
AUDITED FINANCIAL STATEMENTS AND MANAGEMENT DISCUSSION & ANALYSIS

The Board of Directors of First Myanmar Investment Public Co., Ltd (“Company”), and with its subsidiaries (“Group”), wishes to announce the release of the Company’s audited financial statements for the period ended 30th September 2020 (“FY 2020”).

For the purpose of providing a more meaningful comparison and a better understanding of the financial results of the Group, the Company’s management uses its financial report of the period from 1st October 2018 to 30th September 2019 (“FY 2019”). The discussion and analysis are provided below:

KEY HIGHLIGHTS
Summary of Group Statement of Comprehensive Income

(MMK'000)	FY 2020 (Oct'19-Sep'20)	FY 2019 (Oct'18-Sep'19)	% Change
Revenues	339,952,008	317,634,004	7.0%
Cost of revenues	(193,916,891)	(188,866,674)	(2.7%)
Gross profit	146,035,117	128,767,330	13.4%
<i>Gross margin</i>	<i>43.0%</i>	<i>40.5%</i>	
Administrative expenses	(123,837,967)	(106,017,916)	(16.8%)
Finance expenses	(7,272,908)	(9,189,064)	20.9%
Other gains or (losses)	7,044,203	(1,319,327)	633.9%
Share in (losses) profits of associates and joint ventures, net of tax	(3,910,267)	8,019,602	(148.8%)
Profit before income tax	18,058,178	20,260,625	(10.9%)
Income tax expense	(6,358,651)	(8,530,389)	25.5%
Profit for the year	11,699,527	11,730,236	(0.3%)
Fair value gain/(loss) of available-for-sale investments	5,737,520	(1,184,958)	584.2%
Share of other comprehensive income (losses) of associates	5,375,946	(2,315,056)	332.2%
Other comprehensive income (loss) for the year, net of tax	11,113,466	(3,500,014)	417.5%
Total comprehensive income for the year	22,812,993	8,230,222	177.2%
Profit / (Losses) attributable to:¹			
Owners of the Company	(2,414,577)	2,710,711	
Non-controlling interests	14,114,104	9,019,525	
	11,699,527	11,730,236	
(Loss)/Earnings per share			
Basic (MMK)	(89)	100	(189.1%)
Diluted (MMK)	(89)	100	(189.1%)

¹ Net (loss)/profit attributable to equity holders of the Company used for the computation of basic EPS has been adjusted for the distribution to the holders of perpetual securities.

Despite the negative impact of COVID-19, the Group's total revenue in FY 2020 increased by 7.0% to MMK 340.0 billion as compared to MMK 317.6 billion in FY 2019. Below is the breakdown of revenue by business segment and the Company: -

(MMK'000)	FY 2020 (Oct'19-Sep'20)	FY 2019 (Oct'18-Sep'19)	% Change
Financial services	307,413,898	285,178,475	7.8%
Healthcare services	32,348,630	32,233,874	0.4%
Dividend income	135,480	167,655	(19.2%)
Rental income	54,000	54,000	0%
Total	339,952,008	317,634,004	7.0%

The financial services segment was the main driver of the higher Group revenue in the reporting period. Revenue generated from the financial services segment increased by 7.8% from MMK 285.2 billion in FY 2019 to MMK 307.4 billion in FY 2020 despite the COVID-19 impact on the banking sector. The increase in revenue is primarily due to interest income contributed by demand loans, overdrafts, hire purchase, home loans, digital credit, interbank placements, and investment securities.

Revenue from healthcare services was slightly higher by 0.4% to MMK 32.3 billion in FY 2020 as compared to MMK 32.2 billion in FY 2019 due to the unprecedented impacts of COVID-19. The active generators of revenue are clinical and ancillary services such as medical check-ups, general surgery, orthopedics, cardiology, pharmacy services, imaging services, laboratory services, nursing services, telemedicine services, and non-clinical services. Healthcare delivery has shifted during the COVID-19 pandemic, with telehealth encounters sharply increasing in late March 2020.

The gross profit has improved by 13.4% to MMK 146.0 billion in FY 2020, as compared to MMK 128.8 billion in FY 2019. The increase was mainly due to the improvement in gross profit margin contributed by the financial services segment, Yoma Bank Limited.

Furthermore, the Group's administrative expenses increased from MMK 106.0 billion in FY 2019 to MMK 123.8 billion in FY 2020. Higher administrative expenses are incurred by the Yoma Bank for specific provisions on loans and advances, specific provisions for future losses, and office renovation expenses. The Bank has applied management overlays to determine the amount of future loss as a result of COVID-19. These expenses were partially mitigated by the decrease in other administrative expenses as a result of cost control measures imposed during the COVID-19 period, including a decrease in travelling expenses, salary reductions, and fewer professional fees incurred during the reporting period.

Finance expenses decreased by 20.9% from MMK 9.2 billion in FY 2019 to MMK 7.3 billion in FY 2020. The decrease in interest expenses on borrowings of the Company is due to the repayment of certain facilities during the reporting period and the reduction in the interest rate on MMK borrowings of the Group while the currency translation gain from borrowings denominated in US dollar. The total bank borrowings have decreased by MMK 42.4 billion from MMK 70.3 billion as of 30 September 2019 as compared to MMK 27.9 billion as of 30 September 2020.

In FY 2020, the Group recorded other gains of MMK 7.0 billion as compared to other losses of MMK 1.3 billion in FY 2019. Below is the detailed breakdown:

(MMK'000)	FY 2020 (Oct'19-Sep'20)	FY 2019 (Oct'18-Sep'19)
Gain/ (Loss) on disposal of available-for-sale investments	5,855,162	(4,152)
Gain on disposal of property, plant, and equipment	29,360	54,820
Gain on foreign currency exchange, net	2,909,633	2,596,887
Write-off of unclaimed dividend	3,164	-
Write-off of other non-current assets and prepayments	(101,730)	(1,986,068)
Write-off of investment in associates	(187,363)	-
Write-off of available-for-sale investments	-	(258,941)
Capital gains tax	(239,231)	(433,515)
Fair value loss on initial recognition of investment property		(872,173)
Loss on revaluation of investment property	(1,014,556)	-
Gain on disposal of ownership interest by a subsidiary	-	150,000
Write-off of property and equipment and intangible assets	(210,236)	(566,185)
Total Other Gains	7,044,203	(1,319,327)

In FY 2020, The Group had MMK 5.9 billion gain from the disposal of available-for-sale investment (AFS) which was the disposal of FMI's 10% interest in Wave Money. The increase in gain on foreign currency translation of MMK 2.9 billion in FY 2020 was caused by unrealized foreign exchange gains on foreign exchange rates to that functional currency on the assets and liabilities of the Group. The write-off of an investment in associates of MMK 187.4 million is due to a write-off of the initial development costs of Star City. The loss on revaluation of investment property of MMK 1.0 billion is mainly due to the impairment loss of MMK 1.2 billion in relation to the investment property under Pun Hlaing Hospitals, and this loss was slightly offset by the revaluation gain of MMK 0.2 billion of the Company's investment properties in Pyay, Bagan and Yangon. The loss of MMK 210.2 million is mainly due to a write-off of property, plant, and equipment (PP&E) by Yoma Bank Limited.

The Group recorded a higher share of losses of associates and joint ventures in FY 2020 as compared to a share of profit in FY 2019. The detailed breakdown is as below:

Investments in Associates and Joint Ventures		Group Share of (Loss)/Profit	
(MMK'000)	Stake	FY 2020 (Oct'19-Sep'20)	FY 2019 (Oct'18-Sep'19)
Thanlyin Estate Development Limited	30.00%	(2,893,806)	8,194,865
Chindwin Holdings Pte Limited	30.00%	(445,667)	29,490
FMI Decaux Company Limited	40.00%	181,547	(69,826)
Pun Hlaing Links Services Company Limited	30.00%	1,271	71,094
LSC-FMI Company Limited	50.00%	(512)	(1,188)
Meeyahta International Hotel Limited	20.00%	(464,948)	(67,168)
FMI Garden Development Limited	47.50%	(288,152)	(137,665)
Total Share of (Loss)/ Profit		(3,910,267)	8,019,602

The Group's share of profits from associates and joint ventures decreased by 148.8% from MMK 8.0 billion profit in FY 2019 to MMK 3.9 billion loss in FY 2020. This reduction in the share of loss was mainly due to the higher loss reported in the real estate segment even though revenues have

increased during the Covid-19 pandemic (which was a result of the fair value loss on the investment properties at Star City and City Loft @ Thanlyin Estate Development Ltd). As a result, the Group recognised a higher share of loss of MMK 2.9 billion in FY 2020 from its associated company, Thanlyin Estate Development Ltd, as compared to the share of profit of MMK 8.2 billion in FY2019. Furthermore, the loss arising from foreign currency translation of MMK 445.7 million was recorded in Chindwin Holdings Pte Ltd. The loss of MMK 464.9 million from Meeyahta International Hotel Ltd was recognised for foreign currency translation of MMK 284.1 million and other losses in FY 2020. The share of profit of MMK 181.5 million on a better result from FMIDecaux in FY 2020 as compared to the loss of MMK 69.8 million in FY 2019.

Profit before income tax decreased by 10.9% in FY 2020 to MMK 18.1 billion as compared to MMK 20.3 billion in FY 2019. The decrease was primarily caused by the fair value losses on the investment properties of the real estate segment and the increase in administrative expenses mainly related to the specific provisions on loans and advances by the Yoma Bank Limited. The Group's net profit declined by 0.3% to MMK 11.7 billion in FY 2020 as a result of a high share of losses of associates and joint ventures for the reporting period.

In FY 2020, the Group recognised the fair value gain of MMK 5.7 billion in FY 2020 as compared to the losses of MMK 1.2 billion in FY 2019. Shown below are the details of the Group's fair value adjustments for those investments.

Investments (MMK'000)	Carrying Value Before Adjustment	Fair Value Adjustment	Carrying Value after Adjustment
MTSH	2,638,362	(257,401)	2,380,961
Memories Group	3,056,458	(1,453,898)	1,602,560
5% shareholding in Wave Money by Yoma Bank Limited	2,364,931	7,448,819	9,813,750
Total	8,059,751	5,737,520	13,797,271

The loss due to the Company investment in Myanmar Thilawa SEZ Holdings Public Company Limited ("MTSH") and Memories Group Limited ("Memories Group"), both of which are companies listed on YSX and SGX respectively. The gain of MMK 7.4 billion is due to the adjustment of fair market value on Wave Money via a 5% shareholding held by Yoma Bank Limited.

In FY 2020, the Group recorded MMK 5.4 billion of net other comprehensive income from its associates. The gains included a net of foreign currency translation adjustments on Thanlyin Estate Development Ltd, Chindwin Holdings Pte Ltd, and Meeyahta International Hotel Ltd. As a result, the Group's total comprehensive income for the period increased by 177.2% to MMK 22.8 billion as compared to MMK 8.2 billion in the previous corresponding period.

Despite the Group achieved a positive financial result for FY 2020, the net loss attributable to the equity shareholders of the Company is MMK 2.4 billion as compared to the net profit of MMK 2.7 billion in FY 2019. The profit attributable to the non-controlling interest (NCI) of MMK 14.1 billion in FY 2020 as compared to MMK 9.0 billion in FY 2019. This is primarily due to the profit generated from the Group's financial services segment was largely mitigated by the losses of other business segments and the Company during the reporting period as a result of COVID-19's impact on the real estate segment and the healthcare segment.

As a net loss was incurred, the loss attributable to equity holders of the Company, the basic (loss)/earnings per share ("EPS") of MMK (89), decreased by 189.1% in FY 2020, and the diluted EPS of MMK (89).

As the Company's acquisition and shareholding changes in the financial services segment have been completed as of 30th September 2020, while the Accounting Policies followed by the Company when preparing and presenting its financial statements, the profit attributable to acquired interest for the period was not reported into the computation of profit attributable to the owners of the Company. However, such pro-rata increased profits were absorbed into Equity attributable to the equity owners of the Company in the Group's Balance Sheet as reported below.

A summary statement of financial position for the group, together with a comparative statement as at the end of the immediately preceding financial year, 30 September 2019.

Summary of Group Balance Sheet

	As at 30-Sep-2020	As at 30-Sep-2019	% Change
(MMK'000)			
ASSETS			
Total current assets	3,059,673,392	2,533,185,465	20.8%
Total non-current assets	552,711,392	571,970,575	(3.4%)
Total assets	3,612,384,784	3,105,156,040	16.3%
LIABILITIES			
Total current liabilities	3,101,233,435	2,720,380,252	(14.0%)
Total non-current liabilities	5,168,789	61,087,662	91.5%
Total liabilities	3,106,402,224	2,781,467,914	(11.7%)
NET ASSETS	505,982,560	323,688,126	56.3%
EQUITY			
Equity attributable to the equity owners of the Company	403,109,321	214,716,140	
Non-controlling interest	102,873,239	108,971,986	
Total equity	505,982,560	323,688,126	56.3%

Total current assets increased from MMK 2,533.2 billion as of 30 September 2019 to MMK 3,059.7 billion as of 30 September 2020. The increase was mainly due to the bank's loan portfolio, investment in government securities in relation to the Treasury bills and Treasury bonds by Yoma Bank Limited, cash & cash equivalents, and trade & other receivables in the financial services segment and the Company. As of 30 September 2020, the bank's loan portfolio has grown to MMK 1,980.5 billion from MMK 1,845.3 billion as of 30 September 2019. The increase in total current assets was partially offset by the disposal of available-for sales investment on the remaining 10% interest in Wave Money by the Company.

Total non-current assets decreased slightly from MMK 571.9 billion as of 30 September 2019 to MMK 552.7 billion as of 30 September 2020.

Total current liabilities increased to MMK 3,101.2 billion as of 30 September 2020 as compared to MMK 2,720.4 billion as of 30 September 2019 and the growth continues to be driven by an increase in deposits of non-bank customers by Yoma Bank Limited.

Total non-current liabilities decreased from MMK 61.1 billion as of 30 September 2019 as compared to MMK 5.2 billion as of 30 September 2020. The decrease was mainly due to the repayment of current bank borrowings of the Company in FY 2020.

As of 30 September 2020, net assets attributable to equity owners increase to MMK 506.0 billion as compared to MMK 323.7 billion as of 30 September 2019.

The Group's equity grew at a rate of 56.3% which was attributable to the receipt of proceeds of US\$ 82.5 million from Ayala Corporation convertible loan, and the increment of the Company's paid-up capital of MMK 88.8 billion from the issuance of 5,996,947 Company's shares to Yangon Land Co., Ltd. in settlement of acquisition of Yoma Bank share swap transaction. Both transactions were recorded as advance capital of the Company as of 30 September 2020. Event subsequent to the year-end, as of 4 November 2020, the Company has allotted the stated shares to Yangon Land Co., Ltd. accordingly. For Ayala Corporation loan conversion, the allotment of ordinary shares of the Company equivalent to 20% of the enlarged total share capital of the Company will be made upon the completion of the respective regulatory process.

As of 30 September 2020, the Group's cash and cash equivalents amounted to approximately MMK 449.5 billion. A summary of the Group Statement of Cash Flows is as follows: -

Summary of Group Cash Flow Statement

(MMK'000)	FY 2020	FY 2019	% change
	(Oct'19-Sep'20)	(Oct'18-Sep'19)	
Net cash provided by operating activities	264,129,986	194,892,304	35.5%
Net cash (used in) provided by investing activities	(307,760,421)	(53,288,808)	(477.5%)
Net cash provided by financing activities	108,962,316	20,396,314	434.2%
Net increase in cash and cash equivalents	65,331,881	161,999,810	(59.7%)
Cash and cash equivalents at beginning of the period	384,154,922	222,155,112	72.9%
Cash and cash equivalents at the end of the period	449,486,803	384,154,922	17.0%

Group cash and cash equivalents increased by 17.0% to MMK 449.5 billion as of 30 September 2020 as compared to MMK 384.2 billion as of 30 September 2019. The majority of cash reported on the Group cashflow statement represented the balances of the Company and Yoma Bank. As of 30 September 2020, the Group comprised the operating cash flow of MMK 264.1 billion which was mainly due to the increase in specific provisions on non-performing loans(NPLs), increase in loans and advances to customers, and decrease in receivables by Yoma Bank Limited, resulting in a majority of positive cash flow from operations. The cash used for MMK 307.8 billion of cash generated from investing activities was primarily due to the additional purchase of government securities by Yoma Bank Limited. The Group's net cash provided from financing activities for the year ended 30 September 2020 amounted to MMK 109.0 billion was mainly due to proceeds of advance capital in the Company.

Forward-Looking Statements

The Group

Myanmar has been experiencing its second wave of COVID-19 transmission since September 2020, which has led to Yangon seeing an increase in the number of positive cases. In response, the Government implemented stricter COVID-19 response measures, including restricting movements between townships, stay home orders, and prohibitions on dine-in for restaurants. Authorities are now easing some of the measures, and economic activities are gradually recovering.

Myanmar held its second-ever democratic general election on 8 November 2020. The National League for Democracy (NLD) party again won a majority of the seats in Parliament, surpassing the number of seats that they won in the 2015 election, and remains the ruling government. The results reflect Daw Aung San Suu Kyi's broad support in the country and will allow the ruling party to continue its economic and constitutional reforms.

With the easing of the COVID-19 measures and the successful conclusion to the election, the Group is cautiously optimistic on the outlook for Myanmar's economy as the Government is expected to focus on various growth initiatives and attracting foreign investment during its next five-year term. Furthermore, the impact of the COVID-19 response is expected to provide the catalyst for a more rapid pace of economic transformation, which bodes well for the Group's businesses and most of the Group's businesses are witnessing stronger recovery.

Overall, the effects of Covid-19 still pose uncertainties going forward. Nevertheless, the Group will continue to monitor the evolving situation of the pandemic and shall adjust and react proactively with appropriate countermeasures to minimise the impact to the Group, including preserving cash, cost management measures and the deferment of non-essential operating and capital expenditures. The Board and the Group's senior management have also voluntarily extended the 25 percent reduction in directors' fees and salaries for another six months. Furthermore, the Group has put in place various temporary funding arrangements to bolster its liquidity position.

Financial Services

The Company's primary participation in this sector is the investment in Yoma Bank Limited.

Due to the unprecedented impacts of COVID-19, Yoma Bank accelerated its vision to revolutionise Myanmar's financial sector towards into the cashless economy. Currently, Yoma Bank and Wave Money offered its customers a shared network of over 80 branches and 60,000 agent locations across Myanmar. In 2021 the partnership between Yoma Bank and Wave Money will continue to introduce innovative digital services, making it safe, convenient, and affordable for its customers to manage their money.

In June 2020, Yoma Bank partnered with Mastercard to connect Myanmar's consumers and businesses to the global digital economy. This has enabled Yoma Bank to expand its digital offerings and accelerate the advancement of Myanmar's digital economy. Currently, the products and services to be provided through this partnership are still under the process of getting approval from respective authority.

In a progressive effort to become the customer centric bank, Yoma Bank engaged Salesforce, the leading providers of Customer Relationship Management (CRM) solutions, as the strategic platform to enhance customer experience. Furthermore, Yoma Bank partnered with Prudential Myanmar to establish PRUGroup Life and Health Insurance products.

In September 2020, Yoma Bank and LIFT successfully completed an Individual Development Accounts (IDA) financial inclusion programme for those living in rural communities. The program witnessed positive impacts with a substantial increase in financial literacy, saving behaviours, and use of financial services.

Through the development of strategic partnerships with Microfinance Institutions ('MFI'), Yoma Bank-funded approximately MMK 40 Billion to micro-borrowers in socioeconomic areas. Yoma Bank will continue to pursue opportunities progressively by offering innovative and competitive financial solutions to SMEs and micro-borrowers in Myanmar.

Yoma Bank has continued to work on plans which were adjusted based on the evolving macroeconomic situations which include the priorities as follows:

1. Supporting its customers and people during the COVID-19 pandemic
2. Protecting the Bank and managing risk
3. Laying the Bank's strategic foundation for when recovery occurs
4. Revenue and short-term profit growth

With a vision towards the country's long-term economic development agenda, the Company has been increased its shareholding in Yoma Bank to 61.99% and remains the largest shareholder of Yoma Bank. The Company has confidence in the future of Yoma Bank and the recognition of its position as the Responsible Bank of Myanmar.

Healthcare

The Company's primary participation in this sector is the investment in Pun Hlaing Hospitals.

Under the management brand of YOMA-OUE Healthcare ("YOH"), in Oct 2020, Pun Hlaing Siloam Hospitals was transformed to a Pun Hlaing Hospitals("PHH")-branded hospital pursuant to a joint venture between the Company, having 60% shareholding interest and OUE Lippo Healthcare ("OUELH") Singapore having 40% shareholding interest. PHH currently owns and operates a total of 3 hospitals and 4 clinics across Myanmar. In line with the enlarged YOMA Group's mission statement of "Building a better Myanmar for its People", PHH aims to provide affordable and accessible healthcare that embodies values of International Quality, Scale, Godly Compassion, and Reach to all socio-economic segments in Myanmar through System Transformation and Emerging Healthcare Transformation.

System Transformation

Since 2019, PHH has continued to focus on evolving from a dedicated full-time specialist model into a hybrid model comprising full-time specialists and part-time service doctors in order to accelerate growth. Going forward, this hybrid model, with the right mix and balance of full-time and part-time service specialist doctors is expected to accelerate the economic returns both in terms of throughput and revenue generation capacity and capability across PHH's hospital and clinic network.

Emerging Healthcare Transformation

As part of PHH's evolving strategy to offer the best international quality healthcare services to the people of Myanmar, Emerging Healthcare ("EH"), was set up in May 2020 to complement the existing brick-and-mortar model of traditional healthcare service provision and expand the service breadth of PHH through smart digitized solutions and move towards the asset-light approach. With the intention

to develop a virtual hospihome set-up based on the wellness model, new health product and service offered by EH aim to deliver a holistic continuum of care to all socio-segments of Myanmar by leveraging technology as an enabler. EH's strategic direction lies towards delivering care to the national catchment of the entire 55 million population with aspirations set towards building up a Team of Champions to deliver Patient Centric care.

While continuing to innovate our Group's healthcare operation, on the other hand, the management of PHH continues to keep an eye-track on their operating results. In the midst of challenging COVID-19 conditions, PHH pledged to Survive, Protect (jobs, staff, and patients) and Contribute (drive purpose and fight the COVID-19 enemy together). To make sure that PHH survives and remains solvent and liquid, PHH has come up with a hybrid business model, restructuring and reconfiguring our space and human capacity. In addition, PHH structured its loan and Capex commitment such that PHH can manage its cash flow. PHH has identified the following priorities for the 2021 strategic plan:

1. Staff and Patient Safety
2. Sharing the Burden to respond to the Covid-19 surge; A private-public collaborative approach
3. Protecting Jobs and the Company
4. New Income streams and Initiatives

In summary, PHH has expanded its healthcare business model and the new umbrella brand of YOMA-OUE Healthcare will encompass both the existing healthcare operations and the new emerging healthcare. The Company is confident that YOMA-OUE Healthcare will continue to provide affordable, accessible, and digital healthcare for all socio-economic segments and deliver a seamless continuum of care across all facilities.

Real Estate

The Company's primary participation in this sector is the investment in Star City Project and Yoma Central Project which are flagship projects carried out under the Yoma Land brand. Yoma Land is transforming Yangon's cityscape across three large-scale property developments in Yangon out of which include (i) StarCity, the residential projects; (ii) Yoma Central and (iii) The Peninsula Yangon – a mixed-used development.

The Group's real estate business continues to see momentum. One of the latest projects in StarCity, City Loft boasts a total of 11 buildings in which the first three buildings are being handed over around September of 2020. In addition, the first-ever landed property in StarCity, a stylish collection of 28 villas, called as Star Villas, has been launched in August, 2020. Following the success of Star Villas, Star Villas Phase 2 will launch in the coming months.

The Group is also looking to enhance and expand the development plan for StarCity to transform it into a commercial and activity hub. The first high quality suburban commercial workplace called Star Hub office project will be commenced in coming months Star Hub will provide long term economical workplace solutions that are community driven and provides options for people to work and live-in closer proximity. Renowned financial and IT companies has provided their commitments for long-term lease of Star Hub's office space and the management is expecting to deliver the property for tenant occupancy by the end of 2021.

Following the success of City Loft and the demand from the market, Yoma Land plans for more City Loft projects in other locations in Yangon. The Group's another major development in downtown Yangon, Yoma Central, has also commenced its leasing activities and is in advanced negotiations with anchor tenants for its office and retail spaces.

Yoma Land focuses on developing large scale residential developments that transform vacant land at the periphery of the city into vibrant communities. The Company is confident that Yoma Land creates scale and efficiency that benefit customers, employees, and shareholders by developing a strong reputation in the Myanmar residential market through our emphasis on design innovation, product excellence, and high building standards.

Tourism

The Company's primary participation in this sector is the investment in Memories Group.

The outlook of Myanmar's tourism industry has been severely impacted by the COVID-19 pandemic, and its adverse impact on business volume is expected to continue in the next few months. Customers' preferences and markets are expected to change, and the industry will have to adapt to the changes accordingly. Memories Group will use this period of downturn to review strategically and make necessary adjustments, create new tourism products and experiences, to be ready when the demand for travel recovers.

The Company believes that Memories Group's strategic approach to driving the Myanmar tourism market is going in the right direction and expects the business to achieve sustainable results in the long run. The Company will continue to support the strategic development of this investment.

By Order of the Board

Tun Tun
Executive Director
30 December 2020

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