

ANNUAL REPORT

2024 - 2025



THE CITIZENS' CHOICE

Annual Report of the Board of Directors Submitted to the
33rd Annual General Meeting for the Financial Year 2024-2025

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About Annual Report

Dear Shareholders, Stakeholders, and Valued Partners,

We are delighted to present to you our Annual Report, a comprehensive reflection of our journey over the past year. In these pages, we share the milestones, challenges, and successes that have defined our commitment to financial excellence and our unwavering dedication to the prosperity of our stakeholders.

Our bank, Myanmar Citizens Bank, stands at the forefront of Myanmar's financial sector, playing a pivotal role in driving economic growth, supporting entrepreneurship, and enhancing the financial well-being of individuals and businesses alike. As a responsible business entity, we place special emphasis on human resources development and good governance practices, and we strive to enhance service quality through the use of digital technologies. Our mission is deeply rooted in the belief that a strong and vibrant financial sector is the bedrock of a prosperous nation.

In this Annual Report, we will delve into our key accomplishments, financial performance, and the strategic decisions that have steered us through the ever-evolving landscape of the banking industry. We will share insights into our innovative products and services, the impact we've had on the communities we serve, and the employee capacity enhancement programs that align with our values.

Furthermore, as a business entity, we place special emphasis on compliance, accountability, and effective risk management systems in order to build trust and stability for our investors and stakeholders.

In the pages that follow, we invite you to explore our story, our vision, and our ongoing pursuit of financial excellence. Join us on this journey as we reflect on our achievements and look forward to a brighter future.



The Annual Report of the Board of Directors submitted to the Annual General Meeting can be downloaded from the following link.

<https://mcb.com.mm/annualreport>

Message from the Chairman

Dear Shareholders

It is my privilege to present the Annual Report of Myanmar Citizens Bank for the fiscal year 2024-2025. This year marked a period of both resilience and innovation, as we navigated economic challenges while delivering sustainable growth and expanding our range of products and services to meet the evolving needs of our customers.

Despite a complex operating environment, we remained steadfast in our mission to become a strong, stable, sustainable, ethical, and innovative bank that creates value for all stakeholders by harnessing and contributing to the progress of Myanmar. Our achievements this year are a testament to the dedication of our management team, employees, and the trust placed in us by our customers and shareholders.

A key measure of our resilience this year was the significant progress we made in strengthening our financial position. We are proud to report a notable reduction in our Non-Performing Loan (NPL) ratio, a direct result of our proactive risk management strategies and disciplined approach to lending. This improved asset quality not only bolsters our financial stability but also positions us for more sustainable growth in the future. We will continue to prioritize a strong and healthy balance sheet to ensure we can meet our commitments to all stakeholders.

We continued to diversify our portfolio and strengthen our market presence through a wide range of financial solutions. In retail and consumer banking, we expanded offerings across deposit accounts, loan products, digital banking, and insurance services. Our collaboration with Life Insurance and General Insurance allowed us to provide customers with both life and general insurance products, enhancing financial security and peace of mind.

In SME and corporate banking, we supported Myanmar's economic backbone micro, small, and medium enterprises through targeted financing programs such as eMSME Loans, JICA Two-Step Loans, and MSME Two-Step Loans. These programs have enabled entrepreneurs to access affordable financing, expand their operations, and create jobs, directly contributing to national economic development.

Digital banking remained a strategic priority, as we continued to enhance customer experience and operational efficiency. The launch of our enhanced Internet Banking platform and the integration of advanced Mobile Banking features into the CTZPay Super App marked a major leap in providing a seamless, secure, and convenient banking experience. These innovations support Myanmar's transition to a digital economy while promoting financial inclusion across urban and rural areas.

This year, we strengthened our business partnerships, collaborating with over 130 partners across various sectors from retail and education to hospitality and healthcare to offer our customers exclusive benefits and discounts. We also expanded our international remittance network, ensuring that Myanmar nationals working abroad can send money home securely, quickly, and affordably.

In line with our growth strategy, we successfully expanded our branch network by opening two new branches during the fiscal year. This expansion allows us to serve more customers across Myanmar, bring banking services closer to communities, and further strengthen our nationwide presence.



U Toe Aung Myint Chairman

We align our products and operations with the United Nations Sustainable Development Goals (SDGs), including financing initiatives that promote economic growth, support education, and enhance community well-being. Our governance framework remains anchored in transparency, accountability, and integrity, ensuring we uphold the highest standards in every aspect of our operations.

As we move into the next fiscal year, our focus will remain on sustainable growth, digital innovation, and deepening customer relationships. We will continue to invest in technology, strengthen our human capital, and expand our product offerings to meet the diverse needs of our stakeholders.

On behalf of the Board of Directors, I extend my sincere gratitude to our shareholders for their continued trust, to our customers for their loyalty, and to our employees for their dedication. Together, we will continue building a bank that is not only financially strong but also a responsible contributor to Myanmar's progress.

About MCB

Established in 1992, Myanmar Citizens Bank ("MCB") remains persistent in its commitment to our valued shareholders. MCB, one of Myanmar's oldest private commercial banks and the first to be listed on the Yangon Stock Exchange, is currently experiencing rapid growth, underpinned by a robust financial base and a proficient leadership team.

Our diverse shareholder base, experienced board of directors, and seasoned senior management team bring both wisdom and expertise to our operations. This synergy ensures a governance framework founded on ethics and transparency.

We pledge to continue our unwavering dedication to shareholders' value and sustained growth. Your trust is the cornerstone of our success, and we express our sincere gratitude for your ongoing support.

MCB operates as a responsible company committed to its investors, customers, and employees. With a foundation built on exceptional performance, continuous improvement, and accountability, we aim to maintain our position as a leader in Myanmar's banking sector. We are also dedicated to delivering more efficient services through our business objectives, innovations, and the support of technology.

Dedicated to serving our growing client base, Myanmar Citizens Bank (MCB) takes pride in distributing innovative and competitive financial products and services. We've established a robust network of 58 branches across 31 cities throughout the country. These strategically located branches ensure that our offerings are easily accessible to our customers, no matter where they are in Myanmar. We are expanding both physically and digitally as well. Furthermore, we are actively working to enhance our telecommunications technology and mobile banking services.

Our ever-expanding team, comprising over 1,000 committed and dynamic banking professionals, is at the heart of MCB's success. These individuals, with their diverse talents and expertise, are the driving force behind our friendly and efficient customer service. We understand the importance of not just meeting but exceeding your expectations when it comes to personalized financial solutions.

Our branch network and dedicated team work in harmony to create a supportive environment where our clients can confidently navigate the ever-evolving landscape of financial services. At MCB, we strive to remain at the forefront of the banking industry, adapting to changing market dynamics and embracing opportunities for innovation and excellence.

Through our extensive branch network and our dedicated professionals, we are well-positioned to continue delivering exceptional financial services that meet the unique needs of our clients across Myanmar. Your trust in us remains the cornerstone of our growth and success, and we look forward to serving you with our unwavering commitment to excellence.



Myanmar Citizens Bank

*Indian Chamber of Commerce
Special Recognition in
Performance on Growth in Myanmar*



Milestones

Road to Success



1992

Commenced
Banking Operation



1998

Class A share
transferred to MOC



2003

International
Banking Service



2007

E payment system
for Trade License Fees

2017

Upgradation of IT Facilities
and Implementation of
T24 Core Banking Software



2016

JICA SME
Two Step Loan



2015

Launched
mobile money
service 663



2012

Money Changer
License



2018

Core Banking
System Implementation



2020

Digital
Transformation



2022

30th
Anniversary



2023

Expanding
Branch Network

2024

Launching
MCB VISA Credit Card



Our Vision

"To become a strong, stable, sustainable, ethical and innovative bank which creates value for all stakeholders by harnessing and contributing to the progress of Myanmar"



Our Values

- Professional
- Respect
- Integrity
- Diversity & Inclusion
- Ethical



Our Culture

- Performance Driven
- People, Process & System
- Customer Centric
- Teamwork
- Risk and Compliance
- Growth Mindset
- Ethical Banking
- Profit Sense
- Digital Orientation
- Learning & Development

Strategic Way forward

As part of our long-term vision, Myanmar Citizens Bank (MCB) has set six strategic goals to be achieved over the next five years. These goals are designed to strengthen our market position, enhance operational excellence, and deliver exceptional value to our stakeholders.

Myanmar Citizens Bank's Strategic Goals



These strategic priorities will guide MCB in achieving sustainable growth, delivering value to our shareholders, and contributing meaningfully to Myanmar's economic development.

1. Rank Among the Top 7 Banks in Terms of Balance Sheet Size

We aim to significantly expand our balance sheet through targeted growth in deposits, loans, and investment portfolios. This will be achieved by diversifying our customer base, enhancing product offerings, and leveraging both retail and corporate banking opportunities to drive sustainable growth.

2. Become a Profitable Bank

Our focus will be on improving revenue streams, optimizing cost structures, and maintaining prudent risk management practices. We will prioritize high-yield assets, enhance non-interest income, and adopt a disciplined approach to expense control to ensure consistent profitability.

3. Rank Among the Top 3 in Terms of Balance Sheet Quality

MCB is committed to maintaining a robust and resilient balance sheet by improving asset quality, managing credit risk effectively, and ensuring adequate liquidity and capital buffers. Our target is to keep non-performing loan ratios at minimal levels while adhering to the highest prudential standards.

4. Be Recognized as the Most Technologically Savvy Bank

We will continue to invest in state-of-the-art banking technologies, enhance digital platforms, and introduce innovative products that meet evolving customer needs. Our goal is to provide seamless, secure, and efficient digital banking experiences that set new benchmarks in the industry.

5. Be the Best Employer in the Banking Industry

At MCB, we recognize that our people are our greatest asset. We will cultivate a culture of excellence by offering competitive rewards, investing in employee development, and fostering an inclusive and engaging work environment where talent thrives.

6. Become the Preferred Bank of Customers

We aspire to be the first choice for customers by delivering superior service, tailored solutions, and a personalized banking experience. Through strong relationship management and continuous service improvement, we aim to build lasting trust and loyalty.

MCB Branches

Kachin State

- Myitkyina Branch

Kayin State

- Myawaddy Branch

Sagaing Region

- Monywa Branch
- Shwebo Branch

Yangon Region

- Kyauktada Branch
- Kyauktada(2) Branch
- Bayintnaung Branch
- Bayintnaung Mini Branch
- Latha Branch
- Pazundaung Branch
- Pabendan Mini Branch
- Dawbon Branch
- North Okkalapa Branch
- South Okkalapa Branch
- Sawbwargyigone Branch
- Boangkyaw Branch
- Yaykyaw Branch
- Sanchaung Branch
- Kyimyindaing Branch
- Khayan Branch
- Kamarkyi Branch
- Kabaraye Branch
- Thingangyun Branch
- South Dagon Branch

Mandalay Region

- Mandalay (1) Branch
- Mandalay (2) Branch
- Mandalay (3) Branch
- Mandalay (5) Branch
- Mandalay (6) Branch
- Mandalay (7) Branch
- Kyaukpadaung Branch
- Kywesalkan Branch
- Myingyan Branch
- Pyin Oo Lwin Branch
- Kyaukse Branch
- Meikhtila Branch

Bago Region

- Bago Branch
- Pyay Branch
- Nyaunglepin Branch
- Taungoo Branch

Magway Region

- Magway Branch
- Pakokku Branch
- Aunglan Branch
- Yesagyo Branch

Rakhine State

- Sittway Branch

Mon State

- Mawlamyine Branch

Shan State

- Taunggyi Branch
- Muse Branch
- Lashio Branch
- Tachileik Branch
- Aungban Branch

Ayeyarwaddy Region

- Pathein Branch
- Myaungmya Branch
- Hinthada Branch
- Phyapon Branch

Naypyitaw

- Naypyitaw Branch
- Naypyitaw (Myomazay) Branch

Tanintharyi Region

- Myeik Branch

58 Branches

What we Offer

Deposit

Deposit Products, one of the main banking products of MCB Bank, are carefully structured to meet the diverse financial needs of our valued customers. Savings Accounts, Call Deposit Accounts, Current Accounts, Fixed Deposit Accounts, various products and services under these main account types, are provided promptly, with competitive interest rates depending on the specific type and nature of the deposit products and their associated period/term. Competitive interest rates on deposited amounts, assurance of safety/guarantee, and liquidity (e.g., cash withdrawal as and when required) are basic requirements of Deposit Accounts, and depositors in our Bank enjoy attractive interest rates, robust security measures, and cash withdrawal as and when required.



Saving Deposit Accounts

1. Savings Deposit Account
2. Special Savings Deposit Account
3. Senior Savings Deposit Account
4. Remit Savings Account
5. Seafarer Savings Account
6. Payroll Savings Account
7. Youth Savings Account
8. Student Savings Account
9. Premium Special Savings Account
10. Recurring Deposit Accounts
11. Elite Savings Account
12. Citizens Pay Agent Saving Account



Call Deposits Accounts

1. Normal Call Deposit Account
2. Special Call Deposit Account
3. Flexi Call Deposit Account

Current Accounts

1. Normal Current Account
2. Special Current Account

Fixed Deposits Accounts

1. Normal Fixed Deposit Account
2. Special Fixed Deposit Account
3. Super 7 Days Fixed Deposit Account
4. 15 Days Upfront Fixed Deposit Account
5. 1M Upfront Fixed Deposit Account
6. Supreme 60 Days Fixed Deposit Account
7. Prime Plus 3M Fixed Deposit Account
8. Potoe Fixed Deposit Account

What we Offer



In line with MCB Bank's Vision, "To become a strong, stable, sustainable, ethical and innovative bank which creates value for all stakeholders by harnessing and contributing to the progress of Myanmar", the Bank has been consistently delivering a wide range of products and services that align with the United Nations Sustainable Development Goals (SDGs), adopted by 193 countries, including Myanmar.



Consumer Banking

MCB Bank is continuously striving to deliver distinctive Consumer Banking services that fulfill the financial needs of its customers. In response to the modern and evolving requirements of consumers, the Bank provides a wide range of products and services to help customers achieve their financial goals securely and effectively.

Our Consumer Banking products include various types of deposit accounts, loan products, modernized digital banking services, and insurance solutions. All these services are designed to be simple, secure, trustworthy, and highly beneficial to our valued customers.

Hire Purchase

In alignment with SDG 9 (Industry, Innovation, and Infrastructure), MCB Bank also provides a robust range of Hire Purchase products to support our customers' investment needs. These financing solutions are tailored to facilitate the acquisition of various assets, including:

- Motor Vehicles: Personal cars, electric vehicles (EVs), business-use vehicles, buses, and lorries
- Machinery and Equipment: Agricultural equipment, heavy-duty machinery, and other business-related tools

Our Hire Purchase scheme covers both brand-new and quality-tested used assets. By offering flexible financing solutions, MCB Bank empowers customers to expand their businesses and responsibly acquire essential assets for both commercial and personal use.



HP Agricultural Loan



HP Auto Loan



HP Commercial Loan

What we Offer



Solar Financing Loan

Aiming to promote clean energy adoption and reduce energy costs for local businesses, MCB Bank has introduced the Solar Financing Loan product. This initiative aligns with SDG 8 (Decent Work and Economic Growth) and SDG 13 (Climate Action). This financing solution supports the purchase of solar panels, inverters, batteries, and related accessories powered by solar energy for the businesses.

MCB Bank provides up to 80% of the required funds for the installation of solar systems. MCB Bank's Solar Financing Loan enables businesses to transition toward sustainable energy sources, and this initiative also enhances business capacity and significantly lowers electricity expenses. It contributes meaningfully to the achievement of the State's Green Economy Goals.

MCB Visa Credit Card

Aligning with SDG 8 (Decent Work and Economic Growth) and SDG 9 (Industry, Innovation and Infrastructure), MCB Bank proudly offers the MCB Visa Credit Card to meet the needs of customers in both their daily lives and business activities. The card enables convenient, safe, and secure payments through the globally recognized Visa network. It provides quick and reliable access for online purchases, international travel, or unexpected cash requirements.

Aligned with the objectives of the Central Bank of Myanmar (CBM), the MCB Visa Credit Card plays a vital role in promoting a Cashless Society. MCB Bank remains committed to supporting the development of the country's financial services sector by enhancing financial management through modern technology and promoting a safe and efficient payment ecosystem.

Personal Overdraft

Under SDG 1 (No Poverty) and SDG 8 (Decent Work and Economic Growth), MCB Bank offers the Personal Overdraft product to meet the diverse personal funding needs of its customers. This facility serves as an alternative to traditional loan options, such as mortgage loans, and is well-suited for individual customers who meet loan repayment eligibility criteria.

Personal Overdraft Loan customers are required to renew their Personal Overdraft facility annually, with a mandatory 14-day loan settlement period before renewal. With its built-in financial flexibility, the Personal Overdraft provides a reliable, safe, and secure solution for managing emergency or urgent financial requirements, allowing customers access to funds precisely when needed.

Home Loan

According to SDG 11 (Sustainable Cities and Communities), MCB Bank offers Home Loan facilities to customers with regular income, enabling them to fulfill their dreams by purchasing land, land with buildings for residential purposes, or landed houses and apartments for personal residence. Borrowers can make the loan repayments through an Equated Monthly Installment (EMI) system.



Education Loan

Quality education is a key pillar for national development, and aligns with SDG 4 (Quality Education). MCB Bank's Education Loan product is designed to support students in achieving their academic goals, facilitating the pursuit of Bachelor's and Master's degrees, particularly in medical and engineering fields, at both local and international universities.

Salary Loan

Under SDG 8 (Decent Work and Economic Growth), MCB Bank offers the Salary Loan product to meet the unexpected financial needs of government officials and permanent staff of companies. This loan is tailored to provide quick and easy funding based on the borrower's monthly salary.

The Salary Loan can help address financial challenges related to household expenses, healthcare needs, educational costs, or emergency requirements. It enhances the borrower's financial stability and serves as a safe and secure financing solution.

What we Offer

SME & Corporate Banking

MCB Bank recognizes that micro, small, and medium enterprises play a vital role in the State's economic development and innovation. Our SME and Corporate Banking services are carefully designed to meet the specific needs of these enterprises, offering comprehensive financial solutions, expert advice, and modern technology. To help enterprises effectively manage their financial strategies, expand their businesses, and successfully achieve their strategic goals, MCB Bank provides a range of services, from simple Working Capital Loans and Fixed Term Loans to more advanced Trade Financing, Cash Management, and Digital Banking Solutions.



eMSME Loan

Micro, Small, and Medium Enterprises (MSMEs) play a vital role in generating employment opportunities and improving the financial well-being of people at the grassroots level. MCB Bank offers eMSME Loans to both existing and new micro, small, and medium-sized entrepreneurs.

JICA Two-Step Loan

MCB Bank is among the financial institutions of the Project Management Unit (PMU) to disburse the loan funds provided by JICA. The bank offers JICA Two-Step Loans covering up to 80% for additional fixed asset investments and 20% for working capital of the borrowers. The loan term is five years with an interest rate of 7.5% annually. Many local micro and medium-sized entrepreneurs have benefited from the relatively low cost of this financing.

MSME Two-Step Loan

In collaboration with the Working Body on Loan Implementation (Myanmar Economic Bank – MEB) under the Micro, Small, and Medium Enterprises Development Fund of the Ministry of Planning and Finance, MCB Bank offers MSME Two-Step Loans to help local entrepreneurs. The loans are provided at concessional interest rates for both Fixed Capital and Working Capital Loans. The repayment period ranges from 1.5 to 3 years, with interest rates of 3%, 4%, or 5%, depending on the guarantee coverage by the Credit Guarantee Insurance (CGI).

Overdraft Loan

MCB Bank provides Overdraft Loans to borrowers who require funds to meet the working capital needs of their businesses. In line with the Central Bank of Myanmar (CBM) guidelines, the Bank aims to allocate no more than 20% of its total loan portfolio to Overdraft Loans. Customers must fully settle their Overdraft Loan at least 14 days prior to renewal.



What we Offer

Short-Term Loan

MCB Bank offers Short-Term Loans primarily to support basic trading transactions by fulfilling business funding needs. These loans are disbursed for a specified term and must be repaid according to the agreement following the completion of the trading process. Depending on transaction requirements, this loan type may function as a revolving loan.

Addition Short-Term Loan

Businesses often face additional working capital needs during seasonal periods, as well as alongside their regular operations. To support these requirements, MCB Bank provides Additional Short-Term Loans. The maximum loan tenure is six months.

Term Loan

To support business expansion and fixed asset improvements, MCB Bank offers Term Loans to finance investments such as additional plants and equipment, land and property, or improvements to existing fixed assets. Term Loans may also be used to meet ongoing working capital needs. As per the Central Bank of Myanmar's regulations, Term Loans must be repaid within a maximum period of three years.



Loan against Fixed Deposits

If Fixed Deposit Account holders require funds before the maturity date of their deposits, MCB Bank offers loans of up to 80% of the fixed deposit amount. This loan allows borrowers to access funds without breaking their fixed deposits, and the original term of the fixed deposit remains valid.

Loan against Government Bonds/Bills

MCB Bank also provides loans of up to 80% of the value of Government Bonds or Bills, if the bondholders wish to obtain funds before the maturity date of those instruments. This allows customers to retain their investment while accessing needed funds, as the bonds/bills remain valid without being sold.

Bank Guarantees

Based on business requirements, MCB Bank provides various types of Bank Guarantees, including Bid Bonds for tender participation, Performance Bond for agreement between owners and contractors, and Advance Payment Guarantees to access funds from owners. Additionally, MCB Bank issues Shipping Indemnities to logistics companies to facilitate the operations of trading companies.

Letters of Credit

Letters of Credit (LCs) are a common and secure payment method in international trade. They provide assurance to exporters that they will receive payment after shipment and to importers that they will receive goods upon payment, in accordance with the terms of trade agreements. MCB Bank serves as a reliable intermediary for both exporters and importers by offering comprehensive LC services to facilitate smooth international transactions.



Trade Finance

Import Payment Services

To facilitate cross-border trade and support corporate clients engaged in import activities, MCB offers a comprehensive range of Import Payment Services. These include Advance Telegraphic Transfer (TT), Normal Telegraphic Transfer (TT), Documentary Collection, and Letter of Credit (L/C). Through these services, importers are empowered to conduct international transactions with greater confidence, security, and operational efficiency, ensuring smooth and reliable trade flows.

Import Financing

To facilitate import operations and ensure access to imported goods, MCB Bank offers financing of up to 80% of the value of import documents. The loan term is set for up to four months, or the required period for import financing, or a shorter duration if applicable. The loan must be repaid from the proceeds of selling the imported commodities.

Export Payment Services

To support exporters in receiving payments from international buyers efficiently and securely, MCB provides reliable Export Payment Services. The service offerings include Advance Telegraphic Transfer (TT), Normal Telegraphic Transfer (TT), Documentary Collection, and Letter of Credit (L/C). These solutions are tailored to facilitate smooth cross-border trade by providing structured, timely, and secure payment mechanisms, thereby strengthening our clients' global business operations.



Export Financing

To support the country's export sector, MCB Bank offers pre-shipment or post-shipment loans of up to 80% of the export bill value, as needed. The loan must be repaid from the export proceeds received from the importer. Typically, the export financing product should be repaid within three months of the disbursement date.

Supply Chain Financing Services

MCB provides Supply Chain Financing Services to support trade customers, including both exporters and importers, in optimizing their working capital and improving cash flow management. Our offerings encompass Local Invoice Financing, as well as Receivable and Payable Invoice Financing, enabling stakeholders across the supply chain to access timely funding. These solutions are designed to enhance operational efficiency, strengthen supplier relationships, and ensure smoother trade transactions.

Treasury

Foreign Exchange (FX) Trading

In accordance with the CBM's instructions, International Trade Services have been provided through the purchase and sale of export proceeds via the Online Trading Platform for imports.

Currency Exchange Counters

To provide customers with greater convenience and accessibility, MCB has established Currency Exchange Counters at selected branches. These counters offer fast and reliable foreign currency exchange services, meeting the needs of individual and corporate clients alike.

Government Treasury Securities

With the continued growth of public deposits, MCB strategically invests in Government Treasury Bills (short-term) and Government Treasury Bonds (long-term). These investments aim to optimize income generation while maintaining robust liquidity levels and contributing to the development of the domestic capital market.

Interbank Money Market

MCB actively participates in the Interbank Money Market to manage liquidity and address short-term funding needs. This market facilitates the lending and borrowing of funds between financial institutions at mutually agreed interest rates for specified durations. Through prudent engagement in this market, MCB ensures effective liquidity management and supports overall financial system stability.



Foreign Exchange



Currency Exchange



Government Treasury Securities



Interbank Money Market

Digital Banking

MCB Bank offers innovative Digital Banking Services designed to deliver convenience, security, and efficiency to our customers. Our Digital Banking Services, including Internet Banking, Mobile Banking, Card Payment, and Wallet Payment, are developed to meet the evolving needs of both individual customers and businesses and all services are accessible anytime, anywhere.



Internet Banking

MCB Bank introduced Internet Banking Services in 2020, enabling customers to access their accounts at any time and perform a wide range of banking transactions online. Customers can conveniently manage their finances, such as transfers between MCB accounts and inter-bank transfers, from their homes or offices. The platform is designed to be user-friendly, secure, and efficient. In 2025, MCB introduced newly featured internet banking and corporate banking to their customers, offering enhanced functionalities such as bulk payments, payroll processing, real-time transaction monitoring, advanced security controls, and customizable user access for corporate clients—enabling businesses to manage their financial operations more efficiently and securely.

Mobile Banking

In response to the growing market demand for fast and convenient banking services, MCB Bank launched its Mobile Banking App in 2020. This service enables customers to perform transfers between MCB accounts and inter-bank transfers, manage their accounts directly, and conduct various financial transactions, all through their mobile phones. In 2025, MCB integrated its newly enhanced mBanking features into the CTZPay wallet, transforming it into a Super App that combines banking, payments, and lifestyle services in a single platform allowing users to seamlessly access their bank accounts, perform financial transactions, pay bills, shop online, and engage with various digital services, all from one unified application.

Card Payment

MCB Bank introduced Card Payment Services in 2020. Customers can make seamless payments using MPU-JCB Platinum Debit Cards and MPU-JCB Co-branded Cards for both E-Commerce and Online Payments. These cards can also be used internationally in over 190 countries, offering access to Point of Sale (POS) services and cash withdrawals at domestic ATMs with ease and security.

Wallet Payment

In 2021, MCB Bank launched the CTZPay Application, offering customers a faster, more convenient, and efficient way to manage their financial transactions. Designed to enhance access to quality financial services, CTZPay enables users to perform a wide range of transactions, including Mobile

Payments, Bill Payments, Fund Transfers, and Merchant Payments, directly from their mobile phones. The application supports MMQR (Myanmar QR Code) payments, allowing customers to easily pay at any store that accepts MMQR. MMQR (Myanmar QR Code) integration in the CTZPay App allows customers to make fast, secure, and cashless payments at any store that accepts MMQR, regardless of the bank or wallet provider. It promotes nationwide interoperability, enhances convenience, reduces the need for physical cash or POS machines, and supports financial inclusion by enabling even small businesses to accept digital payments easily—making it a key driver in Myanmar's transition to a digital economy.

Additionally, users can access MCB mBanking services through the CTZPay App and conveniently transfer funds to their preferred bank accounts.



MCB mBanking



DOWNLOAD NOW!

Business Partnership

Business partnerships play a vital role in the operations of MCB Bank. MCB Bank demonstrates a commitment to delivering the best service to its loyal customers through mutually beneficial collaborations not only within the banking industry but also in other sectors.

In addition, as part of MCB Bank's ongoing commitment to continuous development and providing top-tier services, the Bank collaborates with New Partners and offers prices specified rates to its loyal customers for a better and more convenient shopping experience. In this 2024-2025 FY, MCB Bank is actively working to increase New Partners by focusing on the following sectors.

- Retail Stores and Supermarkets
- Well-known Private Universities, Information Technology Universities, and Language schools
- Hotels and Tourism businesses
- Popular Restaurants and Bars
- Healthcare Centers, Fitness Centers, and Specialist Hospitals
- Airport Lounges for international and domestic travelers.

Currently, MCB Bank is collaborating with over 130 partners in Yangon, Mandalay, and other cities to serve its loyal customers. Looking ahead, MCB Bank aims to expand its Partner Network. These partnerships not only support business growth and customer engagement but also contribute to diversified revenue streams. In the near future, MCB Bank plans to establish a Discount Club that will bring together all business partners under one platform.



What we Offer

Bancassurance

MCB Bank, in collaboration with its partner life insurance company, **Capital Taiyo Life Insurance**, introduced new insurance services in 2021 with the objective of providing planning and health support for customers and their families. The available types of insurance are:

- Capital Taiyo Saving Life (Triple Cover Plan)
- Health Insurance
- Personal Accident Insurance
- Group Life Insurance.



Capital Taiyo Saving Life (Triple Cover Plan)

The Capital Taiyo Saving Life (Triple Cover Plan) is a life insurance policy that provides both protection against unforeseen events and savings for the future. In this plan, the benefit amount for accidental coverage is three times higher than the maturity benefit. Individuals aged between 10 and 65 years are eligible to purchase this insurance. Policyholders can choose a term of either three or five years. This short-term insurance plan allows customers to save a fixed amount toward future security.

Health Insurance

Health Insurance provides financial coverage and medical support for the insured and their family in cases of unexpected health conditions, hospitalizations due to illness, accidents, death, surgeries, miscarriages, and other medical treatments at hospitals or clinics. Anyone between the ages of 6 and 75 is eligible to purchase this insurance. The coverage period is one year, offering short-term protection. This plan helps reduce the anxiety and financial burden associated with medical expenses and contributes to public health support.

Personal Accident Insurance

Personal Accident Insurance provides coverage in the event of death, total permanent disabilities, or specified injuries resulting from accidents. It is designed to address sudden changes in the insured's lifestyle caused by unexpected incidents. Anyone between the ages of 16 and 65 is eligible to purchase Personal Accident Insurance. The coverage period is one year, offering short-term protection against personal accidents. This insurance helps reduce anxiety and financial burdens for the insured and their family in the event of unforeseen circumstances.

Group Life Insurance

Group Life Insurance is a type of insurance that provides coverage to employees of companies in the event of death, permanent disability, or injury. This insurance is designed for both individuals and groups, such as employee teams and organizations. Anyone between the ages of 18 and 65 is eligible to be insured under this policy. The coverage period is one year. In addition to offering financial protection, companies can also use this insurance as a tool to support long-term employee retention. If the insured experiences accidental injuries, death, or total permanent disability, the policy provides financial support to both the insured and their family.

In 2023, MCB Bank, in collaboration with its partner insurance company, **GGI Tokio Marine General Insurance**, introduced new general insurance services, aiming to provide comprehensive coverage and financial protection for the valuable assets of MCB's customers and their families.

The available insurance products include:

- Motor Vehicle Insurance
- Fire Insurance

Motor Vehicle Insurance

Motor Vehicle Insurance offers protection against incidents such as vehicle damage, theft, and injury or damage caused to others by the insured vehicle. Based on customer needs, GGI provides a variety of coverage options, ranging from Third-Party Liability to Comprehensive Insurance. The coverage lasts for one year from the date of premium payment. The insured amount is determined by the vehicle's market value, year of use, and location of use (urban or rural). The premium must be paid annually.



Fire Insurance

Fire insurance is a type of coverage that protects against losses caused by property and building damage, gas explosions, hailstorms, and other natural disasters. It offers specific coverage limits for industries, workshops, buildings, and apartments. The policy is valid for one year from the date the premium is paid. The insured amount is based on the construction or renovation cost of the building (market value or Pledge Area Estimation – PAE), the purchase, sale, or market value of the property, the original purchase price of furniture, and the cost of purchasing and installing equipment. Premium payments must be made annually.

What we Offer

International Money Transfer Services

MCB Bank is committed to serving the financial needs of Myanmar nationals living and working abroad by offering reliable, accessible, and customer-centric international remittance services. Understanding the importance of timely and secure fund transfers to families in Myanmar, MCB has established partnerships with leading international remittance service providers, including **MoneyGram, Ria, Merchantrade, Queen Bee, DollarSmart, Thunes, Myanmar Remit, and TerraPay.**

To support expatriate Myanmar workers and their families, MCB provides multiple convenient options for receiving funds in Myanmar:

• PIN-Based Cash Withdrawals:

For remittances sent via MoneyGram, Ria, Merchantrade, Queen Bee, or Myanmar Remit, beneficiaries in Myanmar can conveniently withdraw cash without the need for a bank account simply using a secure PIN code, with no cash withdrawal limit.

• Same-Day Bank Credits:

Remittances made through Ria, Merchantrade, Queen Bee, DollarSmart, Thunes, Myanmar Remit, or TerraPay can be credited directly to the sender's or beneficiary's MCB Bank account in Myanmar within the same business day, ensuring fast and efficient access to funds.

• Wallet Integration:

In addition to bank accounts, MCB enables direct credit to the CTZPay mobile wallet, providing beneficiaries with digital convenience and the ability to use funds immediately for everyday transactions. This service is available for remittances sent via Ria, Queen Bee, Myanmar Remit, and TerraPay.

MCB Bank takes pride in its customer-focused approach in the IMT business. By offering flexible options for both unbanked and banked beneficiaries, including real-time tracking, multilingual customer support, and accessible payout channels across the country, MCB ensures that remittance recipients experience ease, speed, and security.

In recognition of the vital contributions made by Myanmar workers abroad, MCB continuously expands its international partnerships and invests in digital infrastructure to make remittance services more inclusive, faster, and affordable. The Bank is also committed to financial inclusion by encouraging beneficiaries to open savings accounts and access broader financial services, contributing to long-term financial empowerment for families across Myanmar.

Corporate Governance

Myanmar Citizens Bank Limited is committed to maintaining the highest standards of corporate governance in line with regulatory requirements and global best practices. The Bank's governance framework is built on principles of accountability, transparency, fairness, and integrity to safeguard the interests of all stakeholders and ensure long-term sustainable performance.



Role and Responsibilities of the Board of Directors

The Board of Directors (the "Board") provides strategic oversight and direction to the Bank, ensuring sound governance practices and effective risk management. The Board is responsible for formulating policies, approving strategic plans, monitoring the Bank's performance, and ensuring compliance with all applicable laws and regulations.

Chairman

The Chairman leads the Board in setting the strategic vision of the Bank and presides over Board meetings. The Chairman ensures that Board proceedings are conducted efficiently and that all directors are provided with timely and relevant information to make informed decisions. The Chairman also fosters a culture of open communication and collaborative decision-making.

Non-Executive Directors

Non-executive directors bring independent judgment and diverse expertise to the Board. They play a critical role in challenging and advising management, ensuring that the interests of shareholders and other stakeholders are adequately represented. Their responsibilities include attending Board and committee meetings, reviewing business plans, and monitoring the performance of executive management.

Independent Director

The Independent Director ensures objectivity and neutrality in the Board's deliberations. As per regulatory requirements, the Independent Director is free from any business or other relationship that could materially interfere with their ability to act in the best interests of the Bank. They contribute to balanced decision-making, oversee corporate governance matters, and serve as a member of key Board committees.

Chief Executive Officer (CEO)

The CEO is responsible for the day-to-day management and operations of the Bank, in accordance with the policies and strategies approved by the Board. The CEO reports directly to the Board and ensures that the Bank operates effectively, meets financial targets, and complies with regulatory and risk management requirements.



Types of Decisions Requiring Board Approval

The Board is responsible for approving matters that are material to the Bank's operations and governance. Key decisions requiring Board approval include:

- Annual business plan and budget
- Strategic direction and corporate policies
- Appointment and removal of the CEO and other key executives
- Major investments, mergers, acquisitions, and divestitures
- Capital raising, dividend declarations, and changes in capital structure
- Financial statements and reports
- Risk management policies and frameworks
- Compliance and regulatory submissions
- Related party transactions

Corporate Governance

Orientation Programs for New Directors

Myanmar Citizens Bank conducts comprehensive orientation and induction programs for newly appointed directors. These programs are designed to familiarize new members with the Bank's operations, governance framework, regulatory environment, and strategic priorities. The orientation includes:

- Overview of the Bank's business model and financials
- Briefing on regulatory and compliance obligations
- Introduction to senior management and key business units
- Review of Board policies, procedures, and committee structures
- Ongoing access to relevant training and development programs

Annual Performance Assessment

The Board conducts an annual evaluation of its own performance, as well as the performance of its committees and individual directors. The assessment process includes:

- Self-assessments and peer reviews
- Evaluation against performance indicators such as attendance, participation, preparedness, and strategic contribution
- Review of committee effectiveness and governance practices
- Feedback from the Chairman and Independent Director
- Recommendations for improvement and training where necessary

The results of the performance assessment are used to enhance the effectiveness of the Board and to ensure that the Bank continues to be governed in line with best practices.



Board Committees

Board committees are formed to assist Board members in various specialized areas and to enable smoother Board operations. The MCB Board consists of members from different sectors, such as manufacturing, trading, financial services, import and export, construction, engineering, and public administration. These committees are created with a balanced mix of independent and non-independent directors, who bring a wealth of experience and expertise to their respective focus areas.

Our Board committees are established to address specific aspects of corporate governance and include the Board Audit Committee (BAC), the Board Integrated Risk Management and Compliance Committee (BIRCC), the Board Credit Committee (BCC), the IT Steering Committee (ITSC), and the Remuneration & Nomination Committee (RNC). This variety of perspectives helps ensure that the best interests of our bank and stakeholders are consistently protected.

Board committees offer valuable oversight, ensure regulatory compliance, and foster a culture of accountability. Minutes from their meetings are accurately recorded and stored, and our Management Team has been executing operations aligned with the decisions, guidance, and recommendations of the Board Committees in a timely manner.

During FY 2024–2025, a total of 38 committee meetings were held, with an attendance rate of 73%. Detailed information about the Board Committees and a list of the meetings are provided below.

1. Board Audit Committee (BAC)

An Independent Director serves as the Chairman of the Board Audit Committee (BAC), which also comprises two Non-Executive Directors. The Head of Internal Audit serves as the Secretary of the Committee. The Chairman holds a B.Econ (Statistics) and a Diploma in Economic Planning (D.E.P), and has extensive experience in auditing. The BAC provides a structured, systematic oversight of the organization's governance, risk management, and internal control practices. The Committee assists the Board and Management by providing findings, observation reports, advice, and guidance on the adequacy and effectiveness of control measures within the organization. BAC also oversees financial reporting and external audit matters, supporting the maintenance of the highest standards of integrity in the financial reports.



Board Committees

2. Board Integrated Risk and Compliance Committee (BIRCC)

The Board Integrated Risk and Compliance Committee (BIRCC) is chaired by an Independent Director and is composed of two Non-Executive Directors. The Chief Risk and Compliance Officer (CRCO) serves as the Secretary. BIRCC oversees and reviews the establishment, effectiveness, and implementation of the risk management framework. It ensures that transactions are undertaken with due consideration of associated risks and appropriate risk mitigation tools. BIRCC also reviews the outcomes of business operations from a risk perspective and takes corrective actions when necessary. In addition, it is responsible for supervising the Bank's compliance with the policies and regulations issued by the Central Bank of Myanmar (CBM).



3. Board Credit Committee (BCC)

The Board Credit Committee (BCC) is established with three Non-Executive Directors, and the Chief Credit Officer (CCO) serves as the Secretary. BCC oversees the credit and lending policies, strategies, and objectives of the Bank, including: (i) overseeing credit risk management, (ii) reviewing and approving credit-related products, (iii) reviewing the quality and performance of the Bank's credit portfolio, and (iv) making decisions on credit proposals.



4. Information Technology Steering Committee (ITSC)

The Information Technology Steering Committee (ITSC) comprises three Non-Executive Directors, and the Head of IT serves as the Secretary. The Committee is responsible for formulating strategies and policies related to technology that are critical for the long-term development of the Bank's services. ITSC's key duties include assessing the Bank's technical capabilities, setting technology and information priorities, and overseeing its Core Banking System. The ITSC also monitors and receives updates on major IT performance indicators, IT priorities, IT budgets, and the performance of the Core Banking System.

5. Remuneration and Nomination Committee (RNC)

The Remuneration and Nomination Committee (RNC) is established with three Non-Executive Directors, and the Head of HR serves as the Secretary. The RNC is responsible for reviewing and approving employee-related policies, remuneration packages, and employee benefits, and also oversees the workforce structure, including the number of employees at various levels, expatriates, and senior management personnel. The Committee deliberates, reviews, and makes prudent decisions on human resource matters in alignment with market standards and practices. It also supports the Bank's long-term strategy and vision by encouraging employees to embrace a professional culture.

Position	Name	BOD	BAC	BCC	BIRCC	RNC	ITSC
Chairman	U Toe Aung Myint	(11/11)	-	-	-	(6/6)	-
Deputy Chairman	U Aung Thwin Oo	(4/11)	(2/4)	-	(4/4)	-	-
Director	U Aung Soe	(11/11)	(4/4)	(6/6)	(4/4)	-	(7/7)
Director	Daw Khin Mar Myint	(11/11)	-	(6/6)	-	(4/6)	(2/7)
Director	U Aung Aung	(11/11)	-	(6/6)	-	(4/6)	(7/7)
Director	U Htay Chun	(11/11)	(4/4)	-	(4/4)	-	-
Director	U Hla Oo	(5/11)	-	-	-	-	-
Director	U Tun Lwin	(6/11)	-	-	-	-	-
Director	U Ohn Saing	(4/11)	-	-	-	-	-

Board of Directors

The Board of Directors have collective responsibility to successful operating of any entity. In order to set vision, missions, policies, long-term strategies of the business and provide guidance and supervision on different aspects, the Board in aggregate needs expertise in all aspects.

MCB Board comprises the Members from widely diversified sectors ranging from manufacturing, trading, financial services, import and exports, construction, engineering, public administration etc. MCB Board has been highly effective in steering the Bank to success. The has provided strategic vision, appointed capable senior management, and ensured strong oversight and control measures. Their dedication to risk management and compliance has ensured stability and regulatory adherence. The Board's commitment to ethical conduct and transparency has boosted investor confidence. Overall, their effectiveness is evident in aligning our operations with our goals and upholding rigorous corporate governance standards.

According to the approval of the 32nd Annual General Meeting (2024 - 2025 Fiscal Year) of Myanmar Citizens Bank Limited held on 5th October 2024, the Board of Directors consisting of the following persons was formed and assigned.



U Toe Aung Myint

Chairman

Non-Executive Director

- Remuneration and Nomination Committee



U Aung Thwin Oo

Deputy Chairman

Non-Executive Director

- Board Audit Committee

- Board Integrated Risk and Compliance Committee



U Aung Soe

Non-Executive Director

- Board Audit Committee

- Board Integrated Risk and Compliance Committee

- Board Credit Committee

- Information Technology Steering Committee



Daw Khin Mar Myint

Non-Executive Director

- Board Credit Committee

- Remuneration and Nomination Committee

- Information Technology Steering Committee



U Aung Aung

Non-Executive Director

- Board Credit Committee

- Remuneration and Nomination Committee

- Information Technology Steering Committee



U Tun Lwin

Non-Executive Director



U Ohn Saing

Non-Executive Director



U Hla Oo

Non-Executive Director



U Htay Chun

Independence Director

- Board Audit Committee

- Board Integrated Risk and Compliance Committee

Executive Management Committee

A management committee plays a pivotal role in the efficient functioning. MCB is a diverse financial institution that provide diverse services to individuals, businesses, and every citizen while navigating a highly regulated landscape. A well-functioning management committee is indispensable for a bank's success, contributing to its strategic leadership, risk management, regulatory compliance, and overall financial performance. Their role is pivotal in upholding the bank's stability and ability to meet the needs of its customers while satisfying its various stakeholders.

MCB management team is comprised of seasoned banking professionals, having exposure in different areas in Myanmar and overseas. They are responsible for shaping the bank's strategic direction, and charting out business objectives in line with the long-term goals set the Board. At a tactical level they ensure implementing the set strategies, resource management, business performance in a risk prudent way diligently monitoring key indicators like profitability, capital adequacy, liquidity etc. Additionally, they oversee risk management by setting risk appetite, implementing control measures, and ensuring compliance with stringent regulatory requirements. Furthermore, they bear the responsibility of governance and compliance, maintaining robust internal controls, and reporting systems to adhere to legal and regulatory guidelines.

In the ever-evolving landscape of banking, the committee plays an essential role in embracing technological innovation, integrating online platforms, mobile apps, and advanced security measures to enhance customer experiences and operational efficiency. Moreover, they are responsible for crisis management, ensuring the bank's stability during economic downturns, and they represent the bank to various stakeholders, maintaining positive relationships with shareholders, regulators, and the general public.



Management Team

The Management Team in MCB hold a critical role in the institution's success and the achievement of goals set by the Executive Management Committee (EMC). These leaders are instrumental in translating the EMC's strategic vision into concrete actions and results. Firstly, they are responsible for ensuring alignment with strategic goals and comprehending the bank's overarching mission and vision, and they play a crucial role in guiding their departments to harmonize with these strategic objectives. They act as the bridge between high-level strategic direction and day-to-day operations, ensuring that their department's efforts contribute to achieve the overall goals of the Bank.

Secondly, the Management Team is the key drivers of strategy implementation. They break down strategic goals into actionable steps, delegate tasks, and oversee their execution. Their ability to provide clear direction, set priorities, and manage resource allocation is essential for the effective execution of the EMC's strategies. Moreover, they are responsible for leading, motivating and guiding their teams to foster collaboration, innovation, and higher performance. They are also charged with equipping their team members with the skills and knowledge required to execute strategies effectively.





Risk and Compliance Framework:

It is said that risk is an integral part of the banking business. Thus, Bank Management is essentially the management of various types of Risks. The magnitude of impact and gravity of different risks vary. We anticipate, assume and analyze the probabilities of risks and returns in every action we undertake based on the historical fact sheets, prevailing market dynamics/indicators and probable future turn of events, forecast the likely magnitude of the impact and set the integrated risk and compliance management guidelines and controlling parameters for minimizing and mitigation of risk to protect from the potential losses.

MCB's Board and Management Team fully understand and are well-versed in the potential risks in the overall banking business. Accordingly, MCB has developed a robust integrated risk and compliance management framework at the organizational level and settled the policy, manual, guidelines, Standard Operating Procedures (SOPs), Terms of Reference (TORs) for the management, and Board-level Committees, and has been effectively implementing and practicing on a day-to-day basis in business and operational processes.

For overall Bank risk and compliance management, MCB has defined five major categories of risk: credit risk, operations risk, market & liquidity risk, IT & cyber risk, and compliance risk. Correspondingly, five specialized risk and compliance management departments/units, namely the Credit Risk Management Unit, Operations Risk Management Unit, Market & Liquidity Risk Management Unit, IT & Cyber Risk Management Unit, and Compliance and Governance Department, have been established under the Integrated Risk and Compliance Department (IRCD). This function is led by the Chief Risk and Compliance Officer (CRCO). Its core functions are to identify, monitor/review/ assess/analyze, and measure the risks in respective areas, and further advise on control measures and mitigation strategies for overall risk management to minimize the risk impacts posed to the Bank.



MCB's Risk Management Framework

Credit Risk Management

Focuses on managing risks associated with lending and credit activities.

Operations Risk Management

Addresses risks related to operational processes and systems.

Market & Liquidity Risk Management

Manages risks related to market fluctuations and liquidity.

IT & Cyber Risk Management

Protects against risk related to technology and cyber threats.

Compliance and Governance

Ensures adherence to regulations and ethical standards.

MCB strictly follows internal policies, regulations issued by the Central Bank of Myanmar (CBM), applicable local laws, and internationally accepted prudent risk management practices. To prevent the functional role conflict and ensure the independence of Risk and Compliance Managers/ Integrated Risk and Compliance Departments, as per the prudent risk management practice, all the Risk Unit Heads report to the Chief Risk and Compliance Officer (CRCO), and the CRCO directly reports to the Board Integrated Risk and Compliance Committee (BIRCC). CRCO and/or Risk and Compliance Managers have dotted-line functional relationships with the CEO, Senior Executives, and/or other HODs. Direct reporting by CRCO to the Board level committee enables it to prevent the functional role conflict and/or undue intervention or negative influence, and hence the Integrated Risk and Compliance Department can freely and independently report the possible risk events to the Board Integrated Risk and Compliance Committee (BIRCC) whereby independence of Integrated Risk and Compliance Department is ensured. Furthermore, the Board of Directors shall have oversight of all the integrated risk and compliance management functions, risk reporting, possible risk events, and risk mitigation/control activities through BIRCC.

MCB believes in the risk philosophy that risk and compliance is not only the function of Integrated Risk and Management Department/Committee or Risk and Compliance Managers but also all the employees across the Bank and thus we always strive to inculcate this belief across the organization that all the staff are equally important and responsible for overall Bank level integrated risk and compliance management.

Typically, there are four lines of defense in the risk and compliance management framework, with three internal and one external. These lines of defense are thoroughly trained and practiced across MCB to prevent potential risk events and incidents, as well as to manage, control, and mitigate their impacts. The first line of defense includes front-line employees and other management staff in operations and business functions who directly interact and engage with external customers and/or counterparties. They are responsible for ensuring the quality of service delivery that minimizes risks, maintaining accuracy and efficiency in banking operations, and overseeing deals, negotiations, approvals, and the implementation or execution of Standard Operating Procedures (SOPs), policies, manuals, and guidelines. The second line of defense comprises the Integrated Risk and Compliance Management Units or Departments, Risk and Compliance Managers, Integrated Risk and Compliance Committees, and the Board of Directors. These groups continuously monitor, review, assess, analyze, and define risk appetite, formulate risk statements, and advise on or implement controls and risk mitigation mechanisms to prevent or mitigate the impact of risk events.

The third line of defense is the Internal Audit Department, which conducts regular risk-based audits to identify and evaluate potential risk events and their impacts. The department reports its findings to the Executive Management Committee (EMC) and the Board of Directors (BOD) to ensure effective monitoring, assessment, and control of such risks through risk-based audits. It is important to note that MCB operates under a strict "Zero Tolerance Policy" with regard to compliance and governance. Additionally, beyond the above-mentioned Third Lines of Defense in the risk management structure, a fourth line of defense comprises timely audits and the issuance of procedural guidelines by external monitors, such as independent external auditors and regulators. This external oversight supports the identification and assessment of potential risks, thereby helping to mitigate the Bank's overall risk exposure.

Risk and Compliance Management: Lines of Defense

Characteristic	First Line	Second Line	Third Line	Fourth Line
Personnel	Front-line employees, management staff	Risk/Compliance Units and Managers	Internal Audit Department	External auditors and Regulators
Activities	Interacts with customers, risk action taken, execute policies and following policies	Define Risk Appetite, Monitors Risk, Review Policies and Reporting	Risk-based audits, reporting findings	External Financial Audits, Supervisory inspections
Focus	Risk minimization, operational efficiency	Risk appetite, control implementation	Assurance to board on effectiveness of 1st & 2nd lines	Regulatory compliance, public trust, financial stability

With the well-defined integrated risk and compliance management structure, functional role clarity within the risk apparatus and effective implementation of integrated risk and compliance framework, MCB has been reckoned with as one of the best managed Banks in Myanmar in terms prudent risk and compliance management practices due to which our valued customers, regulators and all other stakeholders have bestowed the trust upon us.

Whistleblowing Policy

MCB is committed to the highest standards of corporate governance, integrity, and ethical conduct. To uphold these principles, the Bank has implemented a robust Whistleblowing Policy, providing secure and confidential channels for employees, customers, and stakeholders to report, in good faith, any suspected misconduct, unethical behavior, or breaches of laws, regulations, and internal policies. These channels include a dedicated hotline, secure email, and other accessible communication platforms.

All disclosures are treated with strict confidentiality, and the Bank enforces a zero-tolerance approach towards retaliation against whistleblowers. Reports are promptly reviewed by the Human Resources Department, Integrated Risk and Compliance Department, and Internal Audit Department, and where necessary, escalated to the Board Integrated Risk and Compliance Committee. Investigations are conducted impartially, with findings and corrective measures monitored until resolution.

Regular training programmes ensure that employees understand their responsibilities under the Whistleblowing Policy, the importance of ethical conduct, and the protections afforded to them. Through this framework, MCB reinforces its commitment to transparent operations, effective risk management, and the long-term trust of its stakeholders.



Internal Control

MCB is committed to maintaining a strong and effective internal control framework that supports sound governance, prudent risk management, and sustainable business growth. This framework is designed to safeguard the Bank's assets, ensure the accuracy and reliability of financial reporting, and promote compliance with applicable laws, regulations, and internal policies.

Oversight of the internal control system is provided by the Board of Directors through the Board Integrated Risk and Compliance Committee, which monitors its adequacy and effectiveness. Management is responsible for implementing and continuously enhancing control processes across all business units and functions.

Key components of the framework include segregation of duties, structured risk assessment and mitigation measures, rigorous compliance monitoring, and comprehensive information security protocols to protect data and systems. The Integrated Risk and Compliance Department operates independently to evaluate control effectiveness and recommend improvements, with findings reported directly to the Board Integrated Risk and Compliance Committee.

During the year under review, the Bank's internal control system was assessed to be operating effectively. No material weaknesses were identified that could adversely affect the Bank's financial position, operational integrity, or compliance obligations.



HR Management

Human Resources Development: Preparation for the Future with Aims

We strongly believe that the success of MCB Bank is the result of the hard work and dedication of our staff. Therefore, our Human Resources Policy is designed in line with our long-term economic objectives, prioritizing the development of skills, ethical values, and performance enhancement of each individual.

When laying down HR policies to become the leading service bank in Myanmar's banking industry, MCB Bank promotes five key values-PRIDE: Professionalism, Respect, Integrity, Diversity & Inclusion, and Ethics. In addition, we continuously strive to ensure that all MCBians consistently practice and uphold MCB Bank's 10 Cultures, which are grounded in these core values.

Performance Development and Training

We are committed to enhancing the teaching and learning experiences of each individual, and a total of 382 training sessions have been provided. The main training programs include:

- Product Training
- Risk & Compliance Training
- Soft Skills Training
- Legal Training
- Sales Training
- Business English
- Customer Service Training

These training sessions have supported performance improvement among staff, as well as strengthened their sense of responsibility, accountability, and problem-solving skills in operational procedures.

In addition, aiming to systematically nurture future leaders, MCB Bank launched the Management Trainee Program, which has now reached Batch 4. Through this program, a total of 48 staff have been trained, and a Youth Leadership Role has been promoted within the working environment.

Concurrently, in collaboration with partner universities, MCB Bank implements an annual Internship Program designed to equip students with practical banking experience and meaningful professional opportunities, thereby reinforcing MCB's position as a leading financial institution committed to fostering and nurturing fresh graduates into future banking professionals.



Reward & Recognition

MCB Bank systematically implements a Reward and Recognition Program based on annual evaluations of staff responsibility, accountability, and outstanding performance. During the 2024-2025 financial year, a total of 492 staff members received salary increments, and 97 staff were promoted, resulting in 589 staff members, or 52% of the total workforce, being recognized and rewarded. This initiative significantly contributes to enhancing employee morale, fostering a strong sense of responsibility, and encouraging continued dedication and excellence in the workplace.

Implementation of Our Culture

MCB Bank has established a set of 10 Cultures that emphasize mutual respect and shared values within the organization. Guided by these principles, the Bank is committed to continuously fostering a professional environment where every staff member is empowered to grow as a knowledgeable and technically proficient banking professional.



Role of Human Resources

In today's rapidly evolving banking industry, MCB Bank is committed to achieving greater success through modernization and transformation. The capacity and competence of our staff play a pivotal role in this journey, and we place great emphasis on the value of human resources. Accordingly, MCB Bank continuously strives to develop and enhance both individual staff members and the organization as a whole, focusing on skill development, core values, and effective communication across all levels.

In brief, MCB Bank is committed to achieving long-term success by prioritizing human resources. We firmly believe that the qualifications, respect, values, and leadership development of our staff are closely aligned with our Bank's long-term economic objectives. With this belief, we continue to invest in our people and strive for greater success in the future.

Situation of Share Trading on the Yangon Stock Exchange



Myanmar Citizens Bank Limited (MCB) became the first bank to be listed on the Yangon Stock Exchange (YSX) on 26 August 2016. On the opening day, the base price was set at 6,800 kyats, while the market price opened at 7,800 kyats. In September 2016, the share price reached its peak at 13,500 kyats. From (26 August 2016) to (31 July 2025), a total of (1,273,104) shares were traded, with a cumulative trading value of (10,082) million kyats. As of now, the current trading price stands at approximately (7,700) kyats per share.

MYANMAR CITIZENS BANK LTD

Top 20 Lists

Sr No	Name/Company Name	NRC /Reg No	% of Shares
1	CAPITAL FINANCIAL HOLDING LTD	101199142	22.34%
2	CAPITAL DIAMOND STAR GROUP LTD	115672193	15.07%
3	DIAMOND STAR CO., LTD	116720957	8.92%
4	SHWE ME COMPANY LIMITED	175468285	8.04%
5	GOOD BROTHERS' COMPANY LIMITED	195908206	5.67%
6	MINISTER'S OFFICE (MOC)		4.79%
7	GOOD BROTHERS MACHINERIES COMPANY LIMITED	127402280	4.06%
8	JDS CO., LTD	133811087	3.86%
9	PAC LINK TRADING LTD	165336860	3.69%
10	STAR UNION INVESTMENT LIMITED	100801949	3.54%
11	DEPARTMENT OF CONSUMER AFFAIRS (MOC)		2.98%
12	DEPARTMENT OF TRADE (MOC)		2.63%
13	FARMER PHOYARZAR COMPANY LIMITED	121138891	2.56%
14	YOUNG INVESTMENT GROUP CO., LTD	108744308	2.10%
15	VSK INTERNATIONAL COMPANY LIMITED	190567540	1.99%
16	AHTAR OO COMPANY LIMITED	146746209	0.59%
17	PRO 1 (MYANMAR) COMPANY LIMITED	137465841	0.58%
18	TUNTHAWTAR TRADING COMPANY LIMITED	104801455	0.55%
19	FARMER PHOYARZAR GEMS COMPANY LIMITED	161000124	0.38%
20	FARMER PHOYARZAR MINING COMPANY LIMITED	104545033	0.38%



Financial Highlights



Net Profit

MMK 2.8 billion
272.3 % (YOY) ↑



Total Deposit

MMK 942.2 billion
22 % (YOY) ↑



Non-Performing Loan

Ratio 3.5 %
1.2 % pt ↓



Total Assets

MMK 1,128.5 billion
15 % (YOY) ↑



Total Loan

MMK 761.9 billion
21.9 % (YOY) ↑



Return on Equity

3.8 %
2.7 % pt ↑

Net Profit After Tax (MMK in million)



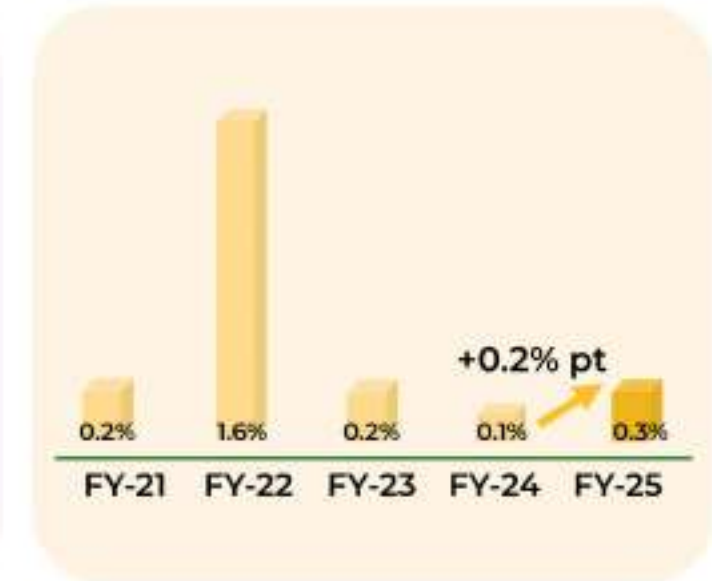
Assets (MMK in million)



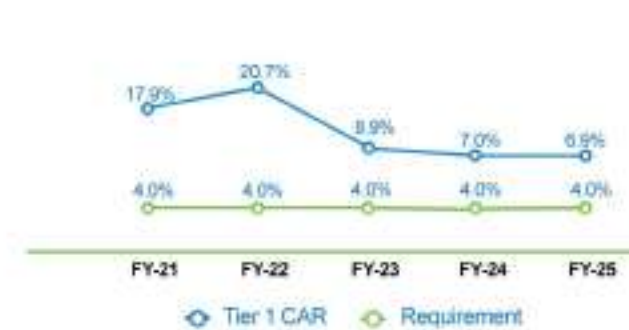
Return on Equity (ROE)



Return on Assets (ROA)



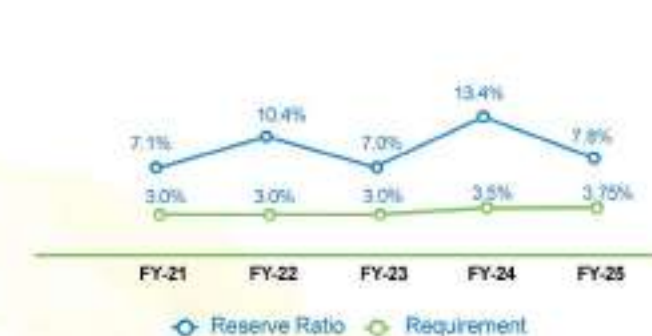
Capital Adequacy Ratio (CAR)



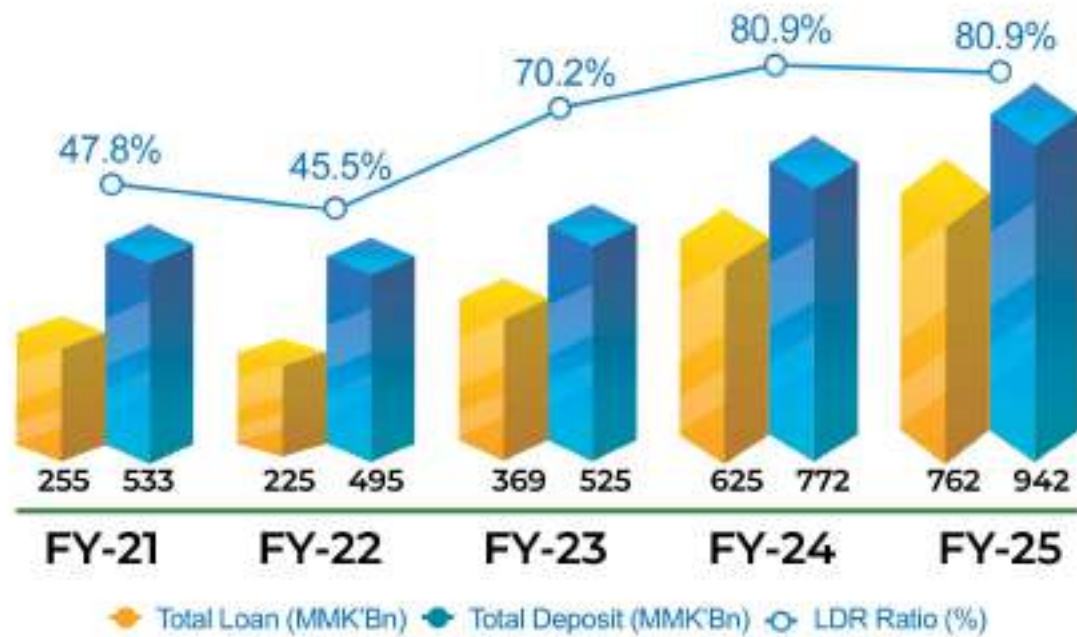
Liquidity Ratio



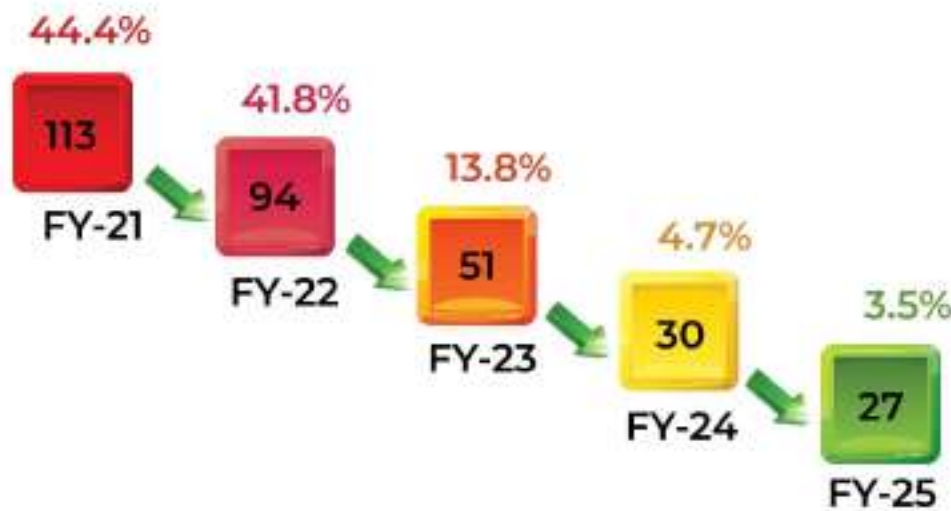
Reserve Ratio



Loan to Deposit Ratio (LDR%)



Non-Performing Loan (NPL Ratio)
MMK in billion



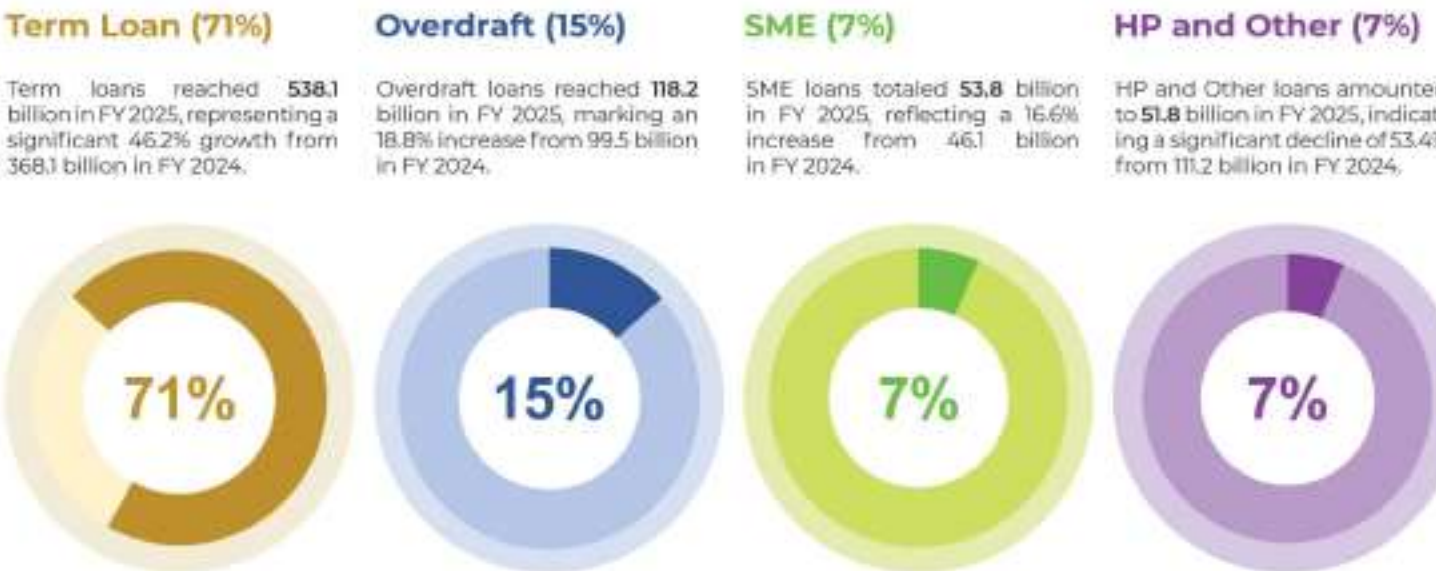
Deposit Portfolio

Total deposits for FY 2025 reached 942.2 billion, showing a 22% increase from 772.2 billion in FY 2024.



Loan Portfolio

Total loans for FY 2025 reached 761.9 billion, showing a 21.9% increase from 624.9 billion in FY 2024.



Financial Highlights

Myanmar Citizens Bank Limited Statement of Comprehensive Income For the Year Ended 31 March 2025

Income Statement	31- Mar - 25	31- Mar - 24
Interest income	87,990,427,252	59,508,115,069
Less-Interest expenses	(66,285,844,183)	(43,353,259,901)
Net interest income	21,704,583,070	16,154,855,167
Net fee and commission income	10,101,528,741	10,510,659,002
Other operating income	2,658,443,150	287,538,112
	34,464,554,961	26,953,052,281
Increase of specific provision	231,320,167	519,500,196
Increase of general provision	(2,738,612,773)	(5,127,170,524)
Income before operating expenses	31,957,262,355	22,345,381,953
Administration and general expenses	(25,558,012,674)	(19,232,451,750)
Depreciation and amortization	(2,464,654,912)	(2,205,226,586)
Profit before income tax	3,934,594,769	907,703,617
Income tax expenses	(1,114,231,920)	(150,120,232)
Profit for the year	2,820,362,849	757,583,385
Other comprehensive income	-	-
Total comprehensive income	2,820,362,849	757,583,385

Myanmar Citizens Bank Limited Statement of Financial Position As at 31 March 2025

Statement of Financial Position	31- Mar - 25	31- Mar - 24
Assets		
Cash in hand and at bank	166,678,123,553	174,700,418,012
Loans & Overdrafts	758,193,643,332	620,836,963,165
Investments & T-bonds	112,592,136,742	113,479,266,061
Other assets	65,817,891,673	50,332,253,680
Property and equipment	21,541,576,575	18,636,535,164
Intangible Assets	3,709,512,494	3,526,919,536
Total assets	1,128,532,884,369	981,512,355,617
Liabilities		
Deposits from customers	942,230,800,563	772,250,031,441
Other liabilities	77,883,306,770	70,612,409,988
Borrowings	32,333,860,000	65,385,360,000
Total liabilities	1,052,447,967,333	908,247,801,429
Equity		
Issued & Paid up Capital	57,124,662,800	57,124,662,800
Reserves	15,801,294,540	15,096,203,828
Retained earning	3,158,959,696	1,043,687,560
Total equity	76,084,917,036	73,264,554,188
Total liabilities and equity	1,128,532,884,369	981,512,355,617



Business Highlights



Non-Financial Highlights

(a) Human Capital Report

During the 2024-2025 financial year, MCB Bank has continued to prioritize human capital as a key driver of sustainable growth. Despite challenges, our employees have remained committed to achieving the Bank's business objectives while also pursuing their personal and professional development. We aim to foster a workplace where every employee can thrive and access meaningful opportunities. We believe that only through high-performing staff can we realize the Bank's ambitions and long-term success. Therefore, we remain focused on continuously enhancing employee performance.

Human Capital Growth Strategy



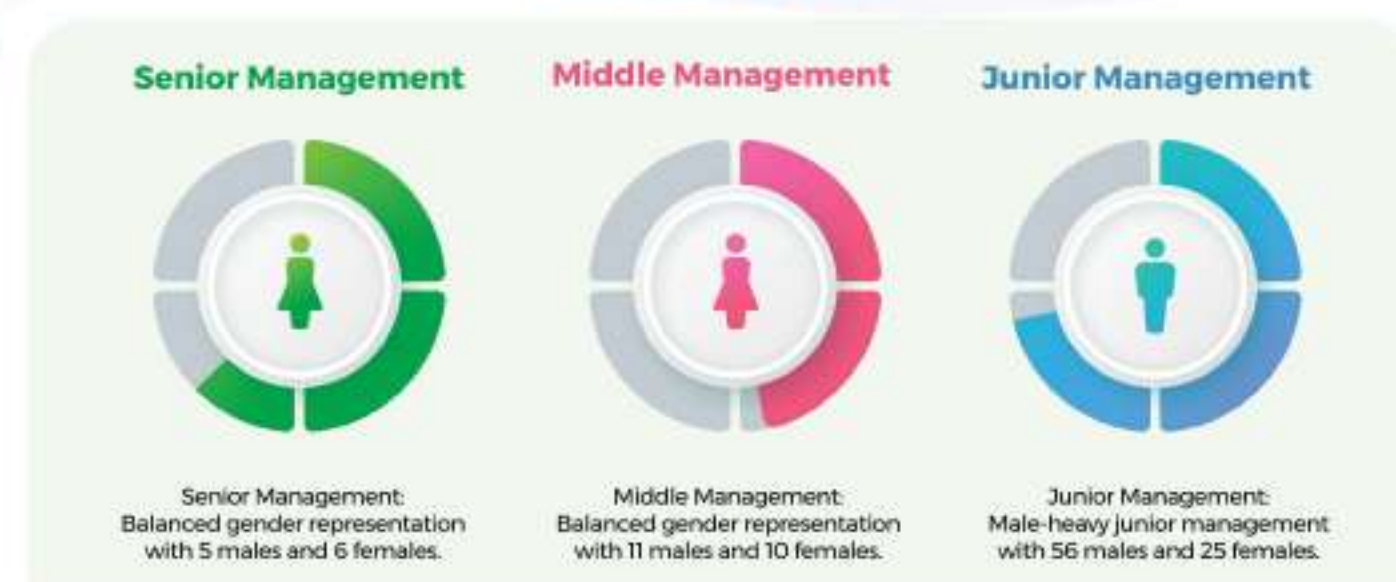
(b) Our People Profile

During the 2024-25 FY, MCB employed 1,156 staff members at Head Office and branches across the country, representing a diverse mix of skills, educational backgrounds, and professional experiences. Women comprise 42.8% of our workforce, and their leadership and contribution are evident at every level of the Bank.

MCB Staff Profile FY 2024-2025

Level	Male	Female	Total
Senior Management	5	6	11
Middle Management	11	10	21
Junior Management	56	25	81
Non-Management Staff	589	454	1043

Gender Distribution



Our workforce is multi-generational, combining the energetic and digital fluency of younger employees with the experience and institutional knowledge of senior professionals.

Non-Financial Highlights

Individuals Categorized by Age Groups



(c) Learning and Development

We believe that continuous learning is essential for both the individual and the Bank's success. In FY 2024-25, MCB conducted 382 internal training sessions and one external training session, reaching a total of 10,377 participants. Detailed information on training sessions is as follows:

Training Sessions for FY 2024-2025



Training Types and Sessions

Training Types	Sessions
Orientation	16
Excel	20
Customer Service Excellence	3
Core Banking	5
Products Training	114
Operation Process Training	82
Credit Process Training	54
Risk & Compliance Training	34
Legal Training	1
Soft Skills	20
HR Townhall Meeting	3
Sales Training	1
Business English	17
Financial Training	8
Audit Training	1
General Services Training	3
AML/CFT/CPF/ABC Annual Awareness Training	1

Internal Activities Highlights



Audit Function

Bank Statements and Auditing Findings

The Internal Audit plays a crucial role as the third line of defense in MCB's risk management framework. To ensure the objectivity and independence of audit functions, the Internal Audit Department reports directly to the Board-level Audit Committee and maintains a functional relationship with management. This structure positions the Internal Audit as both a key stakeholder in the internal control system and an independent assessor, in line with the core principles of internal auditing.



The Internal Audit Department inspects operational and business functions to verify whether they are conducted in compliance with internal policies and external regulatory requirements. Corrective actions are taken at the source level and further coordinated with responsible officials at the Head Office for organization-wide compliance. Key findings and progress updates are discussed with both the Management Audit Committee and the Board Audit Committee. The Board Audit Committee comprises four members, including one Independent Director, two Executive Directors, and the Head of the Internal Audit Department. U Htay Chun, an Independent Director, serves as Chairman of the Board Audit Committee and brings extensive audit experience and professional qualifications.



During the 2024-2025 Fiscal Year, the Internal Audit Department conducted audits of the Account and Admin Department, Cash management and Loan Department across 31 branches. The findings and subsequent corrective actions were supervised by relevant Department Heads and monitored by the Internal Audit Department. On-site audit procedures were carried out at 13 branches, while 18 branches in urban areas were assessed through off-site audits. Additionally, five Head Office departments and concurrent audits of the Credit Administration Department (CAD) and Credit Inspection and Monitoring Department (CIMD) were conducted using on-site audit procedures. As part of value-added services during this fiscal year, Internal Audit conducted "Flying Squad" cash counts at five branches and year-end closing cash counts for FY 2024-2025 at four branches and the Currency Department (Head Office). Centralized reports for Collateral Expiry Dates and Interest Rates (Loan & Deposit) were also prepared at the country level.

Throughout the review period, operations at branches and Head Office departments were inspected according to the annual audit plan, and relevant recommendations were provided accordingly.



During the 2024-2025 Fiscal Year, four Board Audit Committee meetings were held for business supervision, along with six business coordination meetings.

In addition to internal oversight, the operations of the Bank for the 2024-2025 Fiscal Year were periodically inspected by the Central Bank of Myanmar. Furthermore, the External Auditor, V-Advisory Limited, audited the financial statements for the fiscal year. The external audit report and the annual financial statements for the 2024-2025 Fiscal Year are hereby attached.



MYANMAR CITIZENS BANK PUBLIC COMPANY LIMITED

(Incorporated in the Republic of the Union of Myanmar)

Directors' Statement

For the year ended 31 March 2025

The directors present their statement to the members together with the audited financial statements for the year ended 31 March 2025.

In the opinion of the directors,

The financial statements are drawn up so as to give a true and fair view of the financial position of the Bank as at 31 March 2025, the statements of comprehensive income, changes in equity and cash flows of the Bank for the financial year covered by the financial statements, and at the date of this statement, there are reasonable grounds to believe that the Bank will be able to pay its debts as and when they fall due.

Directors

The patron of the Bank is U Tun Ohn, the Union Minister of the Ministry of Commerce.

The Board of Directors of the Bank at the date of this statement is as follows:

No.	Name	Position
1.	U Toe Aung Myint	Chairman
2.	U Aung Thwin Oo	Deputy Chairman
3.	U Aung Soe	Director
4.	Daw Khin Mar Myint	Director
5.	U Aung Aung	Director
6.	Chief Executive Officer	Director
7.	U Htay Chun	Independent Director

Arrangements to enable directors to acquire shares and debentures

Neither at the end of nor at any time during the financial year was the Bank a party to any arrangement whose object was to enable the directors of the Bank to acquire benefits by means of the acquisition of shares in, or debentures of, the Bank or any other body corporate.

Share options

No options were granted during the financial year to subscribe for unissued shares of the Bank.

No shares were issued during the financial year by virtue of the exercise of options to take up unissued shares of the Bank.

There were no unissued shares of the Bank under an option at the end of the financial year.

Anti-Money Laundering (AML) and Countering the Financing of Terrorism (CFT)

The Directors confirm that the Bank has maintained its commitment to full compliance with applicable Anti-Money Laundering (AML) and Countering the Financing of Terrorism (CFT) laws, regulations, and guidelines as issued by the Financial Intelligence Unit (FIU).

Related Party Transactions

The board of directors confirm that, except as disclosed in Note 27, There is no other related party transactions were conducted by the Bank during the financial year ended 31 March 2025.

Effect of the natural disasters

On 28th March 2025, a 7.7 magnitude earthquake struck Myanmar with its epic center near Mandalay and Sagaing. Due to its impact, some of the buildings of the Bank were damaged and banking operations were disrupted for several days. While experts and technicians were carrying out damage assessments, estimated monetary provisions were recorded at the time the financial statements were issued. Adequate disclosure has been made in Note 30 to the financial statements, and the situation continues to be monitored.

On behalf of Board of directors,



Toe Aung Myint
Chairman

Myanmar Citizens Bank Public Company Limited

Date: June 27, 2025

INDEPENDENT AUDITOR'S REPORT

To the Members of Myanmar Citizens Bank Public Company Limited

(Incorporated in the Republic of the Union of Myanmar)

Report on the Audit of the Financial Statements

For the Year Ended 31 March 2025

Opinion

We have audited the financial statements of Myanmar Citizens Bank Public Company Limited ("The Bank" or "the Company"), which comprise the statement of financial position as at 31 March 2025, and the statements of profit or loss and other comprehensive income, statement of changes in equity, and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements of the Bank present fairly, in all material respects, the financial position of the Bank as at 31 March 2025, and its performance, its changes in equity and its cash flows for the year then ended in accordance with Myanmar Financial Reporting Standards (MFRSs), the provisions of Myanmar Companies Law and Financial Institutions Law 2016.

Basis for opinion

We conducted our audit in accordance with the International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Bank in accordance with the Myanmar Companies Law 2017 Section 279(d) and the ethical requirements that are relevant to our audit of the financial statements in Myanmar, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	How our audit address
General provision of loan loss	
As of 31 March 2025, the Bank reported total outstanding loans and advances to customers amounting to MMK 761,874.21 million. The Bank made a general provision of loan loss MMK 15,237.48. We considered this area a key audit matter due to the significant judgment in assessing credit risk and whether in compliance with regulatory requirements or not. This includes evaluating credit risk associated upon recognition and non-impaired exposures, and credit risk determining whether a significant increase in credit risk has occurred or not.	We assessed the design and evaluated the operating effectiveness of key controls over the Bank's loan issue process and impairment assessment process. Our procedure focused on the involvement of governance structure, the completeness and accuracy of internal data inputs, and oversight of credit risk. Based on our reviews and tests, we concluded that we could rely on these controls for the purposes of our audit. We evaluated the assumptions used in determining the general provision, including the assessment of whether a significant increase in credit risk had occurred or not. Overall, we concluded that the general provision for loan losses was in compliance with Notification 17/2017 of the Central Bank of Myanmar and that the determination of non-impaired exposures was appropriate.
Specific provision for loans and advances to customers	
As of 31 March 2025, the Bank reported a total outstanding loans and advances to customers amounting to MMK 761,874.21 million and on which, a specific provision of MMK 3,680.57 million was reserved on impaired loans and advances. We focused this area as a key audit matter due to the inherent subjectivity which might involve in management's assessment of credit impairment.	We assessed the design and evaluated the operating effectiveness of key controls over the process of identifying and measuring specific provisions for impaired loans and advances. These controls included oversight of credit risk, continuous monitoring of loan performance, timely identification of impairment indicators, and the valuation of collateral. This included evaluation of whether the classification loans and advances were in compliance with Notification 17/2017 of the Central Bank of Myanmar and whether there was evidence of an impairment loss. We determined that we could rely on these controls for the purpose of our audit. Overall, we concluded that the specific provision for loan losses was in compliance with Notification 17/2017 of the Central Bank of Myanmar and that the

determination of impaired exposures was appropriate.

Information other than the financial statements and auditor's report thereon

The directors are responsible for the information other than the financial statements and auditor's report thereon ("the other information"). The other information comprises the information included in the Annual Report, but does not include the financial statements and the auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Myanmar Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Bank's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Bank or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Bank's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not guaranteed that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant findings, including any significant deficiencies in internal control that we identify during our audit. From the matters communicated with the management and those charged with

governance, we determine those matters that were of most significance in the audit of the financial statements of the current year and are therefore the key audit matters.

Report on other legal and regulatory requirements

In accordance with Section 280 (b) of the Myanmar Companies Law 2017, we report that: -

- We have obtained all the information and explanations we have required;
- In our opinion, the financial statements referred to in the report are drawn up in conformity with applicable law;
- To the best of our information and the explanations given to us, as shown by the books of the Bank, the financial statements exhibit a true and fair view of the state of the Bank's affairs; and
- In our opinion, the financial records have been kept by the Bank as required by Chapter 24 of the Myanmar Companies Law 2017.

In accordance with Section 89 of the Financial Institutions Law 2016, we also report that: -

- In our opinion, the statement of financial position (balance sheet) and the statement of profit or loss and other comprehensive income (profit and loss account) are, in all material respects, full and fair and properly drawn up;
- To the best of our information and the explanations given to us, as shown by the books of the Bank, the financial statements express completely and correctly the state of affairs of the Bank; and
- The information obtained from the officers and agents of the Bank is satisfactory.



Win Htut Aung

Certified Public Accountant

PAPP Registered No. 66

V Advisory Limited

Complex 45, Tower B, #B 406, 45 Street
Botahtaung Township, Yangon

June 24, 2025

Yangon, Myanmar

MYANMAR CITIZENS BANK PUBLIC COMPANY LIMITED
(Incorporated in the Republic of the Union of Myanmar)
STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2025

	Notes	31.3.2025 MMK	31.3.2024 MMK
ASSETS			
Cash on hand and balances with Central Bank	6	137,546,990,559	159,224,684,888
Placements and balances with other banks	7	67,919,620,994	46,931,989,124
Government treasury bills and securities	8	73,472,648,742	81,692,010,061
Loans and advances	9	758,193,643,332	620,836,963,165
Investments	10	331,000,000	331,000,000
Property and equipment	11	21,541,576,575	18,636,535,164
Intangible assets	12	3,709,512,494	3,526,919,536
Other assets	13	65,817,891,673	50,332,253,678
TOTAL ASSETS		1,128,532,884,369	981,512,355,616
LIABILITIES			
Borrowings	14	32,333,860,000	65,385,360,000
Deposit from customers	15	942,230,800,563	772,250,031,441
Other liabilities	16	77,883,306,770	70,612,409,988
Total liabilities		1,052,447,967,333	908,247,801,429
EQUITY			
Paid-up share capital	17	57,124,662,800	57,124,662,800
Reserves	18	15,801,294,539	15,096,203,827
Retained earnings		3,158,959,697	1,043,687,560
Total equity		76,084,917,036	73,264,554,187
TOTAL LIABILITIES AND EQUITY		1,128,532,884,369	981,512,355,616

See accompanying Notes to Financial Statements

Authenticated by Directors: -

Khin Chaw Su Win
KHIN CHAW SU WIN
CHIEF FINANCIAL OFFICER
MYANMAR CITIZENS BANK LTD.

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



MYANMAR CITIZENS BANK PUBLIC COMPANY LIMITED
(Incorporated in the Republic of the Union of Myanmar)
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MRCH 2025

	Notes	2024-2025 MMK	2023-2024 MMK
Interest income	19	87,990,427,253	59,508,115,069
Interest expenses	20	(66,285,844,184)	(43,353,259,901)
Net interest income		21,704,583,069	16,154,855,168
Net fee and commission income	21	10,101,528,741	10,686,524,448
Other operating income	22	2,658,443,150	111,672,665
		34,464,554,960	26,953,052,281
Changes in specific provision for loan loss		231,320,167	519,500,196
Changes in general provision for loan loss		(2,738,612,773)	(5,127,170,524)
Income before operation expenses		31,957,262,354	22,345,381,953
Administration and general expenses	23, 24	(25,558,012,674)	(19,232,451,749)
Depreciation and amortization	11, 12	(2,464,654,912)	(2,205,226,586)
Profit before income tax		3,934,594,769	907,703,618
Income tax expenses	25	(1,114,231,920)	(150,120,232)
Profit for the year		2,820,362,849	757,583,386
Other comprehensive income		-	-
Total comprehensive income for the year		2,820,362,849	757,583,386
Earnings per share	26	271	73

See accompanying Notes to Financial Statements

Authenticated by Directors: -

Khin Chaw Su Win
KHIN CHAW SU WIN
CHIEF FINANCIAL OFFICER
MYANMAR CITIZENS BANK LTD.

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

MYANMAR CITIZENS BANK PUBLIC COMPANY LIMITED

(Incorporated in the Republic of the Union of Myanmar)

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2025

	Share Capital MMK	Reserves MMK	Retained Earnings MMK	Total Equity MMK
2024-2025				
Balance at beginning of year	57,124,662,800	15,096,203,827	1,043,687,560	73,264,554,187
Previous years adjustment	-	-	-	-
Restated balance	57,124,662,800	15,096,203,827	1,043,687,560	73,264,554,187
Net profit for the year	-	-	2,820,362,849	2,820,362,849
Provision for the year	-	705,090,712	(705,090,712)	-
Balance as at end of year	57,124,662,800	15,801,294,539	3,158,959,697	76,084,917,036
2023-2024				
Balance at beginning of year	57,124,662,800	14,906,807,981	475,500,020	72,506,970,801
Previous years adjustment	-	-	-	-
Restated balance	57,124,662,800	14,906,807,981	475,500,020	72,506,970,801
Net profit for the year	-	-	757,583,386	757,583,386
Provision for the year	-	189,395,846	(189,395,846)	-
Balance as at end of year	57,124,662,800	15,096,203,827	1,043,687,560	73,264,554,187

See Accompanying Notes to Financial Statements

MYANMAR CITIZENS BANK PUBLIC COMPANY LIMITED

(Incorporated in the Republic of the Union of Myanmar)

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2025

		2024-2025 MMK	2023-2024 MMK
Cash flows from operating activities			
Profit before tax		3,934,594,769	907,703,618
Adjustments for:			
Depreciation	11	1,795,667,800	1,567,450,898
Amortization	12	668,987,112	637,775,688
Changes in specific provision for loan loss		(231,320,167)	(519,500,196)
Changes in general provision for loan loss		2,738,612,773	5,127,170,524
(Gain)/loss on disposal of property and equipment		482,814	(149,752,080)
Written-off of property and equipment		72,438,756	1,905,952
Operating profit/(loss) before working capital changes		8,979,463,857	7,572,754,403
Working capital changes			
(Increase)/decrease in Interbank placement		(20,987,631,870)	(17,109,481,934)
(Increase)/decrease in Loans and advances		(137,125,360,000)	(256,358,526,179)
(Increase)/decrease in Other assets		(15,285,237,994)	(30,024,648,975)
(Increase)/decrease in Deposit from customers		169,980,769,122	247,445,795,157
(Increase)/decrease in Other liabilities		3,418,052,089	40,566,809,759
Cash generated from operation		8,980,055,204	(7,907,297,769)
Income tax paid		(200,400,000)	(800,000)
Net cash provided by/ (used in) operating activities		8,779,655,204	(7,908,097,769)
Cash flows from investing activities			
Purchase of property and equipment		(4,777,012,781)	(2,759,084,779)
Purchase of intangible assets		(851,580,071)	(160,718,847)
Proceeds from sale of property and equipment		3,382,000	158,832,629
Proceeds from maturity of government treasury bills		8,219,361,319	22,076,217,089
Net cash provided by/(used in) investing activities		2,594,150,467	19,315,246,090
Cash flows from financing activities			
Received/ (repayment) of borrowings		(33,051,500,000)	35,610,510,000
Dividends paid		-	-
Net cash provided by/(used in) financing activities		(33,051,500,000)	35,610,510,000
Net increase/(decrease) in cash and cash equivalents		(21,677,694,329)	47,017,658,321
Cash and cash equivalents at beginning of the year	6	159,224,684,888	112,207,026,567
Cash and cash equivalents at end of the year	6	137,546,990,559	159,224,684,888

See Accompanying Notes to Financial Statements

1. Corporate Information

Myanmar Citizens Bank Public Company Limited ("the Bank") is incorporated and domiciled in Myanmar and has its registered office at No. 383, Mahabandoola Road, Kyauktada Township, Yangon Region, Myanmar. The Bank was established as a public company limited by shares on 30 October 1991 with Registration No. 274/1991-1992 under the Myanmar Companies Act 1914 and the Special Company Act 1950. The Bank has been re-registered under new Myanmar Companies Law 2017 and obtained new Registration No. 149169466. The Bank was permitted to carry out commercial banking activities under License No. Ma Va Ba/Pa Ba (R)-01/08/2016 issued by the Central Bank of Myanmar (CBM) which was issued under Section 176 of the Financial Institution Law 2016. The principal activities approved by CBM include to accept deposits, issue loans and advances, provide merchant services, provide trade services, deal foreign currency, and operate mobile banking activities.

2. Basis of preparation and accounting policies

The financial statements of the Bank have been prepared in accordance with Myanmar Financial Reporting Standards (MFRSs), Myanmar Companies Law and Financial Institutions Law. The financial statements have been prepared under the historical cost basis. The accounting policy adopted by the Bank are consistent with those adopted in the previous financial year.

3. Summary of significant accounting policies

3.1 Functional and presentation currency

The Bank's financial statements are presented in local currency, Myanmar Kyat (MMK), which is also the Bank's functional currency.

3.2 Foreign currency translations

Transactions in currencies other than the Bank's functional currency ("foreign currencies") are recorded in the functional currency, MMK using actual rate or the exchange rates prevailing at the date of the transaction. At each reporting date, monetary items denominated in foreign currencies are translated at the rate prevailing on the reporting date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rate prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not translated. Exchange differences arising on the settlement of monetary items, and on the translation of monetary items, are included in profit or loss.

The foreign exchange rates applied by the Bank at the reporting dates were: -

	MMK/USD	MMK/EUR	MMK/SGD	MMK/CNY	MMK/THB
31 March 2025	2,103.00	2,273.88	1,564.25	289.12	61.86
31 March 2024	2,103.00	2,281.20	1,580.50	305.11	61.33

3.3 Interest income and expenses

For all financial instruments measured at amortized cost and interest bearing financial assets classified as held-for-trading and available-for-sale, interest are recognized under "Interest income" and "Interest expense" respectively in the statement of profit or loss using the effective interest method. The effective interest method is a method of calculating the amortized cost of a financial asset or liability and of allocating the interest income over expense over the relevant period. The effective interest rate is the rate that exactly discounts the estimated future cash payments or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or liability. The calculation takes into account all contractual terms of the financial instrument but does not consider the future credit losses. Significant fees and transactions costs integral to the effective interest rate, as well as premiums or discounts are also considered.

3.3 Interest income and expenses (Continued)

For impaired financial assets where the value of the financial asset has been written down as a result of an impairment loss, interest income continues to be recognized using the rate of interest used to discount the future cash flows for the purpose of measuring impairment loss.

3.4 Fees and commission income

Fees and commission income are generally recognized when services are rendered.

3.5 Dividend income

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

3.6 Other operating income

Other income includes gains or losses resulting from foreign exchange transactions, commission income from insurance, miscellaneous income from sale of old materials and gain from disposal of property and equipment.

3.7 Employee benefits

Bonus:

The Bank recognizes a liability and an expense for bonuses, based on a formula approved by the management of the Bank, which takes into consideration the profit attributable to the Bank's shareholders and after certain adjustments. The Bank recognizes a provision when contractually obliged to pay or where there is a past practice that has created a constructive obligation to pay.

3.8 Income tax

Current tax:

Current tax is payable on the taxable profit for the year, using tax rates enacted or substantively enacted at the reporting date.

Current tax assets and liabilities:

Current tax for the current and prior periods is recognized as a liability to the extent that it has not yet been settled. Where amounts paid exceed the tax due for those periods, the excess is recognized as a current tax asset. The benefit arising from a tax loss that can be carried back to recover current tax of a prior period is recognized as a current tax asset. Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the Internal Revenue Department, using the rates that have been enacted or substantively enacted by the reporting date.

Deferred tax:

Deferred tax is recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred income tax arises from the initial recognition of an asset or liability that affects neither accounting nor taxable profit or loss at the time of the transaction. Deferred income tax is measured at the tax rates that are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the reporting date.

3.8 Income tax (continued)

Current and deferred income taxes are recognized as income or expenses in profit or loss, except to the extent that the tax arises from a transaction which is recognized directly in equity.

3.9 Financial assets and financial liabilities

(a) Initial recognition and subsequent measurement

Financial instruments are classified into the following categories - financial instruments at fair value through profit or loss, loans and receivables, financial investments held-to-maturity, financial investments available-for-sale and other non-derivative financial liabilities. Management determines the classification of financial instruments at initial recognition.

(1) Financial instruments at fair value through profit or loss

Financial instruments are classified in this category consist of financial assets held-for-trading. Financial assets are classified as held-for-trading if they are acquired principally for the purposes of selling or repurchasing it in the near term. Financial instruments included in this category are recognized initially at fair value and transaction costs are taken directly to profit or loss. Gains and losses from changes in fair value and dividend income are included directly in "Net gains and losses on financial instruments" in the statement of profit or loss. Interest income is recognized as "interest income" in the statement of profit or loss. Regular purchases and sales of financial assets held-for-trading are recognized at settlement date.

(2) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Financial assets classified into this category include cash and balances with Banks, and loans and advances. They are presented as current assets, except for those expected to be realized later than 12 months after the statement of financial position date which are non-current assets. These financial assets are initially recognized at fair value, including direct and incremental transaction costs, and subsequently measured at amortized cost using the effective interest method.

Interest income on loans and receivables is recognized in "Interest income" in the statement of profit or loss. Impairment losses on loans and advances are recognized in the statement of profit or loss as "allowance for impairment loans and advances".

(3) Held-to-maturity

Held-to-maturity financial assets are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Bank's management has the positive intention and ability to hold to maturity. If the Bank was to sell other than an insignificant amount of held-to-maturity financial assets, the whole category would be tainted and reclassified as available-for-sale. They are presented as non-current assets, except for those maturing within 12 months after the statement of financial position date which are presented as current assets. These financial assets are initially recognized at fair value including direct and incremental transactions costs, and subsequently measured at amortized cost using the effective interest method. Interest on investment held-to-maturity is included in the statement of profit or loss and is reported as "Interest income". Impairment losses, if any, are recognized in the statement of profit or loss as "Impairment on other assets".

3.9 Financial assets and financial liabilities (Continued)

(a) Initial recognition and subsequent measurement (Continued)

(4) Available-for-sale

Available-for-sale financial assets are financial assets that are designated as such or are not classified in any of the three preceding categories.

After initial recognition, available-for-sale financial assets are measured at fair value. Any gains or losses from changes in fair value of the financial assets are recognized in other comprehensive income, except that impairment losses, foreign exchange gains and losses on monetary instruments and interest calculated using the effective interest method are recognized in profit or loss. The cumulative gain or loss previously recognized in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment when the financial asset is derecognized. Interest income calculated using the effective interest method is recognized in profit or loss. Dividends on an available-for-sale equity instrument are recognized in profit or loss when the Bank's right to receive payment is established.

Available-for-sale financial assets which are not expected to be realized within 12 months after the financial year end are classified as non-current assets.

The Bank's available-for-sale financial assets comprise investment in unquoted shares. Investments in unquoted shares whose fair value cannot be reliably measured are measured at cost less impairment loss.

(5) Other non-derivative financial liabilities

Other non-derivative financial liabilities are initially recognized at the fair value of consideration received less directly attributable transaction costs. Subsequent to initial recognition, non-derivative financial liabilities are measured at amortized cost. The Bank does not have any non-derivative financial liabilities designated at fair value through profit or loss. Financial liabilities measured at amortized cost included deposits from customers, deposits from Banks, and other borrowed funds.

(b) Recognition and de-recognition

The Bank initially recognizes all financial assets and financial liabilities on the date that they are originated and measured initially at fair value. The Bank derecognizes a financial asset when the contractual rights to the cash flows from the financial asset are expired or the rights to receive the contractual cash flows in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. The Bank derecognizes a financial liability when the contractual obligations are discharged, cancelled or expired.

(c) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or to realize the asset and to settle the liability simultaneously. This is not generally the case for financial instruments with master netting agreements and therefore, the related assets and liabilities are presented on a gross basis in the statement of financial position.

3.9 Financial assets and financial liabilities (Continued)

(d) Determination of fair value

All financial instruments are recognized initially at fair value. At initial recognition, the fair value of a financial instrument is generally the transaction price, i.e. the fair value of the consideration given or received. Subsequent to initial recognition, the fair value of financial instruments is measured in accordance with the valuation methodologies generally accepted in Myanmar. Investments in unquoted equity instruments whose fair value cannot be reliably measured are measured at cost, and assessed for impairment at each reporting date.

3.10 Impairment of financial assets

(a) Loans and advances

Loans and advances of the Bank are classified as impaired when they fulfill any of the following criteria:

Individual assessment

- (i) Principal or interest or both are past due for ninety(90)days or more; or
- (ii) Outstanding amount is in excess of approved limit for ninety (90)days or more in the case of overdraft facilities; or
- (iii) Where a loan is in arrears or the outstanding amount has been in excess of the approved limit for less than ninety (90) days, the loan exhibits indications of significant credit weaknesses.

For the determination of impairment on loans, the Bank assess at each reporting date whether there is any objective evidence that a loan is impaired. A loan is impaired and impairment losses are recognized only if there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset and that loss event has an impact on the estimated future cash flows of the loan that can be reliably estimated.

The criteria that the Bank use to determine that there is objective evidence of impairment include:

- (i) Any significant financial difficulty of the borrower;
- (ii) A breach of contract, such as a default or delinquency;
- (iii) A high probability of bankruptcy or other financial reorganization of the borrower;
- (iv) Concerns over the viability of the borrower's business operations and its capacity to trade successfully out of financial difficulties and to generate sufficient cash flows to service its debt obligations; or
- (v) Any adverse news or developments affecting the local economic conditions or business environment which will adversely affect the repayment capacity of the customer.

The Bank first assesses individually whether objective evidence of impairment exists for all loans. If there is objective evidence that an impairment loss has been incurred, the amount of loss is measured as the difference between the loans' carrying amount and the present value of the estimated future cash flows. The carrying amount of the loan is reduced through the use of an allowance account and the amount of loss is recognized in profit or loss. Where appropriate, the calculation of the present value of estimated future cash flows of a collateralized loan reflects the cash flows that may result from foreclosure less costs for obtaining and selling the collateral, whether or not foreclosure is probable.

Where a loan is uncollectible, it is written off against the related allowance for loan impairment. Such loans are written off after the necessary procedures have been completed and the amount of the loss has been determined. Subsequent recoveries of the amounts previously written off are recognized in profit or loss.

3.10 Impairment of financial assets (Continued)

(a) Loans and advances(Continued)

Collective assessment

The Bank's collective assessment is currently maintained at 2% of the total outstanding loans, net of individual assessment allowance, being the arrangement prescribed under Central Bank of Myanmar guidelines and policy.

Specific provision

The Bank makes specific provision for loan and advances in accordance with CBM Notification No.17/2017 Assets Classification and Provision Regulations.

Classification of loans & advances	Days past due	Provision on shortfall in security value
Standard	30 days	0%
Watch	31 to 60 days	5%
Substandard	61 to 90 days	25%
Doubtful	91 to 180 days	50%
Loss	Over 180 days	100%

(b) Rescheduled and restructured loans

Where a loan shows evidence of credit weaknesses, the Bank may seek to renegotiate the loan rather than to take possession of collateral. This may involve extension of the payment via rescheduling or restructuring through renegotiation of terms and conditions and make sure not to create the new loans or debt that obtained from the same bank.

(c) Held-to-maturity

The Bank assess at each reporting date whether objective evidence of impairment of financial investments held-to-maturity exists as a result of one or more loss events and that loss event has an impact on the estimated future cash flows of the financial investment or group of financial investments that can be reliably estimated.

Where there is objective evidence of impairment, an impairment loss is recognized as the difference between the acquisition cost and the present value of the estimated future cash flows, less any impairment loss previously recognized. If in a subsequent period, the amount of the impairment loss decrease and the decrease can be objectively related to an event occurring after the impairment loss was recognized, the impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortized cost would have been had the impairment not been recognized.

(d) Available-for-sale

In the case of equity investments classified as available-for-sale (AFS), objective evidence would include a significant or prolonged decline in the fair value of the investment below its cost, significant financial difficulties of the issuer or obligor, and the disappearance of an active trading market.

3.10 Impairment of financial assets (Continued)

(d) Available-for-sale(Continued)

If an AFS financial asset is impaired, an amount comprising the difference between its cost (net of any principal payment and amortization or accretion) and its current fair value, less any impairment loss previously recognized in profit or loss, is transferred from equity to profit or loss.

Impairment losses on AFS equity investments are not reversed in profit or loss in the subsequent periods, increase in fair value, if any, subsequent to impairment loss is recognized in other comprehensive income. For AFS debt investments, impairment losses are subsequently reversed in profit or loss if an increase in the fair value of the investment can be objectively related to an event occurring after the recognition of the impairment loss in profit or loss.

3.11 Cash and cash equivalent

Cash and cash equivalents comprise cash at banks and on hand, demand deposits, and short-term, highly liquid investments that are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value.

3.12 Property and equipment and depreciation

All items of property and equipment are initially recorded at cost. The cost of an item of property and equipment is recognized as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Bank and the cost of the item can be measured reliably. The carrying amount of replaced parts is derecognized. All other repairs and maintenance are charged to profit or loss when they are incurred.

When significant parts of an item of property and equipment have different useful lives, they are accounted for as separate items (major components) of property and equipment.

Subsequent to initial recognition, property and equipment other than freehold land and buildings are measured at cost less accumulated depreciation and any accumulated impairment losses, if any.

Freehold land has an unlimited useful life and therefore is not depreciated.

Depreciation is computed on a straight-line basis calculated to write off the cost of each asset to its residual value over the term of its estimated useful lives as follows:

	Years
Building	40~80
Leasehold improvement	5~10
Motor vehicle	8
Furniture and office equipment	5~20
Machinery	16

The carrying values of property and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. The policy for the recognition and measurement of impairment losses is in accordance with Note 3.15.

3.12 Summary of significant accounting policies (continued)

The residual value, useful life and depreciation method are reviewed at each financial year-end. And adjusted prospectively, if appropriate.

An item of property and equipment is derecognized upon disposal or when no future economic benefits are expected from its use. Any gain or loss on de-recognition of the asset is included in profit or loss in the year the asset is de-recognized.

3.13 Intangible assets

Intangible assets acquired are measured at cost on initial recognition. Subsequent to initial recognition, they are measured at cost less accumulated amortization and impairment losses, if any. Intangible assets with finite useful lives are amortized on a straight-line basis over their estimated useful lives and assessed for impairment whenever there is an indication of impairment. The amortization charges are recognized in the profit or loss. The useful life and amortization method are reviewed annually. Software licenses and rights have an estimated useful life of 10 years and are amortized over that period.

3.14 Foreclosed properties

Foreclosed properties are those acquired in full or partial satisfaction of debts and are stated at the lower of cost and fair value.

3.15 Impairment of non-financial assets

Non-financial assets, such as property and equipment, investment properties and foreclosed properties, are reviewed for impairment annually, or whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Where such indications exist, the carrying amount of the asset is written down to its recoverable amount, which is the higher of the fair value less costs to sell and the value-in-use. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. These assets that suffered impairment are reviewed for possible reversal of the impairment at each reporting date. No non-financial assets were impaired in the year ended 31 March 2025 and 31 March 2024.

3.16 Share Capital and share issuance expenses

An equity instrument is any contract that evidences a residual interest in the assets of the Bank after deducting all of its liabilities. Ordinary shares are equity instruments. Ordinary shares are recorded at the proceeds received, net of directly attributable incremental transaction costs. Ordinary shares are classified as equity. Dividends on ordinary shares are recognized in equity in the period in which they are declared.

3.17 Other liabilities

Other liabilities represent liabilities for services provided to the Bank prior to the end of financial year which are unpaid. They are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). Otherwise, they are presented as non-current liabilities. Other liabilities are initially recognized at fair value, and subsequently carried at cost.

3.18 Borrowings

Borrowings are presented as current liabilities unless the Bank has an unconditional right to defer settlement for at least 12 months after the balance sheet date, in which case they are presented as non-current liabilities. Borrowings are initially recognised at fair value (net of transaction costs) and subsequently carried at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

3.19 Provisions

Provisions are recognised when the Bank has a present legal or constructive obligation as a result of past events. It is more likely than not that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made. Provisions are reviewed at each financial year end adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

3.20 Contingent liabilities

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is not recognised in the statements of financial position and is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events, are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote. Contingent liabilities and assets are not recognised in the statements of financial position of the Bank in the current and previous financial year ends.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is not recognised in the statements of financial position and is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events, are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote. Contingent liabilities and assets are not recognised in the statements of financial position of the Bank in the current and previous financial year ends.

3.21 Related parties

A party is related to the Bank if:

- (a) directly, or indirectly through one or more intermediaries, the party:
 - (i) controls, is controlled by, or is under common control with, the Bank (this includes parents, subsidiaries and fellow subsidiaries);
 - (ii) has an interest in the Bank that gives it significant influence over the Bank; or
 - (iii) has joint control over the Bank;
- (b) the party is an associate of the Bank;
- (c) the party is a joint venture in which the Bank is a venture;
- (d) the party is a member of key management personnel of the Bank or its parents;
- (e) the party is a close member of the family of any individual referred to in (a) or (d);
- (f) the party is an entity that is controlled, jointly controlled or significantly influenced by, or for which significant voting power in such resides, directly or indirectly, with any individual referred to in (d) or (e); or
- (g) the party is a post-employment benefit plan for the benefit of employees of the Bank, or of any entity that is a related party of the Bank.

3.22 Fair value measurement

Fair value is a price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Bank.

3.22 Fair value measurement (Continued)

The fair value of an asset or a liability is measured using the assumptions that market participants act in their economic best interest when pricing the asset or liability.

The Bank uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy based on the lowest level input that is significant to the fair value measurement as a whole.

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Bank determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the financial year end.

4. Significant accounting judgments, estimates and assumptions

The preparation of the Bank's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities at the end of each reporting period. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in the future periods. In the process of applying the Bank's accounting policies, management has made the following judgements, apart from those involving estimations, which has the most significant effect on the amounts recognised in the financial statements.

4.1 Impairment of credit exposures

The Bank reviews its significant credit portfolios to assess impairment at each reporting date. In determining whether an impairment loss should be recognized, the Bank makes judgements as to whether there is any observable data indicating an impairment trigger. This evidence may include observable data indicating that there has been an adverse change in the credit quality or deterioration in the payment conduct of borrowers individually or as a group. These judgements are applied in line with its internal policy on determining impaired loans.

Judgement is required by management in the estimation of the amount and timing of future cash flows when determining an impairment loss for credit exposures. In estimating these cash flows, the Bank makes judgements about the borrowers' financial situation and the net realisable value of collateral. These estimates are based on assumptions about a number of factors and actual results may differ, resulting in future changes to the impairment allowance.

4.2 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Where the classification of a financial asset or liability results in it being measured at fair value, wherever possible, the fair value is determined by reference to the quoted bid or offer price in the most advantageous active market to which the Bank has immediate access. An adjustment for credit risk is also incorporated into the fair value as appropriate. Where no active market exists for a particular asset or liability, the Bank uses a valuation technique to arrive

4.2 Fair value measurement(Continued)

at the fair value, including the use of transaction prices obtained in recent arm's length transactions, discounted cash flow analysis and other valuation techniques, based on market conditions and risks existing at reporting date. In doing so, fair value is estimated using a valuation technique that makes maximum use of observable market inputs and places minimal reliance upon entity-specific inputs.

4.3 Depreciation of property and equipment

The cost of property and equipment is depreciated on a straight-line basis over the asset's estimated economic useful lives. Management estimates the useful lives of these property and equipment to be within a range of 5 to 80 years. These are common life expectancies applied in this industry. Changes in the expected level of usage and technological developments could impact the economic useful lives and the residual values of these assets and therefore future depreciation charges could be revised.

4.4 Deferred and current income tax

There are certain transactions and computations for which the ultimate tax determination may be different from the initial estimate. The Bank recognized tax liabilities based on its understanding of the prevailing tax laws and estimates of whether such taxes will be due in the ordinary course of business. Where the final outcome of these matters is different from the amounts that were initially recognised, such difference will impact the income tax and deferred tax provisions in the year in which such determination is made. Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets are recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences or unutilized tax losses can be utilized. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred tax relates to the same tax authority.

4.5 Impairment of non-financial assets

When recoverable amount of an asset is determined based on the estimate of the value-in-use of the cash generating unit to which the asset is allocated, the management is required to make an estimate of the expected future cash flows from the cash generating unit and also to apply a suitable discount rate in order to determine the present value of those cash flows.

5. Financial risk management

The Bank's business activities involve the use of financial instruments. These activities expose the Bank to a variety of financial risks, mainly credit risk, foreign exchange risk, interest rate risk and liquidity risk. The Bank's financial risks are managed by the various management committees within the authority delegated by the Board of Directors. These management committees formulate, review and approve policies and limits to monitor and manage risk exposures under their respective supervision. The major policy decisions and proposals approved by these committees are subject to further review by the Board of Directors.

The main financial risks that the Bank is exposed to and how they are managed is set out below:

5.1 Interest rate risk

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of the changes in market interest rate. Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate due to the changes in market rates. The Bank is exposed to interest rate risk, through the impact of rate changes between the interest income and interest expenses at interest rates defined according to different types of deposits from customers with determinate or indeterminate maturities.

The table next summaries the Bank's exposure to interest rate risk as at 31 March 2025 and 31 March 2024. The tables indicate effective interest rates at the reporting date and the periods, in which the financial instruments are repriced or mature, whichever is earlier.

5.1 Interest rate risk(Continued)

	Up to 1 month	1 to 3 months	>3 months to 12 months	>1 year and above	Total interest sensitive	Non- interest sensitive	Total
	MMK (million)	MMK (million)	MMK (million)	MMK (million)	MMK (million)	MMK (million)	MMK (million)
For the year ended 31 March 2025							
Assets							
Cash					-	137,546.99	137,546.99
Interbank placements	28,315.28	10,000.00	1,200.00		39,515.28	28,404.34	67,919.62
Government treasury bills and securities		18,084.95	11,964.26	43,423.45	73,472.65		73,472.65
Loans and advances					-		-
- Not impaired	67,599.29	83,546.74	259,798.06	333,019.71	743,963.80	14,464.35	758,428.15
- Impaired	3,119.93	-	-		3,119.93	326.13	3,446.06
Investments					-	331.00	331.00
Property and equipment						21,541.58	21,541.58
Intangible assets						3,709.51	3,709.51
Other assets					-	65,817.89	65,817.89
Total assets	99,034.50	111,631.69	272,962.32	376,443.16	860,071.66	272,141.79	1,132,213.45
Liabilities and equity							
Borrowings	10,000.00	-	-	-	10,000.00	22,333.86	32,333.86
Deposits from customers	615,390.27	157,089.77	122,829.54	-	895,309.58	46,921.02	942,230.60
Other liabilities	-	-	-	-	-	77,883.31	77,883.31
Total liabilities	625,390.27	157,089.77	122,829.54	-	905,309.58	147,138.19	1,052,447.77
Total interest sensitivity gap	(526,355.77)	(45,458.08)	150,132.78	376,443.16	(45,237.92)	125,003.60	79,765.68
For the year ended 31 March 2024							
Assets							
Cash	-	-	-	-	-	159,224.68	159,224.68
Interbank placements	18,000.00	-	-	-	18,000.00	28,931.99	46,931.99
Government treasury bills and securities	2,000.00	4,477.25	6,245.55	68,969.21	81,692.01		81,692.01
Loans and advances							
- Not impaired	52,034.37	56,124.16	246,123.84	257,116.76	611,399.13	9,200.81	620,599.94
- Impaired	4,182.14	-	41.13	32.90	4,256.17	87.46	4,343.63
Investments					-	331.00	331.00
Property and equipment	-	-	-	-	-	18,636.54	18,636.54
Intangible assets	-	-	-	-	-	3,526.92	3,526.92
Other assets	-	-	-	-	-	50,332.25	50,332.25
Total assets	76,216.51	60,601.41	252,410.52	326,118.87	715,347.31	270,271.65	985,618.96
Liabilities and equity							
Borrowings	1,000.00	41,000.00	-	-	42,000.00	23,385.36	65,385.36
Deposits from customers	453,975.96	169,120.10	117,386.75	0.70	740,483.51	31,766.52	772,250.03
Other liabilities	-	-	-	-	-	70,612.41	70,612.41
Total liabilities	454,975.96	210,120.10	117,386.75	0.70	782,483.51	125,764.29	908,247.80
Total interest sensitivity gap	(378,759.45)	(149,518.69)	135,023.77	326,118.17	(67,136.20)	144,507.36	77,371.16

5.1 Interest rate risk(Continued)

Sensitivity analysis of interest rate risk

The table below shows the sensitivity of the Bank's profit after tax to an up and down 1% :-

	Tax rate	+1% MMK Mil	-1% MMK Mil
For the year ended 31 March 2025			
Impact to profit before tax		(452.38)	452.38
Impact to profit after tax	17%	(375.47)	375.47
For the year ended 31 March 2024			
Impact to profit before tax		(671.36)	671.36
Impact to profit after tax	17%	(557.23)	557.23

5.2 Credit risk

Credit risk is the risk that the Bank will incur a loss because its customers or counterparties fail to discharge their contractual obligations. The Bank manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties and for industry concentrations, and by monitoring exposures in relation to such limits.

During the year under review, the Bank revised its Credit Policy which gives directions on the Credit related of the bank which establishes lending criteria, credit risk identification, mitigation and monitoring activities. The credit review process provides early identification of possible changes in the creditworthiness of counterparties, including regular collateral revision. The credit review process aims to allow the Bank to assess the potential loss as a result of the risks to which it is exposed and take corrective action.

The maximum exposure to credit risk for each class of financial instruments as represented by the categories of financial asset on the statement of financial position is limited to the carrying amounts on the reporting date, without taking into account the fair value of any collateral. For the statement of financial position financial assets, the maximum exposure to credit risk equals their carrying amount.

The table below sets out information about the financial assets held by the Bank:

	2024-2025 MMK Mil	2023-2024 MMK Mil
Financial assets		
Cash	137,546.99	159,224.68
Government treasury bills (1)	73,472.65	81,692.01
Interbank placements	67,919.62	46,931.99
Loans and advances		
Neither past due nor impaired	680,380.62	577,468.22
Past due but not impaired (2)	78,047.54	43,131.72
Individually past due and impaired (3)	3,446.06	4,343.64
Investment Securities	331.00	331.00
Other financial assets	47,979.42	38,064.07
	1,089,123.90	951,187.34

5.2 Credit risk (Continued)

(1) Government treasury bills and securities are neither past due nor impaired, and substantially with high credit-rating in Myanmar.

(2) Loans and advances past due but not impaired: Certain loans and advances are past due but no impaired as the collateral values of these loans and advances are in excess of the principal and interest outstanding.

(3) Loans and advances individually past due and impaired: Certain loans and advances are past due and considered impaired as the recoverable values of these loans and advances are likely to be lower than its carrying value.

5.3 Liquidity risk and cash flow risk

Liquidity risk is the risk that the Bank is unable to meet its financial obligations as and when they fall due, such as upon maturity of deposits and draw-down of loans.

The Bank manages liquidity risk in accordance with the Board approved Asset and Liability Management policy framework. This framework comprises policies, controls and limits. These controls and policies include setting of cash flow mismatch limits, monitoring of liquidity early warning indicators, stress-test analysis of cash flow in liquidity crisis scenarios and establishment of a comprehensive contingency funding plan.

The Bank is also required by regulators to maintain a certain percentage of its liability base in the form of cash and other liquid assets as a buffer against unforeseen liquidity requirements. The main objectives are honouring all cash outflow commitments on an on-going basis, satisfying statutory liquidity and reserve requirements, and avoiding raising funds at market premiums or through forced sale of assets.

The tables below set out the remaining contractual maturities of the Bank's assets and liabilities (inclusive of non-financial instruments) on an undiscounted basis.

	Less than 1 year	More than 1 year	No-specific maturity	Total
	MMK (million)	MMK (million)	MMK (million)	MMK (million)
Balance at 31 March 2025				
Assets				
Cash	137,546.99	-	-	137,546.99
Interbank placements	67,919.62			67,919.62
Government treasury bills and securities	30,049.20	43,423.45		73,472.65
Loans and advances	428,854.50	333,019.71	-	761,874.21
Investments			331.00	331.00
Other assets			65,817.89	65,817.89
	664,370.31	376,443.16	66,148.89	1,106,962.36
Liabilities				
Borrowings	32,333.86	-	-	32,333.86
Deposits from Customers	942,230.60	0.20	-	942,230.80
Other Liabilities	-	-	77,883.31	77,883.31
	974,564.46	0.20	77,883.31	1,052,447.97
Net liquidity gap	(310,194.15)	376,442.96	(11,734.42)	54,514.39

5.3 Liquidity risk and cash flow risk (continued)

	Less than 1 year	More than 1 year	No-specific maturity	Total
	MMK (million)	MMK (million)	MMK (million)	MMK (million)
Balance at 31 March 2024				
Assets				
Cash in hand and at bank	159,224.68	-	-	159,224.68
Interbank placements	46,931.99			46,931.99
Government treasury bills and securities	12,722.80	68,969.21		81,692.01
Loans and advances	367,793.91	257,149.66	-	624,943.57
Investments			331.00	331.00
Other assets			50,332.25	50,332.25
Total assets	586,673.39	326,118.87	50,663.25	963,455.50
Liabilities				
Borrowings	65,385.36	-	-	65,385.36
Deposits from Customers	772,249.33	0.70	-	772,250.03
Other Liabilities	-	-	70,612.41	70,612.41
Total liabilities	837,634.69	0.70	70,612.41	908,247.80
Net liquidity gap	(250,961.30)	326,118.17	(19,949.16)	55,207.70

The Bank's liquidity ratios as of 31 March 2025 and 31 March 2024 were 22.62% and 25.23% respectively and hence maintaining above 20% minimum requirement of the Central Bank of Myanmar under Notification 19/2017.

5.4 Foreign exchange risk

Foreign exchange risk is the risk to earnings and economic value of foreign currency assets, liabilities and financial derivatives caused by fluctuations in foreign exchange rates. The Bank's foreign exchange exposures comprise banking (non-trading) foreign exchange exposures. Non-trading foreign exchange exposures are principally derived from investments and funding activities and customer businesses. The table below analyses the net foreign exchange positions of the Bank as at 31 March 2025 and 31 March 2024 by major currencies, which are mainly in Myanmar Kyats, US Dollars, Euros, Singapore Dollars, Chinese Yuan and Thai Baht.

5.4 Foreign exchange risk (Continued)

	Myanmar	US	Euro	Singapore	Chinese	Thai	Total
	MMK (million)	MMK (million)	MMK (million)	MMK (million)	MMK (million)	MMK (million)	MMK (million)
For the year ended 31 March 2025							
Assets							
Cash and	134,418.86	2,738.51	239.11	150.06	0.19	0.25	137,546.99
Interbank	40,522.80	25,903.50	22.55	23.34	1,310.75	136.68	67,919.62
Government	73,472.65						73,472.65
Loans and advances							-
- Not impaired	758,428.16						758,428.16
- Impaired	3,446.06						3,446.06
Investment	331.00						331.00
SWAP Receivable		28,947.80					28,947.80
Other Receivable		368.14					368.14
Total Assets	1,010,619.54	57,957.94	261.66	173.40	1,310.94	136.94	1,070,460.42
Liabilities							
Borrowing	10,000.00						10,000.00
Deposits from	917,488.65	24,327.07	28.79	1.18	371.00	14.12	942,230.81
SWAP Payable		26,119.26					26,119.26
Other Payable		124.01					124.01
Total Liabilities	927,488.65	50,570.34	28.79	1.18	371.00	14.12	978,474.08
Net Open Position	83,130.89	7,387.60	232.87	172.22	939.94	122.82	91,986.34

5.4 Foreign exchange risk (Continued)

	Myanmar	US	Euro	Singapore	Chinese	Thai	Total
	MMK (million)	MMK (million)	MMK (million)	MMK (million)	MMK (million)	MMK (million)	MMK (million)
For the year ended 31 March 2024							
Assets							
Cash and	156,166.05	2,670.75	238.42	149.29	0.11	0.07	159,224.68
Interbank	19,096.28	27,189.70	22.48	23.08	545.78	54.66	46,931.99
Government	81,692.01						81,692.01
Loans and advances to customers							-
- Not impaired	620,599.94	-	-	-	-	-	620,599.94
- Impaired	4,343.64	-	-	-	-	-	4,343.64
Investment	331.00	-	-	-	-	-	331.00
SWAP Receivable		23,385.36					23,385.36
Total Assets	882,228.92	53,245.81	260.90	172.37	545.89	54.73	936,508.62
Liabilities							
Borrowing	42,000.00		-	-	-		42,000.00
Deposits from	756,461.95	15,599.19	28.70	0.86	159.25	0.07	772,250.02
SWAP Payable		23,385.36					23,385.36
Total Liabilities	798,461.95	38,984.55	28.70	0.86	159.25	0.07	837,635.38
Net Open Position	83,766.97	14,261.26	232.20	171.51	386.64	54.66	98,873.24

Sensitivity analysis of foreign exchange risk

The following table demonstrates the sensitivity analysis of the Bank's pre-tax profit/(loss) to a reasonably possible change in the USD, Euro, SGD, CNY and THB against the respective functional currencies of the Bank, with all other variables held constant.

	US Dollar	Euro	Singapore Dollar	Chinese Yuan	Thailand Bath
	MMK (million)	MMK (million)	MMK (million)	MMK (million)	MMK (million)
For the year ended 31 March 2025					
Strengthened by 10%	738.76	23.29	17.22	93.99	12.28
Weakened by 10%	(738.76)	(23.29)	(17.22)	(93.99)	(12.28)
For the year ended 31 March 2024					
Strengthened by 10%	1,426.13	23.22	17.15	38.66	5.47
Weakened by 10%	(1,426.23)	(23.22)	(17.15)	(38.66)	(5.47)

5.5 Operational risk

Operational risk, which is inherent in all business activities, is the potential for financial loss, and business instability arising from failures in internal controls, operational processes or the system that support them.

The goal of operational risk management is to balance cost and risk within the constraints of the risk appetite of the Bank as established by Board approved Operational Risk Management Framework and to be consistent with the prudent management required of a large financial organization.

It is recognized that such risks can never be entirely eliminated and that the cost of controls in minimizing these risks may outweigh the potential benefits. Accordingly, the Bank continues to invest in risk management and mitigation such as business continuity management and incident management. In reinforcement of the implementation of the Bank's risk strategy, independent checks on risk issues are undertaken by the internal audit function.

5.6 Legal and compliance risk

Legal risk is the risk that the business activities of the Bank have with unintended or unexpected legal consequences. It includes risk arising from:-

- (i) Inadequate documentation, legal or regulatory incapacity, insufficient authority of a counterparty and uncertainty about the validity or enforceability of a contract in counterparty insolvency;
- (ii) Actual or potential violations of law or regulation (including activity unauthorized for a bank and which may attract a civil or criminal fine or penalty);
- (iii) Failure to protect the Bank's property;
- (iv) The possibility of civil claims (including acts or other events which may lead to litigation or other disputes)
- (v) Loss or increased charges associated with changes in, or errors in the interpretation of, taxation rate or law.

Compliance risk arises from a failure or inability to comply with the laws, by-laws, rules, notifications, directives, regulations, forward letters or codes applicable to the financial service industry. Non-Compliance can lead to fines, public reprimands, and enforced suspension of operation or, in extreme cases, withdrawal of authorization to operate.

The Bank identifies and manages legal and compliance risk through effective use of its internal and external legal and compliance advisers. The Compliance function is formulated to ensure that the bank comply with regulations.

The Bank has complied and followed all by-laws, rules, notifications, directives, forward letters and guidance of the Central Bank of Myanmar.

5.7 Capital Management

The primary objectives of the Bank's capital management are to diversify its sources of capital, and to maintain an optimal level of capital which is adequate to support business activities and commensurate with the Bank's risk profile, and to meet its regulatory requirements.

5.7 Capital Management

"Capital Funds" is defined as listed below:

	31 March 2025	31 March 2024
	MMK	MMK
Share Capital	57,124,662,800	57,124,662,800
Reserves	15,801,294,539	15,096,203,827
Retained earnings	3,158,959,697	1,043,687,560
	76,084,917,036	73,264,554,187

The Bank's Regulatory Capital Adequacy Ratio as of 31 March 2025 and 31 March 2024 were 8.16% and 8.28% respectively, and hence more than 8% of regulatory capital adequacy and 4% minimum Tier 1's capital as prescribed by the Central Bank of Myanmar.

6. Cash and cash equivalents

	31 March 2025	31 March 2024
	MMK	MMK
Cash in hand	34,898,234,632	34,031,466,239
Balance with Central Bank of Myanmar - Non-restricted	35,063,193,404	71,446,132,830
Balance with Central Bank of Myanmar - Restricted	28,797,074,523	22,290,829,819
Placement with Central Bank of Myanmar	38,788,488,000	31,456,256,000
	<u>137,546,990,559</u>	<u>159,224,684,888</u>

7. Placements and balances with other banks

	31 March 2025	31 March 2024
	MMK	MMK
Demand deposits with other banks	28,404,339,744	28,931,989,124
Placement with other banks	13,000,000,000	18,000,000,000
Fixed deposits with other banks <3 months	26,515,281,250	-
Fixed deposits with other banks >3 months	-	-
	<u>67,919,620,994</u>	<u>46,931,989,124</u>

8. Government treasury bills and securities

	31 March 2025	31 March 2024
	MMK	MMK
Government treasury bills	-	4,000,000,000
Government treasury bonds	73,472,648,742	77,692,010,061
	<u>73,472,648,742</u>	<u>81,692,010,061</u>
Due within 12 months	30,049,201,805	12,722,801,012
Due after 12 months	43,423,446,937	68,969,209,049
	<u>73,472,648,743</u>	<u>81,692,010,061</u>

9. Loans and advances to customers

	31 March 2025	31 March 2024
	MMK	MMK
Demand loans	538,110,409,318	368,084,611,024
Overdrafts	118,170,306,043	99,548,240,855
Hire purchase	20,684,992,200	25,360,824,971
SME loans	53,765,731,004	46,119,267,761
Trade guarantees	-	1,688,754
Home loans	29,864,046,664	83,746,060,003
Mortgage loans	-	898,880,665
Solar financing	500,000,000	-
Education loans	179,769,772	9,251,931
Staff loans	548,262,128	1,174,751,385
Credit cards	50,698,864	-
	<u>761,874,215,993</u>	<u>624,943,577,348</u>
Specific provision for loan loss	(3,680,572,660)	(4,106,614,183)
	<u>758,193,643,332</u>	<u>620,836,963,165</u>

9. Loans and advances (continued)

(i) Loans and advances by types of industry provided are as follows:

	31 March 2025	31 March 2024
	MMK	MMK
Industrial Manufacturing	184,777,759,750	148,400,514,238
Transportation	5,229,386,101	4,630,239,369
Trading	362,534,366,939	266,097,611,777
Service	84,406,438,257	54,130,300,073
Construction	18,909,124,354	9,940,011,007
Agriculture	23,943,519,158	2,024,969,952
General	33,142,849,709	43,116,177,867
Financial	18,500,000,000	10,753,846,154
Staff Loan	566,725,061	1,204,966,243
Home Loan	29,864,046,664	84,644,940,668
	<u>761,874,215,993</u>	<u>624,943,577,348</u>

(ii) Specific provisions for loan loss by type of industry are as follows:

	31 March 2025	31 March 2024
	MMK	MMK
Industrial Manufacturing	16,658,208	8,273,255
Trading	7,790,431	3,666,667
Staff loan	630,977,716	734,728,245
Agriculture and Livestocks	-	132,978,380
General	3,025,146,305	3,226,967,636
	<u>3,680,572,660</u>	<u>4,106,614,183</u>

10. Investments

	31 March 2025	31 March 2024
	MMK	MMK
Investments in debt instruments	-	-
Investments in equity instruments	-	-
Unquoted equity share at cost:		
Myanmar Payment Union	200,000,000	200,000,000
Myanmar Credit Bureau	130,000,000	130,000,000
Others	1,000,000	1,000,000
	<u>331,000,000</u>	<u>331,000,000</u>

The equity instruments were unquoted, held for strategic reason and not for sale. At each reporting date, the Bank conducted an impairment review of the equity instruments held. Following the review, as no indicators of impairment were observed and the impact of changes under the equity method was deemed immaterial, the Bank decided that these investments continue to be measured at historical cost.

11. Property and equipment

Details of property and equipment were presented in Annexure 1.

12. Intangible assets

	31 March 2025 MMK	31 March 2024 MMK
Softwares, licenses and rights		
Cost		
Balance at beginning of the year	6,464,083,417	6,303,364,570
Additions during the year	851,580,071	160,718,847
Balance at the end of the year	7,315,663,488	6,464,083,417
Accumulated amortization		
Balance at beginning of the year	2,937,163,881	2,299,388,193
Amortization during the year	668,987,112	637,775,688
Balance at the end of the year	3,606,150,994	2,937,163,881
Net book value		
Balance at the end of the year	3,709,512,494	3,526,919,536
Balance at beginning of the year	3,526,919,536	4,003,976,377

13. Other assets

	31 March 2025 MMK	31 March 2024 MMK
Interest receivable on loans and advances	12,044,630,246	13,715,678,473
Interest receivable on treasury bill and coupon receivable	-	59,544,820
Interest receivable on deposit with banks	297,806,067	7,249,315
SWAP receivables	22,333,860,000	23,385,360,000
Prepayments and advances	18,106,256,478	10,066,871,861
Advance income tax	340,240,383	289,960,614
Advance interest paid of fixed deposit	955,372,636	51,498,685
Receivables from business partners	11,786,015,026	303,125,965
E-money deposit - Citizens Pay	80,000,000	282,000,000
Suspense - Money Gram and IME	1,437,104,772	370,658,956
Suspense - Others	(1,563,393,936)	1,800,304,989
	65,817,891,673	50,332,253,678

14. Borrowings

	31 March 2025 MMK	31 March 2024 MMK
Borrowing from Central Bank of Myanmar	22,333,860,000	64,385,360,000
Borrowing from other financial institutions	10,000,000,000	1,000,000,000
	32,333,860,000	65,385,360,000

Borrowing from Central Bank of Myanmar at 31.3.2025 represents SWAP of USD 10.62 million (maturity 9 May 2025), in which the bank acts as an intermediary between CBM and customers, thus there is no impact to the Bank regarding interest of this SWAP deal.

14. Borrowings (Continued)

Borrowing from other financial institutions at 31.3.2025 represents borrowing from Yoma bank MMK 5 billion with the interest rate of 9.5% p.a, matured on 2 April 2025; and from AYA bank with the interest rate of 10.15% p.a, MMK 3 billion matured on 4 April 2025 and MMK 2 billion matured on 2 April 2025.

15. Deposits from customers

	31 March 2025 MMK	31 March 2024 MMK
Call deposits	247,067,430,295	302,643,875,390
Time deposits	518,343,716,892	289,470,999,334
Current deposits	46,921,021,284	31,766,520,032
Saving deposits	129,898,632,092	148,368,636,685
	942,230,800,563	772,250,031,441
Above include deposits from other banks	59,756,705,928	49,313,199,775

16. Other liabilities

	31 March 2025 MMK	31 March 2024 MMK
Interest in suspense	10,219,646,973	12,687,456,603
Interest recovered in advance	(82,082,021)	(392,011,278)
Interest payable on deposits	10,049,283,749	6,543,060,731
Payment order	1,134,144,740	885,022,207
Other payables	2,385,317,222	8,822,237,195
Sundry deposit	1,958,268,151	1,509,780,668
Swap Payable MMK	38,788,488,000	31,456,256,000
Current year tax payable	1,164,231,920	150,120,232
General provision on loans and advances	10,741,173,988	8,002,561,215
Provision for cash shortage and others	1,510,981,331	884,042,751
Payable to business partners	13,852,717	63,883,664
	77,883,306,770	70,612,409,988

17. Paid-up share capital

	31 March 2025 MMK	31 March 2024 MMK
Share capital	57,124,662,800	57,124,662,800
Numbers of share	10,400,986	10,400,986

The share capital amount includes share premium MMK 5,119,732,800 and shares are not with par value as per Myanmar Companies Law 2017.

18. Reserves

	Statutory reserve fund ⁽¹⁾ MMK	General provision for loan loss ⁽²⁾ MMK	Contingencies reserve fund MMK	Total MMK
Balances at 1-4-2024	10,587,893,495	4,496,310,332	12,000,000	15,096,203,827
Provision for the year	705,090,712	-	-	705,090,712
Balances at 31-3-2025	11,292,984,207	4,496,310,332	12,000,000	15,801,294,539
Balances at 1-4-2023	10,398,497,649	4,496,310,332	12,000,000	14,906,807,981
Provision for the year	189,395,846	-	-	189,395,846
Balances at 31-3-2024	10,587,893,495	4,496,310,332	12,000,000	15,096,203,827

⁽¹⁾Statutory reserve represents reserve fund equal to 25% of net profit after tax which has been set aside in accordance with Section 35(a) of Financial Institutions Law and not distributable as cash dividend.

⁽²⁾General provision for loan loss represents provision of 2% on total loans and advances which was set aside as reserve. Starting from 2018-2019 financial year, the above 2% general provisions were charged to profit or loss and respective credits were shown under other liabilities.

19. Interest income

	2024-2025 MMK	2023-2024 MMK
Interest income on hire purchase	2,083,659,476	3,131,062,574
Interest income on loans and overdrafts	64,245,630,267	37,001,326,968
Interest income on SME loan	3,201,008,832	2,431,705,057
Interest income on home loan	5,784,332,210	4,816,688,573
Interest income on staff loan	5,965,958	15,924,709
Interest income on trade guarantee	608,397	112,914
Interest on Mortgage Loan	41,628,941	79,572,870
Interest on Solar Financing	1,068,493	-
Interest on Visa Credit Card	173,749	-
Interest income on investment	12,626,350,930	12,031,721,404
	87,990,427,253	59,508,115,069

Note:

	2024-2025	2023-2024
Interest rate on loans and advances	7.5%~15%	5.5%~14.5%
Interest rate on Credit Card	16.5%	-
Interest rate on deposit with other banks	6%~12%	5.1%~9.5%

20. Interest expenses

	2024-2025 MMK	2023-2024 MMK
Interest expense on saving deposit	7,183,721,004	6,404,136,691
Interest expense on fixed deposit	37,173,589,327	22,076,026,580
Interest expense on call deposit	20,317,340,702	14,469,624,212
Interest expense on inter bank borrowing	1,611,193,151	403,472,418
	66,285,844,184	43,353,259,901

Note:

Interest on saving deposit was 7%~11% p.a. and calculated on the minimum balance of the account during the period from the 5th day to end of the month.

20. Interest expenses (continued)

	2024-2025	2023-2024
Interest rates on fixed deposit were as follows:		
1 month	7%~11%	6.5%~7.5%
3 months	7.5%~12%	7.5%~9.25%
6 months	7.75%~12.5%	7.75%~9.5%
9 months	7.75%~12.75%	7.75%~9%
12 months	8%~13%	8%~9.8%
24 months	8.25%	8.25%

Interest on call deposit was 6~7% p.a. and calculated based on minimum daily balance.

21. Net fee and commission income

	2024-2025	2023-2024
	MMK	MMK
Fees and commission income		
Services fee income	7,686,153,441	6,886,964,747
Commission income	3,123,725,419	4,033,270,156
Card related income	233,800,626	351,872,604
Other fees income	1,423,400	1,713,390
	<u>11,045,102,886</u>	<u>11,273,820,897</u>
Fees and commission expense		
Bank commission and service charges	185,563,100	142,671,676
Card related expenses	740,079,045	435,418,773
Other fee expenses	17,932,000	9,206,000
	<u>943,574,145</u>	<u>587,296,449</u>
	<u>10,101,528,741</u>	<u>10,686,524,448</u>

22. Other operating income

	2024-2025	2023-2024
	MMK	MMK
Net income from foreign currency transactions	2,449,810,664	(28,121,574)
(Loss)/gain on revaluation	98,595,234	(41,721,217)
Miscellaneous income	110,037,252	181,515,456
	<u>2,658,443,150</u>	<u>111,672,665</u>

23. Personnel expenses

	2024-2025	2023-2024
	MMK	MMK
Salaries and wages (local)	9,194,142,761	8,558,010,620
Salaries and wages (foreign)	1,223,033,981	982,667,837
Overtime allowance	201,240,619	178,571,806
House allowance	200,459,250	127,873,478
Contribution to employee benefit	113,881,600	104,325,800
Compensation	28,000,000	
Other staff related expenses	1,315,894,042	1,186,432,023
	<u>12,276,652,253</u>	<u>11,137,881,564</u>

24. Administration and general expenses

	2024-2025	2023-2024
	MMK	MMK
Annual general meeting expense	23,188,349	12,160,367
Directors' meeting fees	137,300,000	113,700,000
Donation and entertainment	132,458,901	55,960,684
Insurance	137,088,901	116,971,668
Marketing and advertising	468,310,634	246,715,703
Miscellaneous expenses	336,608,933	111,837,720
Office supplies	481,501,723	311,525,409
Professional service fees	209,171,915	115,149,815
Rates and taxes	125,560,383	74,448,883
Registration and license	1,885,872,272	1,390,407,514
Rent	2,565,812,273	2,104,960,706
Repair and maintenance	2,764,069,189	1,329,002,079
Travel and transport	199,515,547	181,644,776
Utilities	2,785,562,501	1,948,282,279
Written off	1,028,856,087	131,554,662
(Gain) Loss on disposal	482,814	(149,752,080)
	<u>13,281,360,421</u>	<u>8,094,570,185</u>

25. Income tax expenses

	2024-2025	2023-2024
	MMK	MMK
Current tax - Corporate income tax	1,114,231,920	135,177,826
Current tax - Capital gain tax	-	14,942,406
	<u>1,114,231,920</u>	<u>150,120,232</u>

26. Earnings per share

	2024-2025	2023-2024
	MMK	MMK
Basic and diluted earnings per share		
Net profit attributable to equity holders of the Bank	2,820,362,849	757,583,386
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	10,400,986	10,400,986
	<u>271</u>	<u>73</u>

27. 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 C-level officers.

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.

27. Related party transactions (Continued)

(a) Sales and purchase of goods and services	31 March 2025 MMK	31 March 2024 MMK
Rental expense charged to profit or loss under the contracts with related parties	619,297,836	591,335,496
(b) Outstanding balances		
Deposits with related parties	218,211,801,147	77,753,144,520
Loans and advances with related parties	13,001,565,714	23,094,185,268
Prepaid rental outstanding with related parties	454,138,475	248,363,750
(c) Key management personnel compensation	31 March 2025 MMK	31 March 2024 MMK
Salaries and wages	1,461,413,332	1,664,627,603
Directors' meeting fees	137,300,000	113,700,000

28. Guarantees and commitments

(a) Bank guarantees	31 March 2025 MMK	31 March 2023 MMK
Guarantees in local currency	30,260,961,246	16,153,333,913
Guarantees in foreign currency	-	-
	<u>30,260,961,246</u>	<u>16,153,333,913</u>

Guarantees are contracts that contingently require the Bank to make payments to a guaranteed party based on an event or a change in an underlying asset and liability. Guarantees are taken into account in the general ledger on contra, at the reporting date.

(b) Commitments	31 March 2025 MMK	31 March 2024 MMK
Undrawn overdraft	17,404,365,812	8,680,974,003
Rental expense	5,444,110,214	5,810,580,565
	<u>22,848,476,026</u>	<u>14,491,554,568</u>

29. Acceptance, Endorsement and Guarantee

Receivable and payable of Acceptance, Endorsement and Guarantee were offset in the statement of financial position.

30. Events After Reporting Period

On 28 March 2025, an earthquake occurred in Mandalay, Sagaing, Naypyitaw, Shan and Bago Division affecting areas where the company operates.

As of the reporting date 31 March 2025, the Bank had preliminary assessed, not thorough inspections, regarding the impact of the earthquake on its operations, assets and financial condition as follows:

1. Operation Impact

The earthquake caused temporary disruption to Bank's operations in a few branches in Mandalay Division affecting areas where the company operates.

2. Asset and Property Damage

Preliminary inspections indicate the number of branches damage are as follow:

Minor damage	2 branches
Moderate damage	3 branches
Significant damage	2 branches

The estimate cost of repairs is MMK 484 million, which is being evaluated. Provision had made for the estimate cost of repairs and included in current financial statements.

3. Customer impact on Credit Risk

The company is currently assessing the financial position of customers in the affected areas, particularly borrowers in retail, SME and other sectors. Provision for expected credit losses may be adjusted in subsequent periods based on detail loan reviews and the impact of the disaster.

4. Insurance Coverage

The company maintains insurance coverage for natural disasters. Due to the minor damage, Claims have not been made to insurance company.

5. Financial Statement impact

Based on available information, Board of Directors and Management believes the impact of the earthquake does not materially affect the financial statements as of 31 March 2025. However, the situation remains under review, and any affected will be disclosed in the next reporting period.

6. Going Concern

The earthquake does not affect the company's ability to continue as a going concern. Board of Directors and Management continues to monitor the situation and will provide future update as appropriate.

Property and equipment

	Land & Building	Leasehold Improvement	Motor Vehicle	Furniture & Office Equipment	Plant & Machinery	TOTAL
	MMK	MMK	MMK	MMK	MMK	MMK
Original Cost						
At 1 April 2024	12,724,694,644	5,079,273,891	1,293,453,476	8,037,792,119	1,168,803,956	28,304,018,086
Additions	1,356,681,178	900,568,259	193,829,000	2,240,104,344	85,830,000	4,777,012,781
Disposals	-	-	-	(75,235,913)	(959,000)	(76,194,913)
Write-off	(8,568,500)	(87,704,650)	(590,000)	(191,042,607)	(1,461,200)	(289,366,957)
Adjustment	-	-	-	-	-	-
At 31 March 2025	14,072,807,322	5,892,137,500	1,486,692,476	10,011,617,942	1,252,213,756	32,715,468,996

Accumulated depreciation

At 1 April 2024	1,118,501,551	2,041,826,367	996,219,505	5,121,577,672	389,357,827	9,667,482,922
For the year	150,350,233	542,731,306	82,282,809	944,416,111	75,887,341	1,795,667,800
Disposals	-	-	-	(71,656,642)	(673,458)	(72,330,100)
Write-off	(844,939)	(51,730,241)	(589,999)	(162,674,733)	(1,088,290)	(216,928,201)
Adjustment	-	-	-	-	-	-
At 31 March 2025	1,268,006,846	2,532,827,433	1,077,912,315	5,831,662,408	463,483,419	11,173,892,421

Net Book value as at 31 March 2025

	12,804,800,476	3,359,310,068	408,780,161	4,179,955,534	788,730,336	21,541,576,575
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Net Book value as at 31 March 2024

	11,606,193,093	3,037,447,524	297,233,971	2,916,214,447	779,446,129	18,636,535,164
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We hereby certify that above assets are the properties of the "Myanmar Citizens Bank Public Company Limited", in existence at 31 March 2025 and agreed with the details as per Assets Register. All assets were purchased or acquired with proper approvals either of the board of directors or the authorised officials of the Bank.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

Property and equipment

	Land & Building	Leasehold Improvement	Motor Vehicle	Furniture & Office Equipment	Plant & Machinery	TOTAL
	MMK	MMK	MMK	MMK	MMK	MMK
Original Cost						
At 1 April 2023	12,584,682,369	3,915,081,964	1,159,392,673	6,921,723,277	1,060,710,506	25,641,590,789
Additions	140,012,275	1,164,191,927	206,300,000	1,140,487,127	108,093,450	2,759,084,779
Disposals	-	-	(72,119,197)	(2,972,336)	-	(75,091,533)
Write-off	-	-	(120,000)	(21,445,950)	-	(21,565,950)
Adjustment	-	-	-	-	-	-
At 31 March 2024	12,724,694,644	5,079,273,891	1,293,453,476	8,037,792,119	1,168,803,956	28,304,018,086

Accumulated depreciation

At 1 April 2023	970,845,038	1,586,900,336	969,102,350	4,339,885,259	318,970,023	8,185,703,006
For the year	147,656,513	454,926,032	90,771,662	803,708,888	70,387,803	1,567,450,898
Disposals	-	-	(63,543,256)	(2,467,728)	-	(66,010,984)
Write-off	-	-	(111,250)	(19,548,747)	-	(19,659,997)
Adjustment	-	-	-	-	-	-
At 31 March 2024	1,118,501,551	2,041,826,367	996,219,505	5,121,577,672	389,357,827	9,667,482,922

Net Book value as at 31 March 2024

	11,606,193,093	3,037,447,524	297,233,971	2,916,214,447	779,446,129	18,636,535,164
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Net Book value as at 31 March 2023

	11,613,837,331	2,328,181,629	190,290,323	2,581,838,018	741,740,482	17,455,887,783
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We hereby certify that above assets are the properties of the "Myanmar Citizens Bank Public Company Limited", in existence at 31 March 2024 and agreed with the details as per Assets Register. All assets were purchased or acquired with proper approvals either of the board of directors or the authorised officials of the Bank.



ANNUAL REPORT

2024 - 2025

No.383, Marhar Bandula Road, Kyauktada Township, Yangon, Myanmar.

+95-1-8386020, +95-9-940051234

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