



UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2016

FIRST MYANMAR INVESTMENT CO., LTD. AND ITS SUBSIDIARIES UNAUDITED BALANCE SHEETS AS AT 30 SEPTEMBER 2016

	<u>Group</u>		<u>Company</u>	
	<u>30-Sep-16</u> <u>Unaudited</u> Kyats'000	<u>31-Mar-16</u> <u>Audited</u> Kyats'000	<u>30-Sep-16</u> <u>Unaudited</u> Kyats'000	<u>31-Mar-16</u> <u>Audited</u> Kyats'000
ASSETS				
Current assets				
Cash and cash equivalents	141,072,399	187,642,183	16,423	148,993
Trade and other receivables	27,910,278	21,257,883	3,703,874	7,187,701
Loans and advances to customers, by the bank subsidiary	850,000,312	722,546,914	-	-
Inventories	522,188	612,470	-	-
Other current assets	34,765,773	11,148,954	2,925,587	3,403,822
	1,054,270,950	943,208,404	6,645,884	10,740,516
Non-current assets				
Trade and other receivables	12,550,000	12,100,000	12,550,000	12,100,000
Available-for-sale financial assets	5,124,174	5,566,674	5,124,174	5,566,674
Investment in associates	73,029,376	56,847,210	47,135,713	33,446,187
Investment in subsidiaries	-	-	67,652,061	60,512,061
Government & other securities, by the bank subsidiary	329,445,938	239,685,082	-	-
Investment properties	21,742,605	21,904,018	1,401,572	1,417,197
Property, plant and equipment	66,390,012	66,332,939	9,860	15,285
Intangible assets	56,173,312	55,527,285	-	-
	564,455,417	457,963,208	133,873,380	113,057,404
Total assets	1,618,726,367	1,401,171,612	140,519,264	123,797,920
LIABILITIES				
Current liabilities				
Trade and other payables	45,705,683	24,577,486	12,437,882	1,540,414
Deposits and balances from customers, by the bank subsidiary	1,270,115,432	1,094,803,948	-	-
Fund restricted for LIFT-AFP, by the bank subsidiary	2,203,440	3,452,402	-	-
Provision for income tax	3,075,930	1,502,326	423,740	-
	1,321,100,485	1,124,336,162	12,861,622	1,540,414
Non-current liabilities				
Trade and other payables	12,592,856	12,169,855	12,592,856	12,169,855
Borrowings	21,522,969	14,497,188	16,667,969	9,642,188
	34,115,825	26,667,043	29,260,825	21,812,043
Total liabilities	1,355,216,310	1,151,003,205	42,122,447	23,352,457
EQUITY				
Share capital	23,480,013	23,480,013	23,480,013	23,480,013
Share premium	70,282,041	70,282,041	70,282,041	70,282,041
Reserves	13,422,531	12,832,314	-	-
Retained profit / (accumulated loss)	83,299,582	80,210,633	4,634,763	6,683,409
	190,484,167	186,805,001	98,396,817	100,445,463
Non-controlling interests	73,025,890	63,363,406	-	-
Total equity	263,510,057	250,168,407	98,396,817	100,445,463
Total liabilities and equity	1,618,726,367	1,401,171,612	140,519,264	123,797,920

FIRST MYANMAR INVESTMENT CO., LTD. AND ITS SUBSIDIARIES
UNAUDITED STATEMENT OF COMPREHENSIVE INCOME
FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2016

	<u>Group</u>		<u>Company</u>	
	<u>30-Sep-16</u> <u>Unaudited</u> Kyats'000	<u>30-Sep-15</u> <u>Unaudited</u> Kyats'000	<u>30-Sep-16</u> <u>Unaudited</u> Kyats'000	<u>30-Sep-15</u> <u>Unaudited</u> Kyats'000
Revenue	74,633,848	49,956,398	27,000	181,601
- Cost of sales	(51,562,184)	(35,118,569)	-	-
Gross profit	23,071,664	14,837,829	27,000	181,601
Other income/(expenses)	3,283	(34,887)	3,283	(59,276)
Expenses				
- Administrative	(19,430,496)	(17,073,138)	(961,195)	(680,559)
- Finance	(572,316)	(564,033)	(569,232)	(153,595)
- Exceptional Expenses (Listing)	(449,374)	-	(449,374)	-
	(20,448,903)	(17,672,058)	(1,976,518)	(893,430)
Share of profit of associates - net of tax	(118,120)	457,263	-	-
Profit/(loss) from operating activities	2,504,641	(2,376,966)	(1,949,518)	(711,829)
Profit from non-operating activities	5,268,447	7,304,916	3,494,413	(5,762)
Total profit/(loss) before income tax	7,773,088	4,927,950	1,544,895	(717,591)
Income tax expense	(1,575,015)	(847,023)	(423,740)	-
Net profit/(loss)	6,198,073	4,080,927	1,121,155	(717,591)
Total comprehensive income/(loss)	6,198,073	4,080,927	1,121,155	(717,591)
Profit/(loss) attributable to:				
Equity holders of the Company	4,851,201	5,371,093	-	-
Non-controlling interests	1,346,872	(1,290,166)	-	-
	6,198,073	4,080,927	-	-
Total comprehensive income/(loss) attributable to:				
Equity holders of the Company	4,851,201	5,371,093	-	-
Non-controlling interests	1,346,872	(1,290,166)	-	-
	6,198,073	4,080,927	-	-
Earnings per share - overall				
- Basic (kyats per share)	207	235	48	(31)

FIRST MYANMAR INVESTMENT CO., LTD. AND ITS SUBSIDIARIES
UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2016

	30-Sep-16 Unaudited	30-Sep-15 Unaudited
	Kyats'000	Kyats'000
Cash flows from operating activities		
Profit after tax	6,198,073	4,080,927
Adjustments for:		
Depreciation and amortization expenses	2,044,006	1,859,836
Adjustment to reserve for unclaimed deposits & doubtful debts	1,157,289	769,554
Adjustment for available-for-sale	(36,526)	-
Adjustment for PSHH	2,296,090	-
(Gain) loss on disposal of subsidiaries	-	(4,397,646)
(Gain) Loss on disposal of available-for-sale financial assets	(4,237,396)	-
(Gain) loss on disposal of property, plant and equipment	(62,743)	(17,240)
Increase in asset capitalization	(2,610,759)	-
Written-off of property, plant and equipment	13,674	4,631
Written off of Investment in associates	140,840	-
Income tax expense, net of effects from acquisition of subsidiaries and share of result of associates	1,575,015	847,023
Interest income	-	(154,601)
Interest expense	568,414	555,398
Share of result of associates	118,120	(457,263)
	7,164,097	3,090,619
Change in working capital, net of effects from acquisition and disposal of subsidiaries:		
(Increase)/decrease in inventories	90,282	(186,486)
(Increase)/decrease in trade and other receivables	(7,102,394)	(12,041,698)
Increase in loans and advances to customers, by the bank subsidiary	(127,453,400)	(107,830,114)
(Increase)/decrease in other assets	(22,896,176)	(10,074,941)
Increase in trade and other payables	20,969,441	7,280,607
Increase in deposits and balances from customers, by the bank subsidiary	175,311,483	148,846,435
Increase/(decrease) in AFP foreign currency deposit, by the bank subsidiary	(1,248,962)	-
Income taxes paid	(1,123,294)	(1,094,736)
Cash provided by (used in) operating activities	43,711,077	27,989,687
Cash flows from investing activities		
Additions to available-for-sales financial assets	(400,000)	(2,307,733)
Additions to property, plant and equipment, net of transfer	(1,853,336)	(1,224,078)
Additions to intangible asset	(762,078)	-
Addition in government & other securities by the bank subsidiary	(89,760,856)	-
Advance payment for future business acquisition	401,241	-
Proceeds from disposal of subsidiaries	-	11,156,494
Proceeds from disposal of associates (part of investment transfer)	-	401,241
Proceeds from disposal of available-for-sale financial assets	5,116,422	100
Proceeds from disposal of property, plant and equipment	78,790	22,802
Quasi-equity loans to associates	(13,830,365)	(270,303)
Interest received	-	13,433
Cash provided by (used in) investing activities	(101,010,182)	7,791,956
Cash flows from financing activities		
Dividend paid	(3,122,615)	(2,614,437)
Interest paid	(483,844)	(414,075)
Proceeds from borrowing	7,475,780	6,440,000
Capital contribution from non-controlling interest for a newly formed subsidiary	-	7,504,500
Decrease in shareholding in a subsidiary	-	2,177,923
Capital addition from non-controlling interests	6,860,000	-
Cash provided by (used in) financing activities	10,729,321	13,093,910
Net increase /(decrease) in cash and cash equivalents	(46,569,784)	48,875,553
Cash and cash equivalents at beginning of financial period	187,642,183	129,014,320
Cash and cash equivalents at end of financial period	141,072,399	177,889,873

FIRST MYANMAR INVESTMENT CO., LTD. AND ITS SUBSIDIARIES
 UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
 FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2016

	Attributable to equity holders of the Company							
	Share capital		Share premium	Reserves	Retained earnings	Total	Non-controlling interest	Total equity
	No. of ordinary shares	Kyats'000	Kyats'000	Kyats'000	Kyats'000	Kyats'000	Kyats'000	Kyats'000
30 September 2016								
Balance at 1 April 2016	23,480,013	23,480,013	70,282,041	12,832,314	80,210,633	186,805,001	63,363,406	250,168,407
Adjustment					1,407,550	1,407,550	888,541	2,296,091
Other comprehensive loss				590,217		590,217	567,071	1,157,288
Capital reserve added for the period					4,851,201	4,851,201	1,346,872	6,198,073
Net profit/(loss)					(3,169,802)	(3,169,802)		(3,169,802)
Dividend paid								
Additional capital contribution							6,860,000	6,860,000
Balance at 30 September 2016 (unaudited)	23,480,013	23,480,013	70,282,041	13,422,531	83,299,582	190,484,167	73,025,890	263,510,057
30 September 2015								
Balance at 1 April 2015	22,480,013	22,480,013	71,282,041	5,454,104	76,317,417	175,533,575	49,423,494	224,957,069
Other comprehensive loss				389,640		389,640	379,914	769,554
Capital reserve added for the period					5,371,093	5,371,093	(1,290,166)	4,080,927
Net profit/(loss)					(2,697,602)	(2,697,602)		(2,697,602)
Dividend paid								
Shares issued (employee share scheme)	1,000,000	1,000,000	(1,000,000)					
Additional capital contribution							2,229,500	2,229,500
Disposal of subsidiaries							(7,141,020)	(7,141,020)
Decrease in shareholding in a subsidiary					876,606	876,606	1,301,317	2,177,923
Acquisition of a subsidiary							5,275,000	5,275,000
Balance at 30 September 2015 (unaudited)	23,480,013	23,480,013	70,282,041	5,843,744	79,867,514	179,473,312	50,178,039	229,651,351

We, Theim Wai @ Serge Pun and Tun Tun, being the Directors of the Company, do hereby confirm for and on behalf of the Board of Directors that, to the best of our knowledge, nothing has come to our attention which may render the financial results for the period ended 30 September 2016 to be false or misleading in any material aspect.

BY ORDER OF THE BOARD

Theim Wai @ Serge Pun
Executive Chairman

Tun Tun
Executive Director

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INDEPENDENT AUDITOR'S REVIEW REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2016

To the Members of First Myanmar Investment Co., Ltd. (FMI) and Its Subsidiaries,

We have reviewed the condensed financial statements of the subsidiaries of FMI, contained in the accompanying interim report, which comprise the condensed statement of financial position for the six months ended 30 September 2016, the condensed statement of comprehensive income, statement of changes in equity and statement of cash flows for the six months then ended.

Directors' Responsibility for the Interim Financial Statements

The directors are responsible for the preparation and presentation of these interim financial statements in accordance with Myanmar Financial Reporting Standard (MFRS), as issued by the Myanmar Accountancy Council and the requirements of the Myanmar Companies Act and for such internal controls as the directors determine are necessary to enable the preparation of interim financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on these interim financial statements. We conducted our review in accordance with Myanmar Standard on Review Engagements (MSRE), Review of Interim Financial Information Performed by the Independent Auditor of the Entity. MSRE requires us to conclude whether anything has come to our attention that causes us to believe that the interim financial statements are not prepared in all material respects in accordance with the applicable financial reporting framework. This standard also requires us to comply with relevant ethical requirements.

A review of interim financial statements in accordance with MSRE is a limited assurance engagement. We perform procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures to evaluate the evidence obtained.

The procedures performed in a review are substantially less than and differ in nature from those performed in an audit conducted in accordance with International Standards on Auditing. Accordingly, we do not express an audit opinion on these financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed financial statements of the subsidiaries of First Myanmar Investment Co., Ltd. for the six months ended 30 September 2016 are not prepared, in all material respects, in accordance with financial reporting framework issued by Myanmar Accountancy Council and the requirements of the Myanmar Companies Act.

Myat Noe Aung

Certified Public Accountant
V Advisory Limited
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University of Yangon-Hlaing Campus,
Yangon, Myanmar.

Date: 28 November 2016
Yangon