



Myanmar Agribusiness Public Corporation Ltd.

Consolidated Financial Statement

2015 - 2016

Myanmar Agribusiness Public Corporation Limited and Its Subsidiaries

CONTENTS

Statement of Management's Responsibility

Statutory Report and Financial Statements

Independent Auditor's Report

Consolidated Statement of Financial Position

Consolidated Statement of Comprehensive Income

Consolidated Statement of Changes in Equity

Consolidated Statement of Cash Flows

Notes to the Consolidated Financial Statements

Notes

General Information



Myanmar Agribusiness Public Corporation Limited (MAPCO)

Dear shareholders,

The Board of Directors hereby submits the consolidated financial report of Myanmar Agribusiness Public Corporation Ltd (MAPCO) and its invested Companies and subsidiaries, for the financial year ended March 31, 2016, with the aim of presenting consolidated performance of the Company and its subsidiaries for the reported period.

Management has taken the responsibility and prepares the consolidated report which includes financial position, comprehensive income, changes in equity and cash flow of the Group (MAPCO, its invested companies and subsidiaries) 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, to apply them consistently, and to make reasonable and prudent judgments and estimates.

The management is responsible for keeping proper accounting records with reasonable accuracy and has general responsibility for taking significant steps to safeguard the assets of the Group and to prevent any fraudulent and irregular matters by introducing whistleblower policy, internal control policy and corporate governance policies, principles and guidelines.

This 2015-2016 consolidated financial report is the second issuance of this kind and the Board is determined to continue improving the reports as per international standards and as per the requirements of rules, regulations and laws of Myanmar.



On behalf of Management

Ye Min Aung

Managing Director

Myanmar Agribusiness Public Corporation Ltd.

Dated: December (1), 2016



THAUNG AYE & ASSOCIATES

CERTIFIED PUBLIC ACCOUNTANTS, AUDITORS & FINANCIAL CONSULTANTS

Reference:

INDEPENDENT EXTERNAL AUDITOR'S REPORT

To the shareholders of *Myanmar Agribusiness Public Corporation Limited (MAPCO)*

Certificate of Company Registration No: 134/2012-2013

Address: MAPCO Building, No.100, Wardan Port Area, Seikkan Township, Yangon, Myanmar.

Report on Financial Statements

We have audited the accompanying financial statements of *Myanmar Agribusiness Public Corporation Limited (MAPCO)*, which comprise the Statements of Financial Position, Comprehensive Income, Changes in Equity and Cash Flows for the fiscal year 2015-2016 and the notes which explain those statements.

Management's Responsibility

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Myanmar Financial Reporting Standards (MFRS) and the provisions of the Myanmar Companies Act. This responsibility of the management of *Myanmar Agribusiness Public Corporation Limited (MAPCO)* includes design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements which are free from material misstatement, whether due to fraud or error, Management is also responsible for selecting and applying appropriate accounting policies and making the accounting estimates that are reasonable in the business circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Myanmar Standards on Auditing. Those standards require that we comply with ethics and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

No.122, 1st Floor, 41st Street, Botataung Township, Yangon, Myanmar.

Tel : 01-392904, 09-5172158 Fax : 01 392904

Email : thaungaye.associates@gmail.com



THAUNG AYE & ASSOCIATES

CERTIFIED PUBLIC ACCOUNTANTS, AUDITORS & FINANCIAL CONSULTANTS

Opinion

In our opinion, the financial statements of *Myanmar Agribusiness Public Corporation Limited (MAPCO)* present a true and fair view of the financial position as of March 31, 2016 and of its financial performance and cash flow for the year then ended in accordance with Myanmar Financial Reporting Standards and the provision of the Myanmar Companies Act.

Report on Legal Requirements in accordance with Myanmar Companies Act

In accordance with the provisions stated in Myanmar Companies Act, we as the external auditor have obtained all information and explanations we required and books of account have been maintained by the Company as required by the Section 130 of the Myanmar Companies Act.

U Thaung Aye
Certified Public Accountant
Thaung Aye & Associates
Auditors & Financial Consultants

2016 December 12



No.122, 1st Floor, 41st Street, Botataung Township, Yangon, Myanmar.
Tel : 01-392904, 09-5172158 Fax : 01 392904
Email : thaungaye.associates@gmail.com

MYANMAR AGRIBUSINESS PUBLIC CORPORATION (MAPCO) LIMITED
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2016



Assets	Note	31-Mar-16	31-Mar-15
Current Assets			
Inventory	9	3,094,620,755	6,314,514,856
Account Receivable	10	9,933,695,760	10,688,453,697
Temporary Loan	10	106,174,400	627,810,250
Deferred Expenses	11	3,344,248,273	956,217,474
Advanced & Prepaid	12	1,464,490,110	1,145,443,001
Prepaid Taxes	12	293,639,482	498,740,578
Cash and Cash Equivalent	13	583,549,624	648,161,837
Sundry Debtors	10	743,605,209	256,551,582
Total current assets		19,564,023,613	21,135,893,275
Non-current assets			
Property , Plant & Equipment	7	40,443,664,281	15,944,104,517
Intangible Assets	8	286,011,166	58,994,247
Construction Under Process		1,928,406,417	
Investment		8,323,513,175	5,607,036,815
Total non-current assets		50,981,595,039	21,610,135,579
Total Assets		70,545,618,652	42,746,028,854
LIABILITIES AND EQUITY			
Current Liabilities			
Bank Overdraft		2,811,325,871	-
Account Payable	14	13,259,096,921	12,766,251,608
Loan & Advances	15	17,345,820,960	9,302,652,898
Other Payable	14	713,302,819	459,323,305
Tax Payable	14	51,925,386	75,756,043
Total current liabilities		34,181,471,958	22,603,983,854



Non-current liabilities

Shareholder Loan

450,000,000

Total non-current liabilities

450,000,000

-

Total Liabilities

34,631,471,958

22,603,983,854

Shareholder's equity

Share Capital

16,248,220,000

15,243,900,000

Share Premium

158,656,800

67,883,200

Group Retained Earning

18,105,276,590

2,757,679,998

Prior Year Adjustments

(1,081,132,776)

(168,674,163)

Non Controlling Interest

2,483,126,080

2,241,255,965

Exchange Rate Translation Reserve

-

-

Total shareholders' equity

35,914,146,694

20,142,045,000

TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY

70,545,618,652

42,746,028,854

Chit Khine
Chairman

Myanmar Agribusiness Public Corporation Ltd.

Ye Min Aung
Managing Director

Myanmar Agribusiness Public Corporation Ltd.

MYANMAR AGRIBUSINESS PUBLIC CORPORATION (MAPCO) LIMITED
CONSOLIDATED STATEMENT OF INCOME
FOR THE YEAR ENDED 31 MARCH 2016



	Note	31-Mar-16	31-Mar-15
Revenue	1	18,982,565,716	22,429,478,501
Less: Cost of Sale	2	(17,556,908,185)	(21,038,462,003)
Commercial Tax			-
Gross Profit		1,425,657,531	1,391,016,498
Less: Operating Expenses	3	(2,275,097,654)	(1,709,182,593)
Less: Selling & Distribution Expenses	4	(452,561,618)	-
Add: Exchange Gain/(Loss)		(117,136,062)	90,195,903
Operating Profit		(1,419,137,803)	(227,970,192)
Add: Non-operating income	5	743,641,580	371,733,601
Less: Non-operating expenses	6	(9,056,845)	-
Income From Other Investment		877,160,000	-
Profit before tax		192,606,932	143,763,409
Income tax expenses		-	-
Net Operating Profit		192,606,932	143,763,409
Revaluation Surplus		15,181,859,775	3,190,899,458
Retained Earning For The Year		15,374,466,707	3,334,662,867
Opening Retained Earning		2,748,935,963	(585,726,904)
Closing Retained Earning		18,123,402,670	2,748,935,963
Closing Retained Earning		18,123,402,670.17	
Profit Attributable Group		18,105,276,589.85	
Non Controlling Interest		18,126,080	

Chit Khine
Chairman

Myanmar Agribusiness Public Corporation Ltd.

Ye Min Aung
Managing Director

Myanmar Agribusiness Public Corporation Ltd.



MYANMAR AGRIBUSINESS PUBLIC CORPORATION (MAPCO) LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2016

	MMK	MMK
CASH FLOW FROM OPERATING ACTIVITIES		
Net profit before tax and extraordinary items		15,374,466,707
Adjustments for :		
Depreciation & Amortisation Expenses		831,230,886
Revaluation		(15,181,859,775)
Prior Year Adjustment		(912,458,613)
Operating profit before working capital changes		111,379,205
Adjustments for working capital:		
(increase)/Decrease in Trade & Other Receivables	(2,234,272,502)	
(increase)/Decrease in Inventories	3,219,894,101	
Increase/(Decrease) in Trade & Other Payables	722,994,170	
		1,708,615,769
		<u>1,819,994,974</u>
A NET CASH FLOW FROM OPERATING ACTIVITIES		
CASH FLOW FROM INVESTING ACTIVITIES		
Net Cash of NonCurrent Assets	(12,304,354,210)	
Investment	(2,501,476,361)	
B NET CASH FLOW FROM INVESTING ACTIVITIES		<u>(14,805,830,570)</u>
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Issued of Share	1,095,093,600	
Proceeds From Longterm receivable	521,635,850	
Proceeds From Longterm borrowing	8,493,168,063	
C NET CASH FLOW FROM FINANCING ACTIVITIES		<u>10,109,897,513</u>
NET INCREASE IN CASH AND CASH EQUIVALENT		(2,875,938,084)
CASH AND CASH EQUIVALENT AT 1 APRIL 2015		648,161,837
CASH AND CASH EQUIVALENT AT 31 MARCH 2016		<u><u>(2,227,776,247)</u></u>



MYANMAR AGRIBUSINESS PUBLIC CORPORATION (MAPCO) LIMITED

STATEMENT OF CHANGES IN EQUITY

AS AT 31 MARCH 2016

	Share Capital	Share Premium	Group Retained Earning	Retaining Earning Adjustments	Non Controlling Interest
As at 1 April 2015	15,243,900,000	67,883,200	2,757,679,998	(168,674,163)	2,241,255,965
Increase / (Decrease) During the year				-	
Retained Earning for the year			15,374,466,707		
Capital Contributions	1,004,320,000	90,773,600			
Prior Year Adjustment for the year Adjustment			(8,744,035)	(912,458,613)	8,744,035
Non Controlling Interest			(18,126,080)		233,126,080
As at 31 March 2016	16,248,220,000	158,656,800	18,105,276,589	(1,081,132,776)	2,483,126,080



1. Revenue

MMK

Sale of Goods	16,698,965,062
Rendering of Services	2,283,600,654
	<hr/>
	18,982,565,716
	<hr/>

2. Cost Of Sale

MMK

Opening Stock	6,130,717,724
Purchase	12,586,194,643
Purchase Expenses	326,083,974
Closing Stock	(2,728,952,589)
Cost of Rendering Services	1,242,864,433
	<hr/>
	17,556,908,185
	<hr/>

3. Operating Expenses

MMK

Accommodation	8,400,959
Exhibition & Forum Expenses	18,773,677
Sample & Present	2,613,400
Travelling Allowance	37,878,638
Printing & Stationery	10,500,535
Bank Charges	18,829,763
Bank Interest Expenses	297,536,426
Penalty Account	57,232,771
Office Expenses	10,138,785
Corporate Social Responsibility Exp	53,870,000
Gift & Donation	32,037,850
Installation Charges	2,126,540
Registration Fees	2,799,500



General Expenses	21,652,252
Entertainment	45,821,485
Salary & Allowances	197,043,820
Director remuneration	12,000,000
Honorarium	41,948,834
Transportation Expenses	26,150,037
Meal Allowance	14,323,440
Newspaper Books & Periodical	963,600
Phone Postage and Telecom	17,436,078
Electricity Charges	11,340,938
Contract Farming/Cultivation Expenses	22,053,627
Petrol , Oil & Lubricant	35,840,114
Tender Expenses	505,000
Training Expenses HR development project	35,418,408
Uniform Allowance	18,291,200
Rent Rates and Taxes	5,876,142
Labour Charges	214,000
Repair & Maintenance	24,596,040
Service Charges	54,591,897
Social Wlfare	27,839,430
Cultivation Expenses	984,100
Survey Project Expenses	2,781,899
Advertising Expenses	27,155,725
Business Development Account	4,802,440
Office Rent	29,280,000
Warehouse Rent	141,844,000
Warehouse Expenses	383,800
Write Off	68,284,412
Depreciation	832,936,092
	<hr/>
	2,275,097,654
	<hr/>



4. Selling & Distribution Expenses

MMK

Carriage Outwards	3,787,110
Damage Charges	6,394,037
Packing Expenses	883,550
Shipping Expenses	357,383,811
Commission Charges	9,178,050
Operator Bonus	50,728,335
Agent Fee	24,206,725
	<hr/>
	452,561,618
	<hr/>

5. Non- operating Income

MMK

Other Income	378,102,542
Disposal Income	272,629,936
Penelty Receipt	140,670
Discount Receive	869,097
Social Welfare Funds	20,200,638
Bank Interest/Interest	71,698,697
	<hr/>
	743,641,580
	<hr/>

6. Non-operating Expenses

MMK

Project Expenses	4,109,545
Pre - Operating Expenses	313,500
Loss of Disposal for Fixed Assets	4,633,800
	<hr/>
	9,056,845
	<hr/>



7. Property, Plant & Equipment

	Freehold Land & Buildings	Furniture & Fittings	Equipments & Motor Vehicles	Total
Cost				
As at 1 April 2015	15,504,332,112	95,942,365	462,428,664	16,062,703,141
Addition	2,441,721,186	35,160,054	7,677,374,962	10,154,256,202
Disposal			(12,500,000)	(12,500,000)
Revaluation	15,181,859,775			15,181,859,775
As at 31 March 2016	33,127,913,073	131,102,419	8,127,303,626	41,386,319,118
Accumulated Depreciation				
As at 1 April 2015	1,000,000	11,614,765	105,983,858	118,598,623
Depreciation for the Year	15,863,241	6,136,713	802,056,260	824,056,214
As at 31 March 2016	16,863,241	17,751,478	908,040,119	942,654,837
Net Book Value as at 31 March 2016	33,111,049,833	113,350,941	7,219,263,507	40,443,664,281



8. Intangible Assets

	Preliminary Expenses	Software	Total
Cost			
As at 1 April 2015	50,768,450.00	23,714,037	74,482,487.00
Addition	229,656,275.00	4,535,316	234,191,591.00
As at 31 March 2016	280,424,725	28,249,353	308,674,078.00
Accumulated Amortisation & Impairment Loss			
As at 1 April 2015	6,078,995.00	9,409,245	15,488,239.80
Amortisation & Impairment for the Year	313,500.00	6,861,172	7,174,672.37
As at 31 March 2016	6,392,495	16,270,417	22,662,912.17
Carrying Amount as at 31 March 2016	274,032,230	11,978,936	286,011,165.83
			-



9. Inventory

	MMK
Raw Material & Consumables	1,665,452,349
Spares	1,225,388,997
Finished Goods	203,779,410
	<hr/>
	3,094,620,755
	<hr/>

10. Account Receivable

	MMK
Trade Receivable	9,335,718,247
Amount Due from Related Parties	597,977,513
Temporary Loan	106,174,400
Sundry Debtors	743,605,209
	<hr/>
	10,783,475,368
	<hr/>

11. Deferred Expenses

	MMK
Renovation to Deferred Expenses	3,344,248,273
	<hr/>
	3,344,248,273
	<hr/>

12. Advanced & Prepaid

	MMK
Advance Payment to Suppliers	1,371,076,935
Prepayments	58,171,675
Deposit	35,241,500
Prepaid Taxes	293,639,482
	<hr/>
	1,758,129,592
	<hr/>



13. Cash and Cash Equivalent

	MMK
Bank Balances	318,620,220
Cash Balance	264,929,404
	<hr/>
	583,549,624
	<hr/>

14. Account Payable

	MMK
Trade Payable	13,259,096,921
Other Payable	713,302,819
Tax Payable	51,925,386
	<hr/>
	14,024,325,126
	<hr/>

15. Loan & Advance

	MMK
Loan	15,674,670,817
Advance Receipt	1,671,150,144
	<hr/>
	17,345,820,960
	<hr/>



1. DOMICILE AND ACTIVITIES

Myanmar Agribusiness Public Corporation (MAPCO) Company Limited is domiciled and incorporated in the Republic of the Union of Myanmar with its registered office at No. (100), Wardan Street & Kannar Street, Beside The Concrete Express Way, Wardan Port Area, Seik Kan Port Township, Yangon, Myanmar. The Company was incorporated under Certificate of Incorporation No. 134/ 2012-2013 dated 5 April 2012 under the Union of Myanmar Company Act 1914.

The principal activities of the Company are as follows:

- Agriculture and Agribusiness Activities which includes Farm Mechanization Services
- Contract Farming, Crop Protection & Agrochemicals, Rice Milling & Processing Business
- Agro-commodity Trading
- Strategic Investment and Services

2. Explanatory remarks regarding the Group's Consolidated Financial Statements

(a) Explanation on inclusion and exclusion of subsidiaries/invested companies

Myanmar Agribusiness Public Corporation Ltd (MAPCO) has started preparing and releasing the Group's Consolidated Financial Statements since 2014-2015 fiscal year. This 2015-2016 Consolidated Financial Statement is the second time release and it covers the companies, subsidiaries in which MAPCO has taken substantial interest and significant amount of shareholding. As preparation of Consolidated Financial Statement takes very long time and involves complicated adjustment and consideration which are very challenging to the newly established company like MAPCO, as well as due to the fact of Myanmar's gradually emerging and improving trend in financial reporting, the Board of Directors has decided to list the companies/subsidiaries in the Consolidated Financial Report provided the investment by MAPCO in those companies/subsidiaries is equal to or more than 5% of MAPCO's paid-up capital. This arrangement is for temporary measure and in the near future, the Board will seek ways and means to list all the invested companies/subsidiaries in the Consolidated Financial Report.



In the Consolidated Financial Report of 2015-2016 fiscal year, the following companies are not listed due to the remarks shown beside:

<u>No</u>	<u>Company Name</u>	<u>Remarks</u>
1.	Myanmar Japan Rice Industry Co Ltd	Only a Feasibility Status Company
2.	Myanmar Japan Agri-solutions Co Ltd	Only a Feasibility Status Company
3.	Myanmar Institute of Finance	Investment is less than 5% of paid-up capital Of MAPCO
4.	MAPCO Logistics Co Ltd	Investment is less than 5% of paid-up capital of MAPCO & Only Feasibility Study stage

(b) Explanation on adjustment of retained earning

Retained earning of MAPCO for the fiscal year 2014-2015 was adjusted in 2015-2016 fiscal year, which was shown in Changes in Equity component. This adjustment includes the payment for commercial tax (175,608,287 MMK), payment for income tax (518,798,114 MMK), payment for dividend (327,686,400 MMK), payment (miscellaneous) (26,657,465 MMK) for 2014-2015 fiscal year, paid respectively in 2015-2016. The total amount of the said payments is (1,048,750,266 MMK), which to be referenced as Total-1.

On the other hand, the remaining amount of income for 2014-15 which was received only in 2015-16 and the expense provision which was not paid is in total (136,291,653 MMK), which to be referenced as Total-2.

Therefore, the adjustment for Total-1 and Total-2 was done and the result is (912,458,613 MMK), and it is shown in statement of Changes in Equity.

3. SIGNIFICANT ACCOUNTING POLICIES AND ESTIMATES

(a) Bass of preparation

The financial statements have been prepared in accordance with Myanmar Financial Reporting Standards.

The financial statements have been presented on a going concern basis.

The financial statements have been presented under the historical cost convention, except for certain financial assets, financial liabilities (including derivative financial instruments) and investment properties which have been measured at fair value. If the assets are impaired, corresponding provisions for impairment shall be made according to relevant requirements.



(b) Statement of compliance with Myanmar Financial Reporting Standards

The financial statements present fairly and fully the financial position of the Group and the Company as at 31st March 2016 and the financial performance and the cash flows for the year then ended in accordance with MFRSs

(c) Accounting period

The accounting year of the Group is from 1 April to 31 March of each calendar year.

(d) Business Combination

Business combinations are accounted for using the acquisition method in accordance with MFRS Business Combination as at the acquisition date, which is the date on which control is transferred to the Group.

NCI that are present ownership interests and entitle their holders to a proportionate share of the acquiree's net assets in the event of liquidation are measured either at fair value or at the NCI's proportionate share of the recognised amounts of the acquiree's identifiable net assets, at the acquisition date. The measurement basis taken is elected on a transaction-by-transaction basis. All other NCI are measured at acquisition-date fair value, unless another measurement basis is required by MFRSs.

Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries, which are in line with Corporate Policy on listing in Consolidated Statements, are included in the consolidated financial statements from the date that control commences until the date that control ceases.

The accounting policies of subsidiaries have been changed when necessary to align them with the policies adopted by the Group. Losses applicable to the NCI in a subsidiary are allocated to the NCI even if doing so causes the NCI to have a deficit balance.

(e) Functional currency and presentation currency

The Group's reporting and presentation currency is Myanmar Kyat ("MMK"). Unless otherwise stated, the unit of the currency is MMK. The subsidiaries, jointly-controlled entities and associates of the Group may determine their own functional currencies based on their specific economic environments which the entity operates (Functional Currency). In preparation of financial statements, their functional currencies shall be translated into MMK at the rate on transaction date.



Transactions and balances

The Group translates the amounts of foreign currency transactions occurred into its functional currency.

Foreign currency transactions are initially recorded using the functional currency rates ruling at the dates of the transactions. Monetary items denominated in foreign currencies are translated into functional currencies at the rates of exchange ruling at the balance sheet date. All differences are taken into the income statement, except those arising from the principals and interests on foreign currency borrowings specifically for the purpose of acquisition, construction or production of qualifying assets. Non-monetary items denominated in foreign currencies that are measured at historical cost are translated into functional currencies using the foreign exchange rate at the transaction date. Non-monetary items denominated in foreign currencies that are measured at fair value are translated using the foreign exchange rate at the date the fair value is determined; the exchange differences are recognized in other comprehensive income.

All assets and liabilities are translated at the rates of exchange ruling at the balance sheet date; shareholders' equity, with the exception of retained earnings, are translated at the rates of exchange ruling at the transaction date; all income and expense items in the income statement are translated at the average rates of exchange during the period. Exchange fluctuations arising from the translation mentioned above are recognized as other comprehensive income, and are presented separately in the shareholders' equity in the balance sheet.

Foreign currency cash flows are translated into MMK at the rates of exchange ruling at the dates of the cash flows. The effect of changes in rates of exchange on cash and cash equivalents are presented separately in the statement of cash flows.

(f) Property, Plant & Equipment

Buildings comprise mainly storage and warehouse properties. Property, plant and equipment, including leasehold land classified as finance lease, are stated at historical cost less depreciation and impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are expensed in the income statement during the financial period in which they are incurred.



Depreciation is calculated to write off the cost to their residual value on a straight-line basis over the expected useful lives. The useful lives or principal annual rates used are:

Land	Nil
Plant & Building	10%
Furniture & Fitting	10% to 20%
Vehicles and Equipment	12.5% to 20%
Machine	5% to 20%
Software & System	20%

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognized within other operating expenses in the income statement.

(g) Intangible assets

The Company's intangible assets include preliminary expenses, software and system.

An intangible asset shall be recognized only when it is probable that the related economic benefits will flow into the Group and the costs of which can be measured reliably. Intangible assets are measured initially at cost. However, intangible assets acquired in a business combination with a fair value that can be measured reliably are recognized separately as intangible assets and measured at the fair value at the date of acquisition.

The useful lives of intangible assets are assessed based on estimated economic benefits periods. Those intangible assets without foreseeable economic benefits periods are classified as intangible assets with indefinite useful lives.

Intangible assets with finite useful lives are amortised over the useful lives on the straight-line basis. The Group reviews the useful lives and amortisation method of intangible assets with finite useful lives, and adjusts if appropriate, at least at each balance sheet date.

(h) Cash and cash equivalents

Cash comprises the Group's cash on hand and deposits that can be readily withdrawn on demand. Cash equivalents are short-term, highly liquid investments held by the Group, that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.



(i) Receivables

The Group's receivables comprise accounts receivable, long-term accounts receivable and other receivables. The Group assesses the carrying amount of receivables at the balance sheet date. If there is objective evidence that impairment loss has been incurred, a provision, which is the difference between the carrying amount and the present value of the estimated future cash flow, is recognized as impairment loss.

(j) Inventories

Inventories are stated at the lower of cost and net realizable value. Cost, being cost of purchase, is determined on a weighted average basis. Net realizable value is the estimated selling price in the ordinary course of business, less applicable variable selling expense.

(k) Trade payables

Trade payables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method.

(l) Provisions

Except for contingent consideration transferred and contingent liability assumed in business combinations, the Group recognizes an obligation related to a contingency as a provision when all of the following conditions are satisfied:

- the obligation is a present obligation of the Group;
- it is probable that an outflow of economic benefits from the Group will be required to settle the obligation; and
- the amount of the obligation can be measured reliably.

A provision is initially measured at the best estimate of the expenditure required to settle the related present obligation, with comprehensive consideration of factors such as the risks, uncertainty and time value of money relating to a contingency. The carrying amount of a provision is reviewed at the balance sheet date. If there is clear evidence that the carrying amount does not reflect the current best estimate, the carrying amount is adjusted to the best estimate.

(m) Revenue

Revenue comprises the fair value for the sales of goods and services, rebates and discounts and after eliminating sales within the Group.



(n) **Other revenue:**

Interest income is recognized on a time-proportion basis using the effective interest method. When a receivable is impaired, the Group reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at original effective interest rate of the instrument, and continues unwinding the discount as interest income. Interest income on impaired loans is recognized either as cash is collected or on a cost-recovery basis as conditions warrant.

Dividend income from other investments is recognized when the right to receive payment is established.

(o) **Closing Retained Earning**

Closing Retained Earning for (2014-2015) was not included in the Statement, however, Closing Retained Earning for (2015-2016) are included in Income Statement of this consolidated report. Closing Retained Earning for 2015-2016 comprises Profit Attributable Group and Non - Controlling Interest.

(p) **Taxation**

Tax expense is determined on accounting profit for the year. As the Group's activities related to agriculture and rice are commercial tax exempted, only income tax payment are considered and income tax is also paid in advance.

(q) **Related Party**

Regarding the related party transactions, the Group follows IPT procedures as described in Corporate Governance Policies, Principles & Guidelines 2016.

4. FINANCIAL RISK MANAGEMENT

Exposures to credit risk, foreign currency risk, interest rate risk and liquidity risk arise in the normal course of Company's operations. The Company's overall strategies, tolerance of risks and general risk management philosophy are determined by the Board in accordance with prevailing economic and operating conditions. The company has significant financial assets and liabilities such as trade and other receivable, and trade and other payables, which are directly derived from its operation.

- **Foreign exchange risk**

The Company is mainly exposed to currency risk on revenue and expenses that are denominated in currency other than the functional currency of the Company, Myanmar Kyats (MMK). In respect of other monetary assets and liabilities denominated in foreign currencies, the Company ensures that its net exposure is kept to an acceptable level by buying or selling foreign currencies at spot rates when necessary to address short-term imbalance.

In this (2015-2016) Consolidated Report, exchange rate at 31st March 2016, as taken by MAPCO and its subsidiaries are not the same due to the fact that there exists multiple rates in Myanmar. However, it is decided to take Central Bank's reference rate effective from (2016-2017) onwards.

- **Credit risk**

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and rises principally from the Company's receivable from customers.

The maximum credit risk associated with recognized financial assets is the carrying amount of receivables recorded in the statement of financial position. However, policies had been established by the Company to minimize such risks.

- **Market risk**

Market risk is the risk that changes in market prices, such as foreign exchange rates will affect the Company's income or the value of its holdings of financial instrument. The objective of market risk management is to manage and control market risk exposures with acceptable parameters while optimizing the return.

The Company is not exposed to any market risk.

- **Liquidity and cash flow risks**

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the reputation. The Company 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.

5. **CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS**

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results.



Myanmar Agribusiness Public Corporation Ltd

Registration No. 134 / 2012 - 2013

FINANCIAL STATEMENT

FOR THE YEAR ENDED 31st MARCH 2016

Contents

- Directors' Report & Statement by Directors
- Report of the Independent External Auditor
- Statement of Comprehensive Income
- Statement of Financial Position
- Statement of Changes in Equity
- Statement of Cash Flows
- Notes to the Statements

Report of the Directors for 2015-2016 Fiscal Year

The directors of Myanmar Agribusiness Public Corporation Ltd (MAPCO) present this Annual Report to the shareholders, together with the financial statements of the company for the financial period starting from 1st April 2015 to 31st March 2016. This report gives a true and fair view of the financial position of the company and the statements of comprehensive income, changes in equity and the cash flows for the year 2015-2016, and the summary of accounting policies and the notes.

Statement by directors and the financial statements attached herewith are deemed to be part of this report, prepared according to the requirement under Section 130 of the Myanmar Companies Act.

1. Director's Contractual Benefits

During the fiscal year 2015-2016, except for cases or matters disclosed in this report, no director of the company has received or become entitled to receive benefit which is required to be disclosed by the requirement of the Myanmar Companies Act, by reason of a contract made by the company with the director or a related corporation with the director or with a firm of which he is a member or with a company in which he has a substantial financial interest.

2. Additional Business Report

This report is aimed at presenting Financial Statements of 2015-2016 to shareholders, and the other report on business operation, business activities, achievements, opportunities and challenges are being presented in a separate business report, which is distributed to shareholders and which is also available at the Company's website.

3. Details Regarding of Share Capital

Authorized Capital	100,000,000 shares
Issued Capital	1,624,822 shares
Unissued Capital	98,375,178 shares
Called-up Capital	1,624,822 shares
Paid-up Capital	1,624,822 shares

	Call-Up Capital		Paid-Up Capital	
	No. of Share	Amount (Kyats)	No. of Share	Amount (Kyats)
Share Capital (Director & Founder)	986,700	9,867,000,000.00	986,700	9,867,000,000
Share Capital (Public)	638,122	6,381,220,000.00	638,122	6,381,220,000.00
Share Premium		158,656,800.00		158,656,800.00
TOTAL	1,624,822	16,406,876,800.00	1,624,822	16,406,876,800.00

4. With the approval and consent of the Board of Directors, this financial report for fiscal year 2015-2016 is duly signed and issued for the purpose of presentation to the shareholders of Myanmar Agribusiness Public Corporation Ltd (MAPCO)

STATEMENT BY THE DIRECTORS

We declare that:

- (a) the responsibility of preparation of the accompanying financial statements in accordance with the provision of the Myanmar Companies Act and Myanmar Financial Reporting Standard (MFRS) is that of ours;
- (b) the accompanying financial statements are drawn up so as to give a true and fair view of the state of affairs of the Company as at 31st March 2016 and of the results and changes in equity and cash flows of the Company for the financial year then ended;
- (c) the accounting and other records required by the Companies Act to be kept by the Company have been properly kept in accordance with Section 130 of the Myanmar Companies Act (1914);
- (d) the directors have full awareness and have taken necessary steps to comply relevant regulatory and statutory requirements of the Republic of the Union of Myanmar prevailing at the date of issuing this financial statements
- (e) the directors have, on the date of this statement, authorized these financial statements for issue.



Chit Khine
Chairman

Myanmar Agribusiness Public Corporation Ltd. Myanmar Agribusiness Public Corporation Ltd.

Ye Min Aung
Managing Director



Reference:

INDEPENDENT EXTERNAL AUDITOR'S REPORT

To the shareholders of *Myanmar Agribusiness Public Corporation Limited (MAPCO)*

Certificate of Company Registration No: 134/2012-2013

Address: MAPCO Building, No.100, Warden Port Area, Seikkan Township, Yangon, Myanmar.

Report on Financial Statements

We have audited the accompanying financial statements of *Myanmar Agribusiness Public Corporation Limited (MAPCO)*, which comprise the Statements of Financial Position, Comprehensive Income, Changes in Equity and Cash Flows for the fiscal year 2015-2016 and the notes which explain those statements.

Management's Responsibility

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Myanmar Financial Reporting Standards (MFRS) and the provisions of the Myanmar Companies Act. This responsibility of the management of *Myanmar Agribusiness Public Corporation Limited (MAPCO)* includes design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements which are free from material misstatement, whether due to fraud or error. Management is also responsible for selecting and applying appropriate accounting policies and making the accounting estimates that are reasonable in the business circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Myanmar Standards on Auditing. Those standards require that we comply with ethics and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

No.122, 1st Floor, 41st Street, Botataung Township, Yangon, Myanmar.

Tel : 01-392904, 09-5172158 Fax : 01 392904

Email : thaungaye.associates@gmail.com



THAUNG AYE & ASSOCIATES

CERTIFIED PUBLIC ACCOUNTANTS, AUDITORS & FINANCIAL CONSULTANTS

Opinion

In our opinion, the financial statements of *Myanmar Agribusiness Public Corporation Limited (MAPCO)* present a true and fair view of the financial position as of March 31, 2016 and of its financial performance and cash flow for the year then ended in accordance with Myanmar Financial Reporting Standards and the provision of the Myanmar Companies Act.

Report on Legal Requirements in accordance with Myanmar Companies Act

In accordance with the provisions stated in Myanmar Companies Act, we as the external auditor have obtained all information and explanations we required and books of account have been maintained by the Company as required by the Section 130 of the Myanmar Companies Act.

U Thaung Aye
Certified Public Accountant
Thaung Aye & Associates
Auditors & Financial Consultants

2016 December 12



No.122, 1st Floor, 41st Street, Botataung Township, Yangon, Myanmar.
Tel : 01-392904, 09-5172158 Fax : 01 392904
Email : thaungaye.associates@gmail.com

STATEMENT OF COMPREHENSIVE INCOME FROM 1st APRIL 2015 TO 31st MARCH 2016

	Note	1 st April 2015 to 31 st March 2016 Kyats	1 st April 2014 to 31 st March 2015 Kyats
Revenue	16	16,700,798,410.00	21,618,275,238.72
Cost of Sales	17	(16,314,043,752.08)	(20,237,295,775.82)
Tax Paid/Provision	22	(1,833,348.19)	(10,604,784.95)
Gross Profit		384,921,309.73	1,370,374,677.95
Add: Other Operating Income	23	745,279,832.27	370,142,600.61
Add: Income from Other Investment		877,160,000.00	-
		2,007,361,142.00	1,740,517,278.56
Less: Operating Expenses	25	(1,780,836,642.99)	(1,671,422,590.40)
Total Operating Profit/ (Loss)		226,524,499.01	69,094,688.16
Exchange Gain/ (Loss)	30	(117,075,761.93)	91,420,650.46
Net Profit/(Loss) after Taxation		109,448,737.08	160,515,338.62
Comprehensive Income			
Revaluation Surplus	31	15,181,859,775.00	3,190,899,458.49
Total Comprehensive Income for the year		15,291,308,512.08	3,351,414,797.11



Chit Khine
Chairman

Myanmar Agribusiness Public Corporation Ltd.

Ye Min Aung
Managing Director

Myanmar Agribusiness Public Corporation Ltd.

STATEMENT OF FINANCIAL POSITION AS AT 31st MARCH 2016

	Note	As at 31 st March 2016 Kyats	As at 31 st March 2015 Kyats
Assets			
Non – Current Assets			
Intangible Assets	1	11,978,935.83	14,304,792.20
Property, Plant & Equipment	2	28,295,507,255.18	10,903,445,445.79
Investment	3	12,458,513,175.41	8,272,135,279.65
Total Non – Current Assets		40,765,999,366.42	19,189,885,517.64
Current Assets			
Inventory	4	2,728,952,589.11	6,314,514,856.29
Account Receivable	5	17,659,762,528.68	11,559,349,228.41
Deferred Expenses	6	3,344,248,273.30	956,217,474.20
Advanced & Prepaid	7	1,329,481,110.00	596,506,575.00
Prepaid Taxes	8	275,704,006.00	498,740,578.00
Cash & Bank Balance	9	289,488,160.93	631,031,176.88
Total Current Assets		25,627,636,668.02	20,556,359,888.78
Total Assets		66,393,636,034.44	39,746,245,406.42
Equity & Liabilities			
Equity			
Share Capital	10	16,248,220,000.00	15,243,900,000.00
Share Premium	10	158,656,800.00	67,883,200.00
Profit/(Loss) Previous Year	11	(1,685,750,092.39)	(1,680,383,268.01)
Profit Loss Adjustment		(913,205,563.15)	(165,882,163.00)
Profit/(Loss) for the year	11	109,448,737.08	160,515,338.62
Revaluation Reserve	12	19,470,683,623.49	4,288,823,848.49
Total Equity		33,388,053,505.03	17,914,856,956.10
Current Liabilities			
Account Payable	13	14,063,975,500.24	12,441,579,509.19
Loan & Advances	14	18,927,146,830.98	9,314,052,897.78
Tax Payable	15	14,460,198.19	75,756,043.35
Total Current Liabilities		33,005,582,529.41	21,831,388,450.32
Total Equity & Liabilities		66,393,636,034.44	39,746,245,406.42



Chit Khine
Chairman

Myanmar Agribusiness Public Corporation Ltd.

Ye Min Aung
Managing Director

Myanmar Agribusiness Public Corporation Ltd.

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31st MARCH 2016

	Share Capital Kyats	Share Premium Kyats	Revaluation Reserve Kyats	Retained Earning Kyats	Total Equity Kyats
Balance as at 1 st April 2015	15,243,900,000.00	67,883,200.00	-	-	15,311,783,200.00
Prior Year Adjustment	-	-	4,288,823,848.49	(1,685,750,092.39)	2,603,073,756.10
Restated Balance	15,243,900,000.00	67,883,200.00	4,288,823,848.49	(1,685,750,092.39)	17,914,856,956.10
Dividend	-	-	-	(327,686,400.00)	(327,686,400.00)
Issue of Share Capital	1,004,320,000.00	90,773,600.00	-	-	1,095,093,600.00
Profit/(Loss) for the year	-	-	-	109,448,737.08	109,448,737.08
Retained Earning Adjusted	-	-	-	(585,519,163.15)	(585,519,163.15)
Revaluation Gain/(Loss)	-	-	15,181,859,775.00	-	15,181,859,775.00
Transfer to Retained Earning	-	-	-	-	-
Balance as at 31st March 2016	16,248,220,000.00	158,656,800.00	19,470,683,623.49	(2,489,506,918.46)	33,388,053,505.03



Chit Khine
Chairman

Myanmar Agribusiness Public Corporation Ltd.

Ye Min Aung
Managing Director

Myanmar Agribusiness Public Corporation Ltd.



STATEMENT OF CASH FLOW FOR THE FINANCIAL PERIOD ENDED 31st MARCH 2016

As at 31st March 2016

	Kyats	Kyats
Cash flow from operating activities		
Profit/(Loss) after taxation		109,448,737.08
Adjustment for –		
Prior Year Adjustment	(913,205,563.15)	
Revaluation	15,181,859,775.00	
Depreciation	75,719,280.99	
		<u>14,344,373,492.84</u>
Operation profit before working capital changes		14,453,822,229.92
Changes in working capital		
(Increase)/Decrease in trade and other receivable	(6,100,413,300.27)	
(Increase)/Decrease in Advance and Prepaid	(732,974,535.00)	
(Increase)/Decrease in Inventory	3,585,562,267.18	
(Decrease)/Increase in Payable	1,622,395,991.05	
		<u>(1,625,429,577.04)</u>
Cash generated from operation		
Prepaid Taxation	223,036,572.00	
Provision for Commercial Tax	(61,295,845.16)	
Net cash flow from operating activities		161,740,726.84
Cash flow from investing activities,		
Purchase/Sale of non – current assets	(17,465,455,234.01)	
Payment for Investing activities	(4,186,377,895.76)	
Deferred Expenses	(2,388,030,799.10)	
Net cash flow from investing activities		(24,039,863,928.87)
Cash flow from financing activities		
Issue of shares	1,095,093,600.00	
Cash Proceed from loan	9,613,093,933.20	
Net Cash flow generated from financing activities		10,708,187,533.20
Net increase/(decrease) in cash and cash equivalents		(341,543,015.95)
Cash and cash equivalents at the beginning of period		631,031,176.88
Cash and equivalents at the end of period		289,488,160.93



NOTES TO THE FINANCIAL STATEMENTS -31st MARCH 2016

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1. General

Myanmar Agribusiness Public Corporation (MAPCO) Ltd is a limited Public company which is incorporated in the Republic of the Union of Myanmar with the registration no. 134 / 2012 – 2013. The office and principal place of business of the Company is located at No. (100), Warden Street And Kannar Street , Beside The Concrete Express Way, Warden Port Area, Seik Kan (Port) Township, Yangon Region , Myanmar.

The principal activities of the company are as follows:

- Agriculture and Agribusiness Activities which includes Farm Mechanization Services,
- Contract Farming, Crop Protection & Agrochemicals, Rice Milling & Processing Business
- Agro-commodity Trading
- Strategic Investment and Services.

2. Summary of significant accounting policies

2.1 Basis of preparation

The financial statements have been prepared in accordance with the Myanmar Financial Reporting Standards (MFRS) as well as all related Interpretations to Myanmar Financial Reporting Standards. The financial statements are prepared on a going concern basis under the historical cost convention except where an MFRS requires an alternative treatment (such as fair values) as disclosed in these financial statements.

The financial statements are presented in Myanmar kyats.

The accounting policies have been consistently applied by the Company.

2.2 Adoption of Myanmar Financial Reporting Standards (MFRS)

Since the establishment of the company on 5th April 2012, the Company adopted (MFRS) in preparing the financial statements. Changes to the Company's accounting policies have been made as required, in accordance with the relevant provisions in the respective MFRS.

The preparation of financial statements in conformity with MFRS requires management to exercise its judgment in the process of applying the Company's accounting policy. It also requires the use of certain critical accounting estimates and assumptions. The areas involving high degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note below.

Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.



2.3 Depreciation of property, plant and equipment

Management of the company has applied straight line method and revaluation model for Non-Current Assets. When changes in the expected level of usage and technological developments could impact the economic useful lives and the residual values of these assets, the methods and rates used for depreciation was on the basis of judgment made by management irrespective to the methods and rates described in existing Myanmar Income Tax Law, Regulations and Notification. Depreciation of Motor Vehicles, Office Equipment, Office Equipment (IT), Furniture and Fittings is applied the straight line method. Tool & Equipment is not depreciated but impairment review will be taken annually.

<u>Descriptions</u>	<u>Depreciation Rate</u>
Land	Nil
Plant & Building	10%
Motor Vehicles	12.5%
Office Equipments	10% to 15%
Office Equipments IT	20%
Furniture & Fitting	5% to 50%
Machinery	20%

2.4 Revenue recognition

Revenue is the gross inflow of economic benefits during the period arising in the course of the ordinary activities of an entity. Revenue is measured by the fair value of the consideration received or receivable.

2.5 Inventory

According to International Accounting Standard, inventory is to be stated at the lower of cost and net realizable value (NRV). Inventories are assets that are held for sale in the ordinary course of business in the process of production for such sale or in the form of materials or supplies to be consumed in the production process or in the rendering of services.

Inventory cost should include: costs of purchase (including taxes, transport, and handling) net of trade discounts received, costs of conversion (including fixed and variable manufacturing overheads) and other costs incurred in **bringing the inventories to their present location and condition**. Inventory cost should **not** include: abnormal waste, administrative overheads unrelated to production, selling costs and the interest cost when inventories are purchased with deferred settlement terms. For identical goods, cost is based on the **first in first out (FIFO) or weighted average cost** incurred in acquiring inventories. Finished goods may **not** include post-production storage costs. This includes the costs of storing finished goods during a "maturation" period in the warehouse. The disclosure of the carrying amount of any inventories carried at fair value less costs to sell is required.

Net realizable value: The estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. Write-downs to net realizable value of inventories to be recognized in the income statement in the period in which the write-down occurred.

As at 31st March 2016, closing inventory of Myanmar Agribusiness Public Corporation (MAPCO) Ltd is amounted to 2,728,952,589.11 kyats.

2.6 Cash and cash equivalents

For the purpose of presentation in the cash flow statement, cash and cash equivalent include cash on hand, deposit with financial institutions.



3. Capital management

In managing the capital of the Company, the Board aims to maintain a capital structure which balances the need to maximize the rate of return on capital and at the same time to safeguard the Company's ability to continue as a going concern in the long term, maintain creditors and market confidence and sustain future development of the business.

The Company manages the level of capital in proportion to risk and future business development requirements while balancing the needs to maximize the return on capital. The Company does not stipulate the desired level of capital. It monitors and manages its capital structure on an on-going basis and makes adjustment to it in light of changes in economic conditions, risk characteristics of the underlying assets and performance of the Company.

As part of the capital management process, the Company may adjust its level of dividends, issue new shares and/or return capital to shareholders, where appropriate. The Board takes into consideration the cash position, business and capital requirements of the Company when determining the level of dividends to be paid to shareholders.

4. Risks

Exposures to credit risk, foreign currency risk, interest rate risk and liquidity risk arise in the normal course of the Company's operations. The Company's overall strategies, tolerance of risks and general risk management philosophy are determined by the Board in accordance with prevailing economic and operating conditions. The Company has significant financial assets and liabilities such as trade and other receivables, and trade and other payables, which are directly derived from its operations.

4.1 Market risk

This refers to the possibility that the value of an asset (or burden of a liability) might go up or down. Market risk includes three types of risk: currency risk, interest rate risk and price risk.

- (a) **Currency risk** is the risk that the value of a financial instrument will fluctuate because of changes in foreign exchange rates.
- (b) **Fair Value interest rate risk** is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates.
- (c) **Price risk** refers to other factors affecting price changes. These can be specific to the enterprise (bad financial results will cause a share price to fall), relate to the sector as a whole.

4.2 Credit Risk

The risks that one party to a financial instrument fails to discharge its obligations, causing a financial loss to the other party. Myanmar Agribusiness Public Corporation (MAPCO) Ltd sometimes sell in credit and the risk related to the receivables may exist.



4.3 Liquidity Risk

This is also referred to as funding risk. This is the risk that an enterprise will be unable to meet its commitments on its financial instruments. Working capital management and planning for finance is important. When there is any shortage of cash, it would be financed by the issuing of shares. In the management of liquidity risk, the company monitors and maintains a level of cash and bank balance deemed adequate by the committee to finance the company's operations and mitigate the effects of fluctuations in cash flows.

4.4 Cash Flow Interest Rate Risk

This is the risk that future cash flows associated with a monetary financial instrument will fluctuate in amount due to changes in market interest rates.

The company is exposed to interest rate risk through the impact of rate changes on its interest-bearing bank. The company policy is to review the terms of these deposits to take advantage of the best market rates in order to optimize the income received from bank. The sensitivity analysis for changes in interest rate is not disclosed as the effect in profit or loss considered not significant.

4.5 Capital risk

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern and to maintain an optimal capital structure so as to maximize shareholder value. In order to maintain or achieve an optimal capital structure, the Company may adjust the amount of dividend payment, return capital to shareholders, issue new shares, obtain new borrowings or sell assets to reduce borrowings. Management monitors capital based on the Company's net assets basis which is the differences between total assets and total liabilities. Equity of Myanmar Agribusiness Public Corporation (MAPCO) Ltd is issued share capital and additional capital availability mainly depends on the condition of public offering of shares.

4.6 Foreign Exchange Risk

Normal trade of Myanmar Agribusiness Public Corporation (MAPCO) Ltd is exporting of rice to other countries and Importing of Fertilizer from other countries. So, more or less of foreign exchange risk may be existed.

The institute has no significant exposure to foreign exchange risk as financial assets and financial liabilities are mainly denominated in Myanmar Kyats. The company does not use financial instruments to hedge its foreign currency risk. The company, however, monitors its exposure to foreign exchange risk by assessing the necessity to hedge the risk.



Notes to the Financial Statements

1. Intangible Assets

	Software Kyats	Good Will Kyats	Total Kyats
At Cost (Kyats)			
Beginning of financial period	23,714,037.00	-	23,714,037.00
Additions	4,535,316.00	-	4,535,316.00
Revaluation Surplus/(Deficit)	-	-	-
Disposal	-	-	-
End of financial period	28,249,353.00	-	28,249,353.00
Accumulated depreciation and accumulated impairment losses			
	Software Kyats	Good Will Kyats	Total Kyats
Beginning of financial period	9,409,244.80	-	9,409,244.80
Depreciation charge	6,861,172.37	-	6,861,172.37
Disposal	-	-	-
Revaluation Surplus/(Deficit)	-	-	-
End of financial year	16,270,417.17	-	16,270,417.17
Net book value (End of financial period)	11,978,935.83	-	11,978,935.83

Myanmar Agribusiness Public Corporation Ltd
Registration No. 134 / 2012 - 2013



2. Property, Plant & Equipment

At Cost (Kyats)	Land Kyats	Plant Kyats	Building Kyats	Furniture Kyats	Equipment Kyats	IT Equipment Kyats	Motor Vehicle Kyats	Machine Kyats	Total Kyats
Beginning of financial period	5,896,983,425.00	4,473,290,311.47	134,730,400.00	95,174,365.00	70,830,042.00	50,064,120.00	241,237,275.00	53,691,146.45	11,016,001,084.92
Additions	577,556,800.00	1,583,610,111.01	280,554,275.00	34,250,054.00	9,026,600.00	10,550,172.00	88,761,650.00	2,570,300.00	2,586,879,962.01
Revaluation Surplus/(Deficit)	15,181,859,775.00	-	-	-	-	-	-	-	15,181,859,775.00
Transferred/IRCP (Twantae)	-	-	(298,444,819.00)	-	-	-	-	-	(298,444,819.00)
Disposal	-	-	-	-	-	-	(12,500,000.00)	-	(12,500,000.00)
End of financial period	21,656,400,000.00	6,056,900,422.48	116,839,856.00	129,424,419.00	79,856,642.00	60,614,292.00	317,498,925.00	56,261,446.45	28,473,796,002.93
Accumulated depreciation and accumulated impairment losses									
Beginning of financial period	-	-	1,000,000.00	11,575,615.00	16,898,268.60	20,113,414.00	48,342,159.38	14,626,182.15	112,555,639.13
Depreciation charge	-	-	1,000,000.00	6,136,712.62	7,723,795.87	11,180,961.77	31,690,197.40	11,126,440.96	68,858,108.62
Disposal	-	-	-	-	-	-	-	-	-
Revaluation Surplus/(Deficit)	-	-	-	-	-	-	(3,125,000.00)	-	(3,125,000.00)
End of financial year	-	-	2,000,000.00	17,712,327.62	24,622,064.47	31,294,375.77	76,907,356.78	25,752,623.11	178,288,747.75
Net book value	21,656,400,000.00	6,056,900,422.48	114,839,856.00	111,712,091.38	55,234,577.53	29,319,916.23	240,591,568.22	30,508,823.34	28,295,507,255.18
(End of financial year)									

The accompanying accounting policies and explanatory notes form an integral part of the financial statement



3. Investment

	As at 31 st March 2016	As at 31 st March 2015
	Kyats	Kyats
IRCP – Kyaik Latt	2,750,000,000.00	2,663,332,165.00
IRCP – Twantay	2,122,224,403.09	969,842,808.57
Thilawar SEZ	1,950,000,000.00	1,950,000,000.00
Thilawar Plot 28 Project	26,625,121.00	-
Other Project Investment (MM)	1,421,630,144.15	494,083,921.08
Other Project Investment (MUB)	239,868,598.67	84,958,118.00
PTAC Project	52,991,967.00	52,991,967.00
MJRI	260,779,500.00	260,779,500.00
MAPCO Logistics Co.Ltd.	70,000,000.00	1,766,300.00
MAPCO Engineering & Contracting Co.Ltd.	315,000,000.00	1,541,747,000.00
Thaung Win Industry	1,201,422,683.50	-
Myanmar Institute of Finance	69,000,000.00	45,000,000.00
MICT SPV Project	138,900,000.00	-
Micro Finance Project	520,000,000.00	-
PISSAYA Project	79,312,200.00	-
Salt Processing Industry Project	22,864,425.00	-
Myanmar Agribusiness Services Co.Ltd.	1,000,000,000.00	2,233,500.00
Myanmar Japan Agrisolution Co.Ltd.	205,400,000.00	205,400,000.00
MDG Fertilizer Project	4,542,333.00	-
Mandalay Development Bank (MDB) Project	7,951,800.00	-
Total	12,458,513,175.41	8,272,135,279.65

4. Inventory

	As at 31 st March 2016	As at 31 st March 2015
	Kyats	Kyats
Inventory – Rice/Paddy/Broken	203,779,410.00	3,522,658,334.00
Rice/By Product		
Inventory – Fertilizer Local	347,258,540.00	10,479,600.00
Inventory – Import Fertilizer	209,884,555.00	558,242,900.00
Inventory – Rice Mill & Implementation	774,286,897.00	894,036,613.74
Inventory – Raw Material (MM & MUB)	668,463,042.81	668,463,042.81
Inventory – Machine (MM)	411,580,467.65	412,398,957.60
Inventory – Fuel & Oil (MM & MUB)	45,215,504.72	84,737,484.72
Inventory – Chemical (MUB)	2,097,700.70	97,102,452.19
Inventory – Indirect Material (MM)	26,864,839.27	26,864,839.27
Inventory – General Accessories (MM & MUB)	39,521,631.96	39,530,631.96
Total	2,728,952,589.11	6,314,514,856.29



5. Accounts Receivable

	As at 31 st March 2016	As at 31 st March 2015
	Kyats	Kyats
Debtor Fertilizer – Local	37,523,700.00	11,432,500.00
Debtor Fertilizer – Import	1,727,781,233.00	2,477,839,769.00
Debtor – Sundry	49,704,361.52	225,978,621.00
Debtor – U Wai Yan Tint San	59,510,400.00	77,510,400.00
Deposit – Rice Purchase – Daw Tin Myat Nyunt	42,212,000.00	44,712,000.00
Account Receivable (Export BULOG)	6,720,956,350.00	-
Account Receivable (ASC)	6,127,174,671.21	-
Account Receivable (ASC Income)	2,219,470.00	130,154,900.00
Account Receivable (Agri Loan)	101,774,400.00	490,540,250.00
Account Receivable (MTSH)	487,160,000.00	-
Account Receivable (Other)	803,090,509.95	7,472,960.66
Temporary Loan	4,400,000.00	6,920,000.00
Account Receivable (Supplier)	517,768,398.00	-
Account Receivable (Tractors/Combine Harvester)	-	7,568,612,203.00
Account Receivable (MAPCO Golden Lace)	245,515,649.00	319,614,749.01
Account Receivable (Maubin Chemical)	-	58,790,000.00
Account Receivable (MJA)	95,252,070.00	9,420,875.74
Temporary Payment for Shares	637,719,316.00	130,350,000.00
Total	17,659,762,528.68	11,559,349,228.41

6. Deferred Expenses

	As at 31 st March 2016	As at 31 st March 2015
	Kyats	Kyats
Renovation to Deferred Expenses	3,344,248,273.30	956,217,474.20
Total	3,344,248,273.30	956,217,474.20

7. Advanced & Prepaid

	As at 31 st March 2016	As at 31 st March 2015
	Kyats	Kyats
Advanced Payment – BULOG	1,237,299,235.00	-
Advanced Payment – U Zaw Ye Tun	5,872,500.00	-
Advanced Payment – Business Department	2,500,000.00	-
Advanced Payment – MRF	4,000,000.00	-
Advanced Payment – MFS	-	520,000,000.00
Tender Deposit	-	5,000,000.00
Prepaid Expense – Warehouse Rent	8,000,000.00	8,500,000.00
Prepaid Expense – Office Rental	6,600,000.00	6,600,000.00
Prepaid Expense – Office Rental (Deposit)	35,120,000.00	14,620,000.00



Prepaid Expense – LC Deposit	22,728,000.00	22,728,000.00
Prepaid Expense – Deposit	13,500.00	-
Prepaid Expense – General	7,347,875.00	10,058,575.00
Total	1,329,481,110.00	596,506,575.00

8. Prepaid Taxes

	As at 31 st March 2016 Kyats	As at 31 st March 2015 Kyats
Advanced Income Tax	274,683,140.00	330,035,816.00
Advanced Commercial Tax	1,020,866.00	168,704,762.00
Total	275,704,006.00	498,740,578.00

9. Cash & Bank Balance

	As at 31 st March 2016 Kyats	As at 31 st March 2015 Kyats
Cash in Hand	5,040,805.37	40,434,654.74
Cash at Bank	284,447,355.56	590,596,522.14
Total	289,488,160.93	631,031,176.88

10. Share Capital

	As at 31 st March 2016 Kyats	As at 31 st March 2015 Kyats
Share Capital (Director & Founder)	9,867,000,000.00	9,867,000,000.00
Share Capital (Public)	6,381,220,000.00	5,376,900,000.00
Share Premium	158,656,800.00	67,883,200.00
Total	16,406,876,800.00	15,311,783,200.00

11. Profit (Loss) for Period

	As at 31 st March 2016 Kyats	As at 31 st March 2015 Kyats
Profit/(Loss) Previous Year	(1,685,750,092.39)	(1,680,383,268.01)
Profit (Loss) for Period	109,448,737.08	160,515,338.62
Retained Earning Adjusted	(913,205,563.15)	(165,882,163.00)
Total	(2,489,506,918.46)	(1,685,750,092.39)

12. Revaluation Reserve Fund

	As at 31 st March 2016 Kyats	As at 31 st March 2015 Kyats
Revaluation Reserve	19,470,683,623.49	4,288,823,848.49
Total	19,470,683,623.49	4,288,823,848.49



13. Accounts Payable

	As at 31 st March 2016	As at 31 st March 2015
	Kyats	Kyats
Creditor – Convenience Propersity	1,729,707,574.40	2,371,354,084.40
Creditor – Good Brother	-	1,510,220,000.00
Creditor – Daewoo	349,102,543.00	677,530,664.00
Creditor – SSOE	128,747,585.33	3,138,450,000.00
Creditor – Mitsui	732,473,588.99	-
Creditor – Sundry	67,429,383.00	153,767,661.00
Acquisition of Thaung Win Industrial Workshop)	441,747,000.00	1,241,747,000.00
Account Payable – Dividend	43,697,600.00	-
Account Payable (Raw Materials MUB)	1,091,805,384.00	1,091,805,384.00
Account Payable – MAPCO Logistics	70,000,000.00	-
Account Payable – MAPCO E & C	135,840,068.00	-
Account Payable (Raw Materials MM)	461,331,714.69	461,331,714.69
Account Payable (Rice Purchases)	377,520,600.00	750,719,838.00
Account Payable (Milling Charges)	29,042,950.00	16,664,000.00
Account Payable (Construction Fees)	130,665,068.00	658,619,125.00
Account Payable (CF – Registered Seeds)	18,508,000.00	86,436,000.00
Account Payable (CH – Good Brother)	-	39,780,000.00
Account Payable (CS - Hire Purchases)	-	34,300,000.00
Account Payable – Shipping Expenses	352,611,249.00	-
Account Payable – Fertilizer Purchases	35,823,613.00	-
Account Payable – Export Rice	6,745,881,150.00	-
Account Payable – Service Charges	125,674,168.00	-
Account Payable – Other	776,786,260.83	149,774,038.10
Account Receipt – Nine Seas	120,000,000.00	-
Tender Deposit	99,580,000.00	59,080,000.00
Total	14,063,975,500.24	12,441,579,509.19

14. Loan & Advances

	As at 31 st March 2016	As at 31 st March 2015
	Kyats	Kyats
Temporary Loan	50,000,000.00	-
Myanma Apex Bank – Overdraft	2,811,325,870.59	1,485,969,970.23
Myanma Apex Bank – Loan	1,934,636,082.20	1,425,885,355.59
Ayeyarwady Bank	10,471,781,460.83	-
CB Bank	2,108,253,273.50	-
Advanced Payment (Under Rice Supply Contract Mitsui)	-	4,805,746,533.62
Advanced Receipt	1,551,150,143.86	1,585,051,038.34
Reserve for Doubtful Debts	-	11,400,000.00
Total	18,927,146,830.98	9,314,052,897.78



15. Tax Payable

	As at 31 st March 2016	As at 31 st March 2015
	Kyats	Kyats
Withholding Tax Payable	11,688,600.00	11,688,600.00
Commercial Tax Payable	1,833,348.19	63,316,183.35
Salary Tax Payable	938,250.00	751,260.00
Total	14,460,198.19	75,756,043.35

16. Sale Revenue

	1 st April 2015 to 31 st March 2016	1 st April 2014 to 31 st March 2015
	Kyats	Kyats
Local Sales Rice/Broken Rice/By Product	1,907,267,018.00	799,210,824.00
Local Sales Bean	1,470,000.00	152,333,920.00
Local Sales Registered Seeds	39,076,000.00	87,976,100.00
Local Sales Fertilizer	57,396,500.00	20,278,200.00
Local Sales Import Fertilizer	706,477,666.00	3,309,126,350.00
Local Sales Rice Mill	-	793,830,000.00
Local Sales Combine Harvester	-	7,326,130,203.00
Local Sales FBC Boiler & Accessories	-	1,446,207,502.00
Local Sales Raw Material (MM & MUB)	-	34,375,000.00
Local Sales Fuel & Oil (MM)	6,000,000.00	79,535,484.00
Local Sales Chemical (MUB)	11,062,026.00	108,790,000.00
Export Sales Rice	13,972,049,200.00	7,153,932,614.20
Export Sales Bean	-	306,549,041.52
Total	16,700,798,410.00	21,618,275,238.72

17. Cost of Sale

	Note	1 st April 2015 to 31 st March 2016	1 st April 2014 to 31 st March 2015
		Kyats	Kyats
Opening Stock	18	6,130,717,724.06	8,002,894,124.00
Purchase	19	12,586,194,642.85	18,039,530,841.61
Purchase Expenses	20	326,083,974.28	509,385,666.50
Closing Stock	21	(2,728,952,589.11)	(6,314,514,856.29)
Total		16,314,043,752.08	20,237,295,775.82

18. Opening Stock

	1 st April 2015 to 31 st March 2016	1 st April 2014 to 31 st March 2015
	Kyats	Kyats
Opening Stock – Rice/Paddy	3,522,658,334.00	4,168,298,210.00
Broken Rice/By Product/Register Seed		
Opening Stock – Import Fertilizer	558,242,900.00	2,755,230,288.00
Opening Stock – Local Fertilizer	10,479,600.00	29,696,900.00
Opening Stock – Rice Mill	764,162,542.00	1,049,668,726.00
Opening Stock – Raw Material (MM & MUB)	668,463,042.81	-

The accompanying accounting policies and explanatory notes form an integral part of the financial statement

Page17



Opening Stock – Machinery (MM)	412,398,957.60	-
Opening Stock – Row Seeder	7,885,352.00	-
Opening Stock – Fuel & Oil (MM & MUB)	64,860,084.72	-
Opening Stock – Chemical (MUB)	55,171,439.70	-
Opening Stock – Indirect Accessories (MM)	26,864,839.27	-
Opening Stock – General Accessories (MM & MUB)	39,530,631.96	-
Total	6,130,717,724.06	8,002,894,124.00

19. Purchase

	1st April 2015 to 31st March 2016	1st April 2014 to 31st March 2015
	Kyats	Kyats
Local Purchase Rice/Paddy/Broken Rice	11,971,108,671.10	6,749,673,296.00
Local Purchase Bean	-	489,940,831.00
Local Purchase Fertilizer	380,413,271.75	-
Local Purchase Color Sorter	-	34,300,000.00
Local Purchase Tractor & CH	-	561,507,688.00
Local Purchase Raw Material (MM & MUB)	-	804,359,455.81
Local Purchase Machinery (MM & MUB)	-	412,398,957.60
Local Purchase Fuel & Oil (MM & MUB)	-	100,001,429.72
Local Purchase Chemical (MUB)	-	169,642,000.00
Local Purchase Indirect Accessories (MM)	-	26,864,839.27
Local Purchase General Accessories (MM & MUB)	-	39,530,631.96
Foreign Purchase Frequency Inverter	1,536,000.00	-
Foreign Purchase Fertilizer	233,136,700.00	1,284,618,564.50
Foreign Purchase Rice Mill	-	630,763,258.60
Foreign Purchase Tractor & CH	-	5,561,178,147.15
Foreign Purchase FBC Boiler & Accessories	-	1,174,751,742.00
Total	12,586,194,642.85	18,039,530,841.61

20. Purchase Expenses

	1st April 2015 to 31st March 2016	1st April 2014 to 31st March 2015
	Kyats	Kyats
Carriage Inwards	19,679,211.00	33,677,467.50
Licence Expenses	220,000.00	802,000.00
Labour Charges	71,813,434.00	58,864,136.00
Milling Charges	176,596,150.00	364,784,760.00
Purchases Expenses	11,874,362.00	13,684,214.00
Packing Expenses	23,367,756.28	-
Clearing Charges	22,533,061.00	37,573,089.00
Total	326,083,974.28	509,385,666.50



21. Closing Stock

	1 st April 2015 to 31 st March 2016	1 st April 2014 to 31 st March 2015
	Kyats	Kyats
Closing Stock – Rice/Paddy/Broken Rice/ By Product/Registered	203,779,410.00	3,522,658,334.00
Closing Stock – Import Fertilizer	209,884,555.00	558,242,900.00
Closing Stock – Local Fertilizer	347,258,540.00	10,479,600.00
Closing Stock – Raw Material (MM & MUB)	668,463,042.81	668,463,042.81
Closing Stock – Machinery (MM)	411,580,467.65	412,398,957.60
Closing Stock – Fuel & Oil (MM & MUB)	45,215,504.72	84,737,484.72
Closing Stock – Chemical (MUB)	2,097,700.70	97,102,452.19
Closing Stock – Indirect Accessories (MM)	26,864,839.27	26,864,839.27
Closing Stock – General Accessories (MM & MUB)	39,521,631.96	39,530,631.96
Closing Stock – Frequency Inverter	2,239,003.00	-
Closing Stock – Rice Mill	772,047,894.00	894,036,613.74
Total	2,728,952,589.11	6,314,514,856.29

22. Tax Paid/ Provision

	1 st April 2015 to 31 st March 2016	1 st April 2014 to 31 st March 2015
	Kyats	Kyats
Provisional Commercial Tax	1,833,348.19	10,604,784.95
Total	1,833,348.19	10,604,784.95

23. Other Operating Income

	1 st April 2015 to 31 st March 2016	1 st April 2014 to 31 st March 2015
	Kyats	Kyats
Other Income	377,489,542.00	73,536,235.52
ASC Income	-	165,521,700.00
Disposal Income	276,354,936.00	51,747,000.00
Penalty Receipt	24,000.00	-
Discount Receive	869,097.25	-
Social Welfare Funds	20,200,638.00	-
Bank Interest/ Interest	70,341,619.02	79,337,665.09
Total	745,279,832.27	370,142,600.61

24. Income from Other Investment

	1 st April 2015 to 31 st March 2016	1 st April 2014 to 31 st March 2015
	Kyats	Kyats
Income from Investment in MTSH	877,160,000.00	10,604,784.95
Total	877,160,000.00	10,604,784.95



25. Operating Expenses

	Note	1 st April 2015 to 31 st March 2016	1 st April 2014 to 31 st March 2015
		Kyats	Kyats
Selling & Distribution Exp:	26	376,651,007.91	414,246,840.50
Administration Expenses	27	1,324,356,809.09	1,103,117,339.24
Other Project Expenses	28	4,109,545.00	89,110,366.00
Depreciation	29	75,719,280.99	64,948,044.66
Total		1,780,836,642.99	1,671,422,590.40

26. Selling & Distribution Expenses

	1 st April 2015 to 31 st March 2016	1 st April 2014 to 31 st March 2015
	Kyats	Kyats
Carriage Outwards	3,787,110.00	53,629,730.00
Damage Charges	6,394,037.25	-
Packing Expenses	883,550.00	2,286,742.00
Shipping Expenses	356,855,810.66	354,958,368.50
Commission Charges	8,202,500.00	-
With Holding Tax	528,000.00	3,372,000.00
Total	376,651,007.91	414,246,840.50

27. Administration Expenses

	1 st April 2015 to 31 st March 2016	1 st April 2014 to 31 st March 2015
	Kyats	Kyats
Accommodation	6,359,709.00	6,601,677.00
Exhibition & Forum Expenses	18,773,677.00	1,616,400.00
Sample & Present	2,613,400.00	-
Discount Allowance	45.67	250,251.36
Travelling Allowance	31,579,238.00	15,715,907.00
Printing & Stationery	7,705,197.00	8,880,303.00
Bank Charges	18,405,311.39	8,626,603.46
Bank Interest Expenses	297,536,426.45	97,381,455.25
Penalty Account	57,232,771.04	25,302,869.95
Office Expenses	6,681,190.00	7,643,550.00
Corporate Social Responsibility Exp:	53,870,000.00	-
Gift & Donation	32,037,850.00	10,058,461.00
Installation Charges	2,126,540.00	4,046,275.00
Registration Fees	204,000.00	3,123,000.00
General Expenses	9,642,056.84	9,431,377.00
Entertainment	32,580,609.82	13,178,300.00
Salary & Allowances	165,973,413.00	201,447,812.50
Honourian	41,948,834.00	-
Transportation Expenses	18,950,037.00	37,543,976.00



Meal Allowance	6,596,090.00	6,932,725.00
Newspaper Books & Periodical	963,600.00	1,259,050.00
Phone Postage & Telecom	16,264,105.00	15,595,091.00
Electricity Charges	11,340,937.50	6,462,210.00
Contribution	-	1,972,550.00
Contract Farming	22,053,627.00	13,756,435.00
Petrol, Oil & Lubricant	34,091,833.00	25,928,170.00
Tender Expenses	505,000.00	-
Training Expenses HR development project	29,589,268.00	1,564,240.00
Uniform Allowance	17,178,700.00	10,845,100.00
Rent Rates and Taxes	3,715,073.87	13,712,450.00
Labour Charges	214,000.00	6,178,820.00
Repair & Maintenance	22,505,040.00	19,029,850.00
Service Charges	52,409,397.00	33,616,758.00
Social Welfare	25,669,430.00	9,651,680.00
Cultivation Expenses	984,100.00	-
Bed Debts Accounts	-	72,800.00
Survey Project Expenses	2,781,899.00	-
Advertising Expenses	26,514,750.00	67,802,993.00
Business Development Account	4,802,440.00	-
Office Rent	27,720,000.02	63,200,000.00
Hotel Project Expenses	-	25,756,747.72
Warehouse Rent	141,844,000.00	328,300,001.00
Warehouse Expenses	383,800.00	631,450.00
Disposal of Fixed Assets	3,725,000.00	-
Write Off	68,284,412.49	-
Total	1,324,356,809.09	1,103,117,339.24

28. Other Project Expenses

	1 st April 2015 to 31 st March 2016	1 st April 2014 to 31 st March 2015
	Kyats	Kyats
ASC Expenses	4,109,545.00	80,875,436.00
ASC Salaries	-	8,234,930.00
Total	4,109,545.00	89,110,366.00

29. Depreciation

	1 st April 2015 to 31 st March 2016	1 st April 2014 to 31 st March 2015
	Kyats	Kyats
Depreciation	75,719,280.99	64,948,044.66
Total	75,719,280.99	64,948,044.66



30. Exchange Gain/ Loss

	1 st April 2015 to 31 st March 2016	1 st April 2014 to 31 st March 2015
	Kyats	Kyats
Exchange Rate Gain/ Loss	(117,075,761.93)	91,420,650.46
Total	(117,075,761.93)	91,420,650.46

31. Comprehensive Income

	1 st April 2015 to 31 st March 2016	1 st April 2014 to 31 st March 2015
	Kyats	Kyats
Revaluation Surplus for Land	15,181,859,775.00	3,190,899,458.49
Total	15,181,859,775.00	3,190,899,458.49

32. Related Party Transactions

Related party transactions comprise mainly companies which are being controlled or significantly influenced by the Company's key management personnel which are as follows;

No.	Company Name	Related Executives	Position	2015-16
1.	Gold Delta Ltd	U Chit Khine	Chairman	109,892,917.00
	(Purchase of Rice and rice mill components, Bean, Machine & Re-milling Charges)			
2.	Nine Seas Ltd	U Aung Than Oo	Executive Director	1,015,933,590.00
	(Purchase of Rice)			
3.	Ayeyar Hinthar Holdings	U Ye Min Aung	Managing Director	1,784,355,176.00
	(Purchase of Rice, Paddy & Milling Charges)			
4.	MAPCO Overseas	U Ye Min Aung	Managing Director	1,181,182,870.86
	(Sales of Rice, Fertilizer & Trade transactions)			
5.	Golden Lace (Shwe Zar Chi)	U Thaung Win	Executive Director	251,618,100.00
	(Purchase of Rice, Paddy & Milling Charges)			
6.	Good Brother	U Hla Oo	Executive Director	290,221,500.00
	(Purchase of Rice)			
7.	Wakema Trading	Dr Soe Tun	Executive Director	248,570,900.00
	(Purchase of Rice)			
8.	Aung Naing Thit Sa	U Aung Zaw Oo	Executive Director	514,683,650.00
	(Purchase of Rice)			



9.	Myanmar Combiz (Purchase of Rice)	Daw Khin Mi Mi Soe	Executive Director	745,145,550.00
10.	Golden Land East Asia Development Co.Ltd (Purchase of Fertilizer)	U Kyaw Tin Myint	Director	396,641,922.00

33. Authorization of financial statements

These financial statements for the year ended 31st March 2016 were authorized for issue in accordance with a resolution of the directors of Myanmar Agribusiness Public Corporation (MAPCO) Ltd the date of the Statement by Directors.