This announcement contains inside information **21 September 2018**

Myanmar Investments International Limited

Audited financial results for the year to 31 March 2018

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 2018.

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

Highlights

Operational review
The Company's three businesses all performed well during the year:

Apollo Towers
(MIL has invested US$21 million for a 9.0% shareholding)

- Apollo Towers is the second largest independent telecom tower company ("ITC") in Myanmar.
- The telecoms sector continues to grow strongly with an increase in the number of subscribers and data usage.
- The entry of "MyTel", the fourth mobile network operator ("MNO") has added further drive to the sector.
- Apollo Towers produced stand-alone EBITDA of US$24.2 million, a year on year ("YoY") increase of 20%.
- It is being reorganised to come under common ownership with Pan Asia Towers, the fourth largest ITC in Myanmar.
- Together the two businesses will have a 20% market share of the independent Myanmar tower market.
- Future growth will be driven by an increase in the tower portfolio and also by increase in tenancies as co-location rates rise.

Myanmar Finance International Limited ("MFIL")
(MIL has invested US$2.3 million for a 37.5% shareholding)

- One of Myanmar's leading microfinance companies.
- Strong growth in its borrower base and loan book at 31 March 2018 at 54,000 and US$9 million, representing compound annual growth rates ("CAGR") of 60% and 97% respectively since investment.
- Solid increase in profitability, up 67% over the previous year making three years of consecutive profitability.
- Today it has secured US$12 million in Kyat-denominated debt facilities.
- MFIL focuses on urban and semi-rural lending in Yangon and Bago but plans to expand to other states during the coming year.

Medicare
(MIL has invested US$1.4 million for a 48.1% shareholding)

- A start-up pharmaceutical, health and beauty franchise retailer.
- Designed to capitalise on both an expected rise in consumer spending power and a notable absence of modern retail outlets with similar offerings.

- Today it has 14 stores in operation with more under development.
- A joint venture with Medicare, Vietnam's leading pharmacy, health and beauty retail group.

In addition, the Company has a strong proprietary pipeline targeting business opportunities in consumer or B2B sectors such as education, healthcare and financial services.

Financial review
The past year has been an encouraging one: our net asset value appreciated by 30% to US$37.9 million and our overheads remained flat at US$2.9 million, with our loss per share reducing 12% compared to the prior year.

During the financial year, MIL raised US$7.3 million (before costs) through a share placing in June 2017 to a range of institutional investors, family offices and high net worth individuals.

Prospects
Our proprietary network continues to produce a number of interesting investment opportunities. However, evaluating, negotiating, structuring and executing a new business investment properly requires a significant level of commitment in terms of human resources and, as a result, overheads. Often these opportunities are small, 'venture capital' or start-up opportunities that will take time to get to scale.

Whilst there is no change to the Company's underlying investment policy, we have adopted a more selective approach in reviewing new investment opportunities. It is therefore expected that new investments will be those that are larger, already generating profit and requiring less start-up development work than has been the case in the past. As a result, the Board believes it will be able to operate a more streamlined business model with a significantly lower level of overheads.

Country highlights
- Myanmar is emerging from decades of stagnation and has the economic foundations for a period of strong growth.
- Myanmar has undergone an unprecedented transformational reform process, initiated by the U Thein Sein administration in 2011.
- The elections in 2015 were the first democratic elections in 50 years.
- This remarkable change has not been without its difficulties and the situation in Rakhine state, which stems from a complex and historically charged background, remains un-remedied.
- The Advisory Commission, led by the late former UN Secretary-General Kofi Annan, on the Rakhine State crisis has provided an important framework which can provide the foundations for addressing the distressing situation there.
- During the year the Foreign Investment law was revised and a new Companies Act enacted, both of which will assist in foreign investment
- Myanmar's competitive advantages include:
  - Fast growing economy: IMF projects GDP growth for Myanmar to average 7.2% p.a. through 2023
  - Population of 54 million people (26th most populous country in the world) with huge growth potential as Myanmar, the last so-called frontier economy in Asia, increases economic liberalisation
  - Large workforce with a high literacy rate of 90%
  - 68% of the population is of working age
  - 28% of the population is under 24 which will provide strong consumer demand
  - Significant natural resources: hydrocarbons, fertile land, minerals, precious stones, forests and water

- Strategically situated in one of the world's most economically dynamic regions amid the intersection of India, China and South East Asia
- Critical to China's 'One Belt One Road' strategy providing direct access to the Indian Ocean

Mike Dean, co-founder of MIL, commented:
"The past year has been one of solid development. Our net asset value appreciated by 30% to US$37.9 million whilst our overheads remained flat at US$2.9 million, with our loss per share reducing 12% compared to the prior year.

Since the year end we have refined our operations to focus on developing our three core businesses whilst at the same time taking a more selective approach in reviewing new investment opportunities with a significantly lower level of overheads. As a result, we feel that the Company is in an optimal position: a solid portfolio; adequate cash reserves for on-going overheads; and a front row seat for the opportunities that lie ahead."

William Knight, Chairman of MIL, added:
"Chris Appleton has advised us of his intention to step down as a non-executive director at the end of October 2018. We thank him for all his sterling efforts over the past six years and wish him well in his future endeavours."

The information contained within this announcement is deemed to constitute inside information as stipulated under the Market Abuse Regulation (EU) No. 596/2014. Upon the publication of this announcement, this inside information is now considered to be in the public domain.

For further information please contact:

Craig Martin
Managing Director
Myanmar Investments International Limited
+95 (0) 1 391 804
craigmartin@myanmarinvestments.com

Michael Dean
Finance Director
Myanmar Investments International Limited
+95 (0) 1 391 804
mikedean@myanmarinvestments.com

Nominated Adviser
Philip Secrett / Jamie Barklem
Grant Thornton UK LLP
+44 (0) 20 7383 5100

Broker
William Marle / Giles Rolls
finnCap Ltd
+44 (0) 20 7220 0500

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

CHAIRMEN'S LETTER

Dear fellow shareholder

It has been another solid year of progress for the Company, in which our three businesses have all experienced solid growth and we have proactively re-shaped our strategy for the future.

As you will be aware, over the last seven years Myanmar has undergone a transition from military dictatorship to civilian government, a situation which has allowed MIL to make strategic investments as the country has started to develop. However, this remarkable change has not been without its difficulties. The situation in Rakhine state, which stems from a complex and historically charged background, remains unremedied. We expect this issue to reduce near term capital inflows, as well as tourist arrivals from western countries.

In addition, although Myanmar's economy has rebounded and macroeconomic imbalances have stabilised as the country has emerged from its isolation, Myanmar is still at an early stage of its growth and has limited foreign exchange reserves and tax base. A significant depreciation of the Kyat from an average of MMK 1,356 per US$1.00 in 2017/18 could lead to inflationary pressure.

While banking regulation and practices have been strengthened over the last few years, there has been a significant increase in bank lending over the same period and now there are emerging signs of some stresses in the economy which could lead to a rise in non performing loans and slower credit growth in the coming years.

During the year the updated Foreign Investment law and Companies Act were promulgated and, whilst there have been a number of significant advances, there is still opportunity for further improvement.

Your Board continues to be a strong believer in Myanmar's long term potential as a new and growing market in the broader vibrant ASEAN economy. **We have built a solid platform for sourcing, managing and executing investment opportunities.** However, from our on-the-ground presence we know that the next few years will see additional challenges. We have therefore adapted our approach to ensure we protect and grow our existing investments with a leaner structure that will still allow us to take advantage of meaningful opportunities as and when they arise.

Your Company has made significant and impactful investments in businesses active in the telecom towers, microfinance and retail pharmacy sectors. The telecom towers and microfinance businesses are now well established businesses with good track records and strong positions in their sectors; they are now poised to see even more significant growth. The retail pharmacy franchise business is a greenfield venture we started from scratch this past year and the roll-out of stores is progressing well.

Impact investing
Each of our businesses is an impact investment. Collectively they employ around 500 people.

Apollo Towers has built almost 12% of the country's independent telecoms towers. Estimating the number of subscribers that benefit from this is not possible but clearly they number in the millions. So utilising Apollo Towers' towers, these citizens can now readily communicate and access information. This not only brings education and enrichment to their lives but also supports their, and the country's, economic advancement.

MFIL today has over 65,000 borrowers. That is 65,000 households which 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 this has a significant impact on enabling rural communities to access legitimate funds. MFIL also strongly believes in women's empowerment: 86% of its borrowers are women, while internally 55% of its management are women.

Medicare aims at providing affordable health and beauty products to its customers. Every Medicare store adheres to Good Pharmacy Practice ('GPP') to contribute to health improvement and to help customers with health problems make the best use of genuine, quality and affordable medicines. 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'. Simple concepts but not ones that are widespread in Myanmar today.

Outlook
We are pleased with the progress our existing businesses have made. We certainly expect both Apollo Towers and MFIL to go from strength to strength and are greatly encouraged by the strong start that Medicare has made.

Additionally, the Company continues to evaluate a pipeline of business opportunities that we believe will benefit from Myanmar's inherent long term potential.

On behalf of the Board, we should like to take this opportunity to thank a number of our key stakeholders: our staff for their professionalism and commitment; our business partners for all of their advice and inputs; and our shareholders for their continued support. Chris Appleton will be stepping down at this year's AGM and we thank him for all his sterling efforts over the past six years.

William Knight	**Aung Htun**
Chairman	*Deputy Chairman*
21 September 2018	21 September 2018

EXECUTIVE DIRECTORS' REVIEW

BUSINESS REVIEW

The past year has been an encouraging one: our net asset value appreciated by 30% to US$37.9 million and our overheads remained flat at US$2.9 million, with our loss per share reducing 12% compared to the prior year.

Our two established businesses both performed strongly:
- Apollo Tower: the long-planned increase in co-locations finally kicked in with a significant increase in EBITDA; and
- MFIL: the core business continued to grow strongly once we were able to secure additional debt facilities to properly leverage the investment.

Our new start-up business, Medicare has got off to a strong start with 14 branches already operational today in Yangon and more under development.

In all cases, Myanmar Investment's team have been closely embedded in these businesses to provide strategic advice as well as hands-on local knowledge.

Our proprietary network continues to produce a number of interesting investment opportunities. However, evaluating, negotiating, structuring and executing a new business investment properly requires a significant level of commitment in terms of human resources and, as a result, overheads. Often these opportunities are small, 'venture capital' or start-up opportunities that will take time to get to scale. Whilst there is no change to the Company's underlying investment policy, we have adopted a more selective approach in reviewing new investment opportunities. It is therefore expected that new investments will be those that are larger, already generating profit and requiring less start-up development work than has been the case in the past. As a result, the Board believes it will be able to operate a more streamlined business model with a significantly lower level of overheads.

FINANCIAL REVIEW

Net Asset Value
The Directors assess the Group's net asset value ("NAV") (attributable to the shareholders of the Company) as at 31 March 2018 to be US$37.9 million, a year-on-year increase of 29.6%. This represents US$1.01 per share, based on the number of shares in issue at the year-end. This change principally reflects the increases in the Director's assessment of the values of Apollo Towers and MFIL together with the proceeds from the fund raising in June 2017, less the Group's running costs for the year.

As at 31 March 2018 the Group's NAV consisted of:

- an investment in Apollo Towers, the telecommunication tower business, of US$24 million, excluding the non-controlling interests, determined using a discounted cashflow methodology;
- an investment in MFIL, the microfinance business, of US$6.3 million, determined using a price to forward book value methodology;
- the investment in Medicare, the pharmaceutical, health and beauty retail franchise business, of US$1.4 million, determined based on the price of recent investment; and
- cash and other net assets/liabilities of US$6.2 million.

Apollo Towers
As at 31 March 2017 the Directors had assessed the value of the Group's investment in Apollo Towers, excluding the non-controlling interests attributable to the minority shareholders of MIL 4, to be US$20.8 million, 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 2018, the Directors have decided to move to a discounted cashflow basis of valuation.

The revised value of Apollo Towers represents an increase of 15.4% and equates to an IRR since the initial investment in July 2015 of 5.5%.

In selecting the discounted cashflow basis of valuation the Directors recognise that this is the product of a number of key variables, where small changes in one or more inputs can have a significant impact on the resulting valuation. However, the Directors recognise that Apollo Towers has achieved certain milestones during the year by securing co-location agreements with key customers and it would be inappropriate to continue to hold the investment at cost given that the initial investment was made three years ago. The Directors believe the assumptions they have used to be reasonable. However, the impact of the sensitivity of this method of valuation must be recognised.

MFIL
As at 31 March 2017 the Directors had assessed the value of the Group's investment in MFIL to be US$5.5 million, this being determined using the price to forward book value methodology. In assessing the value of the investment in MFIL as at 31 March 2018, the Directors have maintained the same methodology and have determined the value of the Group's investment in MFIL as at 31 March 2018 to be US$6.3 million.

The revised value of MFIL represents an increase over the year of 14.5% and equates to an IRR since the initial investment in September 2014 of 40.4%.

Medicare
The investment in Medicare was made during the financial year.

As at 31 March 2018 the Directors have assessed the value of the Group's investment in Medicare to be US$1.4 million, this being determined using the price of recent investment methodology.

The book value of Medicare reflects a loss during the year of US$327,000, being MIL's share of the start-up losses. This is broadly in line with the Directors' expectations as this new venture looks to establish itself as the first retail pharmaceutical, health and beauty chain in Myanmar.

Summary of NAV

In the attached audited financial statements, the NAV attributable to shareholders differs from the above stated value of US$37.9 million due to the following differences:

	US$
NAV per the audited financial statements	33,528,450
MFIL [1]	4,020,328
Medicare [1]	326,889
NAV per the Directors' valuation	37,875,667

Note 1: In accordance with IFRS 11 Joint Arrangements, the investments in MFIL and Medicare are 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 for MFIL is determined using the price to forward book value methodology and for Medicare is determined using the price of recent investment methodology, both as described in the International Private Equity and Venture Capital Guidelines.

Financial results

For the year to 31 March 2018 the Group's audited loss after tax was US$3.07 million, a modest increase on last year's US$2.83 million whilst the loss per share decreased 12% YoY.

Note that this loss excludes the US$3.1 million fair value gain attributable to the shareholders on the Company's investment in Apollo Towers.

This loss therefore represents:

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

Whilst MFIL's contribution increased YoY this was offset by the start-up losses incurred by Medicare.

Within this, the core cash-based overheads (excluding discretionary compensation, share option expenses and transaction costs) amounted to US$2.2 million compared to US$2.1 million the previous year, a YoY increase of 6.6%.

As previously announced, the Board has set in motion a series of cost cutting measures to reduce our overheads with a target of getting to a monthly level of costs significantly lower than 2017/18's costs by the end of March 2019.

Dividends

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

Fund raising
During the financial year, MIL raised US$7.3 million (before costs) through a share placing in June 2017 to a range of institutional investors, family offices and high net worth individuals.

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.

Working Capital
As of the date of this report the Group has adequate financial resources to cover its working capital needs for the next 12 months.

SHAREHOLDER MATTERS

Corporate Governance
The Company seeks to uphold the fundamental principles of good corporate governance and is guided by the responsibilities laid down for AIM quoted companies. The Chairman's Statement on 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 legislation.

Annual General Meeting
This year's Annual General Meeting will be held at The British Club, Yangon, Myanmar at 9.00am (Myanmar time) on Thursday 18 October 2018. 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 expect all three of our businesses will continue to perform well over the coming year and beyond:

- Apollo Towers: teaming up with Pan Asia Towers represents a very exciting and transformative opportunity. Together they will have the largest tower portfolio in Myanmar and will be well placed and well-funded to take advantage of new tower construction opportunities, add additional co-locating tenants on to their already significant portfolio of towers and extract both operational and financial efficiencies arising from the significant step up in scale.
- MFIL: with additional debt facilities in the pipeline combined with no apparent let-up in demand for our products as well as an expansion of our branch network, we expect profitability to continue to grow. MFIL is also tightening its lending standards in response to signs of short-term over-indebtedness in some of the areas in which it operates. Looking further ahead, the business is likely to need to expand its capital base once we have drawn down all the planned debt facilities. As such we will most likely be looking to raise additional funds for MIL's share.
- Medicare: the roll-out of stores has been very impressive and we expect to continue the same pace of expansion through the rest of 2018. Assuming we then continue to expand in 2019, MIL will also most likely be looking to raise additional funds for its share of the roll-out funding.

There remains an expectation in the business community of a slowdown in new business activity as the government continues to take time to formulate and prioritise its various strategies and determine how best to implement them. Additionally, as we move towards the elections in 2020 we expect 2019 will see a significant increase in political activity with a possible corresponding decrease in economic and business activity. We do not expect this to filter through to the everyday demand for our three business lines but it may have an impact on the overall FDI environment.

With this backdrop we have scaled back our overheads so that we can ensure that we continue to maximise value from our existing investments whilst at the same time being well placed to take advantage of suitable opportunities.

As a result, we feel that the Company is in an optimal position: a solid portfolio; adequate cash reserves for on-going overheads; and a front row seat for the opportunities that lie ahead.

Craig Martin
Managing Director
21 September 2018

Michael Dean
Finance Director
21 September 2018

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2018

	Note	2018 US$	2017 US$
Revenue		-	-
Other item of income			
Other income	4	530	174
Items of expense			
Employee benefits expense	5	(1,601,194)	(1,867,297)
Depreciation expense	12	(8,789)	(12,941)
Other operating expenses		(1,252,959)	(1,016,672)
Finance costs	6	(15,211)	(13,887)
Share of results of joint ventures, net of tax	10	(190,949)	85,933
Loss before income tax	7	(3,068,572)	(2,824,690)
Income tax expense	8	(6,164)	(8,390)
Loss for the financial year		(3,074,736)	(2,833,080)
Other comprehensive income:			
Items that may be reclassified subsequently to profit or loss:			
Exchange gain/(loss) arising on translation of foreign operations	10	57,051	(188,209)
Fair value gain on available-for-sale financial assets	11	4,604,478	-
Other comprehensive income for the financial year, net of tax		4,661,529	(188,209)
Total comprehensive income for the financial year		1,586,793	(3,021,289)
Loss attributable to:			
Owners of the parent		(3,049,533)	(2,828,540)
Non-controlling interests	13	(25,203)	(4,540)
		(3,074,736)	(2,833,080)
Total comprehensive income attributable to:			
Owners of the parent		77,170	(3,016,749)
Non-controlling interests	13	1,509,623	(4,540)
		1,586,793	(3,021,289)
Loss per share (cents)			
- Basic and diluted	9	(8.57)	(9.74)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2018

	Note	2018 US$	2017 US$
ASSETS			
Non-current assets			
Investments in joint ventures	10	3,347,783	1,711,681
Available-for-sale financial assets	11	36,000,000	31,395,522
Plant and equipment	12	54,751	12,510
Total non-current assets		39,402,534	33,119,713
Current assets			
Other receivables	14	194,584	198,504
Cash and cash equivalents	15	6,282,330	3,303,327
Total current assets		6,476,914	3,501,831
Total assets		45,879,448	36,621,544
EQUITY AND LIABILITIES			
Equity			
Share capital	16	40,161,942	32,656,994
Share option reserve	17	1,220,549	866,390
Accumulated losses		(10,711,403)	(7,669,565)
Foreign exchange reserve		(212,290)	(269,341)
Fair value reserve	18	3,069,652	-
Equity attributable to owners of the parent		33,528,450	25,584,478
Non-controlling interests	13	11,903,731	10,394,108
Total equity		45,432,181	35,978,586
LIABILITIES			
Current liabilities			
Other payables	19	432,330	632,738
Income tax payable		14,937	10,220
Total current liabilities		447,267	642,958
Total equity and liabilities		45,879,448	36,621,544

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2018

	Note	Share capital	Share option reserve	Foreign exchange reserve	Fair value reserve	Accumulated losses	Equity attributable to owners of the parent	Non-controlling interests	Total
		US$	US$	US$	US$	US$	US$	US$	US$
2018									
At 1 April 2017		32,656,994	866,390	(269,341)	-	(7,669,565)	25,584,478	10,394,108	35,978,586
Loss for the financial year		-	-	-	-	(3,049,533)	(3,049,533)	(25,203)	(3,074,736)
Other comprehensive income for the financial year									
Exchange gain arising on translation of foreign operations	10	-	-	57,051	-	-	57,051	-	57,051
Fair value gain on available-for-sale financial assets	11	-	-	-	3,069,652	-	3,069,652	1,534,826	4,604,478
Total other comprehensive income for the financial year		-	-	57,051	3,069,652	-	3,126,703	1,534,826	4,661,529
Total comprehensive income for the financial year		-	-	57,051	3,069,652	(3,049,533)	77,170	1,509,623	1,586,793
Contributions by and distributions to owners									
Issue of shares	16	7,293,725	-	-	-	-	7,293,725	-	7,293,725
Exercise of warrants	16	520,781	-	-	-	-	520,781	-	520,781
Share issue expenses	16	(309,558)	-	-	-	-	(309,558)	-	(309,558)
Share options expense	17	-	361,854	-	-	-	361,854	-	361,854
Cancellation of share options	17	-	(7,695)	-	-	7,695	-	-	-
Total contributions by and distributions to owners		7,504,948	354,159	-	-	7,695	7,866,802	-	7,866,802
At 31 March 2018		40,161,942	1,220,549	(212,290)	3,069,652	(10,711,403)	33,528,450	11,903,731	45,432,181

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2018

	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$
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 loss arising on translation of foreign operations	10	-	-	(188,209)	-	(188,209)	-	(188,209)
Total other comprehensive income for the financial year		-	-	(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	16	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 CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2018

	Note	2018 US$	2017 US$
Operating activities			
Loss before income tax		(3,068,572)	(2,824,690)
Adjustments for:			
Interest income	4	(530)	(174)
Finance costs	6	15,211	13,887
Depreciation of plant and equipment	12	8,789	12,941
Fixed assets written off	7	1,207	-
Share-based payment expense	17	361,854	555,459
Share of results of joint ventures, net of tax	10	190,949	(85,933)
Operating cash flows before working capital changes		(2,491,092)	(2,328,510)
Changes in working capital:			
Other receivables		3,920	(106,754)
Other payables		(200,408)	501,317
Cash used in operations		(2,687,580)	(1,933,947)
Interest received	4	530	174
Finance costs paid	6	(15,211)	(13,887)
Income tax paid		(1,447)	(7,697)
Net cash flows used in operating activities		(2,703,708)	(1,955,357)
Investing activities			
Investment in available-for-sale financial assets	11	-	(10,000)
Investments in joint ventures	10	(895,000)	-
Advances to joint ventures	10	(875,000)	-
Purchase of plant and equipment	12	(52,237)	(8,564)
Net cash flows used in investing activities		(1,822,237)	(18,564)
Financing activities			
Net proceeds from issuance of shares representing net cash flows generated from financing activities	16	7,504,948	3,891,189
Net change in cash and cash equivalents		2,979,003	1,917,268
Cash and cash equivalents at beginning of the year		3,267,183	1,349,915
Cash and cash equivalents at the end of financial year	15	6,246,186	3,267,183

Notes to the financial statements

1. 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.

2. 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.

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.

3.2 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) Fair value of unquoted available-for-sale financial assets

The Group's available-for-sale financial assets are measured at fair value for financial reporting purposes. The Board of Directors of the Company has set up an Investment Committee to determine the appropriate valuation techniques and inputs for fair value measurements.

In estimating the fair value of an asset or a liability, the Group uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Group engages internal qualified valuers to perform the valuation. The Investment Committee works closely with the qualified internal valuers to establish the appropriate valuation techniques and inputs to the model. The Finance Director reports the Investment Committee's findings to the Board of Directors of the Company on a periodic basis to explain the cause of fluctuations in the fair value of the assets and liabilities.

Information about the valuation techniques and inputs used in determining the fair value of the available-for-sale financial assets are disclosed in Note 11 to the financial statements.

(ii) Impairment of investments in joint ventures

The Group follows the guidance of IAS 39 in determining whether investments in joint ventures are impaired. This determination requires significant judgement. The Group evaluates, among other factors, the duration and extent to which the recoverable amounts of investments in joint ventures are less than their carrying amounts and the financial health of and near-term business outlook for investments in joint ventures, including factors such as industry and sector performance, changes in technology and operational and financing cash flows. The carrying amounts of investments in joint ventures are disclosed in Note 10 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 carrying amount and assumptions and model for estimating fair value for share-based payment transactions are set out in Note 17 to the financial statements.

4. Other income

	2018 US$	2017 US$
Interest income	530	174

5. Employee benefits expense

	2018 US$	2017 US$
Salaries, wages and other staff benefits	1,104,340	1,061,838
Bonuses	135,000	250,000
Share options expense (Note 17)	361,854	555,459
	1,601,194	1,867,297

The employee benefits expense includes the remuneration of Directors as disclosed in Note 20 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:

	2018 US$	2017 US$
Auditor's remuneration	54,815	52,071
Consultants fees	349,911	377,240
Fixed assets written off	1,207	-
Operating lease expenses	64,042	74,273
Professional fees	68,291	59,098
Travel and accommodation	156,875	63,779
Transaction costs	168,856	30,447

8. Income tax

	2018 US$	2017 US$
Current income tax		
- current financial year	6,164	9,631
- over-provision in prior financial year	-	(1,241)
	6,164	8,390

A reconciliation of income tax applicable to loss before income tax at the statutory income tax rate of 25% (2017: 25%) in Myanmar is as follows:

	2018 US$	2017 US$
Loss before income tax	(3,068,572)	(2,824,690)
Share of results of joint venture, net of tax (Note 10)	190,949	(85,933)
	(2,877,623)	(2,910,623)
Income tax at the applicable tax rates	(719,406)	(727,655)
Effects of different income tax rates in other countries	720,343	732,756
Under-provision in prior financial year	-	(1,241)
Tax effects of expenses not deductible for tax purposes	6,310	4,530
Income tax exemption	(1,083)	-
Income tax for the financial year	6,164	8,390

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:

	2018	2017
Loss for the financial year attributable to owners of the Company (US$)	(3,049,533)	(2,828,540)
Weighted average number of ordinary shares during the financial year applicable to basic loss per share	35,570,618	29,049,372
Loss per share		
Basic and diluted (cents)	(8.57)	(9.74)

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. Investments in joint ventures

	2018 US$	2017 US$
Investments in joint ventures		
At 1 April	1,711,681	1,813,957
Investments during the year	895,000	-
Share of results of joint ventures, net of tax	(190,949)	85,933
Foreign exchange adjustment	57,051	(188,209)
At 31 March	2,472,783	1,711,681
Advances	875,000	-
	3,347,783	1,711,681

Medicare International Health and Beauty Pte. Ltd. and its subsidiary

In the previous financial year, the Company's carrying amount of investment in its subsidiary, Medicare International Health and Beauty Pte. Ltd. (formerly known as MIL No. 2 Pte. Ltd.) ("Medicare") amounted to US$3,600. During the financial year, Medicare issued 1,895,000 shares for a consideration of US$1,796,400 for which the Company subscribed for 890,000 shares and paid a consideration of US$791,400. The Company has also provided advances to the shareholders of Medicare's joint operator of US$100,000 which is recognised as part of cost of investment in Medicare.

The Company also provided advances of US$500,000 to Medicare during the financial year for which 500,000 shares in Medicare were only issued subsequent to year end on 6 April 2018. These advances have been classified as investments in joint ventures as the nature of the advances were quasi-equity in nature and were converted to equity shares subsequent to the year end. The effective equity interest in Medicare is 48.1% as at 31 March 2018.

Myanmar Finance International Ltd.

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% of the new company and MFC holding the remaining 45%.

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 of US$1,920,000. Following Norfund's investment and the 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.

On 2 January 2018, MIL provided advances of US$375,000 to MFIL for which 375,000 shares in MFIL were only issued subsequent to year end on 4 April 2018. These advances have been classified as investments in joint ventures as the nature of the advances were quasi-equity in nature and were converted to equity shares subsequent to the year end. There is no change to the effective equity interest in MFIL.

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 ventures are as follows:

Name of joint ventures (Country of incorporation/place of business)	**Principal activities**	**Effective equity interest held by the Company**	
		2018	**2017**
		%	**%**
Medicare International Health and Beauty Pte. Ltd.[1] (Singapore) ("Medicare")	Provider of beauty, health, and pharmaceutical products	48.1	-
Myanmar Finance International Limited[2] (Myanmar) ("MFIL")	Provider of microfinance loans	37.5	37.5

[1] Audited by BDO LLP, Singapore
[2] Audited by JF Group Audit Firm, Yangon, Myanmar.

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

	Myanmar Finance International Limited 2018 US$	Medicare International Health and Beauty Pte. Ltd. and its subsidiary 2018 US$	Total 2018 US$	Myanmar Finance International Limited 2017 US$
Assets and liabilities				
Cash and cash equivalents	571,733	707,050	1,278,783	504,649
Trade receivables	9,128,395	53,436	9,181,831	5,898,757
Other current assets	213,525	21,496	235,021	192,680
Current assets	9,913,653	781,982	10,695,635	6,596,086
Non-current assets	134,686	1,369,142	1,503,828	119,763
Total assets	10,048,339	2,151,124	12,199,463	6,715,849
Current liabilities	4,289,214	30,140	4,319,354	1,998,898
Non-current liabilities	-	540	540	472,468
Total liabilities	4,289,214	30,680	4,319,894	2,471,366
Net assets	5,759,125	2,120,444	7,879,569	4,244,483
Advances	-	100,000	100,000	-
	5,759,125	2,220,444	7,979,569	4,244,483
Investments in joint ventures	37.5%	48.1%		37.5%
Share of net assets	2,159,672	1,068,111	3,227,783	1,591,681
Premium paid	120,000	-	120,000	120,000
	2,279,672	1,068,111	3,347,783	1,711,681
Income and expenses				
Revenue	2,256,491	53,436	2,309,927	1,557,162
Other income	106,700	270	106,970	77,692
Operating expense	(1,328,892)	(733,261)	(2,062,153)	(1,063,140)
Depreciation	(50,924)	-	(50,924)	(54,429)
Interest expense	(499,184)	-	(499,184)	(198,359)
Tax expense	(121,689)	-	(121,689)	(89,770)
Profit/(loss) after income tax	362,502	(679,555)	(317,053)	229,156
Share of results of joint ventures, net of tax	135,938	(326,887)	(190,949)	85,933

11. Available-for-sale financial assets

	2018 US$	2017 US$
At 1 April	31,395,522	31,385,522
Addition	-	10,000
Fair value gain on available-for-sale financial assets	4,604,478	-
At 31 March	36,000,000	31,395,522

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"), an unquoted Singapore incorporated company.

On 29 July 2015, MIL 4 acquired a 14.18% stake in Apollo 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, MIL 4 purchased a warrant for a total consideration of US$10,000, allowing MIL 4 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 MIL 4 as of 31 March 2018.

On 23 June 2017, a reorganisation took place as a result of which a new holding company was created to own all of the shares in Apollo and MIL 4's shareholding was exchanged for shares in the new holding company, Apollo Towers Holdings Limited ("Apollo Towers").

Following other changes in the composition of Apollo Towers share structure, as at 31 March 2018 MIL 4's shareholding was 13.45% (fully diluted).

As at 31 March 2018, the investment in available-for-sale financial assets ("AFS assets") represents an effective 13.45% equity interest in the unquoted share capital of Apollo Towers.

Apollo Towers owns and operates a telecommunication tower business in Myanmar through its wholly-owned subsidiary, Apollo Towers Myanmar Limited.

In the previous financial year, the investment in AFS assets was stated at cost as the management had assessed and concluded that the fair value of the AFS assets could not be determined reliably till Apollo achieved certain in-progress milestones 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.

In the current financial year, the investment in AFS assets is measured at fair value as the Apollo Towers business has achieved certain milestones by securing telecommunication co-location agreements with key customers. The investment is denominated in United States Dollars.

Management engaged their internal valuation specialists to perform a valuation on the investment. The valuation of the unquoted investment is categorised into Level 3 of the fair value hierarchy. The information on the significant unobservable inputs and the inter-relationship between key unobservable inputs and fair value are as follows:

Financial assets	**Valuation technique used**	**Significant unobservable inputs**	**Inter-relationship between key unobservable inputs and fair value**
Unquoted equity investments	Discounted cash flow	- Projected revenue growth rates (range between 11% to 18% per annum, average 14.6% per annum)	Increase in projected revenue growth rates based on anchor and co-location tenancy growth rates will increase the fair value of the financial asset.
		- Discount rate (14.2%)	Increase in discount rate will decrease the fair value of the financial asset.
		- Terminal value based on EBITDA multiplier of 11.9 times (from a range of 9.9 to 25.5)	Increase in terminal value based on EBITDA multiplier will increase the fair value of the financial asset.

12. Plant and equipment

	Computer equipment US$	Office equipment US$	Furniture and fittings US$	Total US$
2018				
Cost				
Balance at 1 April 2017	17,410	4,895	34,733	57,038
Additions	3,931	-	48,306	52,237
Written off	(11,358)	(3,777)	(31,054)	(46,189)
Balance at 31 March 2018	9,983	1,118	51,985	63,086
Accumulated depreciation				
Balance at 1 April 2017	11,753	3,012	29,763	44,528
Depreciation for the financial year	3,077	1,038	4,674	8,789
Written off	(11,358)	(3,254)	(30,370)	(44,982)
Balance at 31 March 2018	3,472	796	4,067	8,335
Carrying amount				
Balance at 31 March 2018	6,511	322	47,918	54,751
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

13. Investment in subsidiaries

Details of the subsidiaries 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	
			2018	2017	2018	2017
			%	%	%	%
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	-	-
Medicare International Health and Beauty Pte. Ltd. (formerly known as MIL No. 2 Pte. Ltd.)[(1)]	Singapore	Investment holding company	-	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
MIL Tower Ventures Limited [(2)]	British Virgin Islands	Dormant	100	-	-	-
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 respectively into Mil 4, which resulted in the dilution of the Company's equity interest in the subsidiary to 66.67%.

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

Dilution of interest of a subsidiary

As disclosed in Note 10 to the financial statements, the Company diluted its equity interest in Medicare International Health and Beauty Pte. Ltd. (formerly known as MIL No. 2 Pte. Ltd.) ("Medicare") to 48.1% during the financial year and Medicare was classified as a joint venture.

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	
	2018	**2017**
	US$	**US$**
Assets and liabilities		
Non-current assets	36,000,000	31,395,522
Current assets	74,918	89,778
Current liabilities	(363,729)	(302,977)
Net assets	35,711,189	31,182,323
Accumulated non-controlling interests	11,903,731	10,394,108
Revenue	-	-
Administrative expenses	(75,610)	(13,620)
Loss for the financial year	(75,610)	(13,620)
Other comprehensive income for the financial year	4,604,478	-
Total comprehensive income for the financial year	4,528,868	(13,620)
Loss allocated to non-controlling interests	(25,203)	(4,540)
Other comprehensive income allocated to non-controlling interests	1,534,826	-
Total comprehensive income allocated to non-controlling interests	1,509,623	(4,540)
Net cash used in operating activities	(139)	(96,567)
Net cash used in investing activity	-	(10,000)
Net cash generated from financing activities	139	106,567
Net change in cash and cash equivalents	-	-

14. Other receivables

	2018	2017
	US$	US$
Other receivables	121,433	136,974
Deposits	29,562	12,502
Prepayments	43,589	49,028
	194,584	198,504

Other receivables are denominated in the following currencies:

	2018 US$	2017 US$
United States dollar	194,584	192,254
Myanmar kyat	-	6,250
	194,584	198,504

15. Cash and cash equivalents

	2018 US$	2017 US$
Cash and bank balances	6,246,186	3,267,183
Short-term deposit	36,144	36,144
	6,282,330	3,303,327

The short-term deposit bears interest at an average rate of 0.25% (2017: 0.25%) per annum, has a tenure of approximately 12 months (2017: 12 months) and is pledged to bank to secure credit facilities.

Cash and cash equivalents are denominated in the following currencies:

	2018 US$	2017 US$
United States dollar	6,139,626	3,164,896
Singapore dollar	132,048	134,075
Myanmar kyat	10,656	4,356
	6,282,330	3,303,327

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

	2018 US$	2017 US$
Bank balances	6,282,330	3,303,327
Less: short-term deposits pledged	(36,144)	(36,144)
	6,246,186	3,267,183

16. Share capital

	2018 US$	2017 US$
Issued and fully-paid share capital:		
Ordinary shares at the beginning of the financial year	32,656,994	28,765,805
Issuance of ordinary shares during the financial year	7,293,725	4,219,081
Exercise of warrants during the financial year	520,781	7,885
Share issuance expenses	(309,558)	(335,777)
	40,161,942	32,656,994

	2018		2017	
Equity Instruments in issue	**Ordinary shares**	**Warrants**	**Ordinary shares**	**Warrants**
At the beginning of the financial year	30,556,793	16,040,882	27,300,833	15,240,027
Issuance during the financial year	6,181,123	-	3,245,447	811,368
Exercise of warrants during the financial year	694,375	(694,375)	10,513	(10,513)
At the end of the financial year	37,432,291	15,346,507	30,556,793	16,040,882

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.

In June 2017, the Company allotted 6,181,123 Ordinary Shares at US$1.18 per share (total of US$7,293,725) pursuant to a subscription for new shares (the "Fifth 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 694,375 (2017: 10,513) warrants were exercised at a price of US$0.75 by the parties that held them for cash consideration of US$520,781 (2017: 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

No new warrants were issued during the year.

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). The terms of the warrants were amended after the year end as described in Note 24 to the financial statements.

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

17. Share options

Details of the Share Option Plan are available on the Company's website.

18. Fair value reserve

Fair value reserve represents the cumulative fair value changes, net of tax, of available-for-sale financial assets until they are disposed of or impaired.

	2018 US$	2017 US$
Balance at start of the financial year	-	-
Fair value gain on available-for-sale financial assets (Note 11)	4,604,478	-
Less: Attributable to non-controlling interest (Note 13)	(1,534,826)	-
Balance at end of financial year	3,069,652	-

19. Other payables

	2018 US$	2017 US$
Accruals	395,577	596,032
Other payables	36,753	36,706
	432,330	632,738

Other payables are denominated in the following currencies:

	2018 US$	2017 US$
Singapore dollar	113,414	47,179
United States dollar	228,612	523,791
British pound	90,304	50,976
Euro	-	2,667
Myanmar kyat	-	8,125
	432,330	632,738

20. 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 2018, 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 2018 and 31 March 2017 was as follows:

	Directors' fee US$	Short term employee benefits[1] US$	Share option plan US$	Total US$
Financial year ended 31 March 2018				
Executive directors				
Maung Aung Htun	-	455,893	106,744	562,637
Anthony Michael Dean	-	458,610	100,967	559,577
Independent non-executive directors				
Christopher William Knight	40,000	-	21,906	61,906
Craig Robert Martin	30,000	-	21,906	51,906
Christopher David Appleton	30,000	-	21,906	51,906
Henrik Onne Bodenstab	30,000	-	8,493	38,493
	130,000	914,503	281,922	1,326,425

	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

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

21. 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.

22. Dividends

The Directors of the Company do not recommend any dividend in respect of the financial year ended 31 March 2018 (2017: Nil).

23. 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.

23.1 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.

23.2 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	
	2018	2017	2018	2017
	US$	US$	US$	US$
Singapore dollar	132,048	134,075	113,414	47,179
Euro	-	-	-	2,667
Myanmar kyat	16,906	10,606	-	8,125
British pound	-	-	90,304	50,976
	148,954	144,681	203,718	108,947

Foreign currency sensitivity analysis
No sensitivity analysis 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.

23.3 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 2018, the Group's principal financial assets consist mainly of cash and cash equivalents and available-for-sale financial assets.

23.4 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.

23.5 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 2018 and 31 March 2017.

24. Subsequent events

i) *Apollo Towers reorganisation*

As announced on 21 September 2018, MIL 4 agreed to exchange its investment in Apollo Towers for shares in Towers (M) Holdings Pte. Ltd. ("Towers Holdings") which owns Pan Asia Majestic Eagle Limited ("Pan Asia Towers") another Myanmar independent tower company. Upon completion of this reorganisation, MIL 4's existing 13.5 per cent shareholding in Apollo Towers will be exchanged for a shareholding of approximately 6.2 per cent in Towers Holdings, of which approximately 4.2 per cent will be indirectly held by MIL.

ii) *Amendments to the terms of the Company's Warrants*

As announced on 22 May 2018, the Company's shareholders and warrant holders approved the resolution to amend the terms of the Company's existing warrants as follow:

- the Warrants can be exercised at US$0.75 on or before 21 June 2018, in line with their original terms; and
- in relation to any Warrants that remain outstanding at 21 June 2018:
  a) the exercise period for the Warrants will be automatically extended such that the Warrants can be exercised until 31 December 2021, but at a higher exercise price of US$0.90; and
  b) in the extended period, Warrantholders will have the option to exercise their Warrants on a cashless basis in December of each year in certain circumstances.

Notes to Editors

Myanmar Investments International Limited (AIM: MIL) was 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 portfolio 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.

MIL aims to identify investments 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.

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 to-date (US$21 million investment for a 9.0 per cent effective shareholding) is in Apollo Towers, Myanmar's second largest telecommunications towers company with 1,800 towers. Apollo operates in the high growth telecommunications sector with a strong management that is growing the number of co-locations (i.e. multiple tenancies) on its portfolio of towers. In June

2016, OPIC provided a US$250 million debt facility to Apollo Towers. The reorganisation with Pan Asia Towers is expected to produce a more efficient and profitable combined investment.

MIL's first investment in August 2014 was into Myanmar Finance International Limited ("MFIL") which today is one of the leading microfinance companies in Myanmar. Since MIL invested, MFIL's business has expanded rapidly. The business is profitable with 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 per cent shareholder in MFIL.

MIL's third investment in May 2017 was into Medicare International Health and Beauty Pte. Ltd., ("Medicare"). This was a greenfield pharmacy, healthcare and personal care product retail franchise joint venture. The joint venture partners are: a) H&B Management Solutions Pte. Ltd., which owns Medicare Vietnam, one of the largest pharmacy, health, beauty and personal care retail groups which runs over 70 outlets in Vietnam; and b) Randy Guttery, an industry veteran with significant experience leading Asian-based retail concepts. It is expected that Medicare 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.

Myanmar, a country of approximately 54 million people and roughly the size of France, has been isolated for much of the last 50 years. Strategically situated in one of the world's most economically dynamic regions amid the intersection of India, China and South East Asia it is a key component of China's 'One Belt One Road' strategy providing direct access to the Indian Ocean.

Whilst it was once one of the more prosperous countries in Southeast Asia with 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. However, it has a number of competitive advantages: a population of 54 million people (it is the 26th most populous country in the world); a large workforce with a high literacy rate of 90%; 68% of the population is of working age (between 15 and 65); and 28% of the population is under 24 which is expected to provide a strengthening consumer demand.

Today its economy is picking up and the IMF is projecting GDP growth for Myanmar to average 7.2% p.a. through to 2023.

Myanmar has undergone an unprecedented transformational reform process, initiated by the U Thein Sein administration in 2011. The elections in 2015 were the first democratic elections in 50 years.

This remarkable change has not been without its difficulties and the situation in Rakhine state, which stems from a complex and historically charged background, remains un-remedied. The Advisory Commission on the Rakhine State crisis, led by the late former UN Secretary-General Kofi Annan, has provided an important framework which can provide the foundations for addressing the distressing situation there.

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

MMK 1,560 = US$1.00 as at 20 September 2018