

Ref: 185/ O-35/ March 2024

INDEPENDENT AUDITOR'S REPORT

To the Members of Oversea-Chinese Banking Corporation Limited (Yangon Branch) Report on the Financial Statements

Opinion

We have audited the financial statements of **Oversea-Chinese Banking Corporation Limited (Yangon Branch)** (“OCBC Bank (Yangon Branch)”), which comprise the statement of financial position of Yangon Branch as at 31 March 2024, the statement of 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 and other explanatory notes, as set out on pages 9 to 30.

In our opinion, the financial statements of Yangon Branch are properly drawn up in accordance with Myanmar Financial Reporting Standards (MFRS) as modified by Central Bank of Myanmar’s requirements and the provisions of Myanmar Companies Law 2017 (“the Law”) so as to give a true and fair view of the state of affairs of Yangon Branch as at 31 March 2024 and of the results and cash flows of Yangon Branch for the year then ended.

Basis for opinion

We conducted our audit in accordance with 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 International Ethics Standards Board for Accountants’ *Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA Code), together with 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 and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The other information comprises the information included in the Annual Report other than the Financial Statements and Independent 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 or conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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 (MFRS) as modified by Central Bank of Myanmar’s requirements

and the provisions of the Myanmar Companies Law 2017 ("the Law") and for such internal controls 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.

The Management and 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 a guarantee 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 the 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 also :-

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risks of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omission, misrepresentations, of the override of internal controls.
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Bank's internal controls.
- Evaluate the appropriateness of accounting policies use and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to bring it to attention in our auditor's report to the related disclosures in the financial statements or if such disclosures are inadequate, modify our opinion. Our conclusions are based on the audit evidences obtained up to the date of our auditor's report. However, future events or conditions may cause Bank to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

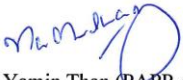
We communicate with the management and those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls.

Report on Other Legal and Regulatory Requirements

In accordance with the provisions of Myanmar Companies Law, we report that:

- (i) we have obtained all the information and explanations we have required and
- (ii) the financial records have been maintained by the Yangon Branch as required by Section 258 of the Law.

Also, in accordance with Section 89 of the Financial Institutions of Myanmar Law, we report in our opinion, the financial statements are complete and properly and fairly drawn up and present fairly the operations of the Yangon Branch and that the information obtained from the officers and representatives of the Yangon Branch are satisfactory.



Yamin Than (PAPP-418)

B. Com, CPA, DBL

Engagement Partner

WIN THIN & ASSOCIATES LTD

CERTIFIED PUBLIC ACCOUNTANTS

FIRM REGISTRATION NO. ACC 008

17 June 2024



Oversea-Chinese Banking Corporation Limited (Yangon Branch)
Statement of Financial Position
As at March 31, 2024

		MMK		US\$	
	Note	31.3.2024	31.3.2023	31.3.2024	31.3.2023
Assets					
Cash and cash equivalents	5	349,935,131,396	404,937,544,173	166,635,718	192,827,389
Investment in securities	6	-	9,905,982,807	-	4,717,135
Loan and advances	7	194,057,352,226	229,718,591,701	92,408,239	109,389,799
Other assets	8	1,568,101,283	2,352,920,482	746,716	1,120,439
Current tax assets		4,416,768,367	1,548,684,724	2,103,223	737,469
Property and equipment	9	887,521,604	1,135,468,845	422,629	540,699
Total assets		550,864,874,876	649,599,192,732	262,316,525	309,332,930
Liabilities					
Deposits from customers	10	118,338,895,527	236,803,287,785	56,351,840	112,763,465
Deposits from banks	11	49,139,646,653	48,819,222,804	23,399,832	23,247,249
Other liabilities	12	1,007,886,589	2,714,316,440	479,946	1,292,532
General loan loss provision	13	10,903,351,851	10,903,351,851	5,192,072	5,192,072
Current Tax Payable		5,253,494,453	3,056,779,266	2,501,663	1,455,609
Total liabilities		184,643,275,073	302,296,958,146	87,925,353	143,950,927
Equity					
Regulatory capital	14	181,875,000,000	181,875,000,000	150,000,000	150,000,000
FX translation reserve		138,757,348,133	138,757,235,723	-	-
Reserves	15	15,833,047,993	11,103,234,791	9,209,915	6,957,623
Retained earnings		29,756,203,677	15,566,764,072	15,181,257	8,424,380
Total equity		366,221,599,803	347,302,234,586	174,391,172	165,382,003
Total liabilities and equity		550,864,874,876	649,599,192,732	262,316,525	309,332,930
Acceptances, Endorsement and Guarantee per Contra		22,003,164,750	28,967,685,033	10,477,698	13,794,136

The accompanying accounting policies and explanatory information forms an integral part of the financial statements.

Authenticated by:



Daniel Tan
General Manager
OCBC Bank, Yangon Branch

Oversea-Chinese Banking Corporation Limited (Yangon Branch)
Statement of Comprehensive Income
For the year ended 31 March

	Note	MMK		US\$	
		31.3.2024	31.3.2023	31.3.2024	31.3.2023
Interest income	16	34,218,385,047	23,550,132,946	16,294,469	11,694,964
Interest expense	17	(2,813,719,818)	(1,987,369,964)	(1,339,867)	(986,925)
Net interest income		31,404,665,229	21,562,762,982	14,954,602	10,708,039
Fee and commission income	18	876,979,866	1,400,182,209	417,609	695,329
Fee and commission expense	19	(1,053,562,121)	(1,056,617,091)	(501,696)	(524,715)
Net fee and commission income		(176,582,255)	343,565,118	(84,087)	170,614
Other income	20	5,254,226,817	5,567,868,042	2,502,013	2,764,995
Total income		36,482,309,791	27,474,196,142	17,372,528	13,643,648
Expenses					
Personnel expenses	21	(5,868,085,461)	(6,096,912,777)	(2,794,326)	(3,027,718)
Premises and equipment expenses	22	(4,537,328,964)	(4,486,493,283)	(2,160,633)	(2,227,986)
Tax and duties		(214,347)	(4,070,490)	(101)	(2,021)
Other operating expenses	23	(1,802,587,206)	(2,144,246,571)	(858,375)	(1,064,830)
Total operating expenses		(12,208,215,978)	(12,731,723,121)	(5,813,435)	(6,322,555)
Operating profit before allowances		24,274,093,813	14,742,473,021	11,559,093	7,321,093
General loan loss provision		-	-	-	-
Profit before income tax		24,274,093,813	14,742,473,021	11,559,093	7,321,093
Less: Income tax expense	24	(5,354,841,006)	(3,098,290,913)	(2,549,924)	(1,538,607)
Net profit for the year		18,919,252,807	11,644,182,108	9,009,168	5,782,486
Other comprehensive income		-	-	-	-
Total comprehensive income		18,919,252,807	11,644,182,108	9,009,168	5,782,486

The accompanying accounting policies and explanatory information forms an integral part of the financial statements.

Authenticated by:

Daniel Tan
General Manager
OCBC Bank, Yangon Branch