



၂၀၁၆ ခုနှစ်၊ စက်တင်ဘာလ (၃၀)ရက်နေ့ကုန်ဆုံးသောကာလအတွက် စာရင်းစစ်ဆေးခြင်းမပြုရသေးသော ဘဏ္ဍာရေးအခြေအနေပြ ရှင်းတမ်းများပေါင်းချုပ်

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><br><u>Unaudited</u><br>Kyats'000 | <u>31-Mar-16</u><br><u>Audited</u><br>Kyats'000 | <u>30-Sep-16</u><br><u>Unaudited</u><br>Kyats'000 | <u>31-Mar-16</u><br><u>Audited</u><br>Kyats'000 |
| <b>ASSETS</b>  |   |   |   |   |
| <b>Current assets</b>  |   |   |   |   |
| 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                                       |
|  | <b>1,054,270,950</b>                              | <b>943,208,404</b>                              | <b>6,645,884</b>                                  | <b>10,740,516</b>                               |
| <b>Non-current assets</b>                                    |   |   |   |   |
| 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                                      | -   | -   |
|  | <b>564,455,417</b>                                | <b>457,963,208</b>                              | <b>133,873,380</b>                                | <b>113,057,404</b>                              |
| <b>Total assets</b>  | <b>1,618,726,367</b>                              | <b>1,401,171,612</b>                            | <b>140,519,264</b>                                | <b>123,797,920</b>                              |
| <b>LIABILITIES</b>   |   |   |   |   |
| <b>Current liabilities</b>                                   |   |   |   |   |
| 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   | -   |
|  | <b>1,321,100,485</b>                              | <b>1,124,336,162</b>                            | <b>12,861,622</b>                                 | <b>1,540,414</b>                                |
| <b>Non-current liabilities</b>                               |   |   |   |   |
| 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                                       |
|  | <b>34,115,825</b>                                 | <b>26,667,043</b>                               | <b>29,260,825</b>                                 | <b>21,812,043</b>                               |
| <b>Total liabilities</b>                                     | <b>1,355,216,310</b>                              | <b>1,151,003,205</b>                            | <b>42,122,447</b>                                 | <b>23,352,457</b>                               |
| <b>EQUITY</b>  |   |   |   |   |
| 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                                       |
|  | <b>190,484,167</b>                                | <b>186,805,001</b>                              | <b>98,396,817</b>                                 | <b>100,445,463</b>                              |
| Non-controlling interests                                    | 73,025,890  | 63,363,406                                      | -   | -   |
| <b>Total equity</b>  | <b>263,510,057</b>                                | <b>250,168,407</b>                              | <b>98,396,817</b>                                 | <b>100,445,463</b>                              |
| <b>Total liabilities and equity</b>                          | <b>1,618,726,367</b>                              | <b>1,401,171,612</b>                            | <b>140,519,264</b>                                | <b>123,797,920</b>                              |

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

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

|   | <u>30-Sep-16</u><br><u>Unaudited</u> | <u>30-Sep-15</u><br><u>Unaudited</u> |
|---|--------------------------------------|--------------------------------------|
|   | Kyats'000                            | Kyats'000                            |
| <b>Cash flows from operating activities</b>   |                                      |                                      |
| 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)                            |
|   | <b>7,164,097</b>                     | <b>3,090,619</b>                     |
| 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)                          |
| <b>Cash provided by (used in) operating activities</b>  | <b>43,711,077</b>                    | <b>27,989,687</b>                    |
| <b>Cash flows from investing activities</b>   |                                      |                                      |
| 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                               |
| <b>Cash provided by (used in) investing activities</b>  | <b>(101,010,182)</b>                 | <b>7,791,956</b>                     |
| <b>Cash flows from financing activities</b>   |                                      |                                      |
| 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                            | -                                    |
| <b>Cash provided by (used in) financing activities</b>  | <b>10,729,321</b>                    | <b>13,093,910</b>                    |
| <b>Net increase /(decrease) in cash and cash equivalents</b>  | <b>(46,569,784)</b>                  | <b>48,875,553</b>                    |
| <b>Cash and cash equivalents at beginning of financial period</b>                                     | <b>187,642,183</b>                   | <b>129,014,320</b>                   |
| <b>Cash and cash equivalents at end of financial period</b>   | <b>141,072,399</b>                   | <b>177,889,873</b>                   |

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          |
| <b>Balance at 30 September 2016 (unaudited)</b> | <b>23,480,013</b>                             | <b>23,480,013</b> | <b>70,282,041</b> | <b>13,422,531</b> | <b>83,299,582</b> | <b>190,484,167</b> | <b>73,025,890</b>        | <b>263,510,057</b> |
| 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          |
| <b>Balance at 30 September 2015 (unaudited)</b> | <b>23,480,013</b>                             | <b>23,480,013</b> | <b>70,282,041</b> | <b>5,843,744</b>  | <b>79,867,514</b> | <b>179,473,312</b> | <b>50,178,039</b>        | <b>229,651,351</b> |

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

**FIRST MYANMAR INVESTMENT CO., LTD.**  
YSX Code 00001  
FMI Centre, 10<sup>th</sup> Floor  
380 Bogyoke Aung San Road  
Yangon, Myanmar  
Tel: (01) 240363  
[www.fmi.com.mm](http://www.fmi.com.mm)

# 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  
Bldg 14, #306, MICT Park,  
University of Yangon-Hlaing Campus,  
Yangon, Myanmar.

Date: 28 November 2016  
Yangon



## 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><br><u>Unaudited</u><br>Kyats'000 | <u>31-Mar-16</u><br><u>Audited</u><br>Kyats'000 | <u>30-Sep-16</u><br><u>Unaudited</u><br>Kyats'000 | <u>31-Mar-16</u><br><u>Audited</u><br>Kyats'000 |
| <b>ASSETS</b>  |   |   |   |   |
| <b>Current assets</b>  |   |   |   |   |
| 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                                       |
|  | <b>1,054,270,950</b>                              | <b>943,208,404</b>                              | <b>6,645,884</b>                                  | <b>10,740,516</b>                               |
| <b>Non-current assets</b>                                    |   |   |   |   |
| 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                                      | -   | -   |
|  | <b>564,455,417</b>                                | <b>457,963,208</b>                              | <b>133,873,380</b>                                | <b>113,057,404</b>                              |
| <b>Total assets</b>  | <b>1,618,726,367</b>                              | <b>1,401,171,612</b>                            | <b>140,519,264</b>                                | <b>123,797,920</b>                              |
| <b>LIABILITIES</b>   |   |   |   |   |
| <b>Current liabilities</b>                                   |   |   |   |   |
| 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   | -   |
|  | <b>1,321,100,485</b>                              | <b>1,124,336,162</b>                            | <b>12,861,622</b>                                 | <b>1,540,414</b>                                |
| <b>Non-current liabilities</b>                               |   |   |   |   |
| 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                                       |
|  | <b>34,115,825</b>                                 | <b>26,667,043</b>                               | <b>29,260,825</b>                                 | <b>21,812,043</b>                               |
| <b>Total liabilities</b>                                     | <b>1,355,216,310</b>                              | <b>1,151,003,205</b>                            | <b>42,122,447</b>                                 | <b>23,352,457</b>                               |
| <b>EQUITY</b>  |   |   |   |   |
| 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                                       |
|  | <b>190,484,167</b>                                | <b>186,805,001</b>                              | <b>98,396,817</b>                                 | <b>100,445,463</b>                              |
| Non-controlling interests                                    | 73,025,890  | 63,363,406                                      | -   | -   |
| <b>Total equity</b>  | <b>263,510,057</b>                                | <b>250,168,407</b>                              | <b>98,396,817</b>                                 | <b>100,445,463</b>                              |
| <b>Total liabilities and equity</b>                          | <b>1,618,726,367</b>                              | <b>1,401,171,612</b>                            | <b>140,519,264</b>                                | <b>123,797,920</b>                              |

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



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

|   | <u>30-Sep-16</u><br><u>Unaudited</u><br>Kyats'000 | <u>30-Sep-15</u><br><u>Unaudited</u><br>Kyats'000 |
|---|---|---|
| <b>Cash flows from operating activities</b>   |   |   |
| 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)   |
|   | <b>7,164,097</b>                                  | <b>3,090,619</b>                                  |
| 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)                                       |
| <b>Cash provided by (used in) operating activities</b>  | <b>43,711,077</b>                                 | <b>27,989,687</b>                                 |
| <b>Cash flows from investing activities</b>   |   |   |
| 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  |
| <b>Cash provided by (used in) investing activities</b>  | <b>(101,010,182)</b>                              | <b>7,791,956</b>                                  |
| <b>Cash flows from financing activities</b>   |   |   |
| 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   | -   |
| <b>Cash provided by (used in) financing activities</b>  | <b>10,729,321</b>                                 | <b>13,093,910</b>                                 |
| <b>Net increase /(decrease) in cash and cash equivalents</b>  | <b>(46,569,784)</b>                               | <b>48,875,553</b>                                 |
| <b>Cash and cash equivalents at beginning of financial period</b>                                     | <b>187,642,183</b>                                | <b>129,014,320</b>                                |
| <b>Cash and cash equivalents at end of financial period</b>   | <b>141,072,399</b>                                | <b>177,889,873</b>                                |

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          |
| <b>Balance at 30 September 2016 (unaudited)</b> | <b>23,480,013</b>                             | <b>23,480,013</b> | <b>70,282,041</b> | <b>13,422,531</b> | <b>83,299,582</b> | <b>190,484,167</b> | <b>73,025,890</b>        | <b>263,510,057</b> |
| 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          |
| <b>Balance at 30 September 2015 (unaudited)</b> | <b>23,480,013</b>                             | <b>23,480,013</b> | <b>70,282,041</b> | <b>5,843,744</b>  | <b>79,867,514</b> | <b>179,473,312</b> | <b>50,178,039</b>        | <b>229,651,351</b> |

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

**FIRST MYANMAR INVESTMENT CO., LTD.**  
YSX Code 00001  
FMI Centre, 10<sup>th</sup> Floor  
380 Bogyoke Aung San Road  
Yangon, Myanmar  
Tel: (01) 240363  
[www.fmi.com.mm](http://www.fmi.com.mm)

# 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  
Bldg 14, #306, MICT Park,  
University of Yangon-Hlaing Campus,  
Yangon, Myanmar.

Date: 28 November 2016  
Yangon