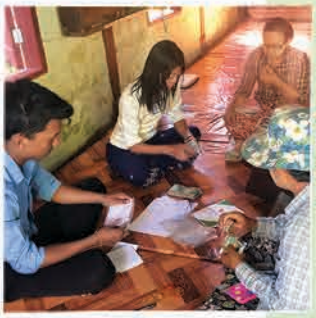
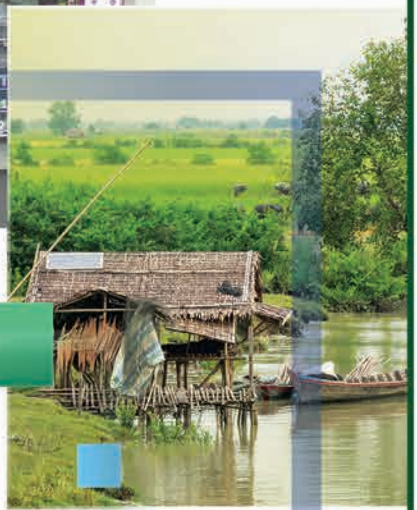
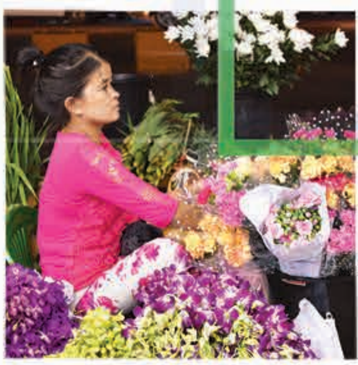
MYANMAR
INVESTMENTS







MYANMAR INVESTMENTS INTERNATIONAL LIMITED

ANNUAL REPORT 2017

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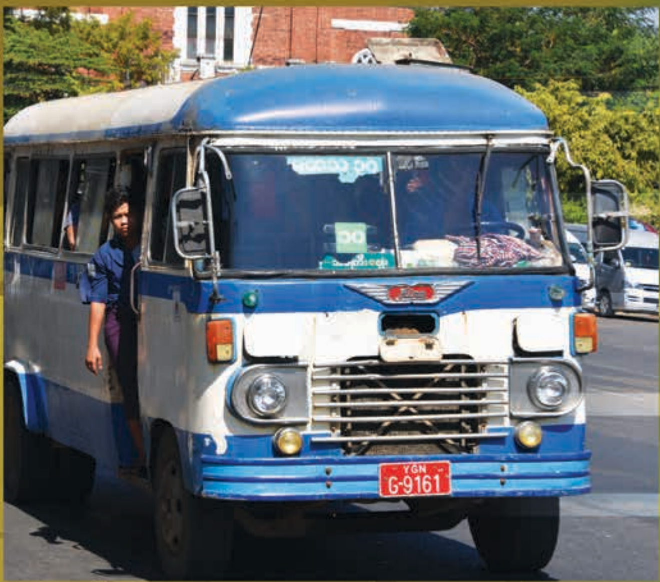
Myanmar is experiencing rapid transformation, especially in the cities. Just in the four years we have lived in Yangon we have seen significant changes to the urban landscape. In the following pages we have illustrated a few of the ways in which progress is evident. These are not necessarily widespread but signs of change are there, such as the newly arrived Yangon buses:

TRANSPORTATION



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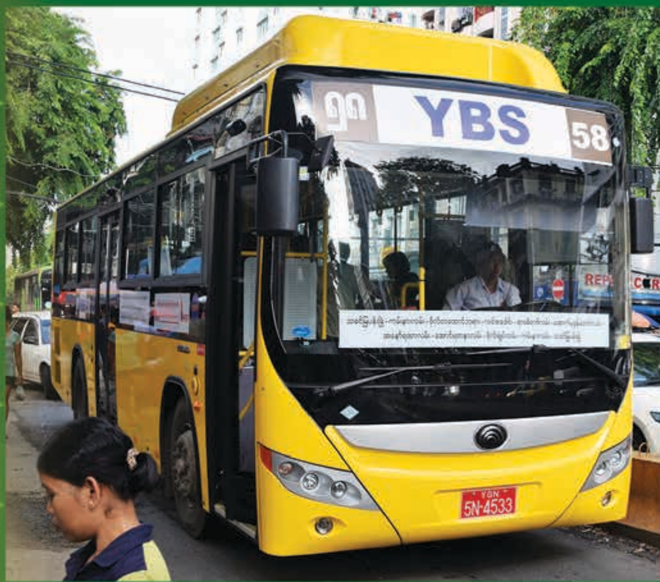

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OVERVIEW

Myanmar Investments International Limited was the first Myanmar-focused company to be admitted to trading on the AIM market of the London Stock Exchange.

MYANMAR UPDATE

- The new Government, led by U Htin Kyaw of the National League for Democracy ("NLD"), assumed power on 1 April 2016 with Daw Aung San Suu Kyi acting as State Counsellor.
- The process of national reconciliation has begun with the establishment of the 21st Century Panglong Conference.
- In October 2016, the United States lifted all remaining economic sanctions on the country, and readmitted the country into its preferred tariff system.
- Myanmar was removed from the FATF "black" and "grey" lists noting significant progress in addressing strategic anti-money laundering deficiencies.
- MyTel, a joint venture including Viettel Global of Vietnam, received a licence to operate the fourth mobile network in Myanmar in January 2017.
- International brand names such as Uber and GrabTaxi commenced operations in Myanmar.
- The Companies Act is advancing through parliament and is expected to be set into law by the end of 2017.

MYANMAR INVESTMENTS INTERNATIONAL LIMITED UPDATE

- MIL has raised over US$40 million since Admission, including:
  - US$4.2 million raised in September 2016; and
  - US$7.3 million raised in June 2017.
- Apollo Towers, one of Myanmar's leading telecom tower companies, continues to grow strongly:
  - 13.4% market share of the Myanmar tower market;
  - High quality EBITDA (from Grade A international telecom companies) has more than doubled over the past year; and
  - US$250 million loan secured from the Overseas Private Investment Corporation ("OPIC") of the United States.
- Myanmar Finance International Limited ("MFIL"), our leading microfinance joint venture, continues to scale up:
  - Strong growth in its borrower base and loan book at 43,000 and US$6 million, representing Compound Annual Growth Rates ("CAGR") of 77% and 145% since investment, respectively;
  - Secured US$3 million in Kyat-denominated debt facilities with more on the way; and
  - Solid increase in profitability, up nearly 380% over the prior year.
- MIL formed a three-way joint venture, Medicare, a pharmacy, health and beauty franchise business, alongside industry veterans and utilising a proven regional business model:
  - Designed to capitalise on both an expected rise in consumer spending power and a notable absence of modern retail outlets with similar offerings; and
  - Partners include Medicare Vietnam, the largest pharmacy, health, beauty and personal care retail group in Vietnam and Randy Guttery, an industry veteran with decades' of experience in retail businesses in nine countries around Asia.
- MIL signed a memorandum of understanding with a well-established local tour operator and travel agent to set up a joint venture company that will develop the business further as well as invest in tourism related assets.
- The Company is continuing to progress a pipeline of potential business opportunities targeting sectors such as education, healthcare, food retailing and financial services.
- An additional stock exchange listing in Asia is being considered.

CHAIRMAN'S LETTER

The year to 31 March 2017 has seen the Company grow and perform strongly. Post year-end the Company entered its third business and has raised a total of US$11.5 million from two rounds of fund raising in September 2016 and June 2017.

MIL's investment case is underpinned by Myanmar's continued and impressive development as a country with great potential. It is undergoing a complex transition from decades of military rule to that of a democratic country. The pace of reform under U Thein Sein's administration inevitably slowed towards the end and has remained as such whilst the new government under the leadership of Daw Aung San Suu Kyi finds its feet.

Of specific note for Myanmar Investments, the past year has witnessed:

- strong growth at Apollo Towers, one of Myanmar's leading telecommunication tower companies, in which the Company has a 9.3% interest;
- Apollo Towers securing a landmark US$250 million loan from the United States' Government's Overseas Private Investment Corporation ("OPIC");
- profits up nearly 380% and greater traction in raising debt finance for Myanmar Finance International Limited ("MFIL"), our 37.5% joint venture micro-finance company;
- an equity fund raising in September 2016 and another post year-end in June 2017, which together raised a total of US$11.5 million;
- further growth in developing a pipeline of exciting new business opportunities;
- enhancing our network of contacts in Myanmar as well as in neighbouring countries; and
- continued development of our Myanmar-based human resources capacity.

Shortly after the year end we established a retail pharmacy, healthcare and beauty franchise business with Medicare, Vietnam's leading pharmacy chain, in which we have a 45% shareholding.

STRATEGY

Our vision is to build a diversified but focused stable of businesses that will benefit from Myanmar's emergence.

After four years on the ground in Myanmar, the Company's overall strategy remains unchanged. However, drawing on the team's deep experience here, we have refined our approach further to achieve our goals. We therefore have a number of key criteria that we look for in any business opportunity and these are more fully described in the section "Investment Strategy Overview". These

> **“We work with local entrepreneurs looking for capital and expertise to grow their businesses, as well as with proven foreign players looking to bring international concepts and capability to Myanmar.”**

criteria can rarely be satisfied immediately with the opportunities that are available. It is therefore a case of us rolling up our sleeves and setting to work to close the gaps in those situations that we think are most of the way there, or can provide a compelling investment upside.

So when we engage in a business it may already be up and running or it may be a completely new venture. Either way, we will have formed a partnership made up of a winning combination. We work with local entrepreneurs looking for capital and expertise to grow their businesses, as well as with proven foreign players looking to bring international concepts and capability to Myanmar.

We continue to apply our efforts as an active management team, eschewing the reactive approach of a passive fund manager operating from outside the country. Our team lives and works in Myanmar, immersed and actively engaged in-country - there is nothing passive about how our business strategy is executed.

Since our admission to trading on AIM in 2013, our strategy has been to raise capital in line with our ability to deploy it. Therefore, in accordance with the strategy set out in the Company’s admission document, MIL will consider raising additional equity to fund further businesses. Where appropriate we may also bring in like-minded co-investors thereby generating fee income for your Company.

As at the date of this report we own influential shareholdings in three businesses and have a strong pipeline, which has picked up after an initial slow down around the time of the election in Myanmar. The details of the three businesses, referred to above, are reported in detail in the Executive Directors’ Review.

CORPORATE AND SOCIAL RESPONSIBILITY

The Board is fully cognisant of the responsibility that it carries in ensuring that all of our businesses operate in a manner that fully reflects our corporate and social responsibility to all our stakeholders. We therefore seek opportunities that positively impact Myanmar during its unprecedented period of re-emergence. Our strategy therefore includes an up-front evaluation of the economic, social and environmental aspects of prospective businesses.

At the corporate level we support worthwhile causes, such as the educational and healthcare development of the country or humanitarian relief efforts through charitable donations – next year’s calendar will highlight this. At the business level we strongly encourage all our partners to identify and adopt practices which will help to develop the workforce, suppliers and customers in their local communities.

IMPACT INVESTING

More fundamentally, our investments have all had a significant positive impact on the lives of Myanmar citizens. To date we have established businesses in microfinance, telecommunications and healthcare, all of which are providing a positive and sustainable benefit to Myanmar and its citizens.

CHAIRMAN'S LETTER

MFIL

MFIL today has over 48,000 borrowers. That is 48,000 households who have been economically empowered (without resorting to loan sharks) to expand their businesses (small shops, trading businesses, food stalls etc) through MFIL's ethical lending practices. MFIL's rural outreach is 37% of its business and amplifies MFIL's impact by enabling rural communities to access formal financial services. MFIL also strongly believes in women's empowerment: 85% of its borrowers are women, while internally 62% of its management are women. More broadly, since MIL's investment, MFIL has created about 150 new jobs within the company, providing employment for young people in the areas in which MFIL operates.

Apollo Towers

Apollo Towers has built almost 15% of the country's telecoms towers. With a penetration rate of close to 80% that suggests Apollo is enabling access to mobile telephony and data for around 6.3 million people. Simple maths maybe, but the picture is clear: ordinary Myanmar citizens can now readily communicate and access information. This not only brings education and enrichment to their lives but also supports the country's productivity and economic development.

Medicare

Medicare's business practices make sure that all products provided to our customers are genuine, safe and comply with prevailing regulations. This means they have been shipped and stored properly; that the correct medicine has been dispensed as treatment for the relevant ailment; and that the medicine is still within its "sell-by date". Medicare aims at providing affordable health and beauty necessities to help customers stay healthy. Every Medicare store adheres to Good Pharmacy Practice ("GPP") to contribute to health improvement and to help customers with health problems to make the best use of genuine, quality and affordable medicines. These may seem like simple practices but they are not widespread in Myanmar today.

FINANCIAL PERFORMANCE

The Directors have assessed the Group's net asset value as at 31 March 2017 to be US$29.2 million, representing a year on year increase of 20.3% (see page 11). This is equivalent to US$0.96 per share, based on the number of shares in issue at that time.

For the year to 31 March 2017 the Company's loss after tax was US$2.8 million. Excluding non-recurrent costs and non-cash items the loss was only US$2.0 million and principally represents the overheads associated with running the Company's business. This compares with US$1.9 million for the year to 31 March 2016, a year-on-year increase of only 6.6%.

In this context, given the tremendous work that has been done this past year in adding value to our tower and microfinance businesses, in starting up our pharmacy business and in further developing our pipeline, the Executive Directors are commended for keeping the Company's running costs under control.

Subsequent to the year-end, the Company successfully closed a further equity issue, raising US$7.3 million and added a number of new shareholders to our register.

"Our vision is to build a diversified but focused stable of businesses that will benefit from Myanmar's emergence."

OUTLOOK

The past year has been a very productive one for the management and staff of the Company. The US$250 million loan from the US Government's Overseas Private Investment Corporation ("OPIC") to Apollo Towers was one of the landmark events in the country's business landscape. In addition, we have seen solid growth in the development of our microfinance joint venture's customer base, loan book and, more significantly, its borrowings from leading financial institutions. The establishment of the new Medicare joint venture is also especially noteworthy given that it demonstrates the commitment of our management team when it identifies an opportunity, even if it has to be built from scratch.

The Company has built up its pipeline of new business opportunities and we expect to close a number of these in the not too distant future.

Despite the new government moving ahead cautiously with its reform programmes, the country still benefits from strong economic growth. We expect this growth to continue for some time because it is rooted in the real and pressing need to reconstruct the economy and backed by substantial natural resources. It can only be amplified by any new initiatives that the government introduces.

We are closely monitoring the tragic events in Rakhine state which, to date, are localized and have had no impact on the Company's operations.

The Board wants to thank you, our shareholders, for your continued support and encouragement.

Given our existing strong foundations in core sectors of the economy, coupled with our pipeline of new business opportunities, I have every confidence for the future development of the Company in the year ahead.

WILLIAM KNIGHT
Chairman
22 September 2017

EXECUTIVE DIRECTORS' REVIEW

BUSINESS LINES

As at 31 March 2017 we had interests in two businesses in different sectors that are important to the re-emerging Myanmar: Telecommunications, through Apollo Towers Pte Ltd, Myanmar's second largest independent telecommunications tower company by number of towers, and Financial Services through Myanmar Finance International Co. Ltd, one of the country's leading microfinance companies.

After the year end, in May 2017, we entered into the equally important Healthcare sector with the formation of a joint venture in the pharmacy, health and beauty space.

APOLLO TOWERS PTE LTD ("Apollo Towers")

Before opening its telecoms sector to foreign investment in 2013, Myanmar had only one significant Mobile Network Operator ("MNO") and was ranked equally with North Korea for having Asia's lowest mobile penetration rate at about 7%. After a highly competitive and transparent bidding process, two winners emerged: Norway's Telenor and Ooredoo from Qatar and this has led to the mobile phone penetration rate surging to over 70%. The foundation for this boom was the unprecedented rollout of infrastructure as seen by the increase in telecommunication towers from fewer than 3,000 in 2013 to over 13,000 in 2017.

As one of Myanmar's leading tower companies, Apollo continues to play a key role in the country's burgeoning telecommunications sector by constructing, managing and leasing tower and power infrastructure to the country's MNOs. Although all three MNO's now cover the country's most populous areas, the nationwide telecoms infrastructure rollout continues as the MNOs seek to expand geographical coverage and increase the capacity of their networks as they introduce 4G/LTE technology and respond to increasing data consumption. The pending launch of the fourth MNO, "MyTel", a joint venture between Vietnam's Viettel and a consortium of Myanmar companies, will further increase demand for telecommunications infrastructure.

MyTel's entry and the existing MNOs' network densification is likely to lead to additional tower orders and also a significant industrywide growth in the number of tenancies per tower, known as "co-location", which brings higher-margin revenues where a tower with capacity is already available. MyTel is expected to rely on the existing tower infrastructure for at least 2,500 sites and may place orders for an additional 3,000 sites as it rolls out its network. Independent experts estimate that Myanmar will need 23,000 towers by 2021 and, as a country, will boast one of the region's highest co-location rates. With only about 50% of the tower infrastructure in place, Myanmar's telecoms sector holds ample growth opportunities for the country's tower companies.

Since MIL's investment in July 2015, Apollo has almost doubled its tower portfolio, which now stands at approximately 1,800 towers, and Apollo plans to build an additional 2,000 towers over the coming years. 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"), which was the organisation's first investment in the country. In addition, Apollo continues to explore additional financing options to strengthen its balance sheet to accommodate further growth.

The expansion of Apollo's tower portfolio and its growing co-location rate has endowed the company with a high-quality EBITDA-stream which, with most of its customers being Grade A international telecom companies, has more than doubled over the past year on the back of revenue increasing 46% to US$46 million. MIL's team will continue its involvement on the company's board as well as its close working relationship with the Yangon-based management team to support the next phase of Apollo's growth. With a proven rollout capability in a challenging environment, and with long term financing in place, Apollo will continue to be a key player in the ongoing rollout and will profit from the telecom industry's high-paced growth.

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 is a global telecoms veteran and the former CEO of Orange S.A. and has founded several successful telecommunications infrastructure businesses around the world.

On 31 July 2015, MIL led a US$30 million investment into Apollo in return for a 14.2% interest in that company. Of this, MIL contributed US$20 million for a 9.46% indirect shareholding with LIM Asia Special Situations Master Fund Limited ("LIM"), which is itself a substantial shareholder in MIL, 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 through a special purpose vehicle, MIL 4 Limited. As at 31 March 2017 MIL's total invested cost in Apollo was US$21 million (2016: US$21 million) for an indirect interest of 9.3% (2016: 9.0%).

MYANMAR FINANCE INTERNATIONAL CO. LTD ("MFIL")

MFIL is one of the leading microfinance operators in Myanmar and provides small loans (US$137 on average per borrower, but it can be as high as US$7,300) to small-scale business operators in rural and semi-urban areas in Yangon and Bago. MFIL is controlled jointly by MIL together with our local partners Myanmar Finance Company Limited ("MFCL") and the Norwegian government's Investment Fund for Developing Countries ("Norfund"). As at 31 March 2017 MIL has invested US$1.92 million (2016: US$1.92 million) for a 37.5% (2016: 37.5%) stake.

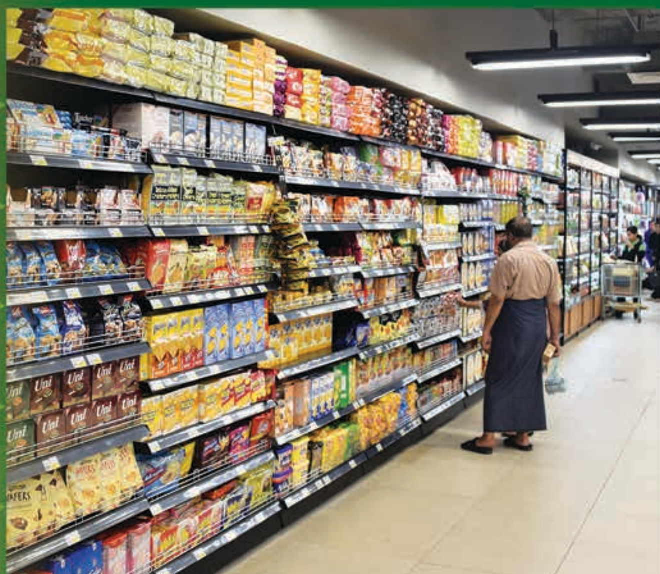
During the financial year, significant regulatory reforms were announced by the industry regulator, the Financial Regulatory Department ("FRD") under the Ministry of Planning and Finance. The most significant of these include the relaxation of constraints on borrowings by microfinance companies, as well as the introduction of a revised, more stringent deposit-taking license regulatory regime.

As a result, MFIL has, as of today, secured a total of US$3 million in debt facilities (2016: nil), made up of US$2 million from Malayan Banking Berhad Yangon Branch and US$1 million through Symbiotics S.A., a leading investment company specialising in emerging, sustainable and inclusive finance. Furthermore, MFIL has been approved to continue as a deposit-taking microfinance institution ("DMI"), currently one of only eight thus approved out of 162 microfinance institutions.

On the back of these developments MFIL made significant strides during the financial year in

PRODUCTS

Traditional



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EXECUTIVE DIRECTORS' REVIEW

expanding its business, and as of 31 March 2017, had built up its customer base to 43,000 borrowers (2016: 32,000) with a loan portfolio of US$6 million (2016: US$4 million). The loan portfolio has grown at a CAGR of 145% since MIL's initial investment in September 2014 and the number of borrowers has grown at a CAGR of 77% over the same period.

The year to 31 March 2017 was MFIL's second full-year of net profitability, generating MMK 288 million (US$229,156) of net profit after-tax for the year. Now that MFIL has clearly passed breakeven point, with increased gearing we expect net profitability to grow rapidly as we move forward.

MFIL also opened one more branch in each of Yangon and Bago, bringing its branch network to eight branches in total (five in Yangon and three in Bago) (2016: six branches; four in Yangon and two in Bago). MFIL has now expanded beyond its core group-lending product, having launched a micro-business loan product across all its branches.

Ever since its investment into MFIL in 2014, MIL has played a key role in supporting the buildout and expansion of the MFIL business. In 2015 and 2016 MIL's efforts were more focused on immediate needs such as the recruitment of a seasoned CEO, the introduction of new systems and procedures, the strengthening of the governance of the MFIL board, and the establishment of the internal audit function. While in this financial year we have shifted our focus to longer-term, strategic support aimed at expansion. This has included continuing efforts to raise debt financing for the company, as well as product and channel development.

In the coming years, MIL expects to continue working closely with MFIL management to take on further debt facilities, to prepare for and launch new products and to expand geographically. It may also be that as the industry consolidates, MFIL will take a lead role in acquiring smaller competitors.

MEDICARE INTERNATIONAL HEALTH & BEAUTY PTE LTD ("Medicare")

Since the year end we have established a third business.

We have long been excited at the prospects for the pharmacy, health, beauty and personal care retail. The present supply from the existing retail offering is mainly from small, single site pharmacies which often offer out of date or poorly stored medicines. There are few independent chains and therefore very few professional retailers in this space. Coupled with this, we foresee that demand for health and beauty products will grow strongly given the expected rise in consumer spending power, as well as greater emphasis on quality and reliability that comes from

the ethical dispensing of medicines and their proper storage. McKinsey has predicted that the Middle and Affluent Classes ("MAC") in Myanmar are set to boom in the coming years, with the segment growing to 19 million people by 2030, and tripling consumer spending from US$35 billion to US$100 billion.

Having investigated the sector in Myanmar, MIL concluded that there was a significant gap in the market for a modern and professional retail business offering pharmaceutical, health and beauty products, and that the best way to approach this opportunity is to set up a franchise with experienced partners.

In May 2017, MIL set up Medicare with two partners to introduce the pharmacy, health, beauty and personal care chain store franchise concept in Myanmar which is already well-proven in ASEAN countries like Thailand and Vietnam. The two partners are as follows:

- Medicare Vietnam, which is the largest pharmacy, health, beauty and personal care retail group with over 55 outlets throughout Vietnam. The store concept is informative, friendly and bright with an energetic, smart and modern image. Medicare first opened its doors in Vietnam in 2001 with a 600 square metre store in Ho Chi Minh City. It was the first and only modern health and beauty retail brand in Vietnam for over 10 years until 2011 when competition appeared. The business has built up a reputation with customers for genuine, affordable everyday health and beauty necessities.

- Randy Guttery, a highly experienced senior executive with many decades' of experience in leadership roles at Asian-based retailers in nine countries including Wal-Mart in Korea and India, VinMart in Vietnam and Reliance Markets in India.

Medicare Vietnam brings a proven franchise operating model to Medicare with all the supporting marketing skills, inventory and supply chain management, HR development, operating systems, know-how, technical support and training. The well-known "Medicare" brand name gives Medicare a head start, especially when coupled with their exclusive products.

Medicare will work with local businesses to set up six stores in the first year of operation. After these stores have been proven Medicare will then roll out additional stores over the next five years.

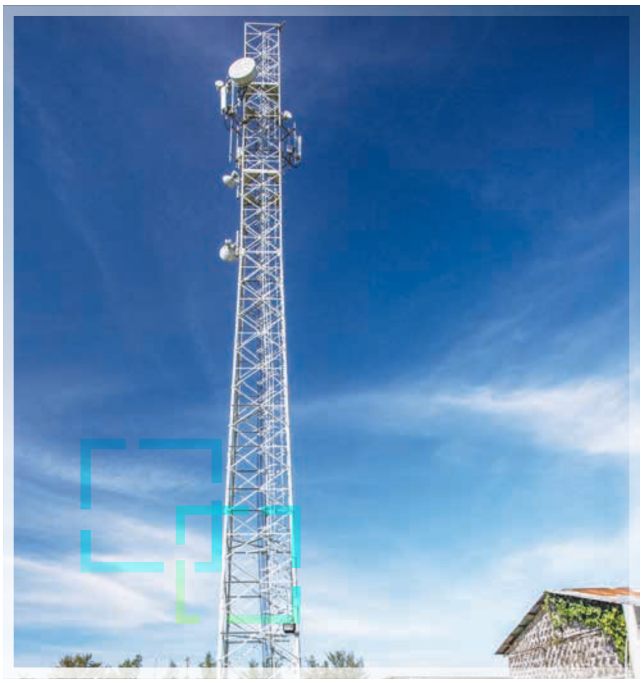
Since the year end, MIL has invested approximately US$500,000 and holds a 45% stake in Medicare. We plan to invest US$5 million more over the next few years as we roll out this exciting franchise across Myanmar.

MIL has been actively engaged both strategically and operationally including on the ground support, especially in site selection and staff recruitment. MIL has also seconded its financial system adviser to Medicare to work with them in setting up the financial systems and controls for the company.

MEMORANDUM OF UNDERSTANDING

In March 2017, MIL signed a Memorandum of Understanding with a well-established local tour operator and travel agency to set up a joint venture company that will develop the business further as well as invest in tourism related assets.

The tourism sector in Myanmar is experiencing rapid growth with the number of arrivals growing at a CAGR of 40% between 2010 and 2016 to six million and continued growth over the next several years.



EXECUTIVE DIRECTORS' REVIEW

MIL is in the process of negotiating final terms and is aiming to finalise contracts for this investment within the next few months.

The proposed joint venture tour operator and travel agency is profitable and will act as a spring board for further investments that will benefit from the growth in tourist arrivals.

INVESTMENT ACTIVITIES

Our investment strategy is set out in more detail in the section "Investment Strategy Overview". The execution of that strategy is based on our on-the-ground experience built up over the past four years.

SECTORAL FOCUS

We are open to investing in most sectors of the economy. However, to meet our demanding criteria, certain sectors have proven to be more attractive than others.

For example, businesses that cater to the growing domestic consumer demand are of great interest and these could be in retail, education, healthcare, telecommunications, financial services or entertainment, to name just a few.

These are fast-growing sectors in Myanmar, often with a limited number of mainly small competitors. We have witnessed elsewhere in Asia the significant growth in such businesses. In some cases, the business lines may not yet exist in Myanmar, so we will start new businesses to fill these vacuums, building the brands of tomorrow in otherwise empty spaces.

In others, the supply side may be fragmented and of variable quality. When these are combined with the predicted growth of the MAC and the expected growth in their disposable income it produces a very attractive business case.

Similarly, we believe that the tourism sector will produce attractive business opportunities. At present, Myanmar attracts relatively few tourists when compared to its Asian neighbours. Given the range of attractions and experiences that Myanmar can provide, we are confident that this is again a sector where demand will drive exceptional growth. This is also an important foreign exchange earner for the country and will benefit from strong government support, in some ways mirroring Thailand where tourism contributes 18% of GDP.

Another key sector that we focus on is the business to business ("B2B") sector. This may often be an indirect upstream play on the consumer sector. With poor logistics, distribution, services and manufacturing in Myanmar there are many businesses that can benefit from the adoption of more efficient business models similar to those which have already been embraced in neighbouring countries.

One of the features of all these business opportunities is that many of them only require a modest initial investment that can then be scaled up as the business develops. This is certainly the case in our recent investment in Medicare, where we have started with only a US$500,000 investment but plan to invest 10 times that amount as we roll out the franchise network.

As a proactive investment holding company our objective is to develop market-leading businesses that can be listed on a stock exchange, held for yield or sold in three to five years. ***We build businesses.***

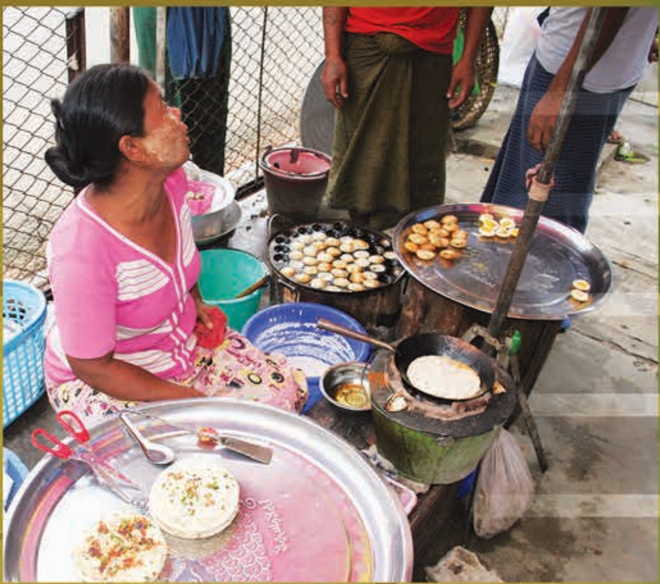
MANAGEMENT

When assessing any business opportunity, first and foremost, we consider the quality of management and their integrity. However, in Myanmar there is a shortage of experienced local executives and there is often a need to bring in foreign expertise to augment the local team. This is where MIL has a distinct advantage through its network in the region. As a core component of the execution of our business strategy, we have assembled a panel of experienced Asian and other executives who we can bring in to assist with the initial investment assessment, or, if needed, can remain in the business as company executives, mentors or board members.

BUSINESS DEVELOPMENT

Very few opportunities come to us through intermediaries and 95% of the 200 plus deals that we

EATING OUT



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have looked at over the past four years have been sourced directly by MIL's management.

These opportunities arise from numerous meetings with businessmen and women who have business plans that, whilst attractive, 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 which looks to de-risk each and every opportunity. It requires patience, knowledge and an extensive network of partners who we can engage with to address any of the business parts that might otherwise not work so well. It requires not only a disciplined professional assessment of the challenges that the business faces but also the ability to put in place real solutions. When we invested in MFIL it was only after MIL had conducted an extensive executive search for a proven microfinance Chief Executive. Our joint venture with Medicare Vietnam was a three-way JV with the CEO who would run the business.

Our experience building such businesses in Asia over the past 30 years puts us at a distinct advantage over many of the more passive, traditional "private equity" style investors who might be considering Myanmar.

To execute our strategy we have developed a strong team here in Yangon, where we presently have 10 investment professionals on the ground. They are a mix of international and Myanmar professionals with complementary backgrounds, skill sets and experiences.

FINANCIAL REVIEW

FUND RAISINGS

In the past 12 months, MIL has completed two further equity fund raisings. On 16 September 2016, the Company raised US$4.2 million (before costs) and then more recently, on 27 June 2017, the Company closed a further round and raised US$7.3 million (before costs). In both cases, we placed shares to a wide range of institutional investors, family offices and high net worth individuals.

NET ASSET VALUE

The Directors assess the Group's net asset value (attributable to the shareholders of the Company) as at 31 March 2017 to be US$29.2 million, a year on year increase of 20.3%. This represents US$0.96 per share, based on the number of shares in issue at that time. This change principally reflects the increase in the appraised value of MFIL, the

EXECUTIVE DIRECTORS' REVIEW

proceeds from the fund raising in September 2016 less the running costs for the year.

At that date the Group had:

- an investment in Apollo Towers, the telecommunication tower business, of US$20.8 million, excluding the non-controlling interests, determined using the Price of a Recent Investment methodology;
- an investment in MFIL, the microfinance business, of US$5.5 million, determined using the Price to Book methodology; and
- cash and other net assets of US$2.9 million.

APOLLO TOWERS

As at 31 March 2016 the Directors had assessed the value of the Group's investment in Apollo Towers to be US$20.8 million, representing the Group's attributable interest in the investment, this being the cost of the investment as at that date. In assessing the value of the investment in Apollo Towers as at 31 March 2017, the Directors have decided to continue to hold the investment at this same value, it being the "Price of a Recent Investment", as defined by the International Private Equity and Venture Capital Valuation Guidelines.

The Directors believe however that additional value has been created in Apollo Towers since the investment was made. Whilst other methodologies indicate an uplift in value, these produce such a wide discrepancy in values that the Directors feel that selecting one methodology could render the re-valuation process misleading. This is due to the number of key variables involved in each of the valuation methodologies and the wide spread of assumptions that could reasonably be used for each variable.

The Directors believe that a more accurate re-valuation will be possible once Apollo Towers has achieved certain in-progress milestones. Therefore, the Group will continue to hold its Investment in Apollo Towers at the Price of a Recent Investment, but will revisit the Apollo Tower's valuation when there is greater clarity on the variables that determine the value of Apollo Tower's business.

MFIL

As at 31 March 2016 the Directors had assessed the value of the Group's investment in MFIL to be US$2.1 million, this being determined using the "Price of a Recent Investment" methodology. In assessing the value of the investment in MFIL as at 31 March 2017, the Directors have decided that given the sustainable growth in MFIL's underlying business it is appropriate to change the valuation methodology to "Price to Book Value".

Based on this methodology, the Directors have determined that the value of the Group's investment in MFIL as at 31 March 2017 to be US$5.5 million.

In the attached audited financial statements the net asset value differs from the above stated value of US$29.2 million due to the following differences:

	US$
Net asset value per the audited financial statements	25,584,478
Apollo Towers [1]	(192,884)
MFIL [2]	3,832,469
Net asset value per the Directors' valuation	29,224,063

Note 1: In accordance with IFRS 9 Financial Instruments, the investment in Apollo Towers is accounted for as an investment in available for sale securities. Whereas in accordance with the Group's Valuation Policy the Directors' valuation is determined using the Price of a Recent Investment methodology as described in the International Private Equity and Venture Capital Guidelines.

Note 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. Whereas in accordance with the Group's Valuation Policy the Directors' valuation is determined using the Price to Book methodology as described in the International Private Equity and Venture Capital Guidelines.

OVERHEADS

For the year to 31 March 2017 the Group's audited loss after tax was US$2.8 million.

This represents:

- our share of MFIL's profits less;
- the overheads associated with running the Group's business;
- the impact of the share based payments arising from the Group's Employee Share Option Scheme; and
- transaction costs associated with investigating investments that did not come to fruition.

Within this, the core cash-based overheads, excluding discretionary compensation, share option expense and aborted transaction costs amounted to US$2.0 million compared to US$1.9 million the previous year, a year-on-year increase of just 6.6%.

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

DIVIDENDS

Based on the above we do not recommend payment of a dividend at this time.

SHAREHOLDER MATTERS

CORPORATE GOVERNANCE

Myanmar Investments 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 Anti-Bribery Law.

SECONDARY LISTING

The Executive Directors are assessing the prospects for establishing a secondary listing for the Company in Asia. We believe that a listing nearer Myanmar could be of great benefit in both attracting regional investors and, equally importantly, in building up liquidity in the trading of the Company's shares and warrants.

ANNUAL GENERAL MEETING

This year's Annual General Meeting will be held at The British Club, Yangon, Myanmar at 9.00am (Myanmar time) on Wednesday, 18 October 2017.

EXECUTIVE DIRECTORS' REVIEW

Shareholders who cannot 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 are set out in the Notice of the Annual General Meeting at the end of this report.

PROSPECTS

We are pleased with the progress we have made this year but mindful that these are only the first steps to building a strong foundation in a complex and transitioning society.

A successful fund raising in September, the work with Medicare Vietnam that culminated in the new joint venture just after the year end, a wide and exciting pipeline of new business opportunities, coupled with the strong fundamental performance of both of our existing investments in the past year: all illustrate that we have what it takes and that we are in the right place at the right time.

Barring unforeseen circumstances, we expect all our businesses to continue to grow strongly in the years ahead.

However, as noted above, there remains an expectation in the business community of a slowdown in business activity as the new government takes its time to formulate and prioritise its various strategies and determine how best to implement them.

In the sectors that we focus on, we have not seen any such slowdown in opportunities. We continue to identify attractive businesses. They will not all become MIL Group companies and the attrition rate of potential investee businesses not accepted in to the MIL Group is currently high. However, we are confident that we will soon add additional business lines to our already exciting stable of businesses.

From a fund raising perspective, we are encouraged by the two recent rounds of fund raising and this has affirmed our strategy of raising funds only in line with the growth in our business needs. We continue to assess the possibility of a secondary listing in Asia to enhance liquidity in our shares and also to make our shares more accessible to Asian investors. We will make further announcements on this as we develop this further.

Solar panels are an increasingly frequent sight even in the countryside

AUNG HTUN
Managing Director
22 September 2017

MICHAEL DEAN
Finance Director
22 September 2017

MYANMAR OVERVIEW

Seven years ago, Myanmar was largely considered a pariah state - a military dictatorship that was largely isolated from the rest of the world. However, after the election of U Thein Sein as President in 2010, there followed a rapid series of reforms which are now evident seven years later. Political activists were freed, new magazines and newspapers were allowed to be printed and read, and censorship was all but eliminated. In a clear and transparent process, key industries such as telecommunications, oil and gas and banking were opened up to foreign participation, dramatically increasing access to key products and services and driving both economic development and improving the quality of life for those in the country.

Just a few years into this long journey of growth and development, Myanmar took another ambitious leap. The citizens of Myanmar, most of whom were previously unfamiliar with the idea of a "free election," swept the National League of Democracy ("NLD") led by Daw Aung San Suu Kyi into office in April 2016. This outcome would have been unthinkable just seven years before.

While U Thein Sein was able to address much of the "low-hanging fruit" during his term, the issues that remain are arguably more complex, and will require time, thought, effort and care to achieve consensus before they can be fully implemented. As if this was not challenge enough the NLD, with no experience of government, had to feel its way in its new role: learning by experience, establishing regional and global networks, and learning to lead. Furthermore, the new administration has also had to contend with decades of neglect in critical areas such as healthcare and education to name but a few.

But despite the challenges, Myanmar's outlook remains highly positive and this has not gone unnoticed by the international community. The International Monetary Fund ("IMF") projects GDP growth for Myanmar to average 7.5% p.a. through to 2022. Within the span of a single year, the Financial Action Task Force ("FATF") removed the country from both its "blacklist" and "grey list" noting significant progress in addressing strategic anti-money laundering deficiencies, and the country is no longer subject to FATF monitoring. In October 2016, the United States lifted all remaining economic sanctions on the country, and readmitted the country into its preferred tariff system. These global responses reward Myanmar's reform efforts to date, as well as paving the way for further economic growth.

The NLD administration faces a lengthy list of issues which must be addressed: from the peace process with the numerous ethnic groups within Myanmar to establishing an agenda for compelling economic, social and political issues. The Myanmar Investment Law, effective in April 2017, established a new and more robust framework for foreign direct investment ("FDI") and this should help drive foreign investment but may take some time to implement. Also, the highly-anticipated Companies Act, which will provide foreign parties with the ability to obtain ownership stakes in Myanmar companies, is expected to be enacted before the end of 2017.

With its rapid transformation, Myanmar has also had to redefine its relationship with its neighbours and trading partners. The ASEAN Economic Community ("AEC"), of which Myanmar is a member, was established to attain greater regional economic integration. Myanmar is also the recipient of special assistance which will push and incentivise the country to continue to ramp-up development efforts to attain a standing similar to that of its neighbours.

With abundant natural resources, a large and young population and the need to upgrade its economy, Myanmar is expectant of enjoying multi-decades of growth. In turn, this would increase disposable income and expand the Middle and Affluent Class ("MAC"), thereby fuelling consumer demand, as we are already beginning to witness in the key urban cities.

While the reform process has slowed the country remains a multi-decade growth play. The opportunities that await investors in the coming years are very exciting and the journey has just begun.

INVESTMENT STRATEGY OVERVIEW

"Our vision is to build a diversified but focused stable of businesses that will benefit from Myanmar's emergence."

The following summarises the key criteria that we look for in any business opportunity.

Our partners could be:

- local entrepreneurs who have grown their business, despite the difficulties of the past, and are now looking to raise capital to propel the business to the next level – MFIL being an example of this;
- foreign players, well experienced in their sector, looking to enter their space in Myanmar – Apollo Towers being an illustration of this; and
- foreign or local corporates or individuals with the right background to start a business from scratch – Medicare Myanmar being an example.

A core component of our strategy is to stay focused on the business-building process and manage risk minimisation / reward maximisation in order to produce businesses capable of delivering sustainable and superior long-term returns.

This is achieved by:

- focussing on sectors with strong growth;
- identifying credible senior and line-management; and

Medicare provides a "Good Pharmacy Practice" at all its stores

- de-risking the business where needed with new managers, mentors or strategic partners.

Our screening criteria therefore reflects the following:

- our equity stake in a business can be either a majority or minority position, providing that in the latter case we have commensurate negative control provisions;
- there must be a clear path to cash flows and sustainable margins;
- the business must be working capital efficient and/or receptive to leverage;
- the business must be capable of becoming a top three player with a strong franchise value in its sector; and
- a detailed consideration of the business integrity as well as economic, social impact and environmental aspects of the proposed business.

MIL is permanent capital: we are not a fund with a finite life. This allows the Company to optimise returns by assessing both the long and short term considerations.

In businesses where strong, durable domestic franchises can be built, the approach is to target ROE's (at the business level) in excess of 20%, an expectation of strong dividend flows with a possible listing of the business on an appropriate stock exchange. In some businesses exits will be made when returns have been optimised.

In summary MIL:

- looks for businesses that can provide capital gains, dividends and fee generation opportunities;
- plans to maximise returns to shareholders by exiting at the right time for that business; and
- focuses on value creation and the timely monetisation of invested capital.

The challenge is not in finding the deals - opportunities abound - but in maintaining rigorous discipline throughout the business evaluation process and in selecting the right partners.

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. Amongst his many firsts in a career dedicated to developing frontier and emerging markets, he originated the creation of the first London-listed investment fund for Thailand, as well as the first investment funds for Vietnam, Mauritius and Russia East of the Ural Mountains. His experience covers involvement with a number of listing jurisdictions, including AIM, in his capacity as an independent non-executive director.

Mr. Knight is chairman of JP Morgan Chinese Investment Trust Plc and a member of the Boards of Ceylon Guardian Investment Trust Plc and Smith-Tan Asia Phoenix Fund Ltd. He is also a co-founder of Emerisque Brands, an East/West management buy-in company, and chairs its three joint ventures in China. He is on the advisory board of China Resolutions Ltd, a company established to assist Chinese companies listed overseas to meet international standards of good corporate governance.

MAUNG AUNG HTUN

Managing Director

Mr. Htun is half Myanmar. He is an engineering graduate from Imperial College and brings over 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 35 years of experience in the financial industry in investment banking, private equity and accounting. Over 25 of these years have been spent in Asia, principally Hong Kong, Singapore and Myanmar. 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 23 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 in 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 having 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.

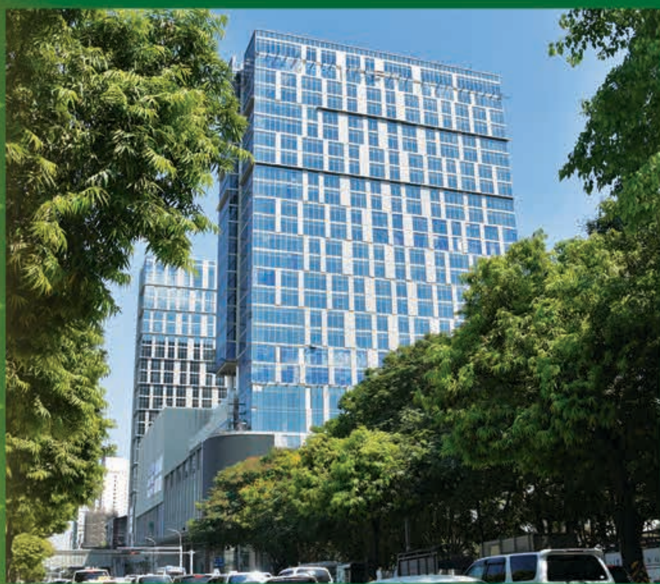
HENRIK ONNE BODENSTAB
Independent Non-executive Director

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. 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. Since 2014, Mr. Bodenstab has been a partner at Trilantic Capital Partners, a Pan-European private equity firm.

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.

REAL ESTATE

Traditional


Recently Arrived

The Directors present their annual report and audited consolidated financial statements of the Group for the year ended 31 March 2017.

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. At the year end the other two companies, **MIL No. 2 Pte. Ltd.** and **MIL No. 3 Pte. Ltd.** had not yet commenced business. After the year end, MIL No. 2 Pte. Ltd was renamed Medicare International Health & Beauty Pte Ltd.

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 2017, holds a 14.0% effective equity interest in Apollo.

The above **bolded** companies comprise the Myanmar Investments International Limited Group (the "Group").

Fund raisings

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.

After the year end, on 27 June 2017 the Company concluded a share offering which raised US$7.3 million (gross) through a subscription of 6,181,123 new ordinary shares at a subscription price of US$1.18 per share.

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.

DIRECTORS' REPORT

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

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

CASUAL DINING

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Recently Arrived

DIRECTORS' REPORT

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 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.

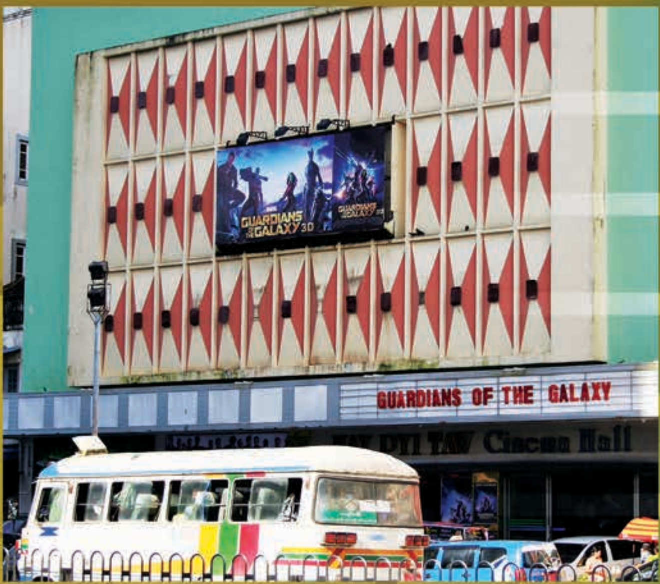
Notwithstanding the above, should the Company wish to make a material change to its Investment Policy, which may be prompted, inter alia, by changes in government policies or economic conditions which alter, reduce or introduce investment opportunities, the Company will seek prior Shareholder consent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

The Directors assess the Group's net asset value (attributable to the shareholders of the Company) as at 31 March 2017 to be US$29.2 million (2016: US$24.3million), a 20% increase over the year. Net Asset Value per share as of 31 March 2017 was US$0.96 per share (2016: US$0.89 per share) based on the shares in issue at that time. This change principally reflects the change in the Directors appraised value of MFIL, the proceeds from the fund raising in September 2016 less the running costs for the year.

CINEMA



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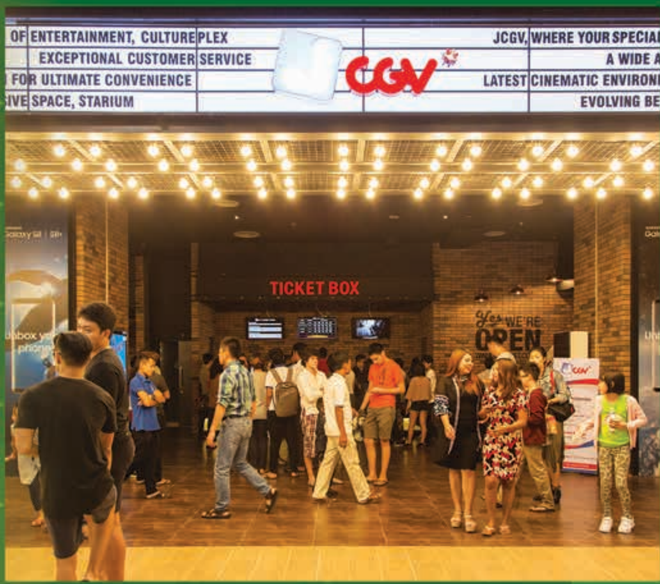

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The results for the year are set out in detail in the consolidated statement of comprehensive income.

The Directors do not recommend the payment of a dividend for the financial year ended 31 March 2017.

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. Henrik Bodenstab joined the Board as an independent Non-Executive Director on 17 May 2016.

In accordance with the Company's Articles of Association, Anthony Michael Dean retires by rotation and offers himself 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	157,005
Aung Htun	677,000	123,000	899,626
Michael Dean	410,000	98,000	815,626
Craig Martin	237,372	145,000	167,005
Christopher Appleton	190,372	98,000	177,005
Henrik Bodenstab	585,849	181,159	35,000

DIRECTORS' REPORT

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.

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).

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 2017	Options available to be granted	Exercise price (US$)
Series 1	Admission placing	584,261	584,261		1.100
Series 2	December 2014 placing	361,700	361,700		1.155
Series 3	July 2015 placing	1,734,121	1,727,067	7,054	1.265
Series 4	September 2016 placing	324,546	-	324,546	1.430
		3,004,628	2,673,028	331,600	

The Remuneration Committee is presently assessing the effectiveness and appropriateness of the ESOP scheme and is considering replacing it with an alternative long term incentive scheme.

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 22 September 2017, 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	21.0%
Stewart Investors Asia Pacific Fund	3,023,695	8.2%
Probus Opportunities SA SICAV-FIS-Mekong Fund	2,118,644	5.8%
Red Oak Operations Limited	2,105,569	5.7%
Incagrove Limited	2,103,258	5.7%
Alpha Investments Asia FCP-SIF Fund	1,449,475	3.9%
Finanzverwaltungs GbR Langen II	1,443,051	3.9%
Pachira Holdings Limited	1,113,499	3.0%
Crystal Consultancy Services Limited	1,113,499	3.0%

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.

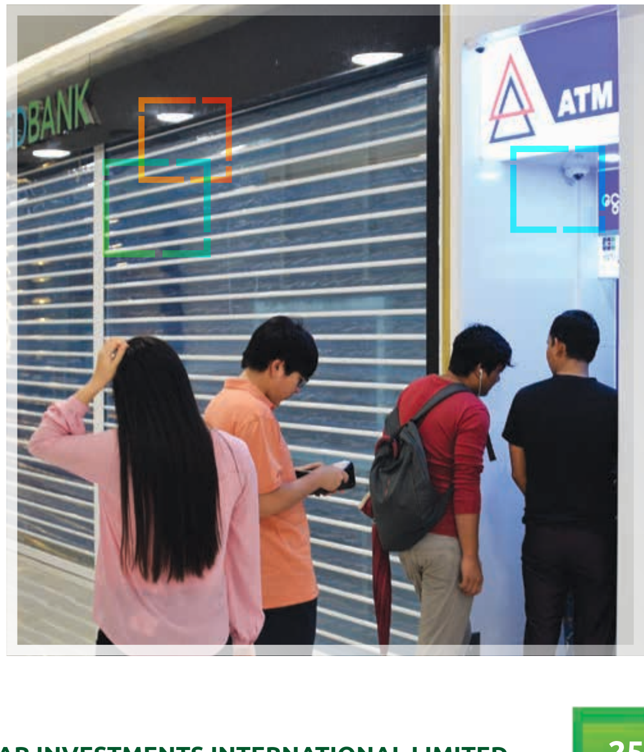
Transparency to Shareholders

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.

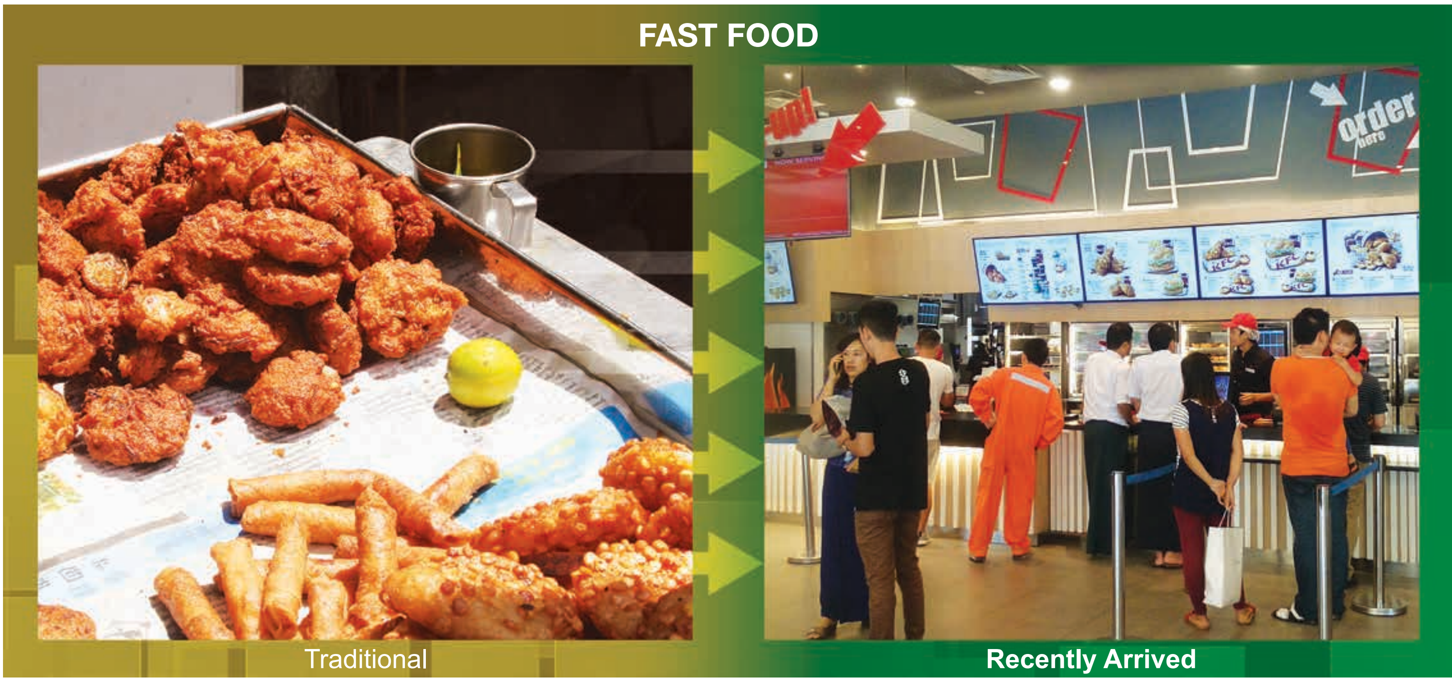
All Shareholders are encouraged to attend the Annual General Meeting and ask further questions.

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



DIRECTORS' REPORT



controls 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
22 September 2017

AUNG HTUN
Managing Director
22 September 2017

During the year, the Audit Committee ("AC") received, at least quarterly, financial statements together with supporting analyses and papers prepared by Management. These were reviewed in detail and the AC considered, with input from the independent auditors, the appropriateness of the critical accounting estimates and judgments made in preparing the annual financial statements.

In particular, the AC reviewed the following matter which it considers to be the sole "key audit matter" during its review of the annual financial statements for the year ended 31 March 2017.

Impairment Assessment of Investment in Joint Venture and Available-for-sale Financial Asset

Refer to Notes 3.2, 10 and 11 of the financial statements.

The Group has two investments as at 31 March 2017, which are a joint venture and an available-for-sale financial asset. Each investment is tested annually for impairment as well as if there is any indication that the carrying amounts may not be recoverable.

The AC considered whether impairment was required for each investment. In doing this the AC reviewed for each investment:

- the individual business plans detailing Management's expectations of the future cash flows;
- the valuation methodologies;
- the basis for key assumptions (such as long-term growth rates and discount rates) applied by Management; and
- the key drivers of the expected future cash flows for each investment

in determining the reasonable recoverable amount of each investment.

The AC discussed these with Management and is satisfied that these are appropriate. The AC has also understood the sensitivity analyses used by Management in their review of impairment. The AC concurred with Management's conclusion that no impairment was required.

The AC also reviewed the adequacy of the disclosures in respect of these investments in Notes 10 and 11.

The independent auditor's description of the key audit matter is included in the section "Independent Auditor's Report".

Other than the key audit matter described above, the AC reviewed the balance sheet of the Company and the consolidated financial statements of the Group for the financial year ended 31 March 2017, as well as the Independent Auditor's Report thereon prior to their submission to the Board of Directors for approval.

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 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 10 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, Henrik Bodenstab and Craig Martin and is chaired by Craig Martin. During the year under review there were 21 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 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 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 and Corporate Governance 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.

TELEPHONES

Traditional

Recently Arrived

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 revised its Operations Manual to ensure the policies and procedures associated with its operations and investments are compliant with FATF requirements.

On 24 June 2016 Myanmar was 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
22 September 2017

AUNG HTUN
Managing Director
22 September 2017

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

Directors' Remuneration

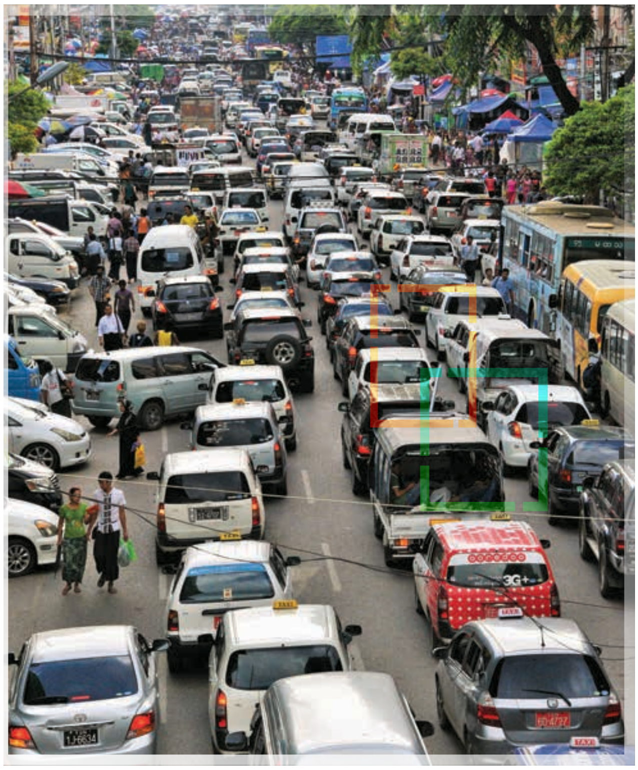
The Directors' remuneration for each of the years ended 31 March 2017 and 2016 was (all amounts in US dollars):

	2017		2016	
Director	**Directors' fees**	**Short term employee benefits [1,2]**	**Directors' fees**	**Short term employee benefits [1,2]**
William Knight	40,000		35,000	
Aung Htun		456,747		447,208
Michael Dean		434,784		429,909
Craig Martin	30,000		27,500	
Christopher Appleton	30,000		27,500	
Henrik Bodenstab	26,200			
	126,200	891,531	90,000	877,117

1. *The short term employee benefits include rental expenses paid for the Directors' accommodation.*
2. *The short term employee benefits include bonuses totalling US$200,000 (2016: US$150,000) for the Executive Directors as determined by the Remuneration Committee*

The remuneration of the Executive Directors is determined by the Remuneration Committee. 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.



Like the other Asian Tigers before it, Myanmar now experiences acute traffic congestion

The Remuneration Committee notes that the following Directors subscribed for shares in the share placing undertaken in June 2017:

Director	**Share Subscription US$**
Aung Htun	358,720
Michael Dean	220,660
Craig Martin	50,000
Christopher Appleton	50,000
Henrik Bodenstab	50,000
	729,380

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.

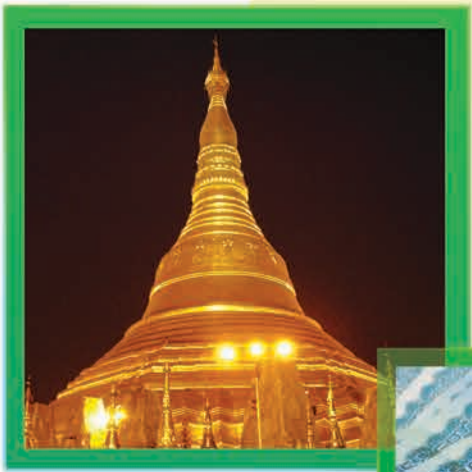
Each of the Directors, whose names and functions are listed in the Directors' Report confirms to the best of his knowledge:

- 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
22 September 2017



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 2017.

1. Opinion of the Directors

In the opinion of the Board of Directors,

(a) the consolidated financial statements of the Group together with notes thereon are properly 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 2017 and consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group for the financial year then ended; 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 Onne 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 2016, or date of appointment, if later	At 31 March 2017
__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
Henrik Onne Bodenstab	543,477	543,477
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
Henrik Onne Bodenstab	181,159	181,159
Number of share options to subscribe for ordinary shares of the Company		
Christopher William Knight	120,000	157,005
Maung Aung Htun	742,000	899,626
Anthony Michael Dean	658,000	815,626
Craig Robert Martin	130,000	167,005
Christopher David Appleton	140,000	177,005
Henrik Onne Bodenstab	–	35,000

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)

5. Share option plan (Continued)

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

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.

At the end of the financial year, there were 3,004,628 share options available for issue. Of these 783,267 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 3	28 June 2016	195,000	US$1.265	To 27 June 2026
Series 1	19 October 2016	6,800	US$1.100	To 18 October 2026
Series 2	19 October 2016	6,000	US$1.155	To 18 October 2026
Series 3	19 October 2016	575,467	US$1.265	To 18 October 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.

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	37,005	157,005	–	–	157,005
Maung Aung Htun	157,626	899,626	–	–	899,626
Anthony Michael Dean	157,626	815,626	–	–	815,626
Craig Robert Martin	37,005	167,005	–	–	167,005
Christopher David Appleton	37,005	177,005	–	–	177,005
Henrik Onne Bodenstab	35,000	35,000	–	–	35,000

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

22 September 2017

INDEPENDENT AUDITOR'S REPORT

To the Members of Myanmar Investments International Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the 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 2017;
- the consolidated statement of comprehensive income, consolidated statement of changes in equity, and consolidated statement of cash flows of the Group for the financial year then ended; and
- notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements of the Group are properly drawn up in accordance with International Financial Reporting Standards ("IFRSs") so as to give a true and fair view of the consolidated financial position of the Group as at 31 March 2017, and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group for the financial year ended on that date.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matter

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

KEY AUDIT MATTER	AUDIT RESPONSE
1 Impairment Assessment of Investment in Joint Venture and Available-for-sale Financial Asset	
As at 31 March 2017, the carrying amounts of the Group's investment in available-for-sale financial assets and investment in joint venture are US$31.4 million and US$1.7 million respectively, which represents 90.4% of the total assets of the Group. The investment in available-for-sale financial assets represents a 13.48% equity interest in a telecommunication towers business in Myanmar and the investment in joint venture represents a 37.5% equity interest in a microfinance joint venture company in Myanmar. As part of the Group's investment review as at the end of the financial year, management has carried out an impairment assessment by estimating the discounted future cash flows expected to be derived from these investments. We focused on the impairment assessment of these investments due to the significance of the carrying amounts to the consolidated statement of financial position of the Group. In addition, management's estimation of the discounted future cash flows involves significant judgements about key assumptions such as projected revenue growth rates, operating expenses, discount rates and terminal growth rates which are affected by expected future market and economic conditions. Refer to Notes 3.2, 10 and 11 to the financial statements.	Our procedures on the impairment assessment of these investments included, amongst others, the following: ■ We discussed with management and evaluated management's processes in estimating the expected discounted future cash flows of the investments, and checked the computation of the models applied. ■ With respect to the investment in available-for-sale financial assets, we assessed and reviewed the reasonableness of the key assumptions and estimates used by management, including comparing the future revenue growth rate and operating expenses to the total number of towers expected to be built and against historical performance. We also compared the discount rate and terminal growth rate against market data. ■ With respect to the investment in joint venture, we assessed and reviewed the reasonableness of the key assumptions and estimates used by management, including comparing the future revenue growth rate to external borrowings obtained to expand the loan portfolio and comparing the operating expenses against historical performance. We also compared the discount rate and terminal growth rate against market data. ■ We performed a sensitivity analysis by assessing the impact on the future cash flows from changes in growth rates and discount rates which were within a reasonably foreseeable range.

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with IFRSs, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit 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 Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

Auditor's Responsibilities for the Audit of the Financial Statements (Continued)

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Adrian Lee Yu-Min.

BDO LLP
Public Accountants and
Chartered Accountants

Singapore
22 September 2017

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the financial year ended 31 March 2017

	Note	2017 US$	2016 US$
Revenue		–	–
Other item of income			
Other income	4	174	21,598
Items of expense			
Employee benefits expense	5	(1,867,297)	(1,384,666)
Depreciation expense	12	(12,941)	(14,996)
Other operating expenses		(1,016,672)	(840,653)
Finance costs	6	(13,887)	(14,413)
Share of results of joint venture, net of tax	10	85,933	16,485
Loss before income tax	7	(2,824,690)	(2,216,645)
Income tax expense	8	(8,390)	(19,009)
Loss for the financial year		(2,833,080)	(2,235,654)
Other comprehensive income:			
Items that may be reclassified subsequently to profit or loss:			
Exchange loss arising on translation of foreign operations		(188,209)	(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	(188,209)	(81,132)
Total comprehensive income for the financial year		(3,021,289)	(2,316,786)
Loss attributable to:			
Owners of the parent		(2,828,540)	(2,233,369)
Non-controlling interests	13	(4,540)	(2,285)
		(2,833,080)	(2,235,654)
Total comprehensive income attributable to:			
Owners of the parent		(3,016,749)	(2,314,501)
Non-controlling interests		(4,540)	(2,285)
		(3,021,289)	(2,316,786)
Loss per share (cents)			
- Basic and diluted	9	(9.74)	(10.21)

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

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2017

	Note	2017 US$	2016 US$
ASSETS			
Non-current assets			
Investment in joint venture	10	1,711,681	1,813,957
Available-for-sale financial assets	11	31,395,522	31,385,522
Plant and equipment	12	12,510	16,887
Total non-current assets		33,119,713	33,216,366
Current assets			
Other receivables	14	198,504	91,750
Cash and cash equivalents	15	3,303,327	1,386,059
Total current assets		3,501,831	1,477,809
Total assets		36,621,544	34,694,175
EQUITY AND LIABILITIES			
Equity			
Share capital	16	32,656,994	28,765,805
Share option reserve	17	866,390	313,561
Accumulated losses		(7,669,565)	(4,843,655)
Foreign exchange reserve		(269,341)	(81,132)
Equity attributable to owners of the parent		25,584,478	24,154,579
Non-controlling interests	13	10,394,108	10,398,648
Total equity		35,978,586	34,553,227
LIABILITIES			
Current liabilities			
Other payables	18	632,738	131,421
Income tax payable		10,220	9,527
Total current liabilities		642,958	140,948
Total equity and liabilities		36,621,544	34,694,175

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 2017

2017	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 2016		28,765,805	313,561	(81,132)	(4,843,655)	24,154,579	10,398,648	34,553,227
Loss for the financial year		–	–	–	(2,828,540)	(2,828,540)	(4,540)	(2,833,080)
Other comprehensive income for the financial year								
Exchange gains arising on translation of foreign operations		–	–	(188,209)	–	(188,209)	–	(188,209)
Total other comprehensive income for the financial year	10	–	–	(188,209)	–	(188,209)	–	(188,209)
Total comprehensive income for the financial year		–	–	(188,209)	(2,828,540)	(3,016,749)	(4,540)	(3,021,289)
Contributions by and distributions to owners								
Issue of shares	16	4,219,081	–	–	–	4,219,081	–	4,219,081
Exercise of warrants		7,885	–	–	–	7,885	–	7,885
Share issue expenses	16	(335,777)	–	–	–	(335,777)	–	(335,777)
Share options expense	17	–	555,459	–	–	555,459	–	555,459
Cancellation of share options	17	–	(2,630)	–	2,630	–	–	–
Total contributions by and distributions to owners		3,891,189	552,829		2,630	4,446,648	–	4,446,648
At 31 March 2017		32,656,994	866,390	(269,341)	(7,669,565)	25,584,478	10,394,108	35,978,586

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 2017

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)
Share options expense	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 CASH FLOWS

For the financial year ended 31 March 2017

	Note	2017 US$	2016 US$
Operating activities			
Loss before income tax		(2,824,690)	(2,216,645)
Adjustments for:			
Interest income	4	(174)	(181)
Finance costs	6	13,887	14,413
Depreciation of plant and equipment	12	12,941	14,996
Share-based payment expense	17	555,459	153,448
Share of results of joint venture, net of tax	10	(85,933)	(16,485)
Gain on dilution of interest in joint venture	4	–	(20,909)
Operating cash flows before working capital changes		(2,328,510)	(2,071,363)
Changes in working capital:			
Other receivables		(106,754)	(2,896)
Other payables		501,317	66,226
Cash used in operations		(1,933,947)	(2,008,033)
Interest received	4	174	181
Finance costs paid	6	(13,887)	(14,413)
Income tax paid		(7,697)	(10,747)
Net cash flows used in operating activities		(1,955,357)	(2,033,012)
Investing activities			
Investment in available-for-sale financial assets	11	(10,000)	(31,385,522)
Investment in joint venture	10	–	(407,500)
Purchase of plant and equipment	12	(8,564)	(7,631)
Net cash flows used in investing activities		(18,564)	(31,800,653)
Financing activities			
Contribution from non-controlling interests to a subsidiary	13	–	10,400,933
Net proceeds from issuance of shares	16	3,891,189	19,769,523
Increase in short-term deposits pledged		–	(163)
Net cash flows generated from financing activities		3,891,189	30,170,293
Net change in cash and cash equivalents		1,917,268	(3,663,372)
Cash and cash equivalents at beginning of the year		1,349,915	5,013,287
Cash and cash equivalents at the end of financial year	15	3,267,183	1,349,915

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 2017

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 2017 were approved by the Board of Directors on 22 September 2017.

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 funds raised amounting to US$7,293,725 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 to the financial statements 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 IFRS 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 (Amendments)	Clarification of Classification and Measurement of Share-based Payment Transactions[3]
IFRS 9	Financial Instruments[3]
IFRS 10 and IAS 28 (Amendments)	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[1]
IFRS 12	Disclosure of Interests in Other Entities[2]
IFRIC 22	Foreign Currency Transactions and Advance Consideration issued[3]
IAS 7 (Amendments)	Disclosure Initiative[2]
IAS 12 (Amendments)	Recognition of Deferred Tax Assets for Unrealised Losses[2]
Annual Improvements 2014-2016 Cycle[3]	

[1] To be determined

[2] Effective for annual periods beginning on or after 1 January 2017

[3] Effective for annual periods beginning on or after 1 January 2018

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)

Consequential amendments were also made to various standards as a result of these new or revised standards.

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.

IAS 7 Statement of Cash Flows (Disclosure Initiative Amendments)

The amendments to IAS 7 require companies to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes.

The amendments will be applied from 1 April 2017 and the Company will include the additional disclosures in its financial statements for that year.

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.

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)

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

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 and its corresponding deferred tax impact 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.

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 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.

2. Summary of significant accounting policies (Continued)

2.2 Basis of consolidation (Continued)

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.

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).

2. Summary of significant accounting policies (Continued)

2.3 Joint arrangements (Continued)

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.

2.4 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. Summary of significant accounting policies (Continued)

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.

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.

2. Summary of significant accounting policies (Continued)

2.7 Plant and equipment (Continued)

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.

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.

2. Summary of significant accounting policies (Continued)

2.8 Impairment of non-financial assets (Continued)

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.

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.

2. Summary of significant accounting policies (Continued)

2.9 Financial assets (Continued)

Loans and receivables (Continued)

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.

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.

<u>Derecognition of financial assets</u>

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.

2.13 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. Summary of significant accounting policies (Continued)

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.

2.15 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. Summary of significant accounting policies (Continued)

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 is of the opinion that there are no critical judgements involved that have a significant effect on the amounts recognised in the financial statements.

3. Significant accounting judgements and estimates (Continued)

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.

(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 growth rate of 0% using a weighted average cost of capital discount rate of 11.3% (2016: 11.1%) per annum. Estimates of future cash flows are based on the external borrowings obtained to expand the loans portfolio. The carrying amount of the Group's investment in the joint venture as at 31 March 2017 was US$1,711,681 (2016: US$1,813,957) 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 10.4% (2016: 8.8%) per annum and assumed a terminal value using discounted enterprise value and 0% terminal growth rate. The estimates of future cash flows are based on a forecasted business plan which assumes revenue growth between 7.5% to 40.0% (2016: 0.1% to 82.6%). 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 2017 was $31,395,522 (2016: $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 2017 is US$866,390 (2016: US$313,561).

4. Other income

	2017 US$	2016 US$
Interest income	174	181
Gain on dilution of interest in joint venture	–	20,909
Other	–	508
	174	21,598

5. Employee benefits expense

	2017 US$	2016 US$
Salaries, wages and other staff benefits	1,061,838	1,030,710
Bonuses	250,000	200,000
Share options expense	555,459	153,956
	1,867,297	1,384,666

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:

	2017 US$	2016 US$
Auditor's remuneration	52,071	48,791
Consultants fees	377,240	264,591
Foreign exchange loss, net	–	1,242
Operating lease expenses	74,273	83,460
Professional fees	59,098	16,076
Travel and accommodation	63,779	84,998
Transaction costs	30,447	9,098

8. Income tax

	2017 US$	2016 US$
Current income tax		
- current financial year	9,631	9,779
- (over)/under-provision in prior financial year	(1,241)	9,230
	8,390	19,009

A reconciliation of income tax applicable to loss before income tax at the statutory income tax rate of 25% (2016: 25%) in Myanmar is as follows:

	2017 US$	2016 US$
Loss before income tax	(2,824,690)	(2,216,645)
Share of results of joint venture, net of tax	(85,933)	(16,485)
	(2,910,623)	(2,233,130)
Income tax at the applicable tax rates	(727,655)	(558,283)
Effects of different income tax rates in other countries	732,756	571,480
Under-provision in prior financial year	(1,241)	9,230
Tax effects of expenses not deductible for tax purposes	4,530	4,168
Others	–	(7,586)
Income tax for the financial year	8,390	19,009

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:

	2017	2016
Loss for the financial year attributable to owners of the Company (US$)	(2,828,540)	(2,233,369)
Weighted average number of ordinary shares during the financial year applicable to basic loss per share	29,049,372	21,884,673
Loss per share		
Basic and diluted (cents)	(9.74)	(10.21)

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

	2017 US$	2016 US$
Investment in joint venture		
At 1 April	1,813,957	1,450,195
Investments during the year	–	407,500
Share of results of joint venture, net of tax	85,933	16,485
Foreign exchange adjustment	(188,209)	(81,132)
Gain on dilution of interest in joint venture	–	20,909
At 31 March	1,711,681	1,813,957

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").

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.

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") subscribed 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.

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 2017 %	2016 %
Myanmar Finance International Limited[1] (Myanmar)	Provider of microfinance loans	37.5	37.5

[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.

	2017 US$	2016 US$
Assets and liabilities		
Cash and cash equivalents	504,649	1,259,004
Trade receivables	5,898,757	4,037,562
Other current assets	192,680	93,403
Current assets	6,596,086	5,389,969
Non-current assets	119,763	150,182
Total assets	6,715,849	5,540,151
Current liabilities	1,998,898	1,022,933
Non-current liabilities	472,468	–
Total liabilities	2,471,366	1,022,933
Net assets	4,244,483	4,517,218
Investment in joint venture	37.5%	37.5%
Share of net assets	1,591,681	1,693,957
Premium paid	120,000	120,000
	1,711,681	1,813,957
Included in the current liabilities are:		
Current financial liabilities (excluding trade and other payables and provision)	1,677,700	828,327
Non-current financial liabilities (excluding trade and other payables and provision)	472,468	–

	Year ended 31 March 2017 US$	Period from 9 July 2015 (Date of incorporation) to 31 March 2016 US$
Income and expenses		
Revenue	1,557,162	819,948
Other income	77,692	142,255
Operating expense	(1,063,140)	(786,888)
Depreciation	(54,429)	(34,406)
Interest expense	(198,359)	(75,415)
Tax expense	(89,770)	(16,373)
Profit after income tax	229,156	49,121

11. Available-for-sale financial assets

	2017 US$	2016 US$
Available-for-sale financial assets		
Unquoted equity, at cost	31,395,522	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%.

On 16 June 2016, MIL4 purchased 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. The warrant has not been exercised by MIL4 as of 31 March 2017.

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. The investment is denominated in United States Dollars.

12. Plant and equipment

	Computer equipment US$	Office equipment US$	Furniture and fittings US$	Total US$
2017				
Cost				
Balance at 1 April 2016	13,739	4,580	30,155	48,474
Additions	3,671	315	4,578	8,564
Balance at 31 March 2017	17,410	4,895	34,733	57,038
Accumulated depreciation				
Balance at 1 April 2016	7,649	1,599	22,339	31,587
Depreciation for the financial year	4,104	1,413	7,424	12,941
Balance at 31 March 2017	11,753	3,012	29,763	44,528
Carrying amount				
Balance at 31 March 2017	5,657	1,883	4,970	12,510

12. Plant and equipment (Continued)

	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

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 2017 %	Proportion of ownership interest held by the Group 2016 %	Proportion of ownership interest held by non-control interests 2017 %	Proportion of ownership interest held by non-control interests 2016 %
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	66.67	33.33	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	
	2017	2016
	US$	US$
Assets and liabilities		
Non-current assets	31,395,522	31,385,522
Current assets	89,778	32,289
Current liabilities	(302,977)	(221,869)
Net assets	31,182,323	31,195,942
Accumulated non-controlling interests	10,394,108	10,398,648

	Year to 31 March 2017 US$	Period from 9 July 2015 (Date of incorporation) to 31 March 2016 US$
Revenue	–	–
Administrative expenses	(13,620)	(6,855)
Loss for the financial year/period, representing total comprehensive income for the financial year/period	(13,620)	(6,855)
Loss allocated to non-controlling interests, representing total comprehensive income allocated to non-controlling interests	(4,540)	(2,285)
Net cash used in operating activities	(96,567)	(1,838)
Net cash used in investing activity	(10,000)	(31,385,522)
Net cash generated from financing activities	106,567	31,387,360
Net change in cash and cash equivalents	–	–

14. Other receivables

	2017 US$	2016 US$
Other receivables	136,974	29,591
Deposits	12,502	14,605
Prepayments	49,028	47,554
	198,504	91,750

Other receivables are denominated in the following currencies:

	2017 US$	2016 US$
United States dollar	192,254	88,732
Singapore dollar	–	2,105
Myanmar kyat	6,250	913
	198,504	91,750

15. Cash and cash equivalents

	2017 US$	2016 US$
Cash and bank balances	3,267,183	1,349,915
Short-term deposit	36,144	36,144
	3,303,327	1,386,059

The short-term deposit bears interest at an average rate of 0.25% (2016: 0.25%) per annum and is for a tenure of approximately 12 months (2016: 12 months).

The short-term deposit of the Company amounting to US$36,144 (2016: US$36,144) is pledged to bank to secure credit facilities.

Cash and cash equivalents are denominated in the following currencies:

	2017 US$	2016 US$
United States dollar	3,164,896	1,233,692
Singapore dollar	134,075	146,834
Myanmar kyat	4,356	5,533
	3,303,327	1,386,059

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:

	2017 US$	2016 US$
Bank balances	3,303,327	1,386,059
Less: short-term deposits pledged	(36,144)	(36,144)
	3,267,183	1,349,915

16. Share capital

	2017 US$	2016 US$
Issued and fully-paid share capital:		
Ordinary shares at the beginning of the financial year	28,765,805	8,996,282
Issuance of ordinary shares during the financial year	4,219,081	19,942,397
Exercise of warrants during the financial year	7,885	–
Share issuance expenses	(335,777)	(172,874)
	32,656,994	28,765,805

	2017		2016	
Equity Instruments in issue	**Ordinary Shares**	**Warrants**	**Ordinary Shares**	**Warrants**
At the beginning of the financial year	27,300,833	15,240,027	9,959,619	9,459,619
Issuance during the financial year	3,245,447	811,368	17,341,214	5,780,408
Exercise of warrants during the financial year	10,513	(10,513)	–	–
At the end of the financial year	30,556,793	16,040,882	27,300,833	15,240,027

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 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”).

On 16 September 2016, the Company allotted 3,245,447 Ordinary Shares at US$1.30 per share (total of US$4,219,081) pursuant to a subscription for new shares (the “Fourth Subscription”).

During the financial year, a total of 10,513 warrants were exercised at a price of US$0.75 by the parties that held them for cash consideration of US$7,885.

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 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.

On 16 September 2016, the Company allotted 811,368 Warrants pursuant to the Fourth Subscription. The Company had agreed that for every four 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 2017, there were 3,004,628 (2016: 2,680,082) share options available for issue under the Plan of which 2,673,028 (2016: 1,894,661) had been granted. These granted share options have a weighted average exercise price of US$1.214 (2016: US$1.194) per share and a weighted average contractual life of 8.51 years (2016: 9.11 years).

The 3,004,628 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
Series 4	Fourth Subscription	324,546	1.430
		3,004,628	

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	132,261	25 September 2014	24 September 2024	1.100	62,937
Series 2	24,000	2 June 2015	1 June 2025	1.155	14,671
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
Series 3	195,000	28 June 2016	27 June 2026	1.265	136,351
Series 1	6,800	19 October 2016	18 October 2026	1.100	4,088
Series 2	6,000	19 October 2016	18 October 2026	1.155	3,447
Series 3	575,467	19 October 2016	18 October 2026	1.265	302,071
	2,673,028				1,404,606

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$0.569 (2016: US$0.547). 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			
	28 June 2016	19 October 2016	19 October 2016	19 October 2016
Grant date share price (US$)	1.628	1.388	1.388	1.388
Exercise price (US$)	1.265	1.100	1.155	1.265
Expected volatility	22.47%	22.25%	22.25%	22.25%
Option life	10 years	10 years	10 years	10 years
Risk-free annual interest rates	1.46%	1.76%	1.76%	1.76%

The Group recognised a net expense of US$555,459 (2016: US$153,448) 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.

	2017		2016	
	Number	Weighted average exercise price US$	Number	Weighted average exercise price US$
Balance at start of the financial year	1,894,661	1.194	574,061	1.100
Granted	783,267	1.263	1,324,000	1.234
Forfeited	(4,900)	1.117	(3,400)	1.100
Balance at end of financial year	2,673,028	1.214	1,894,661	1.194

No share options were exercised during the financial year.

Movement in share option reserve during the financial year

	2017 US$	2016 US$
Balance at start of the financial year	313,561	160,113
Share options expense	555,459	153,448
Cancellation of share options	(2,630)	–
Balance at end of financial year	866,390	313,561

18. Other payables

	2017 US$	2016 US$
Accruals	596,032	130,237
Other payables	36,706	1,184
	632,738	131,421

Other payables are denominated in the following currencies:

	2017 US$	2016 US$
Singapore dollar	47,179	50,613
United States dollar	523,791	57,348
British pound	50,976	20,678
Euro	2,667	2,782
Myanmar Kyat	8,125	–
	632,738	131,421

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 2017, 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 2017 and 31 March 2016 was as follows:

	Directors' fee US$	Short term employee benefits[1] US$	Share option plan US$	Total US$
Financial year ended 31 March 2017				
Executive directors				
Maung Aung Htun	–	456,747	179,327	636,074
Anthony Michael Dean	–	434,784	165,913	600,697
Independent non-executive directors				
Christopher William Knight	40,000	–	34,352	74,352
Craig Robert Martin	30,000	–	34,453	64,453
Christopher David Appleton	30,000	–	34,554	64,554
Henrik Onne Bodenstab	26,200	–	5,051	31,251
	126,200	891,531	453,650	1,471,381
Financial year ended 31 March 2016				
Executive directors				
Maung Aung Htun	–	447,208 [2]	58,193	505,401
Anthony Michael Dean	–	429,909 [2]	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

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

(2) *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.*

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:

	2017 US$	2016 US$
Within one financial year	–	39,000
	–	39,000

21. Dividends

The Directors of the Company do not recommend any dividend in respect of the financial year ended 31 March 2017 (2016: 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. Financial risk management objectives and policies (Continued)

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	
	2017	**2016**	**2017**	**2016**
	US$	**US$**	**US$**	**US$**
Singapore dollar	134,075	148,939	47,179	50,613
Euro	–	–	2,667	2,782
Myanmar kyat	10,606	6,446	8,125	–
British pound	–	–	50,976	20,678
	144,681	155,385	108,947	74,073

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 2017, the Group's principal financial assets consist mainly of cash and cash equivalents and available-for-sale financial assets.

22. Financial risk management objectives and policies (Continued)

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 2017 and 31 March 2016.

23. Subsequent events

Equity fund raising

On 27 June 2017, the Company raised US$7,293,725 through the issuance of 6,181,123 new ordinary shares.

Investment into pharmacy joint venture

On 4 May 2017, the Company paid the subscription price of US$491,400 for 490,000 ordinary shares of a new pharmacy joint venture, Medicare International Health and Beauty Pte. Ltd ("MIHB"). The shares represent 45% equity interest of the total ordinary shares of MIHB.

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 2017 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 Wednesday, 18 October 2017 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 2017 together with the directors' report and auditors' report on those accounts.

2. To reappoint Anthony Michael Dean, 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 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.

4. 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

22 September 2017

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

NOTES

1. Resolutions 1-4 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 12 October 2017.

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 13 October 2017 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 13 October 2017, 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 36,752,916 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 36,752,916.

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 13 October 2017, 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

Myanmar Office

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

Nominated Adviser

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

Broker

Investec Bank plc
2 Gresham Street
London EC2V 7QP
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 Myanmar Law)

DFDL Legal & Tax
134A Thanlwin Road
Golden Valley Ward (1)
Bahan Township
Yangon
Myanmar

Legal Advisers to the Company (as to British Virgin Islands law)

Appleby
Jayla Place
Wickhams Cay I
Road Town
Tortola
British Virgin Islands

Company Secretary

Estera Corporate Services (BVI) Limited
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)

Registrars

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

Warrant Registrar

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

Depository

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