

**Discussion and Analysis by the Management Committee on the Financial Report
for the fiscal year 2023-2024 of First Private Bank Limited.**

The management committee of the First Private Bank Limited has released an announcement on the discussions and reviews regarding the audited financial statements for the fiscal year 2023-2024 (April to March). These financial statements, audited by an external auditor, are presented for the shareholders, investors, and other stakeholders of the bank to review and understand. The statements compare and analyze the data with the corresponding period of the 2022-2023 fiscal year (April to March).

Explanation of Income and Expense Statement for the Fiscal Year 2023-2024 (April to March)

Statement of Comprehensive Income

(a) Interest Income

For the fiscal year 2023-2024, the bank's primary source of revenue, interest income, increased by MMK 942.90 million (7.37%) compared to the corresponding period of the previous year. The significant increase is due to the resumption of economic activities by borrowers, resulting in consistent receipt of interest income. Additionally, new loans were issued, and some outstanding loans were recovered.

(b) Other Income

Other income for the fiscal year 2023-2024, which includes service fees, fire insurance commissions, and remittance income, decreased by MMK 704.50 million (17.96%) compared to the corresponding period of the previous year. The main reason for the decrease is the reduced income from international banking operations during this year.

Description	1.4.2023 to 31.3.2024 (MMK in Million)	1.4.2022 to 31.3.2023 (MMK in Million)	Difference (MMK in Million)	Percentage Increase/(Decrease) (%)
Interest Income:	13,728.66	12,785.76	942.90	7.37
Other Income	3,217.94	3,922.44	(704.50)	(17.96)

(c) Interest Expenses on Deposits

The interest expenses paid on the bank's deposits for the fiscal year 2023-2024 have increased by MMK 1,300.89 million, which is a 20.93% rise compared to the corresponding period of the previous year. This increase is primarily due to the rise in the total amount of deposits held by the bank, which grew by MMK 22,709.86 million, or 17.85%. This income contributed to the board of directors' endeavor to attract more deposits to the bank.

(d) Operating Expenses

Regarding the operating expenses, Personnel Expenses & General & Administrative Expenses Increased by 8.24% and 9.26% respectively for the fiscal year. The rise in General & Administrative Expenses is mainly due to the bank's ongoing technological enhancements and system upgrades, which include: Integrated Core Banking System, FI Gateway, MIS Project, Digital Channel Project and API, Website Project, Purchase of Computers for iCBS Project. These investments in technology and system improvements have led to higher operating costs during this fiscal year.

Description	1.4.2023 to 31.3.2024 (MMK in Million)	1.4.2022 to 31.3.2023 (MMK in Million)	Difference (MMK in Million)	Percentage Increase/ (Decrease) (%)
Deposit	149,906.47	127,196.59	22,709.89	17.85
Interest Expenses	7,517.16	6,216.28	1,300.89	20.93
Personnel Expenses	3,530.31	3,261.61	268.70	8.24
General & Administrative Expenses	3,425.29	3,134.96	290.33	9.26

2.Statement of Financial Position

The management committee of the First Private Bank Limited has reviewed and presented on the audited Statement of Financial Position as of 31 March, 2024, for the fiscal year 2023-2024, as follows:

(a) Assets

For the fiscal year 2023-24, Cash & Cash Equivalents Increased by 3.91% compared to the corresponding period of the previous fiscal year, Loans and Receivables increased by 23.91% compared to the corresponding period of the previous fiscal year and Total Assets Increased by 13.34% compared to the corresponding period of the previous fiscal year.

(b) Equity

Regarding Equity, Statutory Reserve increased by 2.79% compared to the corresponding period of the previous fiscal year and Retained Earnings increased by MMK 4,397.97 million, which is 91.18% increase compared to the corresponding period of the previous fiscal year. The significant increase in retained earnings is due to the following factors: The directors have fully reserved for potential loan losses, and the amount of MMK 2,821.56 million previously allocated under equity has been added to the retained earnings. An additional MMK 1,576.41 million from the profit for the fiscal year 2023-2024 has also been added to the retained earnings.

Description	1.4.2023 to 31.3.2024 (MMK in Million)	1.4.2022 to 31.3.2023 (MMK in Million)	Difference (MMK in Million)	Percentage Increase/ (Decrease) (%)
(a) Cash & Cash Equivalents	52,321.99	50,355.11	1,966.88	3.91
Loan & Advance	119,087.71	96,106.93	22,980.77	23.91
Total Assets	237,574.31	209,608.91	27,965.41	13.34
(b) Statutory Reserve	19,043.35	18,525.97	517.38	2.79
Retained Earning	9,221.36	4,823.39	4,397.97	91.18

In conclusion, despite the challenges faced during the fiscal year 2023-2024, the board of directors of the First Private Bank Limited has worked diligently to ensure the bank's operations continued smoothly. Additionally, efforts have been continuously made to transform the bank on the modern digital banking platform.

Under the guidance of the board of directors, the bank has been actively working to increase deposits and loans while carefully managing the loans to avoid non-performing loans (NPLs). Special attention has been given to monitor and prevent the emergence of NPLs, and concerted efforts are being made to recover any existing NPLs.

By Order of the Board of Directors



Chief Executive Officer

(Date) July (4), 2024