25 September 2017

This announcement contains inside information

Myanmar Investments International Limited

Audited financial results for the year to 31 March 2017

Myanmar Investments International Limited [AIM: MIL] ("MIL" or the "Company"), the Myanmar focused investment company, today announces its audited financial results for the year to 31 March 2017.

Highlights

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.

Aung Htun, MIL's Managing Director commented, "It has been a busy and rewarding year for Myanmar Investments. We have established a new pharmacy, health and beauty retail franchise business; our existing microfinance and telecom tower businesses have grown well; our pipeline is exciting with a few imminent prospects; and we have raised significant funds for our future expansion. As anticipated when building businesses in emerging economies there will be challenges, but I strongly believe that the rewards will be great and outweigh the risks. MIL is well placed to continue to succeed in our vision of building a diversified, but focused, stable of businesses that will benefit from Myanmar's emergence."

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Copies of the Company's annual report and accounts will be sent to shareholders and warrantholders shortly and will also be available to download from the Company's website www.myanmarinvestments.com.

CHAIRMAN'S STATEMENT

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 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 the Company.

As at the date of this announcement 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.

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 "Net Asset Value" in the Financial Review section

of the Executive Directors' Review below). 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.

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 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 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.

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 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 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 Annual Report section headed "Corporate Governance" will provide 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. 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.

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.

Aung Htun
Managing Director
22 September 2017

Michael Dean
Finance Director
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)

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017

	Note	Share capital	Share option reserve	Foreign exchange reserve	Accumulated losses	Equity attributable to owners of the parent	Non-controlling interests	Total
		US$	US$	US$	US$	US$	US$	US$
2017								
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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017

	Note	Share capital	Share option reserve	Foreign exchange reserve	Accumulated losses	Equity attributable to owners of the parent	Non-controlling interests	Total
		US$	US$	US$	US$	US$	US$	US$
2016								
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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017

	Note	Share capital	Share option reserve	Foreign exchange reserve	Accumulated losses	Equity attributable to owners of the parent	Non-controlling interests	Total
		US$	US$	US$	US$	US$	US$	US$
2016 (Continued)								
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

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

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.

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

2. Summary of significant accounting policies

The Company's accounting policies are available in the full audited financial statements, a copy of which can be found on the Company's website at www.myanmarinvestments.com.

3. Significant accounting judgements and estimates

The Company's significant accounting judgements and estimates used in the preparation of these financial statements are available in the full audited financial statements, a copy of which can be found on the Company's website at www.myanmarinvestments.com.

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)

	2017	2016
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.

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	**2016**
	US$	**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

	2017	**2016**
	US$	**US$**
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	**Period from 9 July 2015 (Date of incorporation) to 31 March 2016**
	US$	**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	**2016**

	US$	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
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		Proportion of ownership interest held by non-control interests	
			2017	2016	2017	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.

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	2016
	US$	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

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

	2017	2016
	US$	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	2016
	US$	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.

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	

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.

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**	**Number**	**Weighted**

		average exercise price US$		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 Company's financial risk management objective and policies are available in the audited financial statements, a copy of which can be found on the Company's website at www.myanmarinvestments.com

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.

Notes to Editors:

Myanmar Investments International Limited (AIM: MIL) is the first Myanmar-focused investment company to be admitted to trading on the AIM market of the London Stock Exchange. MIL was established in 2013 with the intention of building long term shareholder value by proactively investing in a diversified range of Myanmar businesses that will benefit from the country's re-emergence and ongoing economic development. The Company is led by an experienced and entrepreneurial team who between them have considerable industrial, corporate and financial management experience.

To date the Company has raised over US$40 million, predominantly from institutional investors, family offices and high net worth individuals.

MIL aims to identify businesses with strong growth which if necessary can be "de-risked" through the introduction of experienced senior line-management, mentors and/or strategic partners sourced by MIL's management board. The Company's main focus is on opportunities that are experiencing acute supply and demand imbalances, such as within the consumer and capacity-constrained sectors.

With its strong proprietary pipeline of business opportunities, MIL provides investors with a highly disciplined and conservative investment process into one of the most promising growth opportunities of this era.

MIL's largest investment (US$21 million for a 9.3% shareholding) is in Apollo Towers, one of Myanmar's top telecommunications towers companies with 1,800 towers. Apollo operates in the high growth telecommunications sector with a strong management that is growing the number of co-locations (ie multiple tenancies) on its portfolio of towers. In June 2016, the US Government's Overseas Private Investment Corporation ("OPIC") provided a US$250 million debt facility to Apollo Towers.

MIL's first investment in August 2014 was into Myanmar Finance International Limited ("MFIL") which today is one of the top 10 microfinance companies in Myanmar. Since MIL invested, MFIL's business has developed rapidly. The business is profitable with zero NPLs and a sustainable expansion plan for long term growth. In November 2015, the Norwegian Government's Norwegian Investment Fund for Developing Countries ("Norfund"), the Norwegian development finance institution, also became a 25% shareholder in MFIL.

In May 2017 MIL announced it had established a pharmacy, healthcare and personal care product franchise joint venture. It is expected that the business will fill a vacuum in the present retail landscape and at the same time tap into the rapid growth of the middle and affluent classes in Myanmar. The two joint venture partners are: a) an experienced retail group that runs over 55 pharmacy, health and beauty outlets in a neighbouring Asian country; and b) an industry veteran with significant experience leading Asian-based retail concepts. The Company has made an initial investment of US$495,000 for a 45% stake. The Company expects to invest further capital in the business over the next few years as it continues to expand.

Myanmar, a country of approximately 51.4 million people and roughly the size of France, has been isolated for much of the last 50 years. Once it was one of the more prosperous countries in Southeast Asia as it has an abundance of natural resources (oil, natural gas, arable land, tourist attractions and a long coastline), it is now one of the least developed countries in the world.

The country has undergone an unprecedented and peaceful transformational reform process, initiated by U Thein Sein's Administration in 2011. This is now continuing under the elected civilian administration led by Daw Aung San Suu Kyi which came to power in April 2016 as a result of the first democratic elections in 50 years. While the process is still evolving, the new government has broad support and significant progress has been made to the economic prospects of the country.

In October 2016, the United States lifted all remaining sanctions against Myanmar and re-admitted the country into its preferred tariff system.

For more information about MIL, please visit http://www.myanmarinvestments.com