

MYANMAR CITIZENS BANK PUBLIC COMPANY LIMITED
INTERIM CONDENSED FINANCIAL STATEMENTS
AS AT MARCH 2020

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Registration Number: 149169466

**Myanmar Citizens Bank Public Company Limited
Interim Condensed Financial Statements**

31 March 2020

Currency- Myanmar Kyat

**WIN THIN & ASSOCIATES
CERTIFIED PUBLIC ACCOUNTANTS**

MYANMAR CITIZENS BANK PUBLIC COMPANY LIMITED
INTERIM CONDENSED FINANCIAL STATEMENTS
AS AT MARCH 31, 2020

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STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR MYANMAR CITIZENS BANK PUBLIC COMPANY 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 Public Company Limited** (the Bank) as of March 31, 2020 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


Mr. Godfrey Swain
Chief Executive Officer
Myanmar Citizens Bank Public Company Limited

July 7, 2020



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WIN THIN & ASSOCIATES

CERTIFIED PUBLIC ACCOUNTANTS

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Ref: 1671/M- 294/March 2020

Report on Review of Interim Condensed Financial Information

To the members of Myanmar Citizens Bank Public Company Limited

Introduction

We have reviewed the accompanying interim condensed financial statements of **Myanmar Citizens Bank Public Company Limited** (the Bank) which comprise the interim condensed statement of financial position as at March 31, 2020 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, 2020, 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*.

Nay Min Thant (PA-466)

Partner

WIN THIN & ASSOCIATES

CERTIFIED PUBLIC ACCOUNTANTS



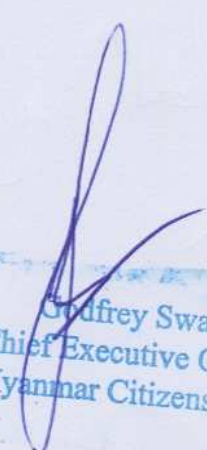
July 7, 2020


MYANMAR CITIZENS BANK PUBLIC COMPANY LIMITED
INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2020

	Note	March 31, 2020 <u>MMK</u>	September 30, 2019 <u>MMK</u>
Assets			
Cash in hand and at bank	3	78,716,947,233	78,049,507,652
Loan and advance	4	332,256,653,634	315,298,403,755
Investment	5	108,576,231,186	103,795,951,300
Other assets	6	15,122,787,761	9,121,471,197
Property and equipment	7	16,097,726,801	15,569,478,699
Intangible Asset	8	3,741,326,575	3,483,145,152
Total assets		554,511,673,190	525,317,957,755
Liabilities			
Deposit from customers	9	463,585,641,649	434,045,333,412
Other liabilities	10	19,835,738,514	15,452,360,925
Borrowing	11	-	1,000,000,000
Total liabilities		483,421,380,163	450,497,694,337
Equity			
Share Capital	12	57,124,662,800	57,124,662,800
Reserve	13	13,137,005,106	13,015,410,579
Retained earning		828,625,121	4,680,190,039
Total equity		71,090,293,027	74,820,263,418
Total liabilities and equity		554,511,673,190	525,317,957,755

See accompanying notes to interim condensed financial statements

Authenticated by:


 Godfrey Swain
 Chief Executive Officer
 Myanmar Citizens Bank


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

MYANMAR CITIZENS BANK PUBLIC COMPANY LIMITED
INTERIM CONDENSED STATEMENT OF COMPREHENSIVE INCOME
FOR THE SIX-MONTH PERIOD ENDED MARCH 31, 2020

	Note	March 31, 2020 <u>MMK</u>	March 31, 2019 <u>MMK</u>
Interest income	14	23,111,082,932	17,922,546,747
Interest expense	15	(17,477,467,912)	(12,351,787,047)
Net interest income		5,633,615,020	5,570,759,700
Net fee and commission income	16	1,933,756,422	3,260,973,317
Other income	17	(23,136,431)	271,727,368
Income before operating expenses		7,544,235,011	9,103,460,385
Personnel expense	18	(3,720,227,508)	(3,877,013,983)
Administration and general expense	19	(2,286,281,767)	(2,087,890,760)
Depreciation and amortization	7,8	(929,753,103)	(763,877,536)
Profit before income tax		607,972,633	2,374,678,106
Income tax expense		(121,594,527)	(505,316,415)
Profit for the period		486,378,106	1,869,361,691
Other comprehensive income		-	-
Total comprehensive income		486,378,106	1,869,361,691
<i>Earnings per share (Kyat per share)</i>			
Basic Earnings per share	20	47	180
Diluted Earnings per share	20	47	180

See accompanying notes to interim condensed financial statements

MYANMAR CITIZENS BANK PUBLIC COMPANY LIMITED
INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY
FOR THE SIX-MONTH PERIOD ENDED MARCH 31, 2020

	Share Capital MMK	Reserve MMK	Retained Earnings MMK	Total MMK
For the period from 1-10-2019 to 31-3-2020				
Balances at 1-10-2019	57,124,662,800	13,015,410,579	4,680,190,039	74,820,263,418
Tax expenses on reassessment	-	-	(55,954,097)	(55,954,097)
Restated Balance	57,124,662,800	13,015,410,579	4,624,235,942	74,764,309,321
Dividend paid	-	-	(4,160,394,400)	(4,160,394,400)
Profit for the period	-	-	486,378,106	486,378,106
Provision for the period	-	121,594,527	(121,594,527)	-
Balances at 31-3-2020	57,124,662,800	13,137,005,106	828,625,121	71,090,293,027
For the period from 1-10-2018 to 30-9-2019				
Balances at 1-10-2018	57,124,662,800	12,160,515,307	2,136,038,840	71,421,216,947
Prior year adjustments	-	-	(20,534,618)	(20,534,618)
Restated Balance	57,124,662,800	12,160,515,307	2,115,504,222	71,400,682,329
Profit for the period (1-10-2018 to 31-3-2019)	-	-	1,869,361,691	1,869,361,691
Provision for the period (1-10-2018 to 31-3-2019)	-	467,340,423	(467,340,423)	-
Profit for the period (1-4-2019 to 30-9-2019)	-	-	1,550,219,398	1,550,219,398
Provision for the period (1-4-2019 to 30-9-2019)	-	387,554,849	(387,554,849)	-
Balances at 30-9-2019	57,124,662,800	13,015,410,579	4,680,190,039	74,820,263,418

See accompanying notes to interim condensed financial statements

MYANMAR CITIZENS BANK PUBLIC COMPANY LIMITED
INTERIM CONDENSED STATEMENT OF CASH FLOWS
FOR THE SIX-MONTH PERIOD ENDED MARCH 31, 2020

	Note	March 31, 2020 <u>MMK</u>	March 31, 2019 <u>MMK</u>
CASH FLOW FROM OPERATING ACTIVITIES			
Net profit before tax		607,972,633	2,374,678,106
Adjustment			
Depreciation		704,287,617	527,544,035
Amortization		225,465,486	236,333,501
(Gain)/ loss on disposal		(12,499,999)	744,173
Write off intangible asset		-	31,402,743
Prior year adjustment		(55,954,097)	-
Operating profit/ (loss) before working capital changes		1,469,271,640	3,170,702,558
<i>Working capital changes:</i>			
Loan and advance		(16,958,249,879)	(64,037,015,722)
Other assets		(4,895,362,467)	(2,775,468,479)
Deposit from customer		29,540,308,237	51,127,240,733
Other liabilities		4,261,289,896	1,874,269,163
Net cash used in operating activities		13,417,257,427	(10,640,271,747)
Income tax paid		(1,105,954,097)	(872,476,874)
Net cash provided by/(used in) operating activities		12,311,303,330	(11,512,748,621)
CASH FLOW FROM INVESTING ACTIVITIES			
Sale proceed from fixed asset		12,500,000	1,970,797
Purchase of treasury bond, investment		(4,780,279,886)	(739,607,828)
Purchase of property plant & equipment		(1,232,535,720)	(1,619,724,077)
Addition of intangible asset		(483,646,909)	(439,530,582)
Net cash used in investing activities		(6,483,962,515)	(2,796,891,690)
CASH FLOW FROM FINANCING ACTIVITIES			
Proceed/(Repayment) of borrowing		(1,000,000,000)	7,000,000,000
Dividends paid		(4,159,901,234)	(7,137,516)
Net cash provided by/(used in) financing activities		(5,159,901,234)	6,992,862,484
Net increase/ (decrease) in cash and cash equivalents from 1 October to 31 March		667,439,581	(7,316,777,827)
Net increase/ (decrease) in cash and cash equivalents from 1 April to 30 September		-	23,891,332,536
Cash and cash equivalent as at 1-10-2019/ 1-10-2018		78,049,507,652	61,474,952,943
Cash and cash equivalent as at 31-3-2020/ 30-9-2019	3	78,716,947,233	78,049,507,652

See accompanying notes to interim condensed financial statements

MYANMAR CITIZENS BANK PUBLIC COMPANY LIMITED
NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED MARCH 31, 2020

1. General Information

Myanmar Citizens Bank Public Company 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 were approved and authorized for issue by the Board of Directors on July 7, 2020.

2. Basis of preparation and accounting policies

The interim condensed financial statements for the six months period ended March 31, 2020 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, 2019.

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, 2019.

3. Cash in hand and at bank

	March 31, 2020	September 30, 2019
	<u>MMK</u>	<u>MMK</u>
Cash in hand	35,372,468,945	33,672,048,157
Cash and balances with central bank	25,692,941,512	29,557,602,638
Cash with banks & other financial institution	17,651,536,776	14,819,856,857
	<u>78,716,947,233</u>	<u>78,049,507,652</u>

MYANMAR CITIZENS BANK PUBLIC COMPANY LIMITED
NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED MARCH 31, 2020

4. Loan and advance

	March 31, 2020 <u>MMK</u>	September 30, 2019 <u>MMK</u>
Demand loan	95,188,983,104	93,691,741,889
Overdraft	46,635,282,797	31,322,164,463
Hire Purchase	161,773,649,561	166,739,990,893
SME loan	22,787,275,643	17,731,573,899
Trade Guarantee	1,827,865,451	2,059,007,160
Staff loan	4,516,608,899	4,226,937,272
	<u>332,729,665,455</u>	<u>315,771,415,576</u>
Specific provision	(473,011,821)	(473,011,821)
	<u>332,256,653,634</u>	<u>315,298,403,755</u>

5. Investment

	March 31, 2020 <u>MMK</u>	September 30, 2019 <u>MMK</u>
Treasury Bond	45,932,888,446	34,195,090,500
Treasury Bill	43,547,542,740	28,352,460,800
Deposit auction	-	4,000,000,000
Time Deposits with other bank	15,764,800,000	17,925,400,000
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
Interbank lending	3,000,000,000	18,992,000,000
	<u>108,576,231,186</u>	<u>103,795,951,300</u>

6. Other assets

	March 31, 2020 <u>MMK</u>	September 30, 2019 <u>MMK</u>
Interest receivable on investment	1,352,898,717	974,196,694
Interest receivable on loan and advance	5,429,465,251	3,474,435,180
Prepayment and advance	7,234,032,155	3,601,261,516
Receivable from business partner	106,476,442	144,348,407
Suspense (Money Gram and IME)	15,910,754	57,104,594
Suspense others	984,004,442	870,124,806
	<u>15,122,787,761</u>	<u>9,121,471,197</u>

MYANMAR CITIZENS BANK PUBLIC COMPANY LIMITED
 NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
 FOR THE SIX-MONTH PERIOD ENDED MARCH 31, 2020

7. Property and equipment

	<u>Land & Building</u> MMK	<u>Leasehold improvement</u> MMK	<u>Motor Vehicle</u> MMK	<u>Furniture and Office Equipment</u> MMK	<u>Plant & Machinery</u> MMK	<u>Total</u> MMK
For the six-month period ended 31-3-2020						
<u>Cost</u>						
At 1-10-2019	10,509,359,226	2,338,532,980	1,334,848,686	3,937,092,059	999,239,284	19,119,072,235
Addition (From 1-10-2019 to 31-3-2020)	9,770,000	310,059,347	-	851,280,597	61,425,776	1,232,535,720
Disposal (From 1-10-2019 to 31-3-2020)	-	-	(42,500,000)	-	-	(42,500,000)
At 31-3-2020	10,519,129,226	2,648,592,327	1,292,348,686	4,788,372,656	1,060,665,060	20,309,107,955
<u>Accumulated depreciation</u>						
At 1-10-2019	524,731,429	540,027,276	744,946,708	1,572,514,906	167,373,217	3,549,593,536
Charge for the period	46,042,500	181,573,971	74,936,416	376,551,042	25,183,688	704,287,617
Disposal (From 1-10-2019 to 31-3-2020)	-	-	(42,499,999)	-	-	(42,499,999)
At 31-3-2020	570,773,929	721,601,247	777,383,125	1,949,065,948	192,556,905	4,211,381,154
Net Book Value at 31-3-2020	9,948,355,297	1,926,991,080	514,965,561	2,839,306,708	868,108,155	16,097,726,801
For the year ended 30-9-2019						
<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 (From 1-10-2018 to 31-3-2019)	139,889,827	443,930,363	57,588,000	803,002,947	175,312,940	1,619,724,077
Addition (From 1-4-2019 to 30-9-2019)	141,345,646	446,120,033	-	700,971,859	74,287,000	1,362,724,538
Disposal (From 1-10-2018 to 31-3-2019)	-	-	-	(121,270,107)	-	(121,270,107)
Write off (From 1-4-2019 to 30-9-2019)	-	-	-	(8,417,589)	-	(8,417,589)
Transfer	-	-	-	(251,388,744)	251,388,744	-
At 30-9-2019	10,509,359,226	2,338,532,980	1,334,848,686	3,937,092,059	999,239,284	19,119,072,235
<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 (From 1-10-2018 to 31-3-2019)	45,122,587	127,898,460	77,612,417	256,015,359	20,895,212	527,544,035
Charge (From 1-4-2019 to 30-9-2019)	47,096,322	126,871,768	74,933,417	366,488,840	17,855,424	633,245,771
Disposal (From 1-10-2018 to 31-3-2019)	-	-	-	(118,773,527)	-	(118,773,527)
Write off (From 1-4-2019 to 30-9-2019)	-	-	-	(8,417,327)	-	(8,417,327)
Transfer	-	-	-	(61,450,118)	61,450,118	-
At 30-9-2019	524,731,429	540,027,276	744,946,708	1,572,514,906	167,373,217	3,549,593,536
Net Book Value at 30-9-2019	9,984,627,797	1,798,505,704	589,901,978	2,364,577,153	831,866,067	15,569,478,699

MYANMAR CITIZENS BANK PUBLIC COMPANY LIMITED
NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED MARCH 31, 2020

8. Intangible Asset

	<u>MMK</u>
For the six-month period ended 31-3-2020	
Cost	
As at 1-10- 2019	4,134,513,487
Addition from 1-10-2019 to 31-3-2020	483,646,909
Write off	<u>(23,227,481)</u>
As at 31-3-2020	<u>4,594,932,915</u>
Accumulated Amortization	
As at 1-10- 2019	651,368,335
Charge from 1-10-2019 to 31-3-2020	225,465,486
Write off	<u>(23,227,481)</u>
As at 31-3-2020	<u>853,606,340</u>
Net Book Value at 31-3-2020	<u>3,741,326,575</u>
For the year ended 30-9- 2019	
Cost	
As at 1-10-2018	3,839,385,180
Additional from 1-10-2018 to 31-3-2019	439,530,582
Write off from 1-10-2018 to 31-3-2019	<u>(74,820,107)</u>
Write off from 1-4-2019 to 30-9-2019	<u>(69,582,168)</u>
As at 30-9-2020	<u>4,134,513,487</u>
Accumulated Amortization	
As at 1-10-2018	283,396,474
Charge from 1-10-2018 to 31-3-2019	236,333,501
Charge from 1-4-2019 to 30-9-2019	196,413,942
Write off from 1-10-2018 to 31-3-2019	<u>(43,417,364)</u>
Write off from 1-4-2019 to 30-9-2019	<u>(21,358,218)</u>
As at 30-9- 2019	<u>651,368,335</u>
Net Book Value at 30-9-2019	<u>3,483,145,152</u>

9. Deposit from customers

	March 31, 2020	September 30, 2019
	<u>MMK</u>	<u>MMK</u>
Call deposit	17,614,434,271	23,757,072,799
Time Deposit	223,422,684,209	193,818,738,784
Current Deposit	43,545,851,479	38,348,719,420
Saving Deposit	<u>179,002,671,690</u>	<u>178,120,802,409</u>
	<u>463,585,641,649</u>	<u>434,045,333,412</u>

MYANMAR CITIZENS BANK PUBLIC COMPANY LIMITED
NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED MARCH 31, 2020

10. Other Liabilities

	March 31, 2020	September 30, 2019
	<u>MMK</u>	<u>MMK</u>
Interest in suspense	3,772,857,820	2,101,942,704
Interest payable	6,875,727,882	5,994,252,245
Other payable	2,165,299,359	2,244,728,086
General provision on loans and advances	1,699,676,506	1,699,676,506
Payable to business partner	171,713,287	135,028,248
Payment Order	926,291,636	556,698,103
Sundry deposit	3,136,603,960	1,404,908,288
Interest recovered in advance	1,087,566,538	1,314,717,294
Employee benefit fund	1,526	409,451
	<u>19,835,738,514</u>	<u>15,452,360,925</u>

11. Borrowing

	March 31, 2020			September 30, 2019		
	<u>Maturity</u> <u>Date</u>	<u>Interest</u> <u>rate</u>	<u>Amount</u> <u>(MMK)</u>	<u>Maturity</u> <u>Date</u>	<u>Interest</u> <u>rate</u>	<u>Amount</u> <u>(MMK)</u>
Tun Foundation Bank	-	-	-	11-10-2019	8%	1,000,000,000
	-	-	-	-	-	1,000,000,000

12. Share capital

	March 31, 2020	September 30, 2019
Number of share	10,400,986	10,400,986
Share capital (MMK)	57,124,662,800	57,124,662,800

MYANMAR CITIZENS BANK PUBLIC COMPANY LIMITED
NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED MARCH 31, 2020

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 1-10-2019	8,387,658,774	4,615,751,805	12,000,000	13,015,410,579
Provision from 1-10-2019 to 31-3-2020	121,594,527	-	-	121,594,527
Balances at 31-3-2020	8,509,253,301	4,615,751,805	12,000,000	13,137,005,106
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	-	-	467,340,423
Provision from 1-4-2019 to 30-9-2019	387,554,849	-	-	387,554,849
Balances at 30-9-2019	8,387,658,774	4,615,751,805	12,000,000	13,015,410,579

⁽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. However starting from 2018-2019 financial year, the above 2% provision has been charged to profit and loss and the corresponding credit has been presented under other liabilities.

14. Interest income

	March 31, 2020	March 31, 2019
	<u>MMK</u>	<u>MMK</u>
Interest on Hire Purchase	10,413,097,062	8,091,108,296
Interest on Loan and advance	5,882,811,418	6,513,321,683
Interest on SME Loan	827,785,782	397,635,300
Interest on Trade Guarantee	128,709,573	169,925,142
Interest on Investment	5,559,781,929	2,742,884,607
Interest on staff loan	298,897,168	7,671,719
	23,111,082,932	17,922,546,747

Note: Interest income rates

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, 2020 <u>MMK</u>	March 31, 2019 <u>MMK</u>
Interest expenses on saving deposit	6,812,263,716	4,195,364,595
Interest expenses on time deposit	10,207,396,788	7,369,259,274
Interest expenses on call deposit	425,971,792	418,755,333
Interest expenses on interbank borrowing	31,835,616	368,407,845
	<u>17,477,467,912</u>	<u>12,351,787,047</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, 2020 <u>MMK</u>	March 31, 2019 <u>MMK</u>
Fees and commission Income		
Commission	1,723,745,109	2,999,272,912
Service charges	268,344,338	340,851,314
Card related income	4,802,698	16,965,567
Other fees income	1,320,257	859,002
	<u>1,998,212,402</u>	<u>3,357,948,795</u>
Fees and commission expense		
Bank commission and service charges	32,031,710	21,641,643
Card related expense	17,407,970	72,262,535
Other fee expense	15,016,300	3,071,300
	<u>64,455,980</u>	<u>96,975,478</u>
	<u>1,933,756,422</u>	<u>3,260,973,317</u>

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17. Other income

	March 31, 2020	March 31, 2019
	<u>MMK</u>	<u>MMK</u>
Net Income/(loss) from foreign currency transaction	(118,846,076)	176,235,086
Miscellaneous income	95,709,645	95,492,282
	<u>(23,136,431)</u>	<u>271,727,368</u>

18. Personnel expense

	March 31, 2020	March 31, 2019
	<u>MMK</u>	<u>MMK</u>
Salaries and wages (local)	3,173,690,568	2,881,277,185
Salaries and wages (foreign)	348,361,609	304,443,194
Bonus expense	-	495,303,465
Overtime Allowance	32,504,811	52,240,956
Contribution to employee benefit	49,427,208	58,218,369
Other staff related expense	28,096,312	85,530,814
Compensation	88,147,000	-
	<u>3,720,227,508</u>	<u>3,877,013,983</u>

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19. Administration and general expense

	March 31, 2020	March 31, 2019
	<u>MMK</u>	<u>MMK</u>
Donation and entertainment	100,060,196	73,706,520
AGM expenses	9,279,105	-
Insurance	33,637,560	33,966,723
Directors' meeting fee	10,700,000	8,700,000
Marketing and advertising expense	6,814,358	25,978,415
Miscellaneous expense	37,150,424	49,023,138
Office supply	321,052,036	304,877,630
Professional service fee	219,208,917	157,778,631
Rate and tax	24,370,582	18,389,861
Registration and License	177,839,169	113,839,038
Rent	861,354,220	801,956,593
Repair and maintenance	262,226,282	168,072,182
Travel & Transportation	154,429,340	114,733,848
Utilities expense	212,905,550	180,645,236
Loss/(gain) on Revaluation	(132,245,973)	4,076,029
Write off expense	-	31,402,743
Loss/(gain) on disposal	(12,499,999)	744,173
	<u>2,286,281,767</u>	<u>2,087,890,760</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, 2020	March 31, 2019
Net profit attributable to equity holders of the Bank (MMK)	486,378,106	1,869,361,691
Weighted average number of ordinary shares outstanding for basic earnings per share	10,400,986	10,400,986
Basic earnings per share (MMK)	<u>47</u>	<u>180</u>

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(b) Diluted earnings per share

	March 31, 2020	March 31, 2019
Net profit attributable to equity holders (MMK)	<u>486,378,106</u>	1,869,361,691
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>47</u>	180

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.

	March 31, 2020	March 31, 2019
	<u>MMK</u>	<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	63,600,600	63,000,000
- Shareholder	215,699,359	227,235,547
	<u>279,299,959</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	57,400,000	156,400,000
- Shareholder	294,088,960	265,663,800
	<u>351,488,960</u>	<u>422,063,800</u>
(c) Key management personnel compensation		
- Salary and wages	558,460,725	692,963,381
- Directors' meeting fee	10,700,000	8,700,000
	<u>569,160,725</u>	<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, 2020 was Ks 18,104,682,365. (September 30, 2019; Ks 15,435,607,633).