

Registration Number: 149169466

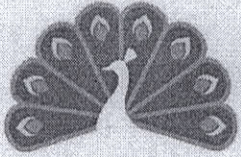
Myanmar Citizens Bank Limited
Interim Condensed Financial Statements

31 March 2019

WIN THIN & ASSOCIATES
CERTIFIED PUBLIC ACCOUNTANTS

MYANMAR CITIZENS BANK LIMITED
INTERIM CONDENSED FINANCIAL STATEMENTS
AS AT MARCH 31, 2019

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STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR MYANMAR CITIZENS BANK LIMITED

It is the responsibility of the management to prepare the interim condensed financial statements for the financial period which give a true and fair view of the financial position of **Myanmar Citizens Bank Limited** (the Bank) as of March 31, 2019 and of its financial performance and its cash flows for the period then ended. In preparing these financial statements, the management is required to:

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

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

On behalf of Management

U Toe Aung Myint
Chairman
Myanmar Citizens Bank Limited

June 26, 2019



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WIN THIN & ASSOCIATES

CERTIFIED PUBLIC ACCOUNTANTS

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Ref: 329/M- 294/March 2019

Report on Review of Interim Condensed Financial Information

To the members of Myanmar Citizens Bank Limited

Introduction

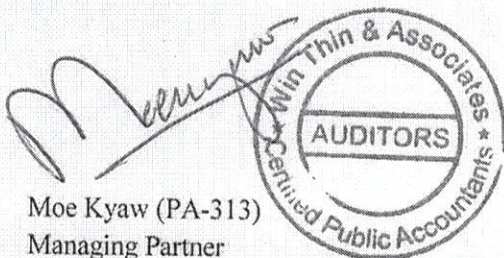
We have reviewed the accompanying interim condensed financial statements of **Myanmar Citizens Bank Limited** (the Bank) which comprise the interim condensed statement of financial position as at March 31, 2019 and the related interim condensed statements of comprehensive income, changes in equity and cash flows for the six-month period then ended, and a summary of significant accounting policies and other explanatory notes. Management is responsible for the preparation and fair presentation of this interim condensed financial information in accordance with Myanmar Accounting Standard 34 *Interim Financial Reporting*. Our responsibility is to express a conclusion on this interim condensed financial information based on our review.

Scope of Review

We conducted our review in accordance with Myanmar Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim condensed financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Myanmar Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed financial information does not give a true and fair view of the financial position of the bank as at March 31, 2019, and of its financial performance and its cash flows for the six-month period then ended in accordance with Myanmar Accounting Standard 34 *Interim Financial Reporting*.



Moe Kyaw (PA-313)

Managing Partner

WIN THIN & ASSOCIATES

CERTIFIED PUBLIC ACCOUNTANTS

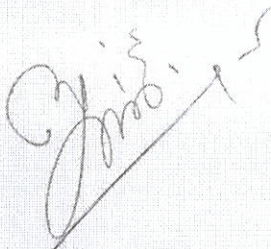
June 26, 2019

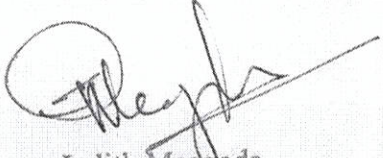
MYANMAR CITIZENS BANK LIMITED
INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2019

	Note	March 31, 2019 <u>MMK</u>	September 30, 2018 <u>MMK</u>
Assets			
Cash in hand and at bank	3	54,158,175,116	61,474,952,943
Loan and advance	4	294,533,383,494	230,496,367,772
Investment	5	60,610,760,876	59,871,153,048
Other assets	6	10,688,281,967	7,040,336,614
Property and equipment	7	14,839,781,804	13,750,316,732
Intangible Asset	8	3,727,783,044	3,555,988,706
Total assets		438,558,166,301	376,189,115,815
Liabilities			
Deposit from customer	9	334,349,343,447	283,222,102,714
Other liabilities	10	14,918,244,216	12,545,796,154
Borrowing	11	16,000,000,000	9,000,000,000
Total liabilities		365,267,587,663	304,767,898,868
Equity			
Share Capital	12	57,124,662,800	57,124,662,800
Reserve	13	13,908,596,044	12,160,515,307
Retained earning		2,257,319,794	2,136,038,840
Total equity		73,290,578,638	71,421,216,947
Total liabilities and equity		438,558,166,301	376,189,115,815

See accompanying notes to interim condensed financial statements

Authenticated by:


TOE AUNG MYINT
 Chairman (Board of Directors)
 Myanmar Citizens Bank Ltd.


Lalith Meegoda
 Chief Financial Officer
 Myanmar Citizens Bank Public Co., Ltd.

MYANMAR CITIZENS BANK LIMITED
INTERIM CONDENSED STATEMENT OF COMPREHENSIVE INCOME
FOR THE SIX-MONTH PERIOD ENDED MARCH 31, 2019

	Note	March 31, 2019 <u>MMK</u>	March 31, 2018 <u>MMK</u>
Interest income	14	17,922,546,747	12,506,251,017
Interest expense	15	(12,351,787,047)	(7,309,467,894)
Net interest income		5,570,759,700	5,196,783,123
Net fee and commission income	16	3,260,973,317	2,423,722,342
Decrease of specific provision		-	24,407,348
Other operating income	17	271,727,368	94,212,071
Income before operating expenses		9,103,460,385	7,739,124,884
Personnel expense	18	(3,877,013,983)	(3,117,372,974)
Administration and general expense	19	(2,087,890,760)	(1,654,645,286)
Depreciation and amortization	7,8	(763,877,536)	(401,889,013)
Profit before income tax		2,374,678,106	2,565,217,611
Income tax expense		(505,316,415)	(508,162,053)
Profit for the year		1,869,361,691	2,057,055,558
Other comprehensive income		-	-
Total comprehensive income		1,869,361,691	2,057,055,558

Earnings per share (Kyat per share)

Basic Earnings per share	20	180	198
Diluted Earnings per share	20	180	198

See accompanying notes to interim condensed financial statements

MYANMAR CITIZENS BANK LIMITED
INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY
FOR THE SIX-MONTH PERIOD ENDED MARCH 31, 2019

	Share Capital <u>MMK</u>	Reserve <u>MMK</u>	Retained Earnings <u>MMK</u>	Total <u>MMK</u>
For the period from 1-10- 2018 to 31-3 -2019				
Balances at 1-10-2018	57,124,662,800	12,160,515,307	2,136,038,840	71,421,216,947
Provision for the year	-	1,748,080,737	(1,748,080,737)	-
Dividend paid	-	-	-	-
Profit for the period	-	-	1,869,361,691	1,869,361,691
Balances at 31-3-2019	57,124,662,800	13,908,596,044	2,257,319,794	73,290,578,638
For the period from 1-10-2017 to 30-9-2018				
Balances at 1-10-2017	57,124,662,800	8,997,419,278	1,446,624,270	67,568,706,348
From 1-10-2017 to 31-3-2018				
Prior year adjustments	-	-	70,604,009	70,604,009
Provision for the year	-	1,363,045,044	(1,363,045,044)	-
Dividend	-	-	-	-
Profit for the period	-	-	2,057,055,558	2,057,055,558
From 1-4-2018 to 30-9-2018				
Prior year adjustments	-	-	-	-
Provision for the year	-	1,800,050,985	(1,800,050,985)	-
Dividend	-	-	(2,080,197,200)	(2,080,197,200)
Profit for the period	-	-	3,805,048,232	3,805,048,232
Balances at 30-9-2018	57,124,662,800	12,160,515,307	2,136,038,840	71,421,216,947

See accompanying notes to interim condensed financial statements

MYANMAR CITIZENS BANK LIMITED
INTERIM CONDENSED STATEMENT OF CASH FLOWS
FOR THE SIX-MONTH PERIOD ENDED MARCH 31, 2019

	Note	March 31, 2019 <u>MMK</u>	March 31, 2018 <u>MMK</u>
CASH FLOW FROM OPERATING ACTIVITIES			
Net profit before tax		2,374,678,106	2,565,217,611
Adjustment			
Depreciation		527,544,035	357,621,351
Amortization		236,333,501	44,267,662
Dividend income		-	-
Prior Year adjustment		-	70,604,009
Write off expense		31,402,743	-
Loss on disposal		744,173	-
Operating profit/ (loss) before working capital changes		<u>3,170,702,558</u>	<u>3,037,710,633</u>
<i>Working capital changes:</i>			-
Loan and advance		(64,037,015,722)	(26,212,051,076)
Other assets		(2,775,468,479)	(95,609,603)
Deposit from customer		51,127,240,733	23,415,144,080
Other liabilities		1,874,269,163	(211,381,546)
Net cash used in operating activities		<u>(10,640,271,747)</u>	<u>(66,187,512)</u>
Income tax paid		(872,476,874)	(590,241,931)
Net cash (used in)/provided by operating activities		<u>(11,512,748,621)</u>	<u>(656,429,443)</u>
CASH FLOW FROM INVESTING ACTIVITIES			
Sale proceed from fixed asset		1,970,797	-
Purchase of Treasury Bond, Investment		(739,607,828)	(9,461,496,246)
Dividend Income		-	-
Purchase of Property Plant & Equipment		(1,619,724,077)	(1,118,951,832)
Addition of Intangible Asset		(439,530,582)	(108,985,250)
Net cash used in investing activities		<u>(2,796,891,690)</u>	<u>(10,689,433,328)</u>
CASH FLOW FROM FINANCING ACTIVITIES			
Borrowing		7,000,000,000	-
Dividends paid		(7,137,516)	(22,672,137)
Net cash from financing activities		<u>6,992,862,484</u>	<u>(22,672,137)</u>
Net increase/ (decrease) in cash and cash equivalents from 1 October to 31 March		(7,316,777,827)	(11,368,534,908)
Net increase/ (decrease) in cash and cash equivalents from 1 April to 30 September		-	12,227,508,400
Cash and cash equivalent as at 1-10-2018/ 1-10-2017		61,474,952,943	60,615,979,451
Cash and cash equivalent as at 31-3-2019/ 30-9-2018	3	<u>54,158,175,116</u>	<u>61,474,952,943</u>
<i>See accompanying notes to interim condensed financial statements</i>			

MYANMAR CITIZENS BANK LIMITED
NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED MARCH 31, 2019

1. General Information

Myanmar Citizens Bank Limited (the Bank) is incorporated and domiciled in Myanmar and has its registered office at No. 256/260, Sule Pagoda Road, Kyauktada Township, Yangon Region, Union of Myanmar.

The Bank was established as a public bank on October 30, 1991 as per Registration No. 274/1991-1992 under The Myanmar Companies Act. The Bank has been re-registered according to new Myanmar Company Law as per registration no. 149169466. The Bank was permitted to carry out banking business under new Licence No. Ma Va Ba/Pa Ba (R)-01/08/ (7) 2016 issued by the Central Bank of Myanmar (CBM) according to Section 176 of the Myanmar Financial Institution Law 2016. The principal activities of the Bank are to acceptance of public deposit, grant loans, trade services and other permitted activities subject to the approval of the CBM under chapter IX of the Financial Institution Law.

The interim condensed financial statements for the six-month period ended March 31, 2019 were approved and authorized for issue by the Board of Directors on June 26, 2019.

2. Basis of preparation and accounting policies

The interim condensed financial statements for the six months period ended March 31, 2019 have been prepared in accordance with Myanmar Accounting Standard 34 *Interim Financial Reporting*.

The interim condensed financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the annual financial statements as at September 30, 2018.

The accounting policies adopted in the preparation of the interim condensed financial statements are consistent with those followed in the preparation of the Bank's annual financial statements for the year ended September 30, 2018.

3. Cash in hand and at bank

	March 31, 2019 <u>MMK</u>	September 30, 2018 <u>MMK</u>
Cash in hand	21,620,605,982	23,157,908,120
Cash and balances with central bank	19,969,102,423	22,684,354,699
Cash with banks & other financial institution	<u>12,568,466,711</u>	<u>15,632,690,124</u>
	<u>54,158,175,116</u>	<u>61,474,952,943</u>

MYANMAR CITIZENS BANK LIMITED
NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED MARCH 31, 2019

4. Loan and advance

	March 31, 2019 <u>MMK</u>	September 30, 2018 <u>MMK</u>
Demand loan	100,758,396,093	93,742,463,659
Overdraft	26,302,003,410	23,147,650,745
Hire Purchase	152,566,953,847	102,616,553,019
SME loan	12,260,147,650	8,310,301,422
Trade Guarantee	2,515,323,407	2,723,013,629
Personal loan	394,799,333	106,457,593
Staff loan	26,982,232	141,150,183
	<u>294,824,605,972</u>	<u>230,787,590,250</u>
Specific provision	(291,222,478)	(291,222,478)
	<u>294,533,383,494</u>	<u>230,496,367,772</u>

5. Investment

	March 31, 2019 <u>MMK</u>	September 30, 2018 <u>MMK</u>
Treasury Bond	29,056,145,526	21,500,000,000
Treasury Bill	13,482,415,350	8,844,653,048
Deposit auction	-	4,000,000,000
Time Deposits with other bank	17,741,200,000	25,195,500,000
Myanmar Payment Union	200,000,000	200,000,000
Credit Bureau	130,000,000	130,000,000
Stock and Share	1,000,000	1,000,000
	<u>60,610,760,876</u>	<u>59,871,153,048</u>

6. Other assets

	March 31, 2019 <u>MMK</u>	September 30, 2018 <u>MMK</u>
Deposit for 663 mobile money	66,208,880	66,208,880
Interest receivable on investment	866,892,938	1,323,128,704
Interest receivable on loan and advance	3,615,881,143	2,132,685,624
Prepayment and advance	5,492,074,511	3,255,187,645
Receivable from business partner	27,722,034	164,921,484
Debit note receivable	196,357,417	-
Suspense	423,145,044	98,204,277
	<u>10,688,281,967</u>	<u>7,040,336,614</u>

MYANMAR CITIZENS BANK LIMITED
NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED MARCH 31, 2019

7. Property, Plant & Equipment

	<u>Land & Building</u>	<u>Leasehold improvement</u>	<u>Motor Vehicle</u>	<u>Furniture and Office Equipment</u>	<u>Plant & Machinery</u>	<u>Total</u>
	<u>MMK</u>	<u>MMK</u>	<u>MMK</u>	<u>MMK</u>	<u>MMK</u>	<u>MMK</u>
For the six months ended 31-3-2019						
<u>Cost</u>						
At 1-10-2018	10,228,123,753	1,448,482,584	1,277,260,686	2,814,193,693	498,250,600	16,266,311,316
Addition	139,889,827	443,930,363	57,588,000	803,002,947	175,312,940	1,619,724,077
Disposal	-	-	-	(121,270,107)	-	(121,270,107)
At 31-3-2019	10,368,013,580	1,892,412,947	1,334,848,686	3,495,926,533	673,563,540	17,764,765,286
<u>Accumulated depreciation</u>						
At 1-10-2018	432,512,520	285,257,048	592,400,874	1,138,651,679	67,172,463	2,515,994,584
Charge for the period	45,122,587	127,898,460	77,612,417	256,015,359	20,895,212	527,544,035
Disposal	-	-	-	(118,555,137)	-	(118,555,137)
At 31-3- 2019	477,635,107	413,155,508	670,013,291	1,276,111,901	88,067,675	2,924,983,482
Net Book Value at 31-3-2019	9,890,378,473	1,479,257,439	664,835,395	2,219,814,632	585,495,865	14,839,781,804
For the year ended 30-9-2018						
<u>Cost</u>						
At 1 -10-2017	10,265,041,288	568,236,858	1,230,100,686	1,762,392,366	299,570,880	14,125,342,078
Addition (From 1-10-2017 to 31-3-2018)	(108,073,614)	562,311,375	1,360,000	578,231,751	85,122,320	1,118,951,832
Addition (From 1-4-2018 to 30-9-2018)	71,156,079	317,934,351	45,800,000	473,817,576	113,557,400	1,022,265,406
Write off (From 1-4-2018 to 30-9-2018)	-	-	-	(248,000)	-	(248,000)
At 30-9- 2018	10,228,123,753	1,448,482,584	1,277,260,686	2,814,193,693	498,250,600	16,266,311,316
<u>Accumulated depreciation</u>						
At 1-10- 2017	341,655,629	58,345,730	444,461,416	818,800,646	31,750,816	1,695,014,237
Charge (From 1-10-2017 to 31-3-2018)	46,565,522	89,136,890	73,926,291	128,131,387	19,861,261	357,621,351
Charge (From 1-4-2018 to 30-9-2018)	44,291,369	137,774,428	74,013,167	191,772,346	15,560,386	463,411,696
Write off (From 1-4-2018 to 30-9-2018)	-	-	-	(52,700)	-	(52,700)
At 30-9-2018	432,512,520	285,257,048	592,400,874	1,138,651,679	67,172,463	2,515,994,584
Net Book Value at 30-9-2018	9,795,611,233	1,163,225,536	684,859,812	1,675,542,014	431,078,137	13,750,316,732

MYANMAR CITIZENS BANK LIMITED
 NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
 FOR THE SIX-MONTH PERIOD ENDED MARCH 31, 2019

8. Intangible Asset

	Cost MMK	Amortization MMK	Net Book Value MMK
For the six months ended 31-3-2019			
As at 1-10- 2018	3,839,385,179	283,396,473	3,555,988,706
Addition from 1-10-2018 to 31-3-2019	439,530,582	236,333,501	203,197,081
Write off from 1-10-2018 to 31-3-2019	(74,820,107)	(43,417,364)	(31,402,743)
As at 31-3-2019	4,204,095,654	476,312,610	3,727,783,044
For the year ended 30-3- 2018			
As at 1-10-2017	207,391,003	104,435,720	102,955,283
Addition from 1-10-2017 to 31-3-2018	108,985,250	44,267,662	64,717,588
Addition from 1-4-2018 to 30-9-2018	3,523,735,441	135,419,606	3,388,315,835
Write off from 1-10-2017 to 31-3-2018	-	-	-
Write off from 1-4-2018 to 30-9-2018	(726,515)	(726,515)	-
As at 30-9- 2018	3,839,385,179	283,396,473	3,555,988,706

9. Deposit from customer

	March 31, 2019 MMK	September 30, 2018 MMK
Call deposit	13,159,636,481	31,557,708,537
Time Deposit	166,839,195,592	129,588,612,574
Current Deposit	27,697,029,607	30,660,637,137
Saving Deposit	123,696,644,308	89,128,689,782
Saving Deposit (ATM)	2,469,289,511	1,903,711,211
Current Deposit (Citizen Card)	487,547,948	382,743,473
	334,349,343,447	283,222,102,714

MYANMAR CITIZENS BANK LIMITED
NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED MARCH 31, 2019

10. Other Liabilities

	March 31, 2019 <u>MMK</u>	September 30, 2018 <u>MMK</u>
Staff benefit	19,368,736	837,204,640
Interest in suspense	2,607,837,285	1,473,843,455
Interest payable	5,438,109,247	3,677,653,599
Other payable	2,583,589,416	2,576,884,794
Payable to business partner	84,700,105	194,535,214
Payment Order	1,191,047,905	756,081,715
Sundry deposit	822,765,039	473,329,403
Bonus payable	460,652,800	-
Interest recovered in advance	1,710,173,683	2,556,263,334
	<u>14,918,244,216</u>	<u>12,545,796,154</u>

11. Borrowing

	March 31, 2019			September 30, 2018		
	<u>Maturity Date</u>	<u>Interest rate</u>	<u>Amount (MMK)</u>	<u>Maturity Date</u>	<u>Interest rate</u>	<u>Amount (MMK)</u>
Ayeyarwaddy Bank	09-04-19	10.0%	4,000,000,000	09-04-19	10.00%	4,000,000,000
Kanbawza Bank	12-04-19	9.0%	3,000,000,000	04-10-18	4.50%	2,000,000,000
Glory Farmer Development Bank	03-04-19	8.0%	3,000,000,000	-	-	-
Co-operative Bank	04-06-19	9.5%	3,000,000,000	-	-	-
United Amara Bank	22-04-19	9.3%	3,000,000,000	-	-	-
Asia Green Development Bank	-	-	-	18-12-18	6.85%	3,000,000,000
			<u>16,000,000,000</u>			<u>9,000,000,000</u>

12. Share capital

	March 31, 2019	September 30, 2018
Number of share	10,400,986	10,400,986
Share capital (MMK)	57,124,662,800	57,124,662,800

The above amount includes share premium of previous year amounting to MMK 5,119,732,800 as no par value is required as per Myanmar Companies Law 2017.

MYANMAR CITIZENS BANK LIMITED
NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED MARCH 31, 2019

13. Reserve

	Statutory Reserve Fund ⁽¹⁾	General Provision For Loan & Advance ⁽²⁾	Reserve For Contingencies Account	Total
	<u>MMK</u>	<u>MMK</u>	<u>MMK</u>	<u>MMK</u>
Balances at 1-10-2018	7,532,763,502	4,615,751,805	12,000,000	12,160,515,307
Provision from 1-10-2018 to 31-3-2019	467,340,423	1,280,740,314	-	1,748,080,737
Balances at 31-3-2019	8,000,103,925	5,896,492,119	12,000,000	13,908,596,044
Balances at 1-10-2017	5,788,659,000	3,196,760,278	12,000,000	8,997,419,278
Provision from 1-10-2017 to 31-3-2018	792,842,444	570,202,600	-	1,363,045,044
Provision from 1-4-2018 to 30-9-2018	951,262,058	848,788,927	-	1,800,050,985
Balances at 30-9-2018	7,532,763,502	4,615,751,805	12,000,000	12,160,515,307

⁽¹⁾In compliance with Section 35(a) of the Financial Institutions of Myanmar Law, 25% of the net profit after tax has been set aside as statutory reserve fund and is not distributable as cash dividends.

⁽²⁾In compliance with Central Bank Instruction No (6), 2% of total balance of loans and advances have been set aside as reserve for bad and doubtful debts.

14. Interest income

	March 31, 2019	March 31, 2018
	<u>MMK</u>	<u>MMK</u>
Interest on Hire Purchase	8,091,108,296	3,249,097,573
Interest on Loan and advance	6,513,321,683	6,557,069,092
Interest on SME Loan	397,635,300	218,727,619
Interest on Trade Guarantee	169,925,142	102,558,358
Interest on Personal loan	7,671,719	-
Interest on Investment	2,742,884,607	2,378,798,375
	17,922,546,747	12,506,251,017
<u>Note: Interest income rates</u>		
Interest on loan and advance	12.00%	12.00%
Deposit with Other Banks	8.00%	8.00%
Time Deposit rate are as follow:		
1 month	9.00%	9.00%
3 month	9.25%	9.25%
6 month	9.50%	9.50%
9 month	9.75%	9.75%
12 month	10.00%	10.00%

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15. Interest Expense

	March 31, 2019 <u>MMK</u>	March 31, 2018 <u>MMK</u>
Interest expenses on saving deposit	4,167,533,946	2,409,023,909
Interest expenses on time deposit	7,369,259,274	4,463,640,430
Interest expenses on Call deposit	418,755,333	417,797,817
Interest expenses on ATM deposit	27,830,649	19,005,738
Interest expenses on interbank borrowing	368,407,845	-
	<u>12,351,787,047</u>	<u>7,309,467,894</u>

Note:

The savings deposit rate was 8.25% and is calculated on the minimum balance of the account during the period from the 5 day to end of the month.

Time deposits rate are as follows:

1 month	9.00%	9.00%
3 month	9.25%	9.25%
6 month	9.65%	9.50%
9 month	9.90%	9.75%
12 month	10.15%	10.00%

Call deposit rate was 4% on any amount and was calculated based on minimum daily balance.

16. Net Fee and commission income

	March 31, 2019 <u>MMK</u>	March 31, 2018 <u>MMK</u>
Fees and commission Income		
Commission	2,999,272,912	1,877,386,853
Service charges	340,851,314	628,386,955
663 Commission	-	493,160
Card related income	16,965,567	26,353,071
Other fees income	859,002	803,993
	<u>3,357,948,795</u>	<u>2,533,424,032</u>
Fees and commission expense		
Bank commission and service charges	21,641,643	98,482,368
Card related expense	72,262,535	6,834,522
Other fee expense	3,071,300	4,384,800
	<u>96,975,478</u>	<u>109,701,690</u>
	<u>3,260,973,317</u>	<u>2,423,722,342</u>

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17. Other income

	March 31, 2019 <u>MMK</u>	March 31, 2018 <u>MMK</u>
Net Income from foreign currency transaction	176,235,086	21,572,888
Miscellaneous income	95,492,282	72,639,183
	<u>271,727,368</u>	<u>94,212,071</u>

18. Personnel expense

	March 31, 2019 <u>MMK</u>	March 31, 2018 <u>MMK</u>
Salaries and wages (local)	2,881,277,185	2,119,391,066
Salaries and wages (foreign)	304,443,194	639,789,778
Bonus expense	495,303,465	210,015,650
Overtime Allowance	52,240,956	29,149,200
Contribution to employee benefit	58,218,369	87,027,383
Other staff related expense	85,530,814	31,999,897
	<u>3,877,013,983</u>	<u>3,117,372,974</u>

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19. Administration and general expense

	March 31, 2019	March 31, 2018
	<u>MMK</u>	<u>MMK</u>
AGM expenses	-	25,000,000
Donation and Entertainment	73,706,520	59,228,909
Insurance	33,966,723	30,596,673
Directors' remuneration	8,700,000	27,500,000
Marketing and advertising expense	25,978,415	53,410,225
Miscellaneous expense	49,023,138	205,303,768
Office supply	304,877,630	105,389,066
Professional service fee	157,778,631	115,205,284
Rate and tax	18,389,861	38,178,593
Registration and License	113,839,038	60,697,845
Rent	801,956,593	407,354,792
Repair and maintenance	168,072,182	199,474,827
Travel & Transportation	114,733,848	106,162,601
Utilities expense	180,645,236	166,539,851
Loss/(gain) on Revaluation	4,076,029	54,602,852
Write off expense	31,402,743	-
Loss on disposal	744,173	-
	<u>2,087,890,760</u>	<u>1,654,645,286</u>

20. Earnings per share

(a) Basic earnings per share

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

	March 31, 2019	March 31, 2018
Net profit attributable to equity holders of the Bank (MMK)	1,869,361,691	2,057,055,558
Weighted average number of ordinary shares outstanding for basic earnings per share	10,400,986	10,400,986
Basic earnings per share (MMK)	<u>180</u>	<u>198</u>

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(b) Diluted earnings per share

	March 31, 2019	March 31, 2018
Net profit attributable to equity holders (MMK)	<u>1,869,361,691</u>	2,057,055,558
Weighted average number of ordinary shares in issue	10,400,986	10,400,986
Effects of dilution	-	-
Adjusted weighted average number of ordinary shares in issue	<u>10,400,986</u>	10,400,986
Diluted earnings per share (MMK)	<u>180</u>	198

21. Related party transactions

Related parties include the Bank's key management personnel and their related parties. Key management personnel refer to the Bank's directors and members of its Management Executive Committee and officer.

In addition to those disclosed elsewhere in the financial statements, the following significant related party transactions took place during the financial year, on terms agreed between the parties.

	31 March 2019 <u>MMK</u>
(a) Sales and purchase of goods and services	
<i>Rental expenses paid to</i>	
- The firms in which the directors of the bank have a financial interest	63,000,000
- Shareholder	<u>227,235,547</u>
	<u>290,235,547</u>
(b) Outstanding balances	
<i>Prepaid rental to</i>	
- The firms in which the directors of the bank have a financial interest	156,400,000
- Shareholder	<u>265,663,800</u>
	<u>422,063,800</u>
(c) Key management personnel compensation	
- Salary and wages	692,963,381
- Director remuneration	8,700,000
	<u>701,663,381</u>

22. Acceptance, Endorsement and Guarantee

Receivable and payable of Acceptance, Endorsement and Guarantee were offset in the interim condensed statement of financial position. Balance as at March 31, 2019 was Ks 15,407,881,981. (September 30, 2018; Ks 3,242,128,842).