

**MYANMAR THILAWA SEZ HOLDINGS PUBLIC LIMITED**

**REVIEWED  
CONSOLIDATED FINANCIAL STATEMENTS  
For the six-month period ended  
30 September 2016**

Currency – Myanmar Kyat

## MYANMAR THILAWA SEZ HOLDINGS PUBLIC LIMITED AND ITS SUBSIDIARIES

<b>CONTENTS</b>	<b>PAGE</b>
<i>Statement of Management's Responsibility</i>	1
<i>Statutory Report and Financial Statements</i>	
Consolidated Statement of Financial Position	2
Statement of Financial Position-Company	3
Consolidated Statement of Comprehensive Income	4-5
Statement of Comprehensive Income-Company	6-7
Consolidated Statement of Changes in Equity	8
Statement of Changes in Equity-Company	9
Consolidated Statement of Cash Flows	10
Statement of Cash Flows-Company	11
<i>Notes to the Consolidated Financial Statements</i>	
1. General information	12
2. Summary of significant accounting policies	
A. Basis of preparation	13
B. Foreign currency translation	135
C. Use of estimate and judgments	13-14
D. Group accounting	14
E. Property and equipment	14
F. Intangible assets	14
G. Investment in associate	15
H. Cash and cash equivalents	15
I. Trade and other payable	15
J. Ordinary shares	15
K. Dividends	15
L. Revenue	15
M. Income taxes	15
N. Related party	16
O. Comparatives	16
3. Financial risk management	16
4. Fund management	17
5. Property and equipment	18-19
6. Intangible assets-software	20
7. Investment in associate	20
8. Investment in subsidiary	21
9. Cash and cash equivalents	21
10. Trade and other receivables	21
11. Deposit and prepayments	22
12. Amount due from construction contract	22
13. Work in progress	22
14. Share capital	22
15. Retained profits	23
16. Trade and other payables	23
17. Amount due to construction contract	23
18. Management fees	23
19. Sales commission	24

**MYANMAR THILAWA SEZ HOLDINGS PUBLIC LIMITED AND ITS  
SUBSIDIARIES**

<b>CONTENTS</b>	<b>PAGE</b>
<i>Notes to the Consolidated Financial Statements</i>	
20. Revenue of construction contract	24
21. Cost of construction contract	24
22. Interest	24
23. Other income	25
24. Salary and benefit	25
25. Earnings per share	25
26. Related party transactions	26-27
27. Significant events of the Company	27
28. Listing of significant companies in the Group	27
29. Authorization of financial statements	27

**STATEMENT OF MANAGEMENT'S RESPONSIBILITY  
FOR MYANMAR THILAWA SEZ HOLDINGS PUBLIC LIMITED**

It is the responsibility of the management to prepare the consolidated statement of financial position of the Group (**Myanmar Thilawa SEZ Holdings Public Limited and its subsidiaries**) and statement of financial position of the Company (**Myanmar Thilawa SEZ Holdings Public Limited**) as at September 30, 2016, the consolidated statement of comprehensive income of the Group and statement of comprehensive income of the Company, consolidated statement of changes in equity of the Group, statement of changes in equity of the Company and consolidated statement of cash flows of the Group and statement of cash flows of the Company for the year then ended, and a summary of significant accounting policies and other explanatory notes. In preparing these consolidated financial statements, the management is required to:

- Select suitable accounting policies and then apply them consistently; and
- Make judgments and estimates that are reasonable and prudent.

The management is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Group. We, as management committee, have general responsibility for taking such steps as are reasonably open to us to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

On behalf of Management



**WIN AUNG**  
Chairman  
Myanmar Thilawa SEZ Holdings  
Public Limited.

Myanmar Thilawa SEZ Holdings Public Limited  
December , 2016

**MYANMAR THILAWA SEZ HOLDINGS PUBLIC LIMITED AND ITS SUBSIDIARIES**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT SEPTEMBER 30, 2016**  
 Currency – Myanmar Kyat

	Note	30 September 2016	31 March 2016
<b>Assets</b>			
<b>Non-current assets</b>			
Property and equipment	5	989,984,465	777,352,602
Intangible assets - software	6	3,685,123	4,192,233
Investment in associate	7	24,911,546,035	25,532,343,435
		25,905,215,623	26,313,888,270
<b>Current assets</b>			
Cash and cash equivalents	9	36,666,853,219	26,734,322,535
Trade and other receivable	10	231,472,305	225,844,817
Deposit and prepayments	11	2,108,210,127	3,653,065,994
Amount due from construction contract	12	16,135,088	
Work-in-progress	13	28,608,148,625	24,738,029,222
		67,630,819,364	55,351,262,568
		93,536,034,987	81,665,150,838
<b>Equity and liabilities</b>			
<b>Equity</b>			
Capital – value per share kyat 10,000/-			
Authorized– 50,000,000 shares		500,000,000,000	500,000,000,000
Issued and paid-up capital	14	38,929,150,000	38,929,150,000
Retained profits		39,518,405,080	28,661,637,272
		78,447,555,080	67,590,787,272
Non-controlling interest		6,183,102,091	5,973,614,618
		84,630,657,171	73,564,401,890
<b>Current liabilities</b>			
Trade and other payable	16	638,463,876	639,282,338
Amount due to construction contract	17	343,498,862	
Deposit from sub-contractor		269,927,900	
Current tax liability		2,220,522,716	1,987,426,610
		3,472,413,354	2,626,708,948
<b>Non-current liabilities</b>			
Deposit from suppliers		30,000,000	303,000,000
Advance from customers		5,402,964,462	5,171,040,000
		5,432,964,462	5,474,040,000
		93,536,034,987	81,665,150,838

*The notes on pages 18 to 23 are an integral part of the Financial Statements.*

**Authenticated by Directors:**

(1)



**WIN AUNG**

Chairman

Myanmar Thilawa SEZ Holdings  
Public Limited.

(2)



Director

- 2 -  
Myanmar Thilawa SEZ Holdings  
Public Limited.



Chief Financial Officer  
Myanmar Thilawa SEZ Holdings  
Public Limited.



**MYANMAR THILAWA SEZ HOLDINGS PUBLIC LIMITED**

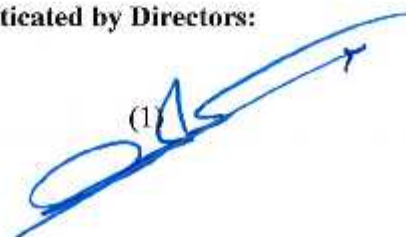
**STATEMENT OF FINANCIAL POSITION -COMPANY**

Currency – Myanmar Kyat

	Note	30September 2016	31 March 2016
<b>Assets</b>			
<b>Non-current assets</b>			
Property and equipment	5	475,097,381	539,809,186
Intangible assets-software	6	3,685,123	4,192,233
Investment in joint venture	7	24,911,546,035	25,532,343,435
Investment in subsidiary	8	24,000,000,000	24,000,000,000
		49,390,328,539	50,076,344,854
<b>Current assets</b>			
Cash and cash equivalents	9	29,045,787,716	17,808,741,023
Trade and other receivable	10	274,718,391	455,348,711
Deposit and prepayments	11	1,762,735,327	1,845,044,612
		31,083,241,434	20,109,134,346
		<b>80,473,569,973</b>	<b>70,185,479,200</b>
<b>Equity and liabilities</b>			
<b>Equity</b>			
Capital – value per share kyat 10,000/- Authorized – 50,000,000 shares		500,000,000,000	500,000,000,000
Issued and paid-up capital	14	38,929,150,000	38,929,150,000
Retained earnings /(loss)	15	38,790,915,931	28,772,098,012
		77,720,065,931	67,701,248,012
<b>Current liabilities</b>			
Trade and other payable	16	502,981,326	193,804,578
Current tax liability		2,220,522,716	1,987,426,610
		2,723,504,042	2,181,231,188
<b>Non-current liabilities</b>			
Deposit from suppliers		30,000,000	303,000,000
		30,000,000	303,000,000
		<b>80,473,569,973</b>	<b>70,185,479,200</b>

*The notes on pages 18 to 23 are an integral part of the Financial Statements.*

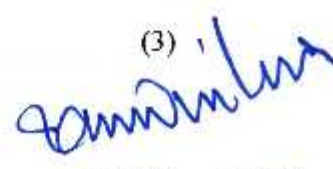
**Authenticated by Directors:**

(1) 

**WIN AUNG**  
Chairman  
Myanmar Thilawa SEZ Holdings  
Public Limited.

(2) 

Director  
Myanmar Thilawa SEZ Holdings  
Public Limited.

(3) 

Chief Financial Officer  
Myanmar Thilawa SEZ Holdings  
Public Limited.

**MYANMAR THILAWA SEZ HOLDINGS PUBLIC LIMITED AND ITS SUBSIDIARIES**

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

**FOR THE PERIOD ENDED SEPTEMBER 30, 2016**

Currency – Myanmar Kyat

	Note	September 2016 (Reviewed)	September 2015 (Unaudited)
<b>Revenue</b>			
Management fees	18	398,848,000	205,262,400
Sales commission	19	367,759,010	528,895,771
Construction contract	20	3,919,233,879	-
Cost of construction contract	21	(3,046,958,328)	-
Gross profit		1,638,882,561	734,158,171
Interest	22	132,762,990	528,933,546
Other income	23	1,142,777,931	392,108,936
<b>Total income</b>		<b>2,914,423,482</b>	<b>1,655,200,653</b>
<b>Expense</b>			
Legal & professional fee		(108,357,643)	-
Printing & stationery		(4,264,366)	(1,826,791)
Travelling		(13,798,379)	(7,071,333)
Advertising and agency fees		(9,212,850)	(3,986,305)
Salary and benefit	24	(398,706,375)	(115,397,522)
Entertainment			(161,668)
Shares expenses		(146,898,525)	-
Insurance & duty tax		(1,984,455)	(398,512)
Meeting Expenses		(53,843,405)	(746,250)
Bank service charges		(476,999)	(87,042)
Depreciation		(96,151,527)	(38,573,381)
Internet charges		(2,656,200)	(950,316)
Repair & maintenance		(9,319,421)	(702,550)
Office supplies		(15,792,319)	(2,331,600)
Telecommunication		(1,298,010)	(1,008,838)
Rents & rates		(86,265,487)	(10,764,419)
Electricity		(3,334,200)	(602,030)
Tender expenses		(1,176,000)	(429,000)
Exchange gain/(loss)			(37,277,099)
Site expenses		(1,186,000)	(14,631,650)
Donation & CSR		(21,043,536)	(11,328,745)
<b>Total expense</b>		<b>(975,765,697)</b>	<b>(248,275,051)</b>
<b>Net Profit/(Loss)</b>		<b>1,938,657,785</b>	<b>1,406,925,602</b>
Share of profit of associate	7	9,350,402,600	6,722,764,875
<b>Profit/(loss) before tax</b>		<b>11,289,060,385</b>	<b>8,129,690,477</b>
Income tax expense		(222,805,105)	(357,973,514)
<b>Profit/(loss) for the year</b>		<b>11,066,255,280</b>	<b>7,771,716,963</b>
Other comprehensive income for the year		-	-
<b>Total comprehensive income for the year</b>		<b>11,066,255,280</b>	<b>7,771,716,963</b>

*The notes on pages 23 to 25 are an integral part of the Financial Statements.*

**MYANMAR THILAWA SEZ HOLDINGS PUBLIC LIMITED AND ITS SUBSIDIARIES**  
**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE PERIOD ENDED SEPTEMBER 30, 2016**  
 Currency – Myanmar Kyat

	Note	September 2016 (Reviewed)	September 2015 (Unaudited)
<b>Profit attributable to:</b>			
Equity holders of the Company		10,856,767,808	7,771,716,963
Non-controlling interests		209,487,472	-
<b>Total comprehensive income attributable to:</b>			
Equity holders of the Company		10,856,767,808	7,771,716,963
Non-controlling interests		209,487,472	-
<b>Earnings per share (K per share)</b>			
<b>Basic earnings per share</b>	25	2,789	1,996

*The notes on pages 12 to 27 are an integral part of the Financial Statements.*

**Authenticated by Directors:**

(1)

**WIN AUNG**  
 Chairman  
 Myanmar Thilawa SEZ Holdings  
 Public Limited.

(2)

Director  
 Myanmar Thilawa SEZ Holdings  
 Public Limited.

(3)

Chief Financial Officer  
 Myanmar Thilawa SEZ Holdings  
 Public Limited.



**MYANMAR THILAWA SEZ HOLDINGS PUBLIC LIMITED**

**STATEMENT OF COMPREHENSIVE INCOME-COMPANY**

Currency – Myanmar Kyat

	Note	30 September 2016 (Reviewed)	30 September 2015 (Unaudited)
<b>Income</b>			
Management fees	18	418,790,400	215,525,520
(Less) Commercial tax		(19,942,400)	(10,263,120)
<b>Net management fees</b>		<b>398,848,000</b>	<b>205,262,400</b>
Sales commission	19	386,146,972	555,340,560
(Less) Commercial tax		(18,387,962)	(26,444,789)
<b>Net sales commission</b>		<b>367,759,010</b>	<b>528,895,771</b>
Interest	22	42,274,661	516,045,053
			390,708,936
Other income	23	885,334,777	
<b>Total income</b>		<b>1,694,216,448</b>	<b>1,640,912,160</b>
<b>Expense</b>			
Legal & professional fee		(105,007,643)	-
Printing & stationery		(3,139,970)	(1,816,791)
Travelling expenses		(9,454,656)	(5,466,333)
Advertising and agency fees		(2,439,000)	(3,986,305)
Salary and benefit	24	(305,145,178)	(115,397,522)
Entertainment		-	(161,668)
Insurance & duty tax		(628,630)	(388,012)
Meeting expenses		(52,651,005)	(746,250)
Bank service charges		(374,375)	(86,517)
Depreciation		(61,262,490)	(38,573,381)
Internet charges		(2,010,200)	(923,490)
Repair & maintenance		(5,025,740)	(702,550)
Office supplies		(6,972,095)	(2,331,600)
Telecommunication		(700,510)	(1,008,838)
Rents & rates		(86,265,487)	(10,764,419)
		(1,234,000)	(602,030)
Electricity			
Share expenses		(146,898,525)	-
Donation & CSR		(13,786,520)	(11,328,745)
Site Expenses			(14,733,650)
<b>Total expense</b>		<b>(802,996,024)</b>	<b>(209,018,101)</b>
<b>Net profit/(loss)</b>		<b>891,220,424</b>	<b>1,431,894,059</b>
Share of profit/(loss) of joint venture	6	9,350,402,600	6,722,764,875
<b>Net profit/(loss) before tax</b>		<b>10,241,623,024</b>	<b>8,154,658,934</b>
Income tax expense		(222,805,105)	(357,973,515)
<b>Net profit/(loss) for the year</b>		<b>10,018,817,919</b>	<b>7,796,685,419</b>
Other comprehensive income for the year			-
<b>Total comprehensive income for the year</b>		<b>10,018,817,919</b>	<b>7,796,685,419</b>

**MYANMAR THILAWA SEZ HOLDINGS PUBLIC LIMITED**

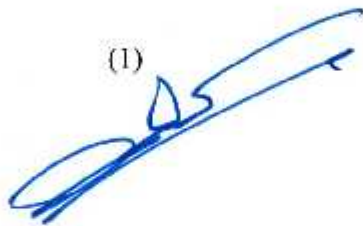
**STATEMENT OF COMPREHENSIVE INCOME-COMPANY**

Currency – Myanmar Kyat

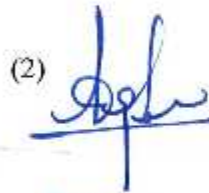
	Note	30 September 2016 (Reviewed)	30 September 2015 (Unaudited)
Total comprehensive income for the year		10,018,817,919	7,796,685,419
Earnings per share (K per share)		2,574	2,003
Basic earnings per share	25		

*The notes on pages 23 to 25 are an integral part of the Financial Statements.*

**Authenticated by Directors:**

(1) 

**WIN AUNG**  
Chairman  
Myanmar Thilawa SEZ Holdings  
Public Limited.

(2) 

Director  
Myanmar Thilawa SEZ Holdings  
Public Limited.

(3) 

Chief Financial Officer  
Myanmar Thilawa SEZ Holdings  
Public Limited.

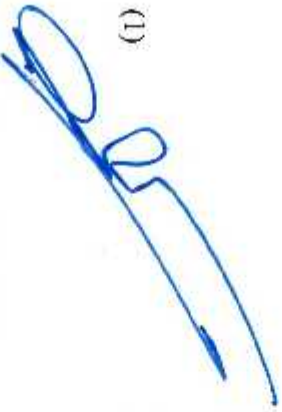
**MYANMAR THILAWA SEZ HOLDINGS PUBLIC LIMITED AND ITS SUBSIDIARIES**  
**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE PERIOD ENDED SEPTEMBER 30, 2016**  
 Currency – Myanmar Kyat

	Share capital		Retained Profits/(loss)	Non- controlling interesting		Total equity
	No of shares	Kyat		Kyat	Kyat	
<b>As at April 1, 2016</b>	3,892,915	38,929,150,000	28,661,637,272	5,973,614,619	73,564,401,891	
Total comprehensive income for the period			10,856,767,808	209,487,472	11,066,255,280	
Contribution of capital						
<b>As at September 30, 2016</b>	3,892,915	38,929,150,000	39,518,405,080	6,183,102,091	84,630,657,171	
<b>As at April 1, 2015</b>	3,892,915	38,929,150,000	15,747,910,438	-	54,677,060,438	
Total comprehensive income for the year			20,699,556,834	(26,385,382)	20,673,171,452	
Contribution of capital			-	6,000,000,000	6,000,000,000	
Dividends relating to 2014 paid			(7,785,830,000)	-	(7,785,830,000)	
<b>As at March 31, 2016</b>	3,892,915	38,929,150,000	28,661,637,272	5,973,614,618	73,564,401,890	

*The notes on pages 18 to 25 are an integral part of the Financial Statements.*

Authenticated by Directors:

(1)



**WIN AUNG**

Chairman

Myanmar Thilawa SEZ Holdings  
Public Limited.

(2)



Director

Myanmar Thilawa SEZ Holdings  
Public Limited.



Chief Financial Officer

Myanmar Thilawa SEZ Holdings  
Public Limited.

**MYANMAR THILAWA SEZ HOLDINGS PUBLIC LIMITED**

**STATEMENT OF CHANGES IN EQUITY-COMPANY**

**FOR THE PERIOD ENDED SEPTEMBER 30, 2016**

Currency – Myanmar Kyat

	Share capital	Retained Earnings/(loss)	Total equity
<b>As at April 1, 2016</b>	<b>38,929,150,000</b>	<b>28,772,098,012</b>	<b>67,701,248,012</b>
Net profit for the period	-	<b>10,018,817,919</b>	<b>10,018,817,919</b>
Payment of dividends			
<b>As at September 30, 2016</b>	<b>38,929,150,000</b>	<b>38,790,915,931</b>	<b>77,720,065,931</b>
<b>As at April 1, 2015</b>	<b>38,929,150,000</b>	<b>15,752,829,652</b>	<b>54,681,979,652</b>
Net profit for the year	-	<b>20,805,098,360</b>	<b>20,805,098,360</b>
Issue of share capital			
Payment of dividends		<b>(7,785,830,000)</b>	<b>(7,785,830,000)</b>
<b>As at March 31, 2016</b>	<b>38,929,150,000</b>	<b>28,772,098,012</b>	<b>67,701,248,012</b>

*The notes on pages 18 to 25 are an integral part of the Financial Statements.*

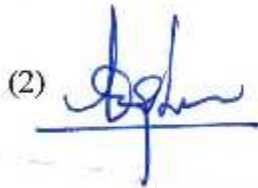
**Authenticated by Directors:**

(1)



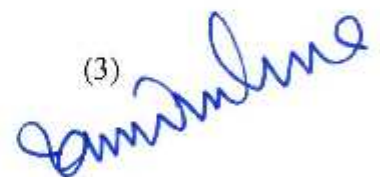
**WIN AUNG**  
Chairman  
Myanmar Thilawa SEZ Holdings  
Public Limited.

(2)



Director  
Myanmar Thilawa SEZ Holdings  
Public Limited.

(3)



Chief Financial Officer  
Myanmar Thilawa SEZ Holdings  
Public Limited.



**MYANMAR THILAWA SEZ HOLDINGS PUBLIC LIMITED AND ITS SUBSIDIARIES**

**CONSOLIDATED STATEMENT OF CASH FLOW  
FOR THE PERIOD ENDED SEPTEMBER 30, 2016**

Currency – Myanmar Kyat

	Note	September 2016 (Reviewed)	September 2015 (Unaudited)
<b>Cash flows from operating activities</b>			
Profit/(loss) before tax		11,066,255,280	8,129,690,479
<i>Adjustments for:</i>			
Depreciation and amortisation		96,151,527	38,573,380
Fixed assets transfer		174,988,407	
Share of profit of associate		(9,350,402,600)	(6,722,764,875)
<b>Operating profit before working capital changes</b>		<b>1,986,992,614</b>	<b>1,445,498,984</b>
<i>Changes in</i>			
Trade and other receivable		(5,627,488)	1,731,423,549
Amount due from construction contract		(16,135,088)	
Deposit and prepayment		1,503,775,866	299,283,520
Work-in-progress		(3,829,039,402)	(5,171,377,838)
Inventory			1,797,649
Trade and other payable		3,979,986	2,205,600,715
Amount due to construction contract		343,498,862	
Current tax liability		228,297,658	4,306,171
Deposit from suppliers		175,969,298	(31,100,000)
Advance from customers		52,883,064	
<b>Cash outflow from operations</b>		<b>444,595,370</b>	<b>485,432,750</b>
Income tax paid		-	-
<b>Net cash provided in operating activities</b>		<b>444,595,370</b>	<b>485,432,750</b>
<b>Cash flows from investing activities</b>			
Purchase of fixed assets		(308,276,278)	(52,048,612)
Fixed assets transfer		(174,988,407)	
Dividend received		9,971,200,000	-
<b>Net cash used in investing activities</b>		<b>9,487,935,315</b>	<b>(52,048,612)</b>
<b>Cash flows from financing activities</b>			
Effect of exchange changes on the balance of cash held in foreign currencies			3,106,506,410
<b>Net cash provided by financing activities</b>		<b>-</b>	<b>3,106,506,410</b>
Net increase/(decrease) in cash and cash equivalents		9,932,530,685	3,539,890,548
Cash and cash equivalents at beginning of year		26,734,322,534	13,012,801,749
<b>Cash and cash equivalents at end of year</b>	<b>9</b>	<b>36,666,853,219</b>	<b>16,552,692,297</b>

*The notes on pages 18 to 25 are an integral part of the Financial Statements.*

**Authenticated by Directors:**

(1)



**WIN AUNG**

Chairman

Myanmar Thilawa SEZ Holdings  
Public Limited.

(2)



Director

Myanmar Thilawa SEZ Holdings  
Public Limited.

(3)



Chief Financial Officer  
Myanmar Thilawa SEZ Holdings  
Public Limited.

**MYANMAR THILAWA SEZ HOLDINGS PUBLIC LIMITED**

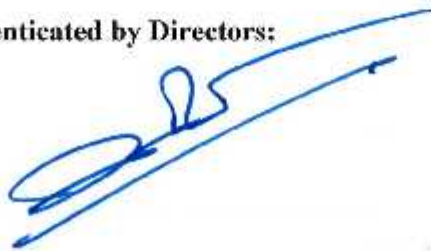
**STATEMENT OF CASH FLOWS-COMPANY**

Currency – Myanmar Kyat

	30 September 2016 (Reviewed)	30 September 2015 (Unaudited)
<b>Cash flows from operating activities</b>		
Profit/(loss) before tax	10,018,817,918	8,154,658,935
<i>Adjustments for:</i>		
Depreciation	61,262,490	38,573,380
Fixed assets transfer	174,988,406	
Share of profit / (loss) of joint venture	(9,350,402,600)	(6,722,764,875)
Operating profit before working capital changes	904,666,214	1,470,467,440
Trade and other receivable	180,630,320	(3,882,918,914)
Deposit and prepayment	82,309,284	299,283,520
Trade and other payable	309,176,748	(927,549,348)
Current tax liability	233,096,106	4,306,171
Deposit from suppliers	(273,000,000)	(31,100,000)
<b>Cash inflow from operations</b>	1,436,878,672	(3,067,511,132)
Income tax paid		
<b>Net cash used in operating activities</b>	1,436,878,672	(3,067,511,132)
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(171,031,980)	(52,048,612)
Dividend received from Joint venture	9,971,200,000	
<b>Net cash used in investing activities</b>	9,800,168,020	(52,048,612)
<b>Cash flows from financing activities</b>		
Effect of exchange changes on the balance of cash held in foreign currencies(Other reserve)		3,106,506,410
<b>Net cash used in financing activities</b>		3,106,506,410
Net increase/ (decrease) in cash and cash equivalents	11,237,046,692	(13,053,334)
Cash and cash equivalents at beginning of year	17,808,741,024	13,012,801,749
<b>Cash and cash equivalents at end of year (Note 9)</b>	<b>29,045,787,716</b>	<b>12,999,748,415</b>

The notes on pages 8 to 18 are an integral part of the Financial Statements.

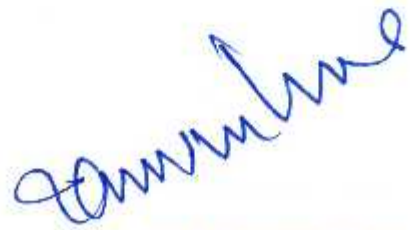
Authenticated by Directors:



**WIN AUNG**  
Chairman  
Myanmar Thilawa SEZ Holdings  
Public Limited.



Director  
Myanmar Thilawa SEZ Holdings  
Public Limited.



Chief Financial Officer  
Myanmar Thilawa SEZ Holdings  
Public Limited.

**MYANMAR THILAWA SEZ HOLDINGS PUBLIC LIMITED AND ITS SUBSIDIARIES**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

Currency – Myanmar Kyat

**1. General information**

Myanmar Thilawa SEZ Holdings Public Limited was incorporated as a private company in the Union of Myanmar under The Myanmar Companies Act on May 3, 2013.

On 26 May 2013, pursuant to the Cooperation Memorandum, the Company signed a Memorandum of Understanding with MMST LLP (MMS Thilawa Limited Liability Partnership) for the purpose of establishing the Joint Venture Company for the development, marketing, sales and operation of the Zone A Project.

On 29 October 2013, pursuant to the Memorandum of Understanding mentioned above, the Company, the Thilawa SMC (Thilawa SEZ Management Committee) and MMSTD (MMS Thilawa Development Co;Ltd) entered into the Joint Venture Agreement in connection with the establishment of the JV Company to undertake the development, construction, marketing, sales and operation of the Zone A project. The Joint Venture Company was established as Myanmar Japan Thilawa Development Ltd. (MJTD).

Under the Joint Venture Agreement, subject to the satisfaction of certain prescribed conditions precedent, the Company will collectively subscribe for JV Company Shares of an initial aggregate amount of US\$50,000,000 in the proportions of 41.0%.

The principle business activities of the Company are to:

- invest in and participate in the management of the JV Company, which will engage in the development, construction, marketing, sales and operation of the Zone A Project;
- market and sell the Zone A Properties to Myanmar Related Entities as exclusive agent, and market and sell the Zone A Properties to parties which are not Myanmar Related Entities or Japanese Related Entities jointly with the Japanese consortium members; and
- engage in the development of Thilawa SEZ (other than Zone A Area) or any part thereof as may be determined by our Directors in their discretion as may be determined by our Directors in their discretion.

The financial statements are expressed in Myanmar kyat and relate to the period from April 1, 2016 to September 30, 2016.

The registered office of the Company is No (29) Min Ye Kyaw Swar Road (UMFCCI Tower), Lanmadaw Township, Yangon Region, Republic of the Union of Myanmar.

The validity of the Certificate of incorporation issued to the Company is five years expiring on May 3, 2018.

The company was listed in Yangon Stock Exchange on 20<sup>th</sup> May 2016.



---

## 1. Summary of significant accounting policies

### A Basis of preparation

The accompanying financial statements have been prepared in accordance with Myanmar Financial Reporting Standards (MFRS) and are based on historical cost convention.

### B Foreign currency translation

#### (1) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of primary economic environment in which the entity operates (the "functional currency"). The financial statements are presented in Myanmar Kyats, which is the presentation currency of the Company.

#### (2) Transactions and balances

Foreign currency transactions are translated into the functional currency at the exchange rate prevailing on the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the income statement.

### C Use of estimates and judgments

Estimates and underlying assumptions are reviewed on an ongoing basis. Actual results may differ from these estimates. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

### D. Group Accounting

#### *(a) Subsidiaries*

##### *Consolidation*

Subsidiaries are entities (including special purpose entities) over which the Group has power to govern the financial and operating policies so as to obtain benefits from its activities, generally accompanied by a shareholding giving rise to a majority of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. Subsidiaries are consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date on which control ceases.

In preparing the consolidated financial statements, transactions, balances and unrealized gains on transactions between group entities are eliminated. Unrealized losses are also eliminated but are considered an impairment indicator of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests are that part of the net results of operations and of net assets of a subsidiary attributable to the interests which are not owned directly or indirectly by the equity holders of the Company. They are shown separately in the consolidated statement of comprehensive income, statement of changes in equity and balance sheet. Total comprehensive income is attributed to the non-controlling interests based on their respective interests in a subsidiary, even if this results in the non-controlling interests having a deficit balance.



*(b) Associated companies*

Associated companies are entities over which the Group has significant influence, but not control, generally accompanied by a shareholding giving rise to voting rights of 20% and above but not exceeding 50%. Investments in associated companies are accounted for in the consolidated financial statements using the equity method of accounting less impairment losses.

*(c) Equity method of accounting*

In applying the equity method of accounting, the Group's share of its associated companies' post-acquisition profits or losses are recognised in profit or loss and its share of post-acquisition other comprehensive income is recognized in other comprehensive income. These post-acquisition movements and distributions received from the associated companies are adjusted against the carrying amount of the investments. When the Group's share of losses in an associated company equals to or exceeds its interest in the associated company, including any other unsecured non-current receivables, the Group does not recognise further losses, unless it has obligations to make or has made payments on behalf of the associated company.

Unrealised gains on transactions between the Group and its associated companies are eliminated to the extent of the Group's interest in the associated companies. Unrealised losses are also eliminated unless the transactions provide evidence of impairment of the assets transferred. The accounting policies of associated companies have been changed where necessary to ensure consistency with the accounting policies adopted by the Group.

E Property and equipment

Property and equipment are stated at cost less accumulated depreciation.

The cost of an item of property, plant and equipment initially recognized includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Depreciation is computed under the straight-line method over the estimated useful lives of these assets. Details of depreciation rates are as follow;

Plant	5%
Office renovation	20%
Furniture and equipment	10%-40%
Computer and equipment	20%
Motor vehicle	20%
Machinery and equipment	20%

F Intangible assets

*(a) Accounting software*

Accounting software license is initially capitalized at cost which includes the purchase prices (net of any discounts and rebates) and other directly attributable costs of preparing the asset for its intended use. Direct expenditures are added to the original cost of the software. Costs associated with maintaining the accounting software license are expensed off when incurred.

Computer software license is subsequently carried at cost less accumulated amortisation and accumulated impairment losses. These costs are amortised to profit or loss using the straight-line method over their estimated useful lives of five years equivalent to 20%.

---

#### G Investment in associate

Investment in associate is initially recognized at the transaction price (including transaction costs) under the equity method of accounting and the carrying amount is increased or decreased to recognize the investor's share of the profit or loss of the investee after the date of acquisition. The investor's share of the profit or loss of the investee is recognized in the investor's profit or loss. Distributions received from an investee reduce the carrying amount of the investment.

#### H Cash and cash equivalents

Cash and cash equivalents comprise cash in hand and deposits with various local banks.

#### I Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. They are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). Otherwise, they are presented as non-current liabilities.

Trade and other payables are initially recognised at fair value, and subsequently carried at amortised cost using the effective interest method.

#### J Ordinary Shares

Ordinary Shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognized as a deduction from equity, net of any tax effects.

#### K Dividends

Dividends to the Company's shareholders are recognised when the dividends are approved for payment.

#### L Revenue

Revenue is recognized only when it is probable that the economic benefits associated with the transaction will flow to the Company.

##### *(a) Rendering of service – Management fees and commission fees*

Fees and commission are generally recognised on an accrual basis when the service has been provided.

##### *(b) Revenue from construction contract – Construction contract*

Revenue and cost are generally recognised on the related interpretations when it becomes effective.

##### *(c) Interest income*

Interest income arising from deposit at financial institution is recognised when the effective interest method.

##### *(d) Dividend income*

Dividend income is recognised when the right to receive payment is established.

#### M Income taxes

Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

---

#### N Related party

A party is related to an entity if:

- (a) directly, or indirectly through one or more intermediaries, the party:
  - (i) controls, is controlled by, or is under common control with, the entity (this includes parents, subsidiaries and fellow subsidiaries);
  - (ii) has an interest in the entity that gives it significant influence over the entity; or
  - (iii) has joint control over the entity;
- (b) the party is an associate of the entity;
- (c) the party is a joint venture in which the entity is a venture;
- (d) the party is a member of key management personnel of the entity or its parents;
- (e) the party is a close member of the family of any individual referred to in (a) or (d);
- (f) the party is an entity that is controlled, jointly controlled or significantly influenced by, or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (d) or (e); or
- (g) the party is a post-employment benefit plan for the benefit of employees of the entity, or of any entity that is a related party of the entity.

#### O Comparatives

Where necessary, comparative figures have been adjusted to conform with changes in presentation in the current year.

---

### **Financial risk management**

The Group's financial risk management policy seeks to ensure that adequate financial resources are available for the development of the Group's business whilst managing its risks. The main areas of financial risks faced by the Group and the policy in respect of the major areas of treasury activity are set out as follows:

#### Foreign exchange risk

The Group has exposure to foreign exchange risk due to assets and liabilities denominated in foreign currencies. However, the Group does not hedge its exposures to foreign exchange risk.

#### Credit risk

The maximum credit risk associated with recognized financial assets is the carrying amount shown in the balance sheet. However, policies had been established by the Group to minimize such risks.

#### Market risk

The Group is not exposed to any market risk.

#### Liquidity and cash flow risks

The Group monitors and maintains a level of bank balances deemed adequate by the directors to finance the operation and mitigate the effects of fluctuation in cash flow.

---

#### **4. Fund management**

The Group's objectives, when managing its funds, are to safeguard and maintain adequate working capital to continue as a going concern.

---



## 5. Property and equipment –Net

Group	Sewage treatment plant	Office renovation	Furniture & equipment	Computer equipment	Motor vehicle	Machinery & Equipment	Total
<b>Cost</b>							
Balance at 1 April 2015	-	35,315,236	59,606,556	25,980,050	186,614,500	35,025,320	342,541,662
Additions	221,500,000	134,912,560	87,318,792	12,842,652	90,391,440	14,990,000	561,955,444
Disposals	-	-	-	-	(2,420,000)	-	(2,420,000)
<b>Balance at 31 March 2016</b>	<b>221,500,000</b>	<b>170,227,796</b>	<b>146,925,348</b>	<b>38,822,702</b>	<b>274,585,940</b>	<b>50,015,320</b>	<b>902,077,106</b>
Balance at 1 April 2016	221,500,000	170,227,796	146,925,348	38,822,702	274,585,940	50,015,320	902,077,106
Additions	20,000,000	135,274,835	109,756,343	17,391,184	140,022,692	60,819,631	483,264,686
Assets transfer	-	(745,260)	(11,955,570)	(9,401,852)	(153,340,640)	(35,025,320)	(210,468,642)
<b>Balance at 30 September 2016</b>	<b>241,500,000</b>	<b>304,757,371</b>	<b>244,726,121</b>	<b>46,812,034</b>	<b>261,267,992</b>	<b>75,809,631</b>	<b>1,174,873,150</b>
<b>Accumulated depreciation</b>							
Balance at 1 April 2015	-	8,747,392	6,526,401	4,024,096	17,114,929	1,260,457	37,673,275
Depreciation for the year	922,917	11,628,283	16,464,875	6,839,602	46,304,521	5,637,199	87,797,397
Assets transfer	-	-	-	-	(746,168)	-	(746,168)
<b>Balance at 31 March 2016</b>	<b>(922,917)</b>	<b>(20,375,675)</b>	<b>(22,991,276)</b>	<b>(10,863,698)</b>	<b>(62,673,282)</b>	<b>(6,897,656)</b>	<b>(124,724,504)</b>
Balance at 1 April 2016	922,917	20,375,675	22,991,276	10,863,698	62,673,282	6,897,656	124,724,504
Depreciation for the year	6,120,833	30,485,220	21,431,203	4,660,219	28,350,261	4,596,682	95,644,418
Assets transfer	-	(115,492)	(4,041,294)	(1,592,514)	(24,017,948)	(5,712,990)	(35,480,237)
<b>Balance at 30 September 2016</b>	<b>(7,043,750)</b>	<b>(50,745,402)</b>	<b>(40,381,185)</b>	<b>(13,931,404)</b>	<b>(67,005,595)</b>	<b>(5,781,348)</b>	<b>(184,888,684)</b>
At March 31, 2016	220,577,083	149,852,121	123,934,072	27,959,004	211,912,658	43,117,664	777,352,602
At September 30, 2016	234,456,250	254,011,968	204,344,936	32,880,631	194,262,397	70,028,283	989,984,466

**5. Property and equipment – Net**

Office	Office renovation	Furniture and equipment	Computer equipment	Motor vehicle	Machinery & Equipment	Total
<b>Cost</b>						
Balance at 1 April 2015	35,315,236	59,606,556	25,980,050	186,614,500	35,025,320	342,541,662
Additions	134,912,560	87,318,792	12,842,652	87,121,440	-	322,195,444
Disposal/transfer	-	-	-	(2,420,000)	-	(2,420,000)
Balance at 31 March 2016	170,227,796	146,925,348	38,822,702	271,315,940	35,025,320	<b>662,317,106</b>
<b>Accumulated depreciation</b>						
Balance at 1 April 2015	8,747,392	6,526,401	4,024,096	17,114,929	1,260,457	37,673,275
Depreciation for the year	11,628,283	16,464,875	6,839,602	46,195,521	4,452,532	85,580,813
Disposal/transfer	-	-	-	(746,168)	-	(746,168)
Balance at 31 March 2016	20,375,675	22,991,276	10,863,698	62,564,282	5,712,989	<b>122,507,920</b>
Balance at 1 April 2016	20,375,675	22,991,276	10,863,698	62,564,282	5,712,989	<b>122,507,920</b>
Depreciation for the period	30,410,694	14,827,122	3,720,034	11,797,530	-	60,755,380
Disposal/transfer	(115,492)	(4,041,294)	(1,592,514)	(24,017,948)	(5,712,989)	(35,480,237)
Balance at 30 September 2016	50,670,877	33,777,104	12,991,218	50,343,864	-	147,783,063
At March 31, 2016	149,852,121	123,934,072	27,959,004	208,751,658	4,192,233	544,001,419
At September 30, 2016	253,456,726	127,997,741	26,011,478	67,631,436	-	475,097,381

## 6. Intangible asset - Software

	Company	
	30 September 2016	31 March 2016
<b>Cost</b>		
Opening	5,071,100	1,615,000
Addition		3,456,100
<b>Total</b>	<b>5,071,100</b>	<b>5,071,100</b>
<b>Amortization</b>		
Opening	878,867	188,417
During the period	507,110	690,450
<b>Total</b>	<b>(1,385,977)</b>	<b>(878,867)</b>
<b>31<sup>st</sup> March 2016</b>	<b>3,685,123</b>	<b>4,192,233</b>

## 7. Investment in associate

	30 September 2016	31 March 2016
Opening balance	25,532,343,435	25,122,275,268
Acquisition during the year	-	-
Proportionate net profit for the period	9,350,402,600	14,757,441,445
Dividend Received	(9,971,200,000)	(14,347,373,278)
<b>Carrying value as at 30 September 2016</b>	<b>24,911,546,035</b>	<b>25,532,343,435</b>

The Company's share of profit in its equity-accounted investee (i.e. Myanmar Japan Thilawa Development Limited) for the period was Kyat 9,350,402,600 (\$7,450,520 @ 1,255) (2016: Profit Kyat 14,757,441,445). The Company received dividends amounting to US\$ 8,200,000 from its investment in equity-accounted investee. The equity accounted investee is not publicly listed entity and consequentially does not have published price quotations.

The following amounts represent the assets and the liabilities and income and expenses of the associate.

In 000US\$	2016	2016
Reporting date	30 September	31 March
Owner-ship	41%	41%
Current assets	71,967	103,343
Non-current assets	12,269	19,587
<b>Total assets</b>	<b>84,236</b>	<b>122,930</b>
Current liabilities	22,540	59,762
Non-current liabilities	7,197	6,841
<b>Total liabilities</b>	<b>29,737</b>	<b>66,603</b>
<b>Net assets</b>	<b>54,499</b>	<b>56,327</b>
Income	21,214	37,569
Expenses	3,042	7,969
<b>Profit</b>	<b>18,172</b>	<b>29,600</b>
<b>Share of profit</b>	<b>7,451</b>	<b>12,136</b>

## 8. Investment in subsidiary

The subsidiary of the Company is Thilawa Property Development Limited and was incorporated as a private company in the Union of Myanmar under The Myanmar Companies Act on March 19, 2015. The Company has a 100% equity interest in its subsidiary.

The principal business activities of the Company are to:

- To invest in the development Residential and Commercial Area within the Thilawa Special Economic Zone carried out by constructing ,selling and leasing of commercial center, residences, office towers and other related development
- To carry out preliminary engineering works
- To engage in importing, purchasing, leasing and the activities that are required for the development of said construction work
- To enter into partnership or into any arrangement of sharing profits
- To purchase or otherwise acquire for other means ownerships, rights, franchises, licenses, grants, trademarks, patent rights including land and buildings and to utilize beneficially those properties and right for development thereof.

During the year, Thilawa Special Economic Zone Management Committee (TSEZMC) acquired 20% of interest in TPD. Therefore, the Company's 100% shares of equity interest in its company decreased to 80% thereof. The subsidiary is not publicly listed entity and consequentially does not have published price quotations.

	September 2016	March 2016
Beginning of financial year	1,000,000,000	1,000,000,000
Additional investment	23,000,000,000	23,000,000,000
<b>Carrying value as at 30<sup>th</sup> September 2016</b>	<b>24,000,000,000</b>	<b>24,000,000,000</b>

## 9. Cash and cash equivalents

	Group		Company	
	September 2016	March 2016	September 2016	March 2016
Cash in hand (K)	24,243,688	10,618,504	10,987,782	7,685,143
Cash at bank – current	34,901,202,197	23,524,065,145	28,085,115,557	16,567,703,466
Cash at bank – saving	1,505,944,453	2,681,634,937	714,221,495	715,348,464
Cash at bank – fixed	235,462,882	518,003,950	235,462,882	518,003,950
<b>Total</b>	<b>36,666,853,220</b>	<b>26,734,322,535</b>	<b>29,045,787,716</b>	<b>17,808,741,023</b>

## 10. Trade and other receivable

	Note	Group		Company	
		September 2016	March 2016	September 2016	March 2016
Management fees	i	216,111,000	209,395,200	216,111,000	209,395,200
Sales commission	ii	-	15,361,305	-	230,592,206
Other receivable	iii	15,361,305	1,088,312	58,607,391	15,361,305
<b>Total</b>		<b>231,472,305</b>	<b>255,844,817</b>	<b>274,718,391</b>	<b>455,348,711</b>



(i) It comprises management services fees provided by the Company for the period from April, 2015 to March 31, 2016

(ii) It comprises commission fees receivable from Myanmar Japan Thilawa Development Limited (MJTD) for the successful contracts between MJTD and its customers whom introduced by the Company.

(iii) It comprises expenses incurred by the Company on behalf of TPD.

#### 11. Deposit and prepayments

	Group		Company	
	September 2016	March 2016	September 2016	March 2016
Rent deposit	8,340,000	8,340,000	210,000	210,000
Advances to suppliers	337,344,800	1,811,061,446		11,020,064
Other prepayments	13,951,586	100,219,195	13,951,587	100,369,195
Advance tax	1,748,573,741	1,733,445,353	1,748,573,741	1,733,445,353
<b>Total</b>	<b>2,108,210,127</b>	<b>3,653,065,994</b>	<b>1,762,735,328</b>	<b>1,845,044,612</b>

#### 12. Amount due from construction contract

Contract in progress at the end of the reporting period

	Group	
	September 2016	March 2016
Construction cost incurred	161,350,877	-
Less: allocate construction cost	(145,215,789)	-
<b>End of reporting period</b>	<b>16,135,088</b>	<b>-</b>

#### 13. Work-in-progress

Work-in-progress relates to the cost of land and land developing cost. Land comprises of [347,583] m<sup>2</sup> of leasehold land acquired from MJTD for the development of residential and commercial area of Thilawa Special Economic Zone. The subsidiary is pursuing land scraping, infrastructure development and worker's accommodation construction during the year.

#### 14. Share capital

All issued ordinary shares are fully paid and par value for these ordinary shares is K10,000 per share. Fully paid ordinary shares carry one vote per share and carry a right to dividends as and when declared by the Company.

## 15. Retained profits

Movement in retained profits for the Company is as follows:

	Company	
	September 2016	March 2016
Beginning of financial year	28,772,098,011	15,752,829,651
Net profit	10,018,817,918	20,805,098,360
Dividends paid		(7,785,830,000)
<b>End of financial year</b>	<b>38,790,915,929</b>	<b>28,772,098,011</b>

## 16. Trade and other payable

	Group		Company	
	September 2016	March 2016	September 2016	March 2016
Trade payable	1,944,995	288,422,755	1,944,995	1,944,995
Accrued expenses	386,032,881	350,859,583	250,550,331	191,859,583
Unpaid dividend (FY2014-2015)	250,486,000		250,486,000	-
<b>Total</b>	<b>638,463,876</b>	<b>639,282,338</b>	<b>502,981,326</b>	<b>193,804,578</b>

## 17. Amount due to construction contract

Contract in progress at the end of the reporting period

	Group	
	September 2016	March 2016
Recognized completed job cost	2,744,259,595	-
Less: paid completed job cost	(2,400,760,733)	
Dividends paid		-
<b>End of reporting period</b>	<b>343,498,862</b>	

## 18. Management fees

Management fees are received from MJTD in consideration of management services provided by the Company for the period from April 1, 2015 to September 30, 2016 for the following personnel;

- (1) Chairman
- (2) Vice President (Myanmar Desk)
- (3) Head of Finance & Accounting
- (4) Head of Administration & Human Resources

	For the six month period ended 30September 2016	For the six month period ended 30September 2015
April 1, 2016 to September 30, 2016 (US\$28,000)	418,790,400	215,525,520
Commercial Tax	(19,942,400)	(10,263,120)
	<b>398,848,000</b>	<b>205,262,400</b>

---

## 19. Sales commissions

The above comprises commission fees income from Myanmar Japan Thilawa Development Limited (MJTD) for the successful contracts between MJTD and its customers whom introduced by the Company.

	For the six month period ended 30September 2016	For the six month period ended 30September 2015
Sales commission (USD309,891 )	386,146,972	555,340,560
Commercial Tax	(18,387,962)	(26,444,789)
<b>Total</b>	<b>367,759,010</b>	<b>528,895,771</b>

---

## 20. Revenue of construction contract

The revenue come from construction contract with MJTD for which to provide construction of infrastructure improvement of the rehabilitation of Thilawa Development Road and the construction of Earth Excavation, Transportation & Land Grading at B-23 plot of MJTD.

	30September'2016	30September'2015
Construction of rehabilitation of Thilawa Development Road(USD 3,191,373.03)	3,786,008,130	-
Construction of Earth Excavation, Transportation & Land Grading at B-23 plot of MJTD.(USD169,912.06)	201,175,879	-
Commercial tax	(68,030,130)	-
<b>Total</b>	<b>3,919,233,879</b>	<b>-</b>

---

## 21. Cost of construction contract

The above comprise from cost of construction contract with MJTD for which to provide construction of infrastructure improvement of the rehabilitation of Thilawa Development Road and the construction of Earth Excavation, Transportation & Land Grading at B-23 plot of MJTD.

	30September'2016	30September'2015
90% cost of rehabilitation of Thilawa Development Road	2,562,094,553	-
100% cost of Earth Excavation, Transportation & Land Grading at B-23 plot	157,500,000	-
<b>Total Cost of construction contract</b>	<b>2,719,594,553</b>	<b>-</b>

---

## 22. Interest

Interest is received from the saving deposits in the local banks.

---

## 23. Other income

	Group		Company	
	September 2016	September 2015	September 2016	September 2015
Shares related income	666,550	21,983,069	666,550	21,983,069
Tender income	5,700,000	1,800,000	-	400,000
Newspapers & magazine	97,095	2,500	97,095	2,500
Exchange gain (Note 7) **	1,136,314,286	368,323,367	884,571,132	368,323,367
<b>Total</b>	<b>1,142,777,931</b>	<b>392,108,936</b>	<b>885,334,777</b>	<b>390,708,936</b>

\*\* Exchange gain is the result from translation of dividend received in foreign currency (USD) into functional currency (MMK) using the exchange rates at the dates of the transactions. The Group uses the exchange rates from the Central Bank of Myanmar (CBM). Closing exchange rate of CBM is 1USD = 1,255MMK.

## 24. Salary and benefit

The Salary and benefit includes the remuneration to key management personnel of the Company as follows.

	Company	
	September 2016	September 2015
Remuneration	398,706,375	115,397,522
Bonus	-	-
<b>Total</b>	<b>398,706,375</b>	<b>115,397,522</b>

## 25. Earnings per share

### Basic earnings per share

Basic earnings per share is calculated by dividing the net profit attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding during the financial year.

	Group		Company	
	September 2016	September 2015	September 2016	September 2015
Net profit attributable to equity holders of the Company	10,856,767,808	7,771,716,963	10,018,817,918	7,796,685,419
Weighted average number of ordinary shares outstanding for basic Earnings per share	3,892,915	3,892,915	3,892,915	3,892,915
<b>Basic earnings per share (K per share)</b>	<b>2,789</b>	<b>1,996</b>	<b>2,574</b>	<b>2,003</b>



## 26. Related party transactions

In addition to the information disclosed elsewhere in the consolidated financial statements, the following transactions took place between the Group and the related parties at terms agreed between the parties;

### (a) Sales and Purchase of Goods and Service

	Group	
	September'2016	2015-16
MJTD	US\$ 637,891	US\$4,060,578
Other Related Parties	-	*K 1,312,467,879
Payments made on Behalf of subsidiary	Ks 260,710,965	K 230,592,206
Management Fees received from MJTD	US\$ 164,000	US\$492,000
Sales Commission received from MJTD	US\$ 309,891	US\$3,404,578

\*Other Related parties compare mainly companies and organization which are controlled or significantly influenced by the Holding Company's key management personnel who are as follows:

No.	Company Name	Related	Position Executives	September 2016 Kyats	2015-16 Kyats
1	Dagon International Limited (Rent of machinery)	U Win Aung	Chairman	28,089	45,390,136
2	Dagon Timber Limited (Rent of machinery)	U Win Aung	Chairman	45,899	57,411,674
3	Myint Myat Htut Khaung Co.,Ltd(Purchase of Diesel)	U Aung Win	Chief Financial Officer of MJTD	19,284	53,902,829
4	Union of Myanmar Federation of Chamber of Commerce & Industry (Rent of Head office)	U Win Aung & U Thein Han	Chairman	86,265,487	84,593,488
5	Sinma Construction Group Ltd (New office renovation)	U Kyaw Kyaw Win	Alternative Director	39,000	132,780,000
				<b>86,397,759</b>	<b>1,312,467,879</b>

### (b) Key management personnel and director compensation

Key management personnel and director compensation are disclosed in note 24.

---

**(c) Significant agreements with related parties****Management fees**

The Company entered into management memorandums with MJTD for which to provide management services. Under the term of these memorandums, the Company is entitled to receive management fees as stipulated in the memorandum and will expire in 2018.

**Commission fees**

The Company entered into marketing agreements with MJTD for which to provide with information in respect to potential locators and coordination services. Under the term of the agreements, the Company is entitled to receive commission fees at 6% of the contract price. The term of the agreements is for five years and shall be extended for further period by notify in writing at least 30 days prior to expiration of this agreement.

---

**27. Significant events of the Company**

During the, the following significant events occurred. The Company

- has received approval to list its shares in Yangon Stock Exchange (YSX) and started trading of its shares in market on May 20, 2016.
- The Board has resolved on 28<sup>th</sup> June 2016 to propose a dividend of Ks. 2500 per share for the year ended 31<sup>st</sup> March,
- At the annual general meeting of the shareholders of the Company held on 23<sup>rd</sup> October 2016, the shareholders approved an interim dividend of Ks. 2500 per share amounting to Ks.9,732,287,500/-
- At the annual general meeting of the shareholders of the Company held on 23<sup>rd</sup> October 2016, the shareholders approved 10- for -1 shares split. Shares per value change from Ks 10,000 to Ks 1,000 and number of shares change from 3,892,915 to 38,929,150.

---

**28. Listing of significant companies in the Group**

No	Name of company	Principal activity	Country of corporation	Equity holding	
				2016	2015
1.	Thilawa Property Development Limited	Investing within Thilawa Special Economic Zone	Myanmar	80%	100%
2.	Myanmar Japan Thilawa Development Limited	Development and construction within Thilawa Special Econo	Myanmar	41%	41%

---

**29. Authorization of financial statements**

These financial statements were authorised for issue in accordance with a resolution of the Board of Directors of Myanmar Thilawa Holdings Public Limited on December 2016.

---