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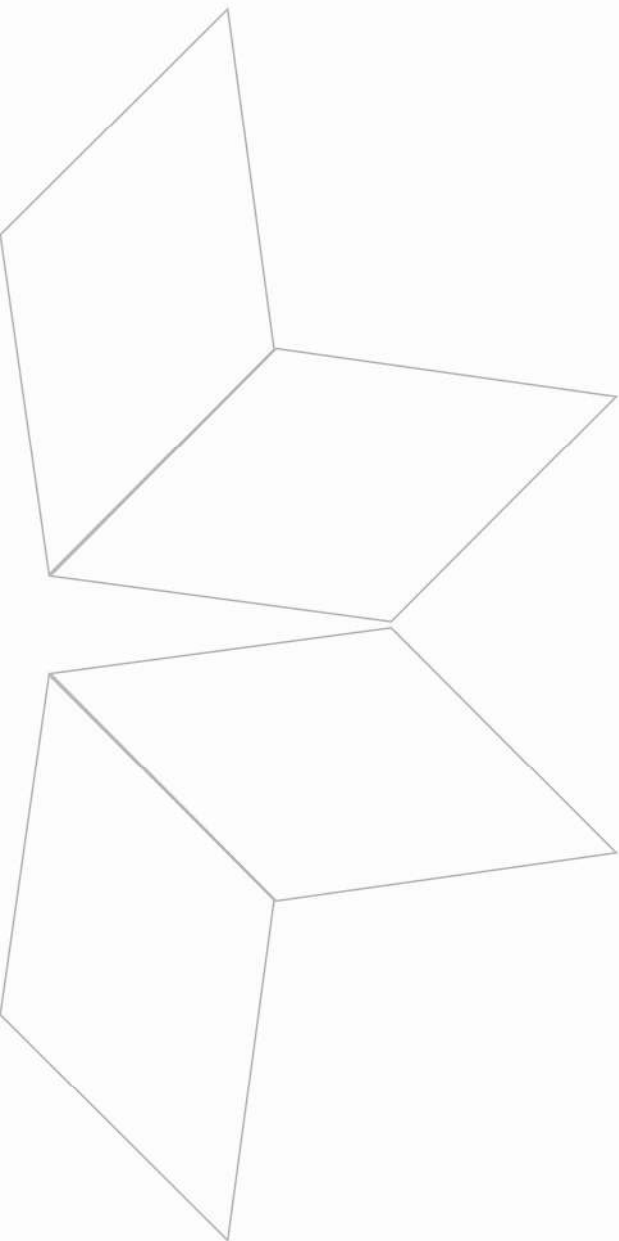
Our Brand Promise: PARTNER FOR LIFE

AMI is the insurer of choice for individual and corporate customers who are looking for efficient, reliable and personalized service of utmost convenience.

AMI offers a diversified range of Life and General Insurance products approved by the industry regulator.

At AMI, we are more than your insurer

- we are your **PARTNER FOR LIFE**.



ABOUT US

Since inception in 2013, AMI has been a leading insurer in Myanmar for both Life and General Insurance.

AMI is committed to helping individuals and families in Myanmar to live in healthier and happier lives. We aim to deliver high quality service and innovative products through internal and external distribution channels to assist both individual and corporate customers to protect their assets from the uncertainties of tomorrow.

We also engage in talented workforce with both domestic and international exposure, and maintain human capital development as our utmost priority in order to ensure long term sustainable growth of the company and the industry for the benefit of all stakeholders.

As your Partner for Life, AMI aims to ensure the country's key lifelines by providing professional and reliable service, footed on a rock-solid financial background. Through our experience, we understand the needs of our clients and aim to play an integral role in assuring their futures. We are beyond an insurance company; we form a part of shaping Myanmar's future.

MESSAGE FROM THE CHAIRMAN

Mingalarbar from AYA Myanmar Insurance, Your Partner for Life! Since our inception in June 2013, AYA Myanmar Insurance has shown our commitment to help make uncertainties better coped for both individuals and corporates alike. With AMI's range of product offerings in both Life and General Insurance, we reinforce our brand promise that we are not just an insurer, but your Partner for Life.

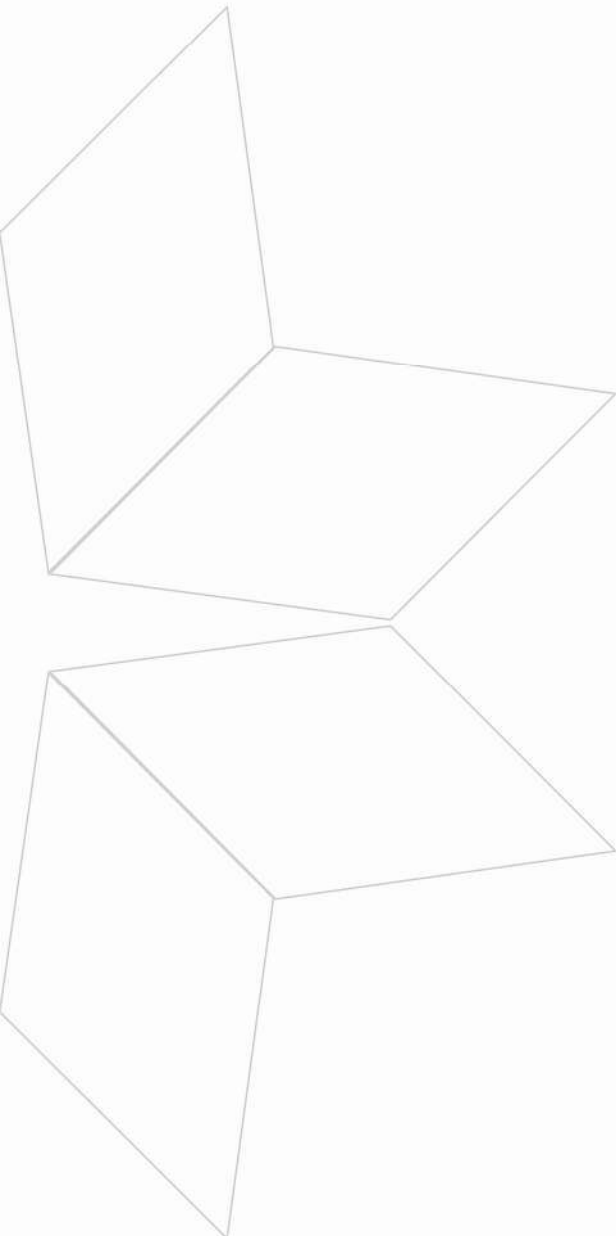


We believe that putting our values into practice creates long term benefits for customers, employees, shareholders and communities that we serve

with Myanmar on the path of economic development and notable transformation in all sectors, I believe that AMI's business will grow and we will be able to better serve our clients and the community we operate in. At AMI, we are guided by our corporate values; Reliable, Innovative, Customer Centric and Ethical, I would like to convey my appreciation to our customers for their continuous trust and support and also my sincere gratitude to the Board of Directors, Management, Employees, Strategic Partners and Shareholders who share AMI's vision to be recognized as your PARTNER FOR LIFE and play a leadership role in driving social and economic development of Myanmar. Together, I hope we can achieve many more milestones in our exciting years ahead.

Sincerely

**Zaw Zaw
Chairman**



OUR BOARD OF DIRECTORS



U ZAW ZAW **Founder and Chairman**

U Zaw Zaw is the founder and Executive Chairman of AYA Myanmar Insurance, a role that he had held since the inception of the company in 2013. He is an established and well – connected entrepreneur and business leader in Myanmar, with 20 years of management experience. U Zaw Zaw graduated from the University of Yangon in 1988 with the major in Mathematics and had worked in Japan for several years prior to his return to Myanmar in 1995 and managed Max Myanmar Company, which is now known as Max Myanmar Group of Companies, a major conglomerate.

U Zaw Zaw is also the Chairman of the Myanmar Football Federation (MFF) and AYA Bank since 2005 and 2010 respectively, and is a believer of contributing to the society and helping the needy. Through the Ayeyarwady Foundation, he has donated to various philanthropic causes and carried out numerous Corporate Social Responsibility activities. He has also donated generously for the development of football in Myanmar.



DAW NAN LIN LIN TUN **Vice Chairman**

Daw Nan Lin Lin Tun was appointed as the Vice Chairman of the Board since the company's inception in 2013. Daw Nan Lin Lin Tun holds the Bachelor of Science in Physics in 1995 awarded by the University of Yangon, and is also the Managing Director of Phyto Myanmar Co., Ltd, bringing along with her a wealth of experience within the Business Community in Myanmar.



U THAN ZAW
Vice Chairman

U Than Zaw served as the Managing Director to AYA Bank from 2011 to 2013 and during his tenure, he has led the fledging Bank to grow its brand and network in Myanmar. He also played a pivotal role in starting AYA Myanmar Insurance as the Managing Director. He now heads the company as the Vice Chairman and remains as the Executive Director of the Board at AYA Bank. U Than Zaw's vast experience includes eight-year tenure with the Olympics Committee as a Treasurer and another two years as the Chief Executive Officer of the Myanmar Football Federation.



U MYO MIN THU
Managing Director

U Myo Min Thu holds a Bachelor of Science (Hons) in Banking and Finance, awarded by the London School of Economics & Political Science, University of London. U Myo Min Thu joined AYA Myanmar Insurance (AMI) as the Managing Director in January 2015 and has spearheaded the company's progress within the industry. Prior to joining AMI, U Myo Min Thu had held various management positions in Singapore and overseas, bringing to the country his knowledge, international exposure and service experience. Possess corporate and field experience in the aviation and service industry.



DAW KHIN MA MA
Executive Director

Daw Khin Ma Ma was appointed as the Executive Director of AYA Myanmar Insurance in 2014, overseeing the human resources matters and providing guidance for the capacity building of the employees at AMI. She is also the Executive Director of the Board at AYA Bank. Daw Khin Ma Ma brings along with her a wealth of experience gained through her 17 years of career in a service industry. With her passion for delivering quality service, she has brought the quality of service offered in AMI to a higher level.



PROFESSOR DR. AUNG TUN THET
Non-Executive Director

Professor Dr. Aung Tun Thet was appointed as a Non-Executive Director with AYA Myanmar Insurance in 2015, offering advice in areas of Management, Human Resources and the company's Corporate Social Responsibility activities. He also serves as a Non-Executive Director of the Board at AYA Bank. Professor Dr. Aung Tun Thet is distinguished International and National Civil Servant who has served in the United Nations as well as the Myanmar civil service. He is currently a visiting Professor at the Yangon Institute of Economics and Yangon University. He acts as a management consultant in areas of Management, Leadership, Human Resources, Organizational Development and Corporate Governance for various companies. He is also an advisor for the business community and the civil society. Professor Dr. Aung Tun Thet is a leading advocate of Corporate Social Responsibility (CSR) in Myanmar.

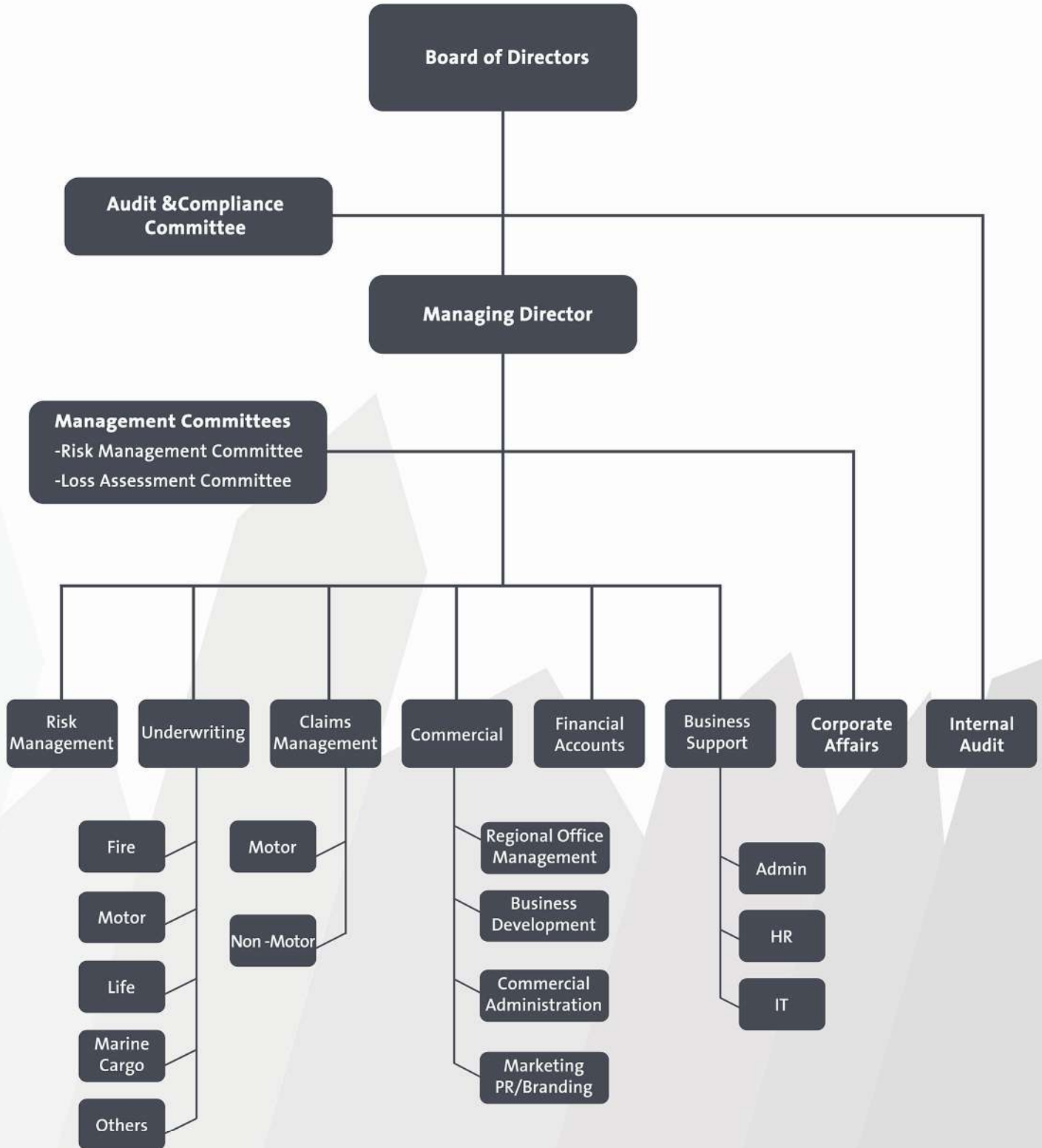


DR. TIN LATT
Non-Executive Director

Dr. Tin Latt was appointed as a Non-Executive Director of AYA Myanmar Insurance in 2016. He also serves as a Non-Executive Director of the Board at AYA Bank. Dr. Tin Latt is a FCCA, ACMA and CPA-qualified accountant with more than 18 years of professional experience. He is also the owner and the Managing Director of Management & Accountancy Training Limited, which provides professional and vocational training courses in conjunction with international Professional Accountancy bodies such as ACCA and CIMA, and the Managing Partner of MAT Audit and Professional Services.

Dr. Tin Latt is a Certified Public Accountant of Myanmar and Chartered Accountant of Singapore and has completed many international professional services engagement in cooperation with Ernst & Young LLP Singapore. Dr. Tin Latt has been working as a visiting lecturer for CPA classes at the Myanmar Accountancy Council and is also a Central Executive Committee member of the Myanmar Institute of Certified Public Accountants.

ORGANIZATION STRUCTURE



OUR VISION

To be recognized as your PARTNER FOR LIFE and play a leadership role in driving social and economic development of Myanmar.

OUR MISSION

To be a leading insurer in Myanmar, recognized for its excellence in service and technology, and admired for its best underwriting practices that provide peace of mind.



OUR CORPORATE VALUES

At AMI, we are guided by the following Corporate Values and they describe our Company as we want it to be. Our decisions and actions reflect these values that are instilled in us and we believe that in putting these Values into our practices, we create long-term benefits for our shareholders, customers, employees and the communities that we serve.

- Reliable** - We can be trusted to plan for your life and protect it against the uncertainties of tomorrow
- Innovative** - We continuously strive to improve our products and services to serve our customers better
- Customer-Centric** - We understand our Customers' needs and provide them with the best solutions at the highest level of convenience to our customers.
- Ethical** - We conduct our businesses with the highest standard of behavior, acting in honesty and fairness in all our aspects of work. We fulfill our commitments as responsible citizens and employees. We will consistently treat our customers and company resources with the respect they deserve.



OUR CORPORATE COMMITMENT

At AMI, fair dealing is central to our corporate culture and we are fully committed to providing our customers with the best possible service in a timely, fair, transparent and professional manner.

To our Customers - We act fairly, reasonably and in their best interest when dealing with our customers

To our Employees - We promote human capital development through internal and external trainings and job enrichment

To the Community - We behave socially responsible and environmentally conscious manner in conducting our business

To our shareholders- We practice corporate governance, provide appropriate disclosure of information and exert our utmost to enhance shareholder value



OUR JOURNEY IN CONTEXT

2013

3 JUN

Granted License by Insurance Business Supervisory Board



2014

9 MAR

Opening of AMI Head Office in Yangon, Myanmar

1 JUN

Opening of AMI Branch Office in Mandalay, Myanmar

2015

22 MAY

Sponsored Sportsman Life Insurance for all competing athletes in 28th SEA Games Singapore

20 JUL

Sponsorship to Myanmar Football Federation for development of youth football system in Myanmar

21 JUL

The First Health Insurance in Myanmar was successfully launched

31 JUL

AMI turned 2 years old. 2nd anniversary : Voluntary work at Yankin Children Hospital and Blood Donation Campaign



2015

15 AUG

Flood Disaster Relief effort by AMI at Zalun Base Camp, Ayeyarwady Division

1 SEP

Became a member of the United Nations Global Compact

27 SEP

Voluntary Work at Yankin Children Hospital – AMI CSR Initiative

16 OCT

IBRB permitted Marine Cargo and Inland Transit Insurance to be sold by private insurance companies



2016

18 JUN

MOU Signing Ceremony for Strategic Alliance with SOMPO Japan Nipponkoa Insurance Inc.

30 JUL

3rd Anniversary, voluntary work at Yankin Children Hospital and Blood Donation Campaign

28 AUG

Flood Disaster Relief efforts and offered Donation to flood Victims in Ayeyarwady Division



OUR EVENTS



"Signing Ceremony" for sponsorship for Sportsman Life Insurance for participating Athletes at 28th SEA Games Singapore

Sponsorship for Myanmar Youth Football Development (U-16) Team



Claims Disbursement Ceremony and Insurance awareness seminar at Pyin Oo Lwin, Mandalay Division.

Insurance Awareness Campaign at Zalun, Ayeyarwady Division.



Insurance Awareness Campaign at Lashio, Shan State.

MOU SIGNING CEREMONY

AYA Myanmar Insurance and Sompo Japan Nipponkoa Insurance Inc. entered into an agreement of strategic alliance. This is the first case that a Myanmar private insurer has officially signed an agreement of strategic alliance with a foreign insurer.

According to the agreement, Sompo Japan Nipponkoa will share know-how expertise in key realms of insurance business, building of human capital and both companies will exchange personnel in order to ensure the strategic alliance benefit the industry. AMI and Sompo Japan Nipponkoa will contribute to the development of the insurance industry in Myanmar through this strategic alliance.



OUR PERFORMANCE

OUR NUMBERS AT A GLANCE



Paid Up Capital
MMK 46 Billion



Gross Written Premium
MMK 3.3 Billion



Reserves (as at end FY15/16)
MMK 2.5 Billion



Employees
Over 250



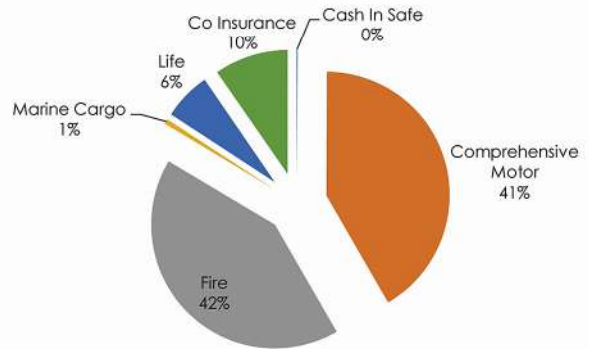
Premium Growth
60% per annum

4th

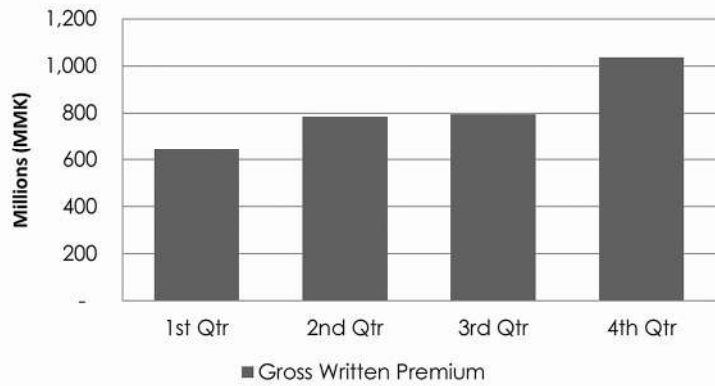
Market Ranking
as at end FY15/16

OUR PERFORMANCE AS AT FY15/16

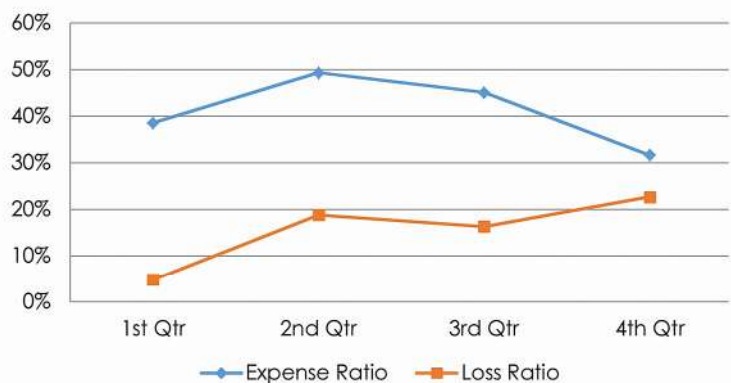
Gross Written Premium (by product)



Gross Written Premium (FY 15/16)



Expense / Loss Ratio (FY 15/16)



OUR PRODUCTS & SERVICES

Life is a very long journey and there will be a time when you may be in a difficult financial hardship or may be facing the loss of income. When this time arrives, it will affect not only you but also your family members who are depending on you. For those events, insurance can help you cover the cost so that you and your family can continue to enjoy life to the fullest.



Fire Insurance

Fire Insurance policies insure businesses and homeowners against unexpected losses of real and personal property due to fire or lightning.



Comprehensive Motor Insurance

With the rapid increase in number of cars on the roads, it is important that you protect your vehicle against damage/ loss due to unforeseen circumstances.



Marine Cargo Insurance

Losses to your Marine or Inland cargo due to weather or accident could affect your finances. Protect your cargo against unexpected loss with Marine Cargo Insurance.



Group Life Insurance

An accident or loss to your employees could affect the family's financial health. With Group Life Insurance, you will receive financial support for the loss or injury.



Public Life Insurance

With adequate protection coverage, you can ensure that your loved ones are well taken care when you are no longer around.



Special Travel Insurance

No matter what age, how healthy or fit you are, a serious accident can change your life significantly. Special Travel Insurance plan provides you with peace of mind during your highway travel.



Health Insurance

Unexpected medical expenses could negatively affect your finances. Protect yourself against rising healthcare costs and unexpected medical expenses with our Health Insurance plan.

OUR SERVICES



Convenience

Pay your insurance premiums at any of AYA bank branches across the nation. Alternatively, our customers may also use AYA iBanking for payments at their own convenience ; any time, anywhere.



24/7 Customer Support

Our survey and claims management teams are available whenever you need them, providing you with customer support 24/7.



Premium Calculator

We are pleased to launch our refreshed website with a new feature "Premium Calculator", which allows our customers to calculate estimate premium rates, send enquiries and to seek assistance from our customer support team. With Premium Calculator, customers can now work out indicated premiums for selected insurance products. Refer to www.ami-insurance.com for more information.



Nationwide Network

In collaboration with AYA bank, AMI services are now available at 19 major cities across Myanmar. With the aim of providing better accessibility, we are striving to expand the network further in coming years.

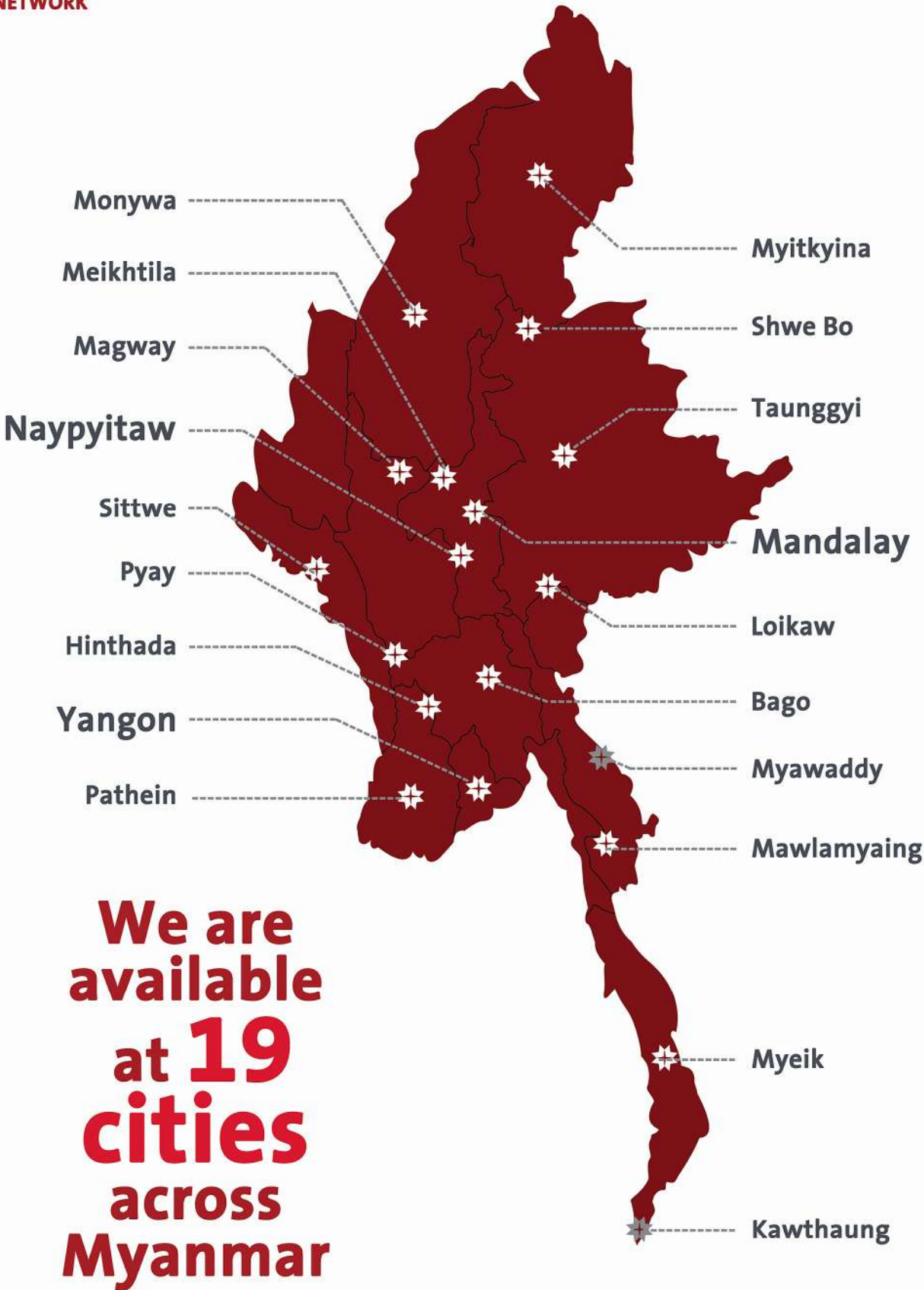


Authorized Workshops

We provide our customers with a wide range of workshops at different regions in Myanmar. Refer to www.ami-insurance.com for more information.



OUR NETWORK



OUR LEARNING AND DEVELOPMENT

Human Capital Development is our priority for sustainable business environment and to nurture future leaders. Learning and Development is a continual process. Under Learning & Development Department, Basic and refresher trainings are conducted regularly all year round. At AMI, we have regular learning programs that are conducted regularly for our workforce :

- HR Orientation for New Employees
- Basic Underwriting Training
- Basic Supervisory Course
- Claims Management Training
- Basic IT Training
- Risk Management Training and Other Basic Courses

In collaboration with our partner companies, employees are also provided with Learning and Development Programs which cater towards professional and personal development. These courses are specially designed by experts to ensure effective learning for our employees.

AMI takes a long term view in nurturing employees and have regular programs to help with development for our workforce.



OUR CSR INITIATIVES

As we are centered towards a socially responsible and environmentally conscious business, AMI is committed to be a good corporate citizen in the communities we serve. Our community and corporate social responsibility efforts are aligned with the group and engagements taken by Ayeyarwady Foundation in terms of people, environment, governance and communities.

Community initiatives

Our CSR initiatives have brought the company closer to the community and below are the initiatives by AMI team:

- Sponsorship for development of Myanmar Football Federation
- Blood Donation drive and cleaning activities at Yankin Children Hospital
- Relief efforts at Ayeyarwady Region





AYA Myanmar Insurance became a member of UNGC (United Nation Global Compact) in September 2015, and it is our second year as a proud member of UNGC. With the successful and landmark transition to democracy and large scale legal and regulatory reforms in the pipeline, particularly in the financial services sector, AYA Myanmar Insurance reaffirms our support to the Ten Principles of the United Nations Global Compact.

The UN Global Compact's Ten Principles are derived from: the Universal Declaration of Human Rights, the International Labour Organization's Declaration on Fundamental Principles and Rights at Work, the Rio Declaration on Environment and Development, and the United Nations Convention Against Corruption.

Since adopting the UNGC principles, AYA Myanmar Insurance has been working consistently to raise the governance standards internally so as to become a role model for the rest of the industry. In working towards our goal to be a leading insurer in the country, we adhere to and embed the UNGC Principles into our practices, policies and operations.

We commit to share this information with our stakeholders using our primary channels of communication.

WE SUPPORT



AYA MYANMAR INSURANCE
FINANCIAL STATEMENTS (FY 15/16)

FINANCIAL STATEMENTS (FY 15/16)

U HLA TUN & ASSOCIATES LIMITED

CERTIFICIED PUBLIC ACCOUNTANTS

AYA MYANMAR INSURANCE COMPANY LIMITED

FINANCIAL STATEMENTS

MARCH 31, 2016

Currency – Myanmar Kyats (MMK)



AYA MYANMAR INSURANCE COMPANY LIMITED

FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED MARCH 31, 2016

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AYA MYANMAR INSURANCE COMPANY LIMITED


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No.23, Kan Yeik Thar Road,
Mingalar Taung Nyunt Township,
Yangon, Myanmar
Office 95-1-291797, 8619409, 10
Fax 95-1-8619406
Hotline 95-9-49305224
Email info@ami-insurance.com
www.ami-insurance.com

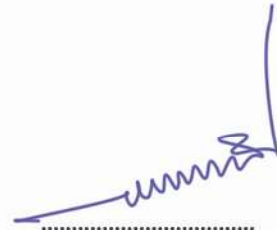
STATEMENT BY DIRECTORS

The Directors of AYA Myanmar Insurance declare that the accompanying Financial Statements made up to March 31, 2016 and Notes are drawn up so as to give a true and fair view of the state of affairs of the Company and of the results of the Company for the year then ended on the date of this statement.

ON BEHALF OF THE DIRECTORS



U Than Zaw
(Vice Chairman)



U Myo Min Thu
(Managing Director)

Date : October 2016



REPORT OF THE INDEPENDENT AUDITOR

To the Members of AYA MYANMAR INSURANCE COMPANY LIMITED

We have audited the accompanying financial statements of AYA MYANMAR INSURANCE COMPANY LIMITED, which comprise the Statement of Financial Position as at March 31, 2016 and the statement of income, statement of changes in equity and statement of cash flows for the year then ended and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Myanmar Financial Reporting Standards ("MFRSs") and the provisions of the Myanmar Companies Act. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the 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 ethical requirements and plan and perform the audit to obtain reasonable assurance 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 auditor's 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 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.



Opinion

In our opinion,

- (i) subject to our letter to the Management, the Company's financial statements are properly drawn up in conformity with the provisions of the Myanmar Companies Act and the Myanmar Financial Reporting Standards so as to give a true and fair view of the financial position of the Company as of March 31, 2016 and of its financial performance and its cash flows for the year then ended, according to the best of our information and explanations given to us and as shown by the books of the Company.
- (ii) we have obtained all the information and explanations we have required; and
- (iii) the books and records have been maintained by the **AYA MYANMAR INSURANCE COMPANY LIMITED** as required by Section 130 of the Myanmar Companies Act.



(HTUN AYE)

Certified Public Accountant
U Hla Tun & Associates Limited
Shwegon Plaza, 64(b), (1st floor)
Komin Kochin Road, Bahan Township,
Yangon Region

Dated: October , 2016



AYA MYANMAR INSURANCE CO., LTD
STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2016

	<u>2016</u>	<u>2015</u>
	<u>Kyat</u>	<u>Kyat</u>
<u>ASSETS</u>		
<u>Non Current Assets</u>		
Property, Plant & Equipment	5,323,728,337	5,197,901,680
Investments	13,800,000,000	13,800,000,000
Total Non-Current Assets	19,123,728,337	18,997,901,680
<u>Current Assets</u>		
Inventories	11,325,552	9,664,775
Accounts Receivable	39,961,942	11,082,024
Receivable from Shareholders	22,230,000,000	22,230,000,000
Advance Tax	550,000,000	452,233,111
Prepayments and Advances	76,685,544	10,187,593
Bank and Cash	9,988,326,009	8,140,935,794
Total Current Assets	32,896,299,047	30,854,103,297
Total Assets	52,020,027,384	49,852,004,977
<u>EQUITY AND LIABILITIES</u>		
<u>Equity</u>		
Issued and Paid Up Capital	46,000,000,000	46,000,000,000
	<u>46,000,000,000</u>	<u>46,000,000,000</u>
<u>Reserves and Retained Earning</u>		
General Reserve	650,000,000	-
Life Assurance Reserve	594,536,667	341,609,707
Fire and General Insurance Reserves	957,418,686	455,803,653
Comprehensive Motor Insurance Reserve	719,790,319	316,393,767
General Specific Reserves	230,172,716	142,059,938
Retained Earnings/(Loss)	1,216,308,795	1,241,408,781
Total Equity	50,368,227,183	48,497,275,846
<u>Current Liabilities</u>		
Payable Premium	404,454,906	182,638,762
Payable Agents' Commission	635,596,902	333,645,527
Accounts Payable	55,836,058	382,005,580
Accrued Expenses	3,000,000	3,000,000
Provision for Tax	552,912,335	453,439,262
Total Current Liabilities	1,651,800,201	1,354,729,131
Equity and Liabilities	52,020,027,384	49,852,004,977

See Accompanying Notes to the Financial Statements.

Authenticated by Directors;


(U Than Zaw)


(U Myo Min Thu)



AYA MYANMAR INSURANCE CO., LTD

STATEMENT OF INCOME

FOR THE YEAR ENDED MARCH 31, 2016

	<u>2016</u> <u>Kyat</u>	<u>2015</u> <u>Kyat</u>
Insurance Premium Revenue	3,260,230,189	2,145,024,989
Insurance Premium ceded to reinsurers	-	-
Net Insurance Premium Revenue	<u>3,260,230,189</u>	<u>2,145,024,989</u>
Commercial Tax	(152,912,335)	(99,964,337)
Insurance claimed and loss adjustment expenses	(543,930,863)	(206,317,719)
Surrender Value	(33,000)	
Expenses for the acquisition of insurance	<u>(453,994,572)</u>	<u>(349,273,661)</u>
Net Insurance Income	2,109,359,419	1,489,469,272
Income from Investments	1,259,653,352	1,300,038,114
Interest Income from Bank Saving Accounts	334,436,754	119,241,334
Other Income	<u>37,045,681</u>	<u>20,142,508</u>
Total Operating Income	<u>3,740,495,206</u>	<u>2,928,891,228</u>
Other Operating Expenses		
Advertising Expenses	(53,930,988)	(9,088,545)
Administration and General Expenses	(1,167,813,447)	(627,238,843)
Depreciation	(79,684,448)	(52,391,325)
Exchange Gain/(Loss)	-	-
Total Administration Expenses	<u>(1,301,428,883)</u>	<u>(688,718,713)</u>
Net Profit Before Tax and Reserves	2,439,066,323	2,240,172,515
Transfer to Life Assurance Reserve	(252,926,960)	(226,477,592)
Provision for Fire and General Insurance Reserve	(508,330,220)	(345,540,273)
provision for Marine Cargo Insurance Reserve	6,715,187	-
Provision for Comprehensive Motor Insurance Reserve	<u>(403,396,552)</u>	<u>(254,245,748)</u>
Net Profit Before Tax	1,281,127,778	1,413,908,902
Provision for Income Tax	<u>(400,000,000)</u>	<u>(353,474,925)</u>
Net Profit After Tax	881,127,778	1,060,433,977
General Specific Reserve	<u>(88,112,778)</u>	<u>(106,042,477)</u>
	<u>793,015,000</u>	<u>954,391,500</u>

See Accompanying Notes to the Financial Statements.

Authenticated by Directors;


(U Than Zaw)


(U Myo Min Thu)



AYA MYANMAR INSURANCE CO., LTD

STATEMENT OF INCOME

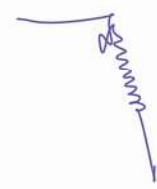
FOR THE YEAR ENDED MARCH 31, 2016

	Fire & General Insurance 2016		Comprehensive Motor Insurance 2016		Life Assurance 2016		Marine Insurance 2016		Total 2016		Total 2015	
	Kyat	Kyat	Kyat	Kyat	Kyat	Kyat	Kyat	Kyat	Kyat	Kyat	Kyat	Kyat
Insurance Premium Revenue	1,694,434,067.47	1,344,655,172.22	201,983,486.01	19,157,463.21	3,260,230,188.91	2,145,024,989.00						
Insurance Premium ceded to reinsurers	-	-	-	-	-	-	-	-	-	-	-	-
Net Insurance Premium Revenue	1,694,434,067.47	1,344,655,172.22	201,983,486.01	19,157,463.21	3,260,230,188.91	2,145,024,989.00						
Commercial Tax	(84,101,784.33)	(67,281,427.46)	-	(1,529,123.35)	(152,912,335.14)	(99,964,337.00)						
Insurance claimed and loss adjustment expenses	(145,239,375.15)	(389,996,687.60)	(8,694,800.00)	-	(543,930,862.75)	(206,317,719.00)						
Surrender Value	-	-	(33,000)	-	(33,000.00)	-						
Expenses for the acquisition of insurance	(286,862,225.68)	(148,744,672.65)	(15,299,826.88)	(3,087,846.62)	(453,994,571.83)	(349,273,661.00)						
Net Insurance Income	1,178,230,682.31	738,632,384.51	177,955,859.13	14,540,493.24	2,109,359,419.19	1,489,469,272.00						
Income from Investments	547,675,370.41	547,675,370.41	164,302,611.12	-	1,259,653,351.94	1,300,038,114.00						
Interest Income from Bank Saving Account	195,150,429.89	120,978,277.42	17,981,768.04	326,278.85	334,436,754.20	119,241,334.00						
Other Income	32,384,020.85	4,658,540.20	2,856.72	263.06	37,045,680.83	20,142,508.00						
Total Operating Income	1,953,440,503.46	1,411,944,572.54	360,243,095.01	14,867,035.15	3,740,495,206.16	2,928,891,228.00						
Other Operating Expenses												
Advertising Expenses	(21,039,375.45)	(23,828,388.74)	(8,658,620.24)	(404,603.37)	(53,930,987.80)	(9,088,545.00)						
Administration and General Expenses	(588,360,473.66)	(465,195,750.39)	(93,876,448.28)	(20,380,774.20)	(1,167,813,446.53)	(627,238,842.84)						
Depreciation	(41,435,913.20)	(32,670,623.87)	(4,781,066.91)	(796,844.48)	(79,684,448.46)	(52,391,325.00)						
Total Administration Expenses	(650,835,762.31)	(521,694,763.00)	(107,316,135.43)	(21,582,222.05)	(1,301,428,882.79)	(688,718,712.84)						
Net Profit/(Loss) Before Tax and Reserves	1,302,604,741.15	890,249,809.54	252,926,959.58	(6,715,186.90)	2,439,066,323.37	2,240,172,515.16						

See Accompanying Notes to the Financial Statements.

Authenticated by Directors;


(U Than Zaw)


(U Myo Min Thu)



AYA MYANMAR INSURANCE CO., LTD
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED MARCH 31, 2016

	Issued & Paid Up Capital	General Reserve	Life Assurance Reserve	Fire & General Insurance Reserve	Comprehensive Motor Insurance Reserve	General Specific Reserve	Retained Earning/ (Loss)	Kyat Total
Balance at 1 April 2014	46,000,000,000	-	115,132,115	110,263,380	62,148,019	36,017,461	286,033,289	46,609,594,264
Provision for Reserves	-	-	226,477,592	345,540,273	254,245,748	106,042,477	-	932,306,090
Profit for year	-	-	-	-	-	-	954,391,500	954,391,500
Adjustment for previous year	-	-	-	-	-	-	983,992	983,992
Balance at 31 March 2015	46,000,000,000	-	341,609,707	455,803,653	316,393,767	142,059,938	1,241,408,781	48,497,275,846
Provision for Reserves	-	-	252,926,960	501,615,033	403,396,552	88,112,778	-	1,246,051,323
Provision for General Reserves	-	650,000,000	-	-	-	-	(650,000,000)	-
Profit for year	-	-	-	-	-	-	793,015,000	793,015,000
Under provision for income tax	-	-	-	-	-	-	(158,090,236)	(158,090,236)
Adjustment for previous year	-	-	-	-	-	-	(10,024,750)	(10,024,750)
Balance at 31 March 2016	46,000,000,000	650,000,000	594,536,667	957,418,686	719,790,319	230,172,716	1,216,308,795	50,368,227,183



AYA MYANMAR INSURANCE CO., LTD

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH, 2016

	<u>Kyat</u>	<u>Kyat</u>
	<u>2016</u>	<u>2015</u>
(A) <u>Cash flows from operating activities</u>		
Net Profit before taxation	1,281,127,778	1,413,908,902
Adjustment for :		
Previous Year-adjustment	(10,024,750)	983,992
Depreciation	79,684,448	52,391,325
Provision for Reserves	1,157,938,545	826,263,613
Operating Profit before working capital changes	<u>2,508,726,022</u>	<u>2,293,547,832</u>
Trade and other receivables, etc	(173,244,758)	(55,393,740)
Inventories	(1,660,777)	(3,974,926)
Trade and other payables, etc	250,545,995	286,142,894
Cash generated (used) from operations	<u>2,584,366,482</u>	<u>2,520,322,060</u>
Income taxes paid	(531,465,161)	(385,158,202)
<i>Net cash from operating activities</i>	<u>(A) 2,052,901,321</u>	<u>2,135,163,858</u>
(B) <u>Cash flows from investing activities</u>		
Acquisition of investment	-	-
Purchase of property, plant and equipment	(205,511,106)	(27,452,200)
<i>Net cash provided (used) in investing activities</i>	<u>(B) (205,511,106)</u>	<u>(27,452,200)</u>
(C) <u>Cash flows from financing activities</u>		
Proceeds from issuance of share capital	-	-
Dividends paid	-	-
<i>Net cash provided (used) in financing activities</i>	<u>(C) -</u>	<u>-</u>
Net Increase in cash and cash equivalents (A+B+C)	1,847,390,215	2,107,711,658
Cash and cash equivalents at beginning of year	8,140,935,794	6,033,224,136
Cash and cash equivalents at end of year	<u>9,988,326,009</u>	<u>8,140,935,794</u>
	9,988,326,009	8,140,935,794
See Accompanying Notes to the Financial Statements.	0.18	-



AYA MYANMAR INSURANCE COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016

1.0 CORPORATE INFORMATION

AYA Myanmar Insurance Company Limited was incorporated as a private Company by a Certificate of Incorporation No.3417/2012-2013 dated 19th November 2012 and holding Insurance Business License No.008 dated 14th June 2013, issued by the Insurance Business Supervisory Board under the Insurance Business Law.

The business activities are to carry out Life assurance, Fire Insurance, Comprehensive Motor Insurance, Marine Insurance, Cash in transit Insurance: Cash in Safe Insurance and Fidelity Insurance.

2.0 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Accounting Period

The Accounting period covers from 1 April, 2015 to 31 March, 2016, the Mandatory Myanmar fiscal year end.

2.2 Basis of Preparation

The Financial Statements have been prepared under the historical cost convention and in accordance with the Myanmar Financial Reporting Standards.

The financial statements are presented in Myanmar Kyats.

2.3 Property, Plant & Equipment

Property, Plant & Equipment are stated at cost less accumulated depreciation. Depreciation is computed under straight line method and rates of depreciation are as follows;

Plant & Machinery	6.25%,25	%	Per annum
Motor Vehicle	12.5	%	Per annum
Telecommunication Equipment	10	%	Per annum
Computer & Accessories	20	%	Per annum
Office Furniture & Fitting	5	%	Per annum
Office Equipment	5%, 20	%	Per annum

No depreciation on Building was made during the year.

2.4 Investments

Represent three year Treasury Bonds 1,380 numbers of Kyat 10,000,000 (Kyat Ten Million) each, stated at cost.

2.5 Inventory

Inventories such as stamp, stationary and advertising material are stated at cost.

2.6 Revenue Recognition

Premium on public life assurance, group life insurance, sportsman accident insurance, snake bite insurance, fire & general insurance, cash in transit insurance, cash in safe insurance, fidelity insurance, comprehensive motor insurance and marine insurance are recognized as income at the time of cash received and the portion of the premium related to the unexpired portion of the policy at the end of financial year is not reflected in unearned premium.



Co Insurance Premium in accordance with Co Insurance Agreement is recognized as Co Insurance Premium Income at the time of cash received for their portion.

Reinstatement fee is paid by policyholders to extend their policy term when the case is occurred in accordance with their policy agreement that it is recognized as Reinstatement Premium Income.

Interest received from Treasury bonds is recognized as Income from Investment.

Interest received from Life Assurance Saving Account and Fire & General and Comprehensive Motor Insurance Saving Account are recognized as Interest Income.

2.7 Co Insurance

Nine private insurance companies except Myanmar Insurance entered into a Co-Insurance Agreement which defined as “ the exceed amount over the sum insured amount relating to Fire Insurance (maximum ceiling amount Kyats 500,000,000 (Kyats Five hundred Million)) and Comprehensive Motor Insurance (maximum ceiling amount Kyats 300,000,000 (Kyats Three hundred Million)) will be allocated between Myanmar Insurance and eight private insurance companies. Insurance premium will be allocated within the parties as per Co-Insurance Agreement and allocation of insurance premium base on net amount of insurance premium after deducting the amount of commission, if service rendered to an agent.

Promoter has a right to get the benefit of 10% commission on insurance premium sharing.

2.8 Agent Commission

Agent Commission are recognized as expenses for the acquisition of insurance upon payments for principle where upon commission due to agents are also taken up in the financial statements. The agent commission rate of acquisition policy is instructed by the Insurance Business Supervisory Board, as follows:

Fire Insurance -20% for new business policy and 10% for extension policy.

Comprehensive Motor Insurance -18% for first year and 10% for second year.

2.9 Commercial Tax

Commercial Tax 5% is calculated based on the premium income of Fire & General Insurance and Comprehensive Motor Insurance and Marine Insurance.

2.10 Corporate Income Tax

Provision for Corporate Income Tax was made for the financial year 2015-2016 on profit after provision of life Assurance Reserve, Fire and General Insurance Reserve and comprehensive Motor Insurance Reserve as per instruction No. 2/2014 of Insurance Supervision Committee dated 24 March 2014. It is observed that life Assurance Reserve of Kyat253 million was made in the accounts against life insurance premium revenue of Kyat 202 million only.

3.0 APPROVAL OF FINANCIAL STATEMENTS

These financial statements were approved by the Board of Directors and authorized for issue on October, 2016.



"As your Partner for Life, AMI aims to ensure the country's key lifelines by providing professional and reliable service, footed on a rock-solid financial background. Through our experience, we understand the needs of our clients and aim to play an integral role in assuring their futures. We are beyond an insurance company, we form a part of shaping Myanmar's future."



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