

Myanmar Investments International Limited

Audited financial results for the year to 31 March 2019

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 2019.

Copies of the Company’s annual report and accounts will be sent to shareholders and warrant holders shortly and will also be available to download from the Company’s website.

Future Strategy

Given the slow pace of change in Myanmar and expectations that the next few years are likely to be difficult and volatile for the country’s economy, the Directors believe that the Company’s current strategy is unlikely to generate an appropriate risk adjusted return commensurate with an investment in a frontier economy. Accordingly the Directors feel that it is appropriate to start planning for an orderly disposal of our three investments with a view to ultimately winding up the Company.

So this year’s AGM, to be held in Yangon on 24 October 2019, will include a resolution to amend the Company’s Investment Policy such that the Board can:

- undertake an orderly disposal of its investments; and
- return surplus capital to shareholders.

If the resolution is approved, the Directors will look to undertake an orderly disposal of its investments in MFIL and Medicare in consultation with our joint venture partners. The investment in Apollo Towers will most likely continue to be held until such time as our joint venture partners are able to create an exit opportunity.

In due course the Directors plan to put a winding up proposal to Shareholders.

Further details of these proposals are included in the Chairmen’s Letter.

Business review

The Company has invested in three businesses:

Apollo Towers

- To date the Company has invested US\$21 million in Apollo Towers
- The Directors have been advised that the share swap with Towers Holdings should be completed in the near future
- Under the share swap, the Company will exchange its indirect interest of 9.1 per cent of Apollo Towers for an indirect interest of 4.1 per cent of Towers Holding
- The share swap effectively brings Apollo Towers and Pan Asia Towers, another Myanmar independent tower company, under the common ownership of Towers Holdings
- On a pro-forma basis, had the share swap taken place before 31 March 2019, then Towers Holdings would have had a portfolio of approximately 3,150 towers hosting around 6,450 tenants; a Lease Up Rate of 2.0x
- Similarly, Towers Holdings’ proforma March 2019 normalised and annualised Revenue and EBITDA would have been US\$119 million and US\$69 million respectively

- Future growth will be driven by an increase in the tower portfolio and also by an increase in tenancies as co-location rates rise

Myanmar Finance International Limited (“MFIL”)

- MIL has invested US\$2.7 million for a 37.5 per cent shareholding
- One of Myanmar’s leading microfinance companies.
- Strong growth in its borrower base and loan book at 31 March 2019 at 71,500 and US\$14.6 million, representing compound annual growth rates (“CAGR”) of 54 per cent and 107 per cent respectively since investment
- Secured US\$12.3 million in Kyat-denominated debt facilities
- MFIL focuses on urban and semi-rural lending in Yangon, Bago and Mon State but plans to expand to other states during the coming year.

Medicare

- MIL has invested US\$2.1 million for a 48.6 per cent shareholding
- Greenfield joint venture in pharmaceutical, health and beauty franchise retailing
- A joint venture with Medicare, Vietnam’s leading pharmacy, health and beauty retail group.
- Designed to capitalise on both an expected rise in consumer spending power and an absence of modern retail outlets with similar offerings
- Today it has 21 stores in operation with plans to have 31 open by the end of December 2019

Financial review

During the past year our net asset value (“NAV”) has decreased by 12 per cent and was US\$33.3 million as at 31 March 2019. This was driven mainly by the reduction in the assessed value of our investments in MFIL (down US\$1.9 million to US\$4.4 million, driven mainly by a marked reduction in the comparable companies’ multiples coupled with a 13.5 per cent depreciation in the Myanmar Kyat) and Medicare (down US\$183,000 to US\$1.2 million). What is not reflected in these numbers is the possible uplift in our investment in Apollo Towers as the share exchange with Towers Holdings has not yet occurred, even though we have already committed to completing this. Had the share exchange occurred before year-end then the Directors estimate that our NAV as at 31 March 2019 would have been US\$39.3 million, an increase over the year of 3.7 per cent.

During the year we drastically reduced our operating “run-rate” costs from US\$2.2 million per annum to the equivalent of US\$1.2 million per annum by year-end. As a result our loss per share reduced 25 per cent compared to the prior year.

William Knight, Chairman of MIL, “The decision to move towards starting an orderly wind down of the Company is not one that has been taken lightly but reflects the harsh realities of both trying to raise significant new funds for investment in Myanmar as well as identifying suitable investments in Myanmar.”

He also added, “Mike Dean has advised us of his intention to step down sometime after this year’s AGM. We thank him for his whole-hearted commitment 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.

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

CHAIRMEN'S LETTER

Dear fellow shareholder

Change in strategy

While we are pleased with the positive impact that our business has had in Myanmar, after significant discussions the Directors believe that our current strategy in Myanmar is unlikely to generate an appropriate risk adjusted return commensurate with an investment in a frontier economy. We are therefore writing to propose that your Company should commence an orderly winding down and to return capital to shareholders.

Our decision is based on a number of factors including but not limited to; post Rakhine crisis difficulties in raising significant capital in western markets, a fragile domestic banking system, increasingly complex political landscape and the slow pace of reform.

We are now holding around US\$3 million of cash and have streamlined our operations thereby significantly reducing our operating expenses. We propose to proactively seek to dispose of our investments in MFIL and Medicare.

Our investment in Apollo Towers, which is in the final stages of being exchanged for an investment in Towers Holdings, should not require additional funding. We also believe that in due course the resultant investment in Towers Holdings can be exited by way of a sale to a strategic investor or a listing on one of the region's stock exchanges.

We therefore envisage a period of proactivity as we look to sell our investments in MFIL and Medicare. Once this has been achieved, we will then significantly streamline what is left of the business to monitor and manage the process of exiting from Towers Holdings. In this second phase we do not envisage that we will require a Yangon office nor a significant number of staff.

During the past year, as part of our evaluation of the strategic options available to the Company, we had explored the possibility of a tie-up with Myanmar Strategic Holdings Limited, another London listed company which invests in Myanmar. However the Directors did not believe that the terms offered would have been acceptable to the Company's shareholders and therefore did not proceed.

Board change

Michael Dean, the Finance Director, has indicated that he will look to step down some time after this year's AGM. The Board will look to put in place a suitable replacement to handle the changed needs of the Company, especially if the winding down resolution is approved at the AGM.

Impact investing

We are pleased with the positive impact each of our businesses has had in Myanmar. Collectively they employ around 500 people.

Towers Holdings has built 29 per cent of the country's independent telecoms towers. Estimating the number of subscribers that benefit from this is not possible but on the basis of the total number of subscribers in Myanmar, they clearly number in the millions. So utilising our 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 Myanmar's, economic advancement.

Today MFIL has over 66,000 borrowers. That is 66,000 households which have been economically empowered to expand their businesses (small shops, trading businesses, food stalls etc) through MFIL's ethical lending practices. MFIL's rural outreach is nearly 40 per cent 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: over 80 per cent of its borrowers are women, while internally 60 per cent of its management are women.

Medicare's objective is to provide affordable health and beauty products to its customers. All our Medicare stores adhere to the 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 providing medicines which 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 ones that are not widespread in Myanmar today.

Corporate Governance

The Company seeks to uphold the fundamental principles of good corporate governance and has adopted the Quoted Companies Alliance 2018 Corporate Governance Code. The Chairman's Statement on Corporate Governance provides greater detail 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 ("AGM") will be held at The British Club, Yangon, Myanmar at 9.00am (Myanmar time) on Thursday 24 October 2019. 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.

Of particular importance is the resolution relating to the proposed change to the investing strategy of the Company. As explained above, the Directors have determined that it would be in the best interests of Shareholders to formally amend the investment objective of the Company and to commence steps to complete an orderly winding down of the business of the Company in the medium term (the "Winding Down"). To effect the Winding Down, as the Company realises its assets it intends to make periodic distributions to Shareholders of the surplus capital that is received from the proceeds of the Winding Down.

No specific date can be set for when the Winding Down will be completed but following the exit from the last of the Company's investments, which will most likely be Towers Holdings, the Directors intend to put forward a formal proposal for winding up the Company. Shareholders should bear in mind that no representations can be made as to the exact timing, terms and quantum of disposals or returns of value, all of which will depend, among other things, on market and general economic conditions and could be adversely affected by changes in, among other things, interest rates, rates

of inflation, market, foreign exchange, taxation, competition and political events. For these reasons, Shareholders should bear in mind that the net asset value periodically determined by the Directors is done in good faith but may not be an indicator of the values ultimately realised.

With regard to the Company's existing warrants, in the event that capital is returned to the shareholders, in accordance with the warrant instrument the Board will exercise its discretion, with the advice of the Company's auditors, to determine what adjustments should be made to reflect the consequences of the reduction in capital.

Accordingly, item 6 to be proposed at the AGM is a resolution to amend the investment objective and policies of the Company on terms set out below.

The proposed amendments to the Company's investment objective and policies are as follows:

"The Company will seek to realise the Company's investments in an orderly manner, such realisations to be effected at such times, on such terms and in such manner as the Directors (in their absolute discretion) may determine.

Following such realisations, the Company will make periodic returns of surplus capital to Shareholders on such terms and in such manner as the Directors (in their absolute discretion) may determine.

The Company shall not make any new investments in projects to which it is not already committed. However, this will not preclude the Directors (in their absolute discretion) from: (a) authorising the expenditure of such capital as is necessary to: (i) complete arrangements pertaining to the Company's existing investments; or (ii) carry out any activities that the Directors (in their absolute discretion) deem appropriate to ensure the saleability of any existing investment; or (b) entering into any contract or other arrangement with any third party to realise all or any part of the Company's existing investments.

Following the disposal of all of the Company's existing investments, the Directors intend to put a winding up proposal to the Shareholders."

The Directors consider that approval of the ordinary business is in the Company's best interests and in the best interest of the shareholders as a whole and recommend that you **VOTE IN FAVOUR** of each of the resolutions to be proposed at the AGM.

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 contributions; and our shareholders for their continued support. In particular we should like to thank Mike for his whole-hearted commitment over the past six years and wish him well in his future endeavours.

William Knight
Chairman
25 September 2019

Aung Htun
Deputy Chairman
25 September 2019

EXECUTIVE DIRECTORS' REVIEW

Business Review

During the past year our net asset value ("NAV") has decreased by 12 per cent and was US\$33.3 million as at 31 March 2019. This was driven mainly by the reduction in the assessed value of our investments in MFIL (down US\$1.9 million to US\$4.4 million, driven mainly by a marked reduction in the comparable companies' multiples coupled with a 13.5 per cent depreciation in the Myanmar Kyat) and Medicare (down US\$183,000 to US\$1.2 million). What is not reflected in these numbers is the possible uplift in our investment in Apollo Towers as the share exchange with Towers Holdings has not yet occurred, even though we have already committed to completing this. Had the share exchange occurred before year-end then the Directors estimate that our NAV as at 31 March 2019 would have been US\$39.3 million, an increase over the year of 3.7 per cent.

During the year we drastically reduced our operating "run-rate" costs from US\$2.2 million per annum to the equivalent of US\$1.2 million per annum by year-end. As a result our loss per share reduced 25 per cent compared to the prior year.

Overall, our businesses have performed well:

- Apollo Tower: the long-planned increases in co-locations have driven growth in EBITDA and the combination with Pan Asia Towers will produce greater synergies and economies of scale;
- MFIL: with additional equity investment and additional debt facilities in place the business has grown well in size, product mix and geographic reach. This growth has however been tempered by an increase in the portfolio-at-risk due to borrower over-indebtedness and excessive competition; and
- Medicare: the business has experienced strong growth with 17 branches open at the end of March 2019, an increase over the year of 8 branches. As of today this has increased even further to 21 branches and a further 10 branches are targeted to be opened before the end of December 2019.

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.

Financial Review

Net Asset Value

The Directors assess the Group's NAV attributable to the shareholders of the Company as at 31 March 2019 to be US\$33.3 million, a year-on-year decrease of 12 per cent. This represents US\$0.87 per share, based on the number of shares in issue at the year-end. This change principally reflects the net changes in the Directors' assessment of the values of the Company's investments, described in more detail below, less the Group's running costs for the year.

As at 31 March 2019 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 comparable EBITDA multiple methodology;
- an investment in MFIL, the microfinance business, of US\$4.4 million, determined using a price to book value methodology;
- an investment in Medicare, the pharmaceutical, health and beauty retail franchise business, of US\$1.2 million, determined based on the cost of the investment less attributable losses (akin to underlying NAV); and
- cash and other net assets/liabilities of US\$3.5 million.

Apollo Towers

As at 31 March 2018 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\$24 million by using a discounted cashflow ("DCF") basis of valuation. Using the same methodology as at 30 September 2018 the valuation remained the same.

Plans have been put in place to bring Apollo Towers and Pan Asia Majestic Eagle Limited ("Pan Asia Towers"), under the ultimate common ownership of a new holding company Towers (M) Holdings Pte. Ltd. ("Towers Holdings"). Given that the combined businesses have greater scale and maturity, the Directors believe that it is suitable time to move away from a DCF basis of valuation and have instead valued the investment by reference to the run-rate EBITDA and prevailing comparable EV/EBITDA multiples. DCF as a methodology relies on a number of critical forward looking assumptions and slight changes in one or two variables can have a significant effect on the range of potential values. Whilst in the early stages of a business there may be little choice to using DCF, as a business matures it is more appropriate to look to a present value rather than a discounted future value. As the business has significantly matured and is generating stable and growing earnings, the Directors believe it appropriate to adopt a market-based valuation methodology, especially given a sufficient universe of appropriate comparable listed companies and transactions. Although there is greater upside still to be achieved after the reorganisation, and the Directors continually review options to create liquidity and/or monetisation of the investment, at this point the indication from the joint venture partner is that they are not contemplating an exit in the near future.

Using this methodology the Directors have assessed the value of the Group's investment in Apollo Towers as at 31 March 2019 to be US\$24 million. While this is equal to the valuation as at 31 March 2018, the main components of the valuation methodology changed as follows:

- Increase in run-rate EBITDA resulting in increase in value of approximately US\$1.7 million;
- Increase in net debt resulting in decrease in value of approximately US\$1.8 million; and
- Decrease in comparable EBITDA multiple resulting in decrease in value of approximately US\$0.1 million.

The value of Apollo Towers is the same as last year and shows a profit of US\$3.2 million over the cost of the investment and equates to an IRR since the initial investment in July 2015 of 4.0 per cent.

Under the planned share exchange, the Company's 66.6 per cent owned subsidiary, MIL 4 Limited ("MIL4"), will swap its 13.7 per cent shareholding in Apollo Towers for a 6.2 per cent shareholding in Towers Holdings, which already owns Pan Asia Towers. MIL4 had committed to this course of action back in November 2017. If the share exchange had been completed by 31 March 2019 then the Directors estimate that that the Company's attributable shareholding in Towers Holdings would have been worth US\$30 million as at that date. Based on this valuation this would represent a profit of US\$9.2 million over the cost of the investment and equate to an IRR of 10.5 per cent.

MFIL

As at 31 March 2018 the Directors had assessed the value of the Group's investment in MFIL to be US\$6.3 million, using the price to forward book value methodology.

The use of the forward book value, which is then discounted back to the valuation date, is appropriate for companies on a steep growth trend, as MFIL has been. However, as such businesses mature it is more appropriate to value them on their present value and thereby remove the estimations and assumptions associated with using forecasts. Therefore the Directors have applied a market-based price to book value multiple to the equity book value as at 31 March 2019.

Using this methodology the Directors have assessed the value of the Group’s investment in MFIL as at 31 March 2019 to be US\$4.4 million. If the Group had applied this methodology for 31 March 2018, the net change in value between 2018 and 2019 can broadly be attributed to:

- Increase in book value resulting in an increase in value of approximately US\$1.6 million;
- Decrease in comparable book value multiple used resulting in decrease in value of approximately US\$2.3 million; and
- Appreciation of the US dollar against the Myanmar Kyat by 13.5 per cent resulting in a decrease in value of approximately US\$0.7 million.

The revised value of MFIL represents a decrease over the year of 30 per cent but is still a profit of US\$1.7 million over the cost of the investment. This equates to an IRR since the initial investment in September 2014 of 15.5 per cent.

Medicare

As at 31 March 2018 the Directors had assessed the value of the Group’s investment in Medicare to be US\$1.4 million, using the price of a recent investment (“PRI”) methodology.

Integral to Medicare’s business plan is that it will continue to open new stores but as these stores take time to become profitable it is inevitable that there will be a period of start-up losses. As such the Directors feel that it is appropriate to reflect these losses in the valuation and have therefore moved from a PRI methodology to NAV, being the investment cost to date less the proportionate share of Medicare’s losses.

Using this methodology the Directors have assessed the value of the Group’s investment in Medicare as at 31 March 2019 to be US\$1.2 million. The revised value of Medicare represents a loss of US\$0.95 million on the cost of the investment.

Summary of NAV

In the attached audited financial statements, the NAV attributable to shareholders differs from the above stated value of US\$33.3 million due to the following adjustments:

	US\$ millions
NAV per the audited financial statements	31.4
MFIL ¹	1.9
NAV per the Directors’ valuation	<u>33.3</u>

Note 1: 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 for MFIL is determined using the price to book value methodology as described in the International Private Equity and Venture Capital Guidelines.

Financial results

For the year to 31 March 2019 the Group’s audited loss after tax was US\$2.4 million, a significant reduction on last year’s US\$3.1 million whilst the loss per share decreased 25 per cent year-on-year.

As announced last year, the Board had set in motion a series of cost cutting measures to significantly reduce our overheads. These reductions were phased in over the year and the Company reduced its recurring core cash-based overheads (including the costs of being a quoted company but excluding discretionary compensation, share option expenses and transaction costs), from US\$2.2 million for the year to 31 March 2018 to US\$1.6 million for the year to 31 March 2019, a reduction of 27 per cent. For a more accurate assessment of the year end cash-based overheads, the annualised costs for March 2019 equate to US\$1.2 million, which represents a year on year reduction of 46 per cent.

Outside of our overheads the most significant items were:

- our share of Medicare's losses which were US\$600,000 compared to last year's US\$325,000;
- our share of MFIL's profits which were US\$112,000 compared to last year's US\$135,000;
- 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.

Change of year end

The Myanmar Government has announced that all Myanmar companies must change their financial year end to 30 September of each year, commencing this year, 2019. As such all of the Company's investee companies must change their year end and therefore the Company will do the same.

This will be effected in a phased manner: the Company will issue interim accounts for the six months to 30 September 2019 and also 31 March 2020. It will then produce audited accounts for the 18 months to 30 September 2020. The two sets of interim accounts will be reviewed by BDO LLP, the Company's statutory auditors. The interim accounts and the final audit accounts will all be targeted to be issued within 3 months of their respective period ends.

Dividends

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

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.

Craig Martin

Managing Director

25 September 2019

Michael Dean

Finance Director

25 September 2019

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019

	Note	2019 US\$	2018 US\$
Revenue		-	-
Other item of income			
Finance income	4	514	530
Items of expense			
Employee benefits expense	5	(916,343)	(1,601,194)
Depreciation expense	13	(22,001)	(8,789)
Other operating expenses		(1,006,933)	(1,252,959)
Finance costs	6	(12,715)	(15,211)
Share of results of joint ventures, net of tax	10	(491,290)	(190,949)
Loss before income tax	7	(2,448,768)	(3,068,572)
Income tax expense	8	(436)	(6,164)
Loss for the financial year		(2,449,204)	(3,074,736)
Other comprehensive income:			
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Exchange (loss)/gain arising on translation of foreign operations	10	(263,584)	57,051
Fair value gain on available-for-sale financial assets	11	-	4,604,478
Other comprehensive income for the financial year, net of tax		(263,584)	4,661,529
Total comprehensive income for the financial year		(2,712,788)	1,586,793
Loss attributable to:			
Owners of the parent		(2,420,931)	(3,049,533)
Non-controlling interests	14	(28,273)	(25,203)
		(2,449,204)	(3,074,736)
Total comprehensive income attributable to:			
Owners of the parent		(2,684,515)	77,170
Non-controlling interests	14	(28,273)	1,509,623
		(2,712,788)	1,586,793
Loss per share (cents)			
- Basic and diluted	9	(6.42)	(8.57)

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

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2019

	Note	2019 US\$	2018 US\$
ASSETS			
Non-current assets			
Investments in joint ventures	10	3,717,909	3,347,783
Available-for-sale financial assets	11	-	36,000,000
Equity instrument at fair value through profit or loss	12	36,000,000	-
Plant and equipment	13	38,103	54,751
Total non-current assets		<u>39,756,012</u>	<u>39,402,534</u>
Current assets			
Other receivables	15	178,775	194,584
Cash and cash equivalents	16	3,720,521	6,282,330
Total current assets		<u>3,899,296</u>	<u>6,476,914</u>
Total assets		<u>43,655,308</u>	<u>45,879,448</u>
EQUITY AND LIABILITIES			
Equity			
Share capital	17	40,569,059	40,161,942
Share option reserve	18	1,337,005	1,220,549
Accumulated losses		(10,039,640)	(10,711,403)
Foreign exchange reserve		(475,874)	(212,290)
Fair value reserve	19	-	3,069,652
Equity attributable to owners of the parent		<u>31,390,550</u>	<u>33,528,450</u>
Non-controlling interests	14	11,875,458	11,903,731
Total equity		<u>43,266,008</u>	<u>45,432,181</u>
LIABILITIES			
Current liabilities			
Other payables	20	372,410	432,330
Income tax payable		16,890	14,937
Total current liabilities		<u>389,300</u>	<u>447,267</u>
Total equity and liabilities		<u>43,655,308</u>	<u>45,879,448</u>

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

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019**

	Note	Share capital US\$	Share option reserve US\$	Foreign exchange reserve US\$	Fair value reserve US\$	Accumulated losses US\$	Equity attributable to owners of the parent US\$	Non-controlling interests US\$	Total US\$
2019									
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
Effect of adopting IFRS 9		-	-	-	(3,069,652)	3,069,652	-	-	-
At 1 April 2018		40,161,942	1,220,549	(212,290)	-	(7,641,751)	33,528,450	11,903,731	45,432,181
Loss for the financial year		-	-	-	-	(2,420,931)	(2,420,931)	(28,273)	(2,449,204)
Other comprehensive income for the financial year									
Exchange loss arising on translation of foreign operations	10	-	-	(263,584)	-	-	(263,584)	-	(263,584)
Total other comprehensive income for the financial year		-	-	(263,584)	-	-	(263,584)	-	(263,584)
Total comprehensive income for the financial year		-	-	(263,584)	-	(2,420,931)	(2,684,515)	(28,273)	(2,712,788)
Contributions by and distributions to owners									
Exercise of warrants	17	491,916	-	-	-	-	491,916	-	491,916
Share issue expenses	17	(84,799)	-	-	-	-	(84,799)	-	(84,799)
Share options expense	18	-	139,498	-	-	-	139,498	-	139,498
Cancellation of share options	18	-	(23,042)	-	-	23,042	-	-	-
Total contributions by and distributions to owners		407,117	116,456	-	-	23,042	546,615	-	546,615
At 31 March 2019		40,569,059	1,337,005	(475,874)	-	(10,039,640)	31,390,550	11,875,458	43,266,008

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

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019**

	Note	Share capital US\$	Share option reserve US\$	Foreign exchange reserve US\$	Fair value reserve US\$	Accumulated losses US\$	Equity attributable to owners of the parent US\$	Non-controlling interests US\$	Total 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	17	7,293,725	-	-	-	-	7,293,725	-	7,293,725
Exercise of warrants	17	520,781	-	-	-	-	520,781	-	520,781
Share issue expenses	17	(309,558)	-	-	-	-	(309,558)	-	(309,558)
Share options expense	18	-	361,854	-	-	-	361,854	-	361,854
Cancellation of share options	18	-	(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

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

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019**

	Note	2019 US\$	2018 US\$
Operating activities			
Loss before income tax		(2,448,768)	(3,068,572)
Adjustments for:			
Interest income	4	(514)	(530)
Finance costs	6	12,715	15,211
Depreciation of plant and equipment	13	22,001	8,789
Fixed assets written off	7	-	1,207
Share-based payment expense	18	139,498	361,854
Share of results of joint ventures, net of tax	10	491,290	190,949
Operating cash flows before working capital changes		<u>(1,783,778)</u>	<u>(2,491,092)</u>
Changes in working capital:			
Other receivables		15,809	3,920
Other payables		<u>(59,920)</u>	<u>(200,408)</u>
Cash used in operations		(1,827,889)	(2,687,580)
Interest received	4	514	530
Finance costs paid	6	(12,715)	(15,211)
Income tax refund/(paid)		<u>1,517</u>	<u>(1,447)</u>
Net cash flows used in operating activities		<u>(1,838,573)</u>	<u>(2,703,708)</u>
Investing activities			
Investments in joint ventures	10	(500,000)	(895,000)
Advances to joint ventures	10	(625,000)	(875,000)
Purchase of plant and equipment	13	<u>(5,353)</u>	<u>(52,237)</u>
Net cash flows used in investing activities		<u>(1,130,353)</u>	<u>(1,822,237)</u>
Financing activities			
Increase in short-term deposits pledged		(11,267)	-
Net proceeds from issuance of shares	17	<u>407,117</u>	<u>7,504,948</u>
Net cash flows generated from financing activities		<u>395,850</u>	<u>7,504,948</u>
Net change in cash and cash equivalents		(2,573,076)	2,979,003
Cash and cash equivalents at beginning of the year		<u>6,246,186</u>	<u>3,267,183</u>
Cash and cash equivalents at the end of financial year	16	<u><u>3,673,110</u></u>	<u><u>6,246,186</u></u>

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019**

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 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 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 equity instrument at fair value through profit or loss

The Group's equity instrument at fair value through profit or loss 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 being the EV/EBITDA multiple.

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 Investment Committee reports its 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 unquoted equity instrument at fair value through profit or loss are disclosed in Note 12 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 18 to the financial statements.

4. Finance income

	2019	2018
	US\$	US\$
Interest income	514	530

5. Employee benefits expense

	2019	2018
	US\$	US\$
Salaries, wages and other staff benefits	739,024	1,104,340
Bonuses	37,821	135,000
Share options expense (Note 18)	139,498	361,854
	<u>916,343</u>	<u>1,601,194</u>

The employee benefits expense includes the remuneration of Directors as disclosed in Note 21 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 financial statements, the above includes the following charges:

	2019	2018
	US\$	US\$
Auditor's remuneration	61,278	54,815
Consultants fees	268,564	349,911
Fixed assets written off	-	1,207
Operating lease expenses	91,381	64,042
Professional fees	16,177	68,291
Travel and accommodation	59,769	156,875
Transaction costs	154,356	168,856

8. Income tax

	2019	2018
	US\$	US\$
Current income tax		
- current financial year	1,574	6,164
- over-provision in prior financial year	(1,138)	-

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:

	2019	2018
Loss for the financial year attributable to owners of the Company (US\$)	(2,420,931)	(3,049,533)
Weighted average number of ordinary shares during the financial year applicable to basic loss per share	37,685,988	35,570,618
<u>Loss per share</u>		
Basic and diluted (cents)	<u>(6.42)</u>	<u>(8.57)</u>

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

	2019	2018
	US\$	US\$
Investments in joint ventures		
Unquoted equity investments, at cost	4,190,000	2,815,000
Share of post-acquisition results of joint venture, net of tax	(621,217)	(129,927)
Share of post-acquisition foreign currency translation reserve	(475,874)	(212,290)
	<u>3,092,909</u>	<u>2,472,783</u>
Advances to joint ventures	625,000	875,000
	<u>3,717,909</u>	<u>3,347,783</u>
	2019	2018
	US\$	US\$
Movement during the year		
At 1 April	3,347,783	1,711,681
Investments during the year	500,000	895,000
Share of results of joint ventures, net of tax	(491,290)	(190,949)
Share of foreign currency translation reserve	(263,584)	57,051
Advances during the year	625,000	875,000
At 31 March	<u>3,717,909</u>	<u>3,347,783</u>

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

In the previous financial year, the Company's carrying amount of investment in its joint venture, Medicare International Health and Beauty Pte. Ltd. ("Medicare") amounted to US\$895,000. The cost of investments included advances to the shareholders of Medicare's joint operator of US\$100,000. During the financial year, Medicare issued 2,000,000 shares for a consideration of US\$2,000,000 for which the Company subscribed for 1,000,000 shares via the cash consideration of US\$500,000 and capitalisation of prior year's advance amounting to US\$500,000.

The Company also provided advances of US\$250,000 to Medicare during the financial year for which 250,000 shares in Medicare were issued subsequent to year end. 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 48.6% as at 31 March 2019 (31 March 2018: 48.1%).

Myanmar Finance International Ltd.

During the year, MFIL issued 1,000,000 shares for a consideration of US\$1,000,000 for which the Group subscribed for 375,000 shares and MFIL capitalised the previous year's advance of US\$375,000. As at 31 March 2019, the Group's equity interest in MFIL is 37.5%.

On 28 November 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 29 July 2019. 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, Bago and Mon State

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 details 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	
		2019	2018
		%	%
Medicare International Health and Beauty Pte. Ltd. ⁽¹⁾ (Singapore) (“Medicare”)	Provider of beauty, health, and pharmaceutical products	48.6	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.

11. Available-for-sale financial assets

	2019 US\$	2018 US\$
At 1 April	36,000,000	31,395,522
Fair value gain on available-for-sale financial assets	-	4,604,478
Reclassification at 1 April 2018 (Note 12)	(36,000,000)	-
At 31 March	-	36,000,000

As disclosed in Note 14 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 2019.

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 the Company’s shareholding was exchanged for shares in the new holding company, Apollo Towers Holdings Limited (“Apollo Towers”).

12. Equity instrument at fair value through profit or loss

	2019 US\$	2018 US\$
Investment in Apollo Towers, at fair value	36,000,000	-

Investment in Apollo Towers

Movement in the investment is as follows:

	2019 US\$	2018 US\$
Balance at beginning of financial year	-	-
Reclassification from available-for-sale financial asset (Note 11)	36,000,000	-
Balance at end of financial year	36,000,000	-

As at 31 March 2019, the equity instrument at fair value through profit or loss (previously classified as available-for-sale financial assets ("AFS assets")) represents an effective 13.7% 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.

The investment is denominated in United States Dollars.

The Company has designated its equity investment previously classified as available-for-sale financial assets in the financial year ended 31 March 2018 to be measured as fair value through profit or loss as at 1 April 2018. The Company intends to hold this investment for long-term appreciation in value.

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	Comparable Company Analysis	<ul style="list-style-type: none"> - Earnings Before Interest, Tax, Depreciation and Amortisation ("EBITDA") of US\$32.2million - Enterprise Value ("EV") per EBITDA multiple of 15.4x 	Increase EBITDA and EV/EBITDA multiple will increase the fair value of the financial asset.

Management has revised the valuation methodology from the discounted cash flow ("DCF") methodology used previously. DCF relies on a number of forward looking assumptions and whilst is appropriate for a business in the early stages of its development as a business matures it is more appropriate to look to a present value rather than a discounted future value.

13. Plant and equipment

	Computer equipment US\$	Office equipment US\$	Furniture and fittings US\$	Total US\$
2019				
Cost				
Balance at 1 April 2018	9,983	1,118	51,985	63,086
Additions	869	-	4,484	5,353
Balance at 31 March 2019	10,852	1,118	56,469	68,439
Accumulated depreciation				
Balance at 1 April 2018	3,472	796	4,067	8,335
Depreciation for the financial year	3,393	322	18,286	22,001
Balance at 31 March 2019	6,865	1,118	22,353	30,336
Carrying amount				
Balance at 31 March 2019	3,987	-	34,116	38,103

14. 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	
			2019	2018	2019	2018
			%	%	%	%
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. 3 Pte. Ltd. ⁽²⁾⁽³⁾	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⁾⁽³⁾	British Virgin Islands	Dormant	100	100	-	-

**Held by MIL
Management Pte. Ltd.**

MIL Management Co., Ltd ⁽⁴⁾	Myanmar	Provision of management services to the Group	100	100	-	-
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⁽¹⁾ Audited by BDO LLP, Singapore.

⁽²⁾ In the process of striking off.

⁽³⁾ Not required to be audited as the subsidiary is dormant since the date of its incorporation.

⁽⁴⁾ Audited by JF Group Audit Firm, Yangon, Myanmar.

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	
	2019	2018
	US\$	US\$
Assets and liabilities		
Non-current assets	36,000,000	36,000,000
Current assets	72,896	74,918
Current liabilities	(446,529)	(363,729)
Net assets	<u>35,626,367</u>	<u>35,711,189</u>
Accumulated non-controlling interests	<u>11,875,458</u>	<u>11,903,731</u>
Revenue	-	-
Administrative expenses	(84,822)	(75,610)
Loss for the financial year	(84,822)	(75,610)
Other comprehensive income for the financial year	-	4,604,478
Total comprehensive income for the financial year	<u>(84,822)</u>	<u>4,528,868</u>
Loss allocated to non-controlling interests	(28,273)	(25,203)
Other comprehensive income allocated to non-controlling interests	-	1,534,826
Total comprehensive income allocated to non-controlling interests	<u>(28,273)</u>	<u>1,509,623</u>
Net cash used in operating activities	(145,186)	(139)
Net cash used in investing activity	-	-
Net cash generated from financing activities	145,186	139
Net change in cash and cash equivalents	<u>-</u>	<u>-</u>

15. Other receivables

	2019	2018
	US\$	US\$
Other receivables	123,099	121,433
Deposits	23,310	29,562
Prepayments	32,366	43,589
	<u>178,775</u>	<u>194,584</u>

Other receivables are denominated in United States dollar.

16. Cash and cash equivalents

	2019	2018
	US\$	US\$
Cash and bank balances	3,673,110	6,246,186
Short-term deposit	47,411	36,144
	<u>3,720,521</u>	<u>6,282,330</u>

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

	2019	2018
	US\$	US\$
Bank balances	3,720,521	6,282,330
Less: short-term deposits pledged	(47,411)	(36,144)
	<u>3,673,110</u>	<u>6,246,186</u>

17. Share capital

	2019	2018
	US\$	US\$
Issued and fully-paid share capital:		
Ordinary shares at the beginning of the financial year	40,161,942	32,656,994
Issuance of ordinary shares during the financial year	-	7,293,725
Exercise of warrants during the financial year	491,916	520,781
Share issuance expenses	(84,799)	(309,558)
	<u>40,569,059</u>	<u>40,161,942</u>

Equity Instruments in issue	2019		2018	
	Ordinary shares	Warrants	Ordinary shares	Warrants
At the beginning of the financial year	37,432,291	15,346,507	30,556,793	16,040,882
Issuance during the financial year	-	-	6,181,123	-
Exercise of warrants during the financial year	664,746	(1,218,120)	694,375	(694,375)
	<u>38,097,037</u>	<u>14,128,387</u>	<u>37,432,291</u>	<u>15,346,507</u>

At the end of the financial year	38,097,037	14,128,387	37,432,291	15,346,507
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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”).

During the financial year, 202,905 and 377,486 (2018: 694,375 and Nil) warrants were exercised at a price of US\$0.75 and US\$0.90 respectively by the parties that held them for cash consideration of US\$152,179 and US\$339,737 (2018: US\$520,781 and US\$ Nil). In addition, 637,729 warrants were exercised on a cashless basis at a ratio of 7.56 warrants for an ordinary share resulting in a new issue of 84,355 ordinary shares.

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).

On 22 May 2018, the Company amended the existing warrants to extend the exercise period for warrants that remained outstanding at 21 June 2018:

- a) the exercise period for the warrants was 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, warrant holders will have the option to exercise their warrants on a cashless basis in certain circumstances.

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

18. Share option reserve

Details of the Share Option Plan (the “Plan”)

The Plan has not changed during the year nor have any further grants taken place. Full details can be found on the website at www.myanmarinvestments.com.

19. Fair value reserve

Fair value reserve represents the cumulative fair value changes, net of tax, of equity instrument at fair value through profit or loss/available-for-sale financial assets until they are disposed of or impaired.

	2019 US\$	2018 US\$
Balance from previous financial year	3,069,652	-
Transfer to accumulated losses on adoption of IFRS 9	(3,069,652)	-
Fair value gain on available-for-sale financial assets (Note 11)	-	4,604,478
Less: Attributable to non-controlling interest (Note 14)	-	(1,534,826)
Balance at end of financial year	<u>-</u>	<u>3,069,652</u>

20. Other payables

	2019 US\$	2018 US\$
Accruals	287,262	395,577
Other payables	85,148	36,753
	<u>372,410</u>	<u>432,330</u>

21. Significant related party disclosures

For the purposes of these 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 2019, 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 2019 and 31 March 2018 was as follows:

	Directors' fee US\$	Short term employee benefits ⁽¹⁾ US\$	Share option plan US\$	Total US\$
Financial year ended 31 March 2019				
Executive directors				
Maung Aung Htun	-	141,156	41,038	182,194
Anthony Michael Dean	-	284,008	38,984	322,992
Craig Robert Martin	7,500	58,250	8,629	74,379
Non-executive directors				
Christopher William Knight	24,375	-	8,629	33,004
Christopher David Appleton	12,333	-	5,752	18,085

Nicholas John Paris	2,500	-	-	2,500
Henrik Onne Bodenstab	20,000	-	3,736	23,736
	66,708	483,414	106,768	656,890

	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
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

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

22. 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.

23. Dividends

The Directors of the Company do not recommend any dividend in respect of the financial year ended 31 March 2019 (2018: Nil).

24. Financial risk management objectives and policies

The Group's Financial risk management objectives and policies have not changed in the past year and can be found on the website at www.myanmarinvestments.com.

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's largest investment to-date (US\$21 million investment for a 9.1 per cent effective shareholding) is in Apollo Towers, one of Myanmar's largest telecommunications towers company with approximately 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. The tie-up with Pan Asia Towers is expected to produce a more efficient and profitable combined investment with greater prospects for an eventual liquidity event.

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 80 outlets in Vietnam; and b) Randy Guttery, an industry veteran in the retail sector in Asia. 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 per cent; 68 per cent of the population is of working age (between 15 and 65); and 28 per cent of the population is under 24 which is expected to provide a strengthening consumer demand. According to the IMF, Myanmar's GDP growth rate is expected to be 6.8 per cent through to 2024.

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 1,534 = US\$1.00 as at 23 September 2019