ended 31 March 2016 (2015: Nil).

22. Financial risk management objectives and policies

The Group has risk management policies that systematically manage the risks that could prevent it from achieving its objectives. These policies are intended to manage risks identified in such a way that opportunities to deliver the Group's objectives are achieved. The Group's risk management takes place in the context of day-to-day operations and normal business processes such as strategic and business planning and are kept under review by the Directors. The Directors have identified each risk and are responsible for coordinating and continuously improving risk strategies, processes and measures in accordance with the Group's established business objectives.

The Group's principal financial instruments consist of available-for-sale financial assets, other receivables, cash and cash equivalents and other payables. The main risks arising from the Company's financial instruments and the policies for managing each of these risks are summarised below.

22.1 Credit risk

Credit risk is the risk of loss associated with the counterparty's inability to fulfil its obligations. The Group's credit risk is primarily attributable to other receivables and cash and cash equivalents with the maximum exposure being the reported balance in the consolidated statement of financial position. The Group has a nominal level of debtors and as such the Company believes that the credit risk to these is minimal. The Group holds available cash with licensed established banks. The Group considers the credit ratings of banks in which it holds funds in order to reduce exposure to credit risk.

22.2 Market risks

Foreign currency risks

The Group incurs foreign currency risk on transactions and balances that are denominated in currencies other than its functional currency, the United States dollar. The main currencies giving rise to this risk are the Singapore dollar, Myanmar kyat and British Pound. Exposure to foreign currency risk is monitored on an on-going basis to ensure that the net exposure is at an acceptable level.

The Group monitors its foreign currency exchange risks closely and maintains funds in various currencies to minimise currency exposure. Currency translation risk arises when commercial transactions, recognised assets and liabilities and net investment in foreign operations are denominated in the currency that is not the entity's functional currency.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period were as follows:

	Assets		Liabilities	
	2016	2015	2016	2015
	US$	US$	US$	US$
Singapore dollar	148,939	132,955	50,613	39,037
Euro	–	–	2,782	1,908
Myanmar kyat	6,446	6,308	–	–
British pound	–	–	20,678	14,999
	155,385	139,263	74,073	55,944

22. Financial risk management objectives and policies (continued)

22.2 Market risks (continued)

Foreign currency sensitivity analysis

No sensitivity test was performed as the exposure to foreign currency risk is not significant to the consolidated financial statements.

Interest rate risk

The Group does not have any significant exposure to interest rate risk as the Group does not have any significant interest bearing liabilities and its interest earning assets are producing relatively low yields.

22.3 Liquidity risk

The Group is exposed to liquidity risk to the extent that it holds investments that it may not be able to sell quickly at close to fair value.

The risk is managed by the Group by means of cash flow planning to ensure that future cash requirements are anticipated and, where financial instruments have to be sold to meet these requirements, the process is carried out in a controlled manner intended to minimise the liquidity risk involved.

As at 31 March 2016, the Group's principal financial instruments consist mainly of cash and cash equivalents and available-for-sale financial assets.

22.4 Fair value of financial assets and financial liabilities

The carrying amounts of the Group's financial assets and financial liabilities approximate their respective fair values due to the short term maturity of these financial instruments except as disclosed in Note 11 to the financial statements.

22.5 Capital management

The Group manages its capital to ensure that the Group is able to continue as going concern and to maintain an optimal capital structure so as to maximise shareholders' value.

Management regards total equity attributable to owners of the parent as capital.

The management constantly reviews the capital structure to ensure the Group is able to service any debt obligations and contracted overheads based on its operating cash flows. At present the Group has taken on no debt obligations, other than other payables, and therefore has no difficulties in settling its debts as they fall due.

The Group is not subjected to any externally imposed capital requirements for the financial years ended 31 March 2016 and 31 March 2015.

23. Subsequent events

Apollo Warrant

On 16 June 2016, MIL4 acquired a warrant for a total consideration of US$10,000, allowing MIL4 to purchase for a nominal amount 1.56% of Apollo's total capital stock on a fully diluted basis. As a result of this MIL 4 now has an effective equity interest of 14.0% in Apollo and the Company's indirect equity interest in Apollo is 9.3%.

Equity fund raising

On 16 September 2016, the Company raised US$4,219,081 through the issuance of 3,245,447 new ordinary shares. As part of this fund raising the Company also issued 811,368 new warrants.

Notice of Annual General Meeting

Myanmar Investments International Limited (Company Number 1774652)

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to what action you should take, you are recommended to seek your own financial advice from your stockbroker or other independent adviser.

If you have recently sold or transferred all of your shares in Myanmar Investments International Limited, please forward this document, together with the accompanying documents, as soon as possible either to the purchaser or transferee or to the person who arranged the sale or transfer so they can pass these documents to the person who now holds the shares.

Notice is hereby given that the 2016 Annual General Meeting of Myanmar Investments International Limited (the "**Company**") will be held at the British Club, Yangon, Myanmar at 9.00 a.m. (Myanmar time) on 31 October 2016 for the purpose of considering and if thought fit, passing the following resolutions:

Ordinary Resolutions

Each of the following resolutions will be proposed as an ordinary resolution:

1. To receive and adopt the Company's annual accounts for the financial year ended 31 March 2016 together with the directors' report and auditors' report on those accounts.

2. To reappoint Christopher William Knight, who retires by rotation as required by Article 8.5 of the Articles of Association of the Company, as a non-executive director of the Company.

3. To reappoint Christopher David Appleton, who retires by rotation as required by Article 8.5 of the Articles of Association of the Company, as a non-executive director of the Company.

4. To reappoint BDO LLP as the auditors of the Company to hold office from the conclusion of the AGM to the conclusion of the next meeting at which the annual accounts are laid before the Company.

5. To authorise the directors to determine the remuneration of BDO LLP as auditors of the Company.

By Order of the Board

Estera Corporate Services (BVI) Limited
Secretary

19 September 2016

Registered Office:
Jayla Place
Wickhams Cay 1
Road Town
Tortola VG1110
British Virgin Islands

Notice of
Annual General Meeting

Myanmar Investments International Limited (Company Number 1774652)

NOTES

1. Resolutions 1-5 will be passed if approved by more than fifty per cent. of the votes of those Members entitled to vote and voting on the resolutions.

2. A Member entitled to attend and vote at the meeting convened by this notice is entitled to appoint one or more proxies to attend and, on a poll, vote in his place. A proxy need not be a member of the Company, but must attend the meeting to represent the relevant Member.

3. A Member may appoint one or more proxies in relation to the AGM provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that Member. A Member may not appoint more than one proxy to exercise rights attached to any one existing ordinary share. If a Member wishes to appoint more than one proxy, please contact the Company's Share Registrars, Capita Registrars (Guernsey) Limited at +44 371 664 0300. Lines are open from 09:00 to 17:30 Monday to Friday, excluding public holidays. Alternatively you may write to Capita Asset Services, PXS1, 34 Beckenham Road, Beckenham, Kent, BR3 4ZF for additional proxy forms and for assistance.

4. The form of proxy must be signed by the appointor or his attorney duly authorised in writing. In the case of joint holders, the signature of only one of the joint holders is required on the form of proxy. However, if more than one holder is present at the meeting, the vote of the first named on the register of members of the Company will be accepted to the exclusion of other joint holders. If the appointor is a corporation, the form of proxy should be signed on its behalf by an attorney or duly authorised officer or executed as a deed or executed under common seal.

5. Forms of Direction from holders of depositary interests must be deposited at the office of the Depositary, Capita Asset Services, 34 Beckenham Road, Beckenham, Kent, BR3 4ZF, United Kingdom not later than 22.00 MYR/ 16:30 BST on 25 October 2016.

6. Any corporation which is a Member of the Company can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a Member provided that they do not do so in relation to the same existing ordinary share.

7. To appoint a proxy you may use the form of proxy enclosed with this notice of AGM. Please carefully read the instructions on how to complete the form of proxy. To be valid, the form of proxy, together with the power of attorney or other authority (if any) under which it is signed or a notarially certified or office copy of the same, must be deposited by 22.00 MYR/ 16:30 BST on 26 October 2016 with the Company's registrars, Capita Asset Services, PXS1, 34 Beckenham Road, Beckenham, Kent, BR3 4ZF. The completion and return of a form of proxy will not preclude a Member from attending the AGM and voting in person if he or she so wishes. If a Member has appointed a proxy and attends the AGM in person, such proxy appointment will automatically be terminated.

8. The Company, pursuant to regulation 41 of the Uncertificated Securities Regulations 2001, specifies that only those shareholders registered in the register of members of the Company by close of business on 26 October 2016, or, if the meeting is adjourned, 48 hours before the time fixed for the adjourned meeting (excluding any part of a day that is not a business day), shall be entitled to attend or vote at the meeting in respect of the number of ordinary shares registered in their name at that time. Changes in entries on the relevant register of members after such time and date shall be disregarded in determining the rights of any person to attend or vote at this meeting.

9. Any Member may insert the full name of a proxy or the full names of two alternative proxies of the Member's choice in the space provided with or without deleting "the Chairman of the meeting". The person whose name appears first on the form of proxy and has not been deleted will be entitled to act as proxy to the exclusion of those whose names follow. If this proxy form is signed and returned with no name inserted in the space provided for that purpose, the Chairman of the meeting will be deemed to be the appointed proxy. Where a Member appoints as his/her proxy someone other than the Chairman, the relevant Member is responsible for ensuring that the proxy attends the meeting and is aware of the Member's voting intentions. Any alteration, deletion or correction made in the form of proxy must be initialled by the signatory/ies.

10. As at the close of business on the date immediately preceding this notice the Company's issued share capital comprised 30,553,627 ordinary shares. Each ordinary share carried the right to one vote at the AGM and, therefore, the total number of voting rights in the Company as at the close of business immediately preceding this notice is 30,553,627.

11. CREST members who wish to appoint a proxy or proxies through the CREST Electronic Proxy Appointment Service may do so for the AGM and any adjournment(s) thereof by following the procedures described in the CREST manual. All messages relating to the appointment of a proxy or an instruction to a previously-appointed proxy, which are to be transmitted through CREST, must be received by Capita Registrars (Guernsey) Limited (Crest ID RA10) no later than 23:00 MYR / 16:30 BST on 26 October 2016, or, if the meeting is adjourned, 48 hours before the time fixed for the adjourned meeting (excluding any part of a day that is not a business day).

12. In order to revoke a proxy instruction, you will need to inform the Company by sending a signed hard copy notice clearly stating your intention to revoke your proxy appointment to the Registrars, in the case of a Member which is a company, the revocation notice must be executed in accordance with note 4 above. Any power of attorney or any other authority under which the revocation notice is signed (or a duly certified copy of such power or authority) must be included with the revocation notice must be received by Capita Registrars (Guernsey) Limited not less than 48 hours (excluding any part of a day that is not a business day) before the time fixed for the holding of the Meeting or any adjourned Meeting (or in the case of a poll before the time appointed for taking the poll) at which the proxy is to attend, speak and to vote. If you attempt to revoke your proxy appointment but the revocation is received after the time specified then, subject to the paragraph directly below, your proxy appointment will remain valid.

Directors and Advisers

Company data

Website: www.myanmarinvestments.com
Email: enquiries@myanmarinvestments.com
Listed on the AIM market of the London Stock Exchange:

Ticker symbol for the Ordinary Shares	MIL
Ticker symbol for the Warrants	MILW

The Company is incorporated in the British Virgin Islands with registration number 1774652

Directors

Christopher William Knight, Independent Non-Executive Chairman
Maung Aung Htun, Managing Director
Anthony Michael Dean, Finance Director
Craig Robert Martin, Independent Non-Executive Director
Christopher David Appleton, Independent Non-Executive Director
Henrik Onne Bodenstab, Independent Non-Executive Director

Registered Office
Jayla Place
Wickhams Cay I
Road Town
Tortola VG1110
British Virgin Islands

Nominated Adviser
Grant Thornton UK LLP
30 Finsbury Square
London EC2P 2YU
United Kingdom

Legal Advisers to the Company (as to English Law)
Reed Smith LLP
The Broadgate Tower
20 Primrose Street
London EC2A 2RS
United Kingdom

Legal Advisers to the Company (as to British Virgin Islands law)
Appleby
Jayla Place
Wickhams Cay I
Road Town
Tortola
British Virgin Islands

Independent Auditor
BDO LLP
Public Accountants and Chartered Accountants
600 North Bridge Road
#23-01 Parkview Square
Singapore 188778
Partner-in-charge: Adrian Lee Yu-Min
(Appointed since the financial period ended
31st March 2014)

Warrant Registrar
Capita Registrars Limited
The Registry
34 Beckenham Road
Beckenham
Kent BR3 4TU
United Kingdom

Myanmar Office
Suite 11-B Pansodan Business Tower
123/133 Anawrahta Road
PO Box 817
Kyauktada Township
Yangon, Myanmar
Telephone: +95 1 391 804 to 7

Broker
Investec Bank plc
2 Gresham Street
London EC2V 7QP
United Kingdom

Legal Advisers to the Company (as to Myanmar Law)
DFDL Legal & Tax
134A Thanlwin Road
Golden Valley Ward (1)
Bahan Township
Yangon
Myanmar

Company Secretary
Estera Corporate Services (BVI) Limited
Jayla Place
Wickhams Cay I
Road Town
Tortola
British Virgin Islands

Registrars
Capita Registrars (Guernsey) Limited
Mont Crevelt House
Bulwer Avenue St.
Sampson
Guernsey GY2 4LH

Depository
Capita IRG Trustees Limited
The Registry
34 Beckenham Road
Beckenham
Kent BR3 4TU
United Kingdom

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