

AB Bank Limited

BCIC Bhaban

30-31 Dilkusha Commercial Area

Dhaka 1000

AB Bank Limited and Its Subsidiaries

Consolidated and separate financial statements
for the period ended 30 June 2019

AB Bank Limited & Its Subsidiaries

Consolidated Balance Sheet

As at 30 June 2019

		30 June 2019	31 Dec 2018
		BDT	BDT
<u>PROPERTY AND ASSETS</u>			
Cash	Notes		
	3(a)	18,527,870,650	16,433,155,519
In hand (including foreign currencies)	3.1(a)	1,700,092,352	1,960,489,318
Balance with Bangladesh Bank and its agent bank(s) (including foreign currencies)	3.2(a)	16,827,778,298	14,472,666,202
Balance with other banks and financial institutions	4(a)	3,419,308,447	3,378,419,653
In Bangladesh	4.1(a)	1,241,756,006	1,823,369,874
Outside Bangladesh	4.2(a)	2,177,552,440	1,555,049,778
Money at call and on short notice	5(a)	627,822,370	589,822,961
Investments	6(a)	48,173,863,849	44,351,747,141
Government	6.1(a)	36,983,512,489	33,523,320,645
Others	6.2(a)	11,190,351,361	10,828,426,496
Loans, advances and lease/investments		257,059,495,733	249,185,305,270
Loans, cash credits, overdrafts, etc./Investments	7(a)	255,582,037,722	246,986,421,356
Bills purchased and discounted	8(a)	1,477,458,012	2,198,883,913
Fixed assets including premises, furniture and fixtures	9(a)	4,715,876,937	4,453,456,276
Other assets	10(a)	6,653,815,586	6,761,916,852
Non-banking assets		-	-
Total Assets		339,178,053,575	325,153,823,672
<u>LIABILITIES AND CAPITAL</u>			
Liabilities			
Borrowings from other banks, financial institutions and agents	11(a)	16,670,787,996	18,272,449,759
AB Bank Subordinated Bond	12	8,700,000,000	8,700,000,000
Deposits and other accounts	13(a)	249,496,277,898	235,383,290,846
Current account and other accounts		24,642,912,333	22,819,200,149
Bills payable		3,417,088,711	2,994,339,125
Savings bank deposits		29,213,165,705	28,685,663,090
Fixed deposits		124,103,640,746	128,219,725,045
Other deposits		68,119,470,402	52,664,363,438
Other liabilities	14(a)	40,299,437,039	38,902,322,164
Total Liabilities		315,166,502,933	301,258,062,768
Capital/Shareholders' Equity			
Equity attributable to equity holders of the parent company		24,000,973,587	23,885,346,764
Paid-up capital	15	7,581,303,150	7,581,303,150
Statutory reserve	16	6,657,623,190	6,623,362,740
Other reserve	17(a)	2,699,867,115	2,713,091,416
Retained earnings	18(a)	7,062,180,131	6,967,589,458
Non- controlling interest	18(b)	10,577,055	10,414,140
Total Equity		24,011,550,642	23,895,760,904
Total Liabilities and Shareholders' Equity		339,178,053,575	325,153,823,672

AB Bank Limited & Its Subsidiaries

Consolidated Balance Sheet

As at 30 June 2019

		30 June 2019	31 Dec 2018
		BDT	BDT
Off-Balance Sheet Items	Notes		
Contingent liabilities	19	48,091,932,231	57,209,035,486
Acceptances and endorsements		15,693,399,764	21,728,577,752
Letters of guarantee	19.1	14,374,718,368	14,569,014,333
Irrevocable letters of credit		9,847,623,988	12,060,360,225
Bills for collection		6,950,744,389	7,389,781,311
Other contingent liabilities		1,225,445,722	1,461,301,865
Other commitments		-	-
Documentary credits and short term trade-related transactions		-	-
Forward assets purchased and forward deposits placed		-	-
Undrawn note issuance and revolving underwriting facilities		-	-
Undrawn formal standby facilities, credit lines and other commitments		-	-
Total		48,091,932,231	57,209,035,486

**-Sd-
Chief Financial Officer (Acting)**

**-Sd-
Company Secretary (CC)**

**-Sd-
President & Managing Director**

**-Sd-
Director**

**-Sd-
Director**

Dhaka,
July 30, 2019

AB Bank Limited and Its Subsidiaries

Consolidated Profit and Loss Account

For the period ended 30 June 2019

		Jan'19 - Jun'19 BDT	Jan'18 - Jun'18 BDT	April'19-June'19 Taka	April'18-June'18 Taka
OPERATING INCOME					
	Notes				
Interest income/profit on investments	21(a)	10,180,523,266	9,628,789,460	5,301,478,150	5,384,904,531
Interest/profit paid on deposits and borrowings, etc.	22(a)	(8,839,029,887)	(8,469,416,362)	(4,553,202,531)	(4,486,421,567)
Net interest income		1,341,493,379	1,159,373,098	748,275,619	898,482,964
Investment income	23(a)	1,010,499,715	1,823,359,695	329,053,610	859,699,989
Commission, exchange and brokerage	24(a)	1,081,365,218	1,306,795,014	518,823,540	699,074,306
Other operating income	25(a)	73,090,042	121,601,723	34,081,479	74,777,489
		2,164,954,975	3,251,756,431	881,958,629	1,633,551,783
Total operating income (a)		3,506,448,354	4,411,129,529	1,630,234,248	2,532,034,748
OPERATING EXPENSES					
Salary and allowances	26(a)	1,422,878,055	1,439,522,033	751,440,936	760,511,860
Rent, taxes, insurance, electricity, etc.	27(a)	384,230,911	370,375,698	192,451,850	190,051,418
Legal expenses	28(a)	4,501,989	1,918,626	2,487,574	1,051,591
Postage, stamps, telecommunication, etc.	29(a)	59,452,226	67,420,420	31,676,725	31,377,605
Stationery, printing, advertisement, etc.	30(a)	83,337,913	83,297,560	50,679,136	44,503,378
Chief executive's salary and fees	26.1	-	6,100,000	-	3,250,000
Directors' fees	31(a)	1,455,681	2,825,307	742,569	1,397,018
Auditors' fees	32(a)	4,731,574	1,049,441	3,154,610	505,890
Depreciation and repairs of Bank's assets	33(a)	242,944,147	240,794,223	125,046,516	121,553,606
Other expenses	34(a)	527,524,917	710,073,679	284,009,695	444,180,643
		2,731,057,414	2,923,376,988	1,441,689,611	1,598,383,009
Total operating expenses (b)		2,731,057,414	2,923,376,988	1,441,689,611	1,598,383,009
Profit before provision (c = (a-b))		775,390,940	1,487,752,542	188,544,637	933,651,738
Provision against loans and advances	35(a)	497,700,000	436,000,000	164,200,000	396,000,000
Provision for investments	36(a)	9,319,239	170,000,000	-	-
Other provisions	37(a)	10,000,000	60,024,484	7,500,000	4,998,937
		517,019,239	666,024,484	171,700,000	400,998,937
Total provision (d)		517,019,239	666,024,484	171,700,000	400,998,937
Profit before tax (c-d)		258,371,701	821,728,057	16,844,637	532,652,801
Provision for taxation		143,919,365	523,526,615	(18,634,865)	353,136,672
Current tax		262,259,560	624,356,376	35,846,885	414,842,905
Deferred tax		(118,340,195)	(100,829,762)	(54,481,750)	(61,706,233)
		114,452,336	298,201,443	35,479,502	179,516,130
Net profit after tax		114,452,336	298,201,443	35,479,502	179,516,130
Appropriations					
Statutory reserve		28,624,940	28,233,393	28,624,940	28,233,393
General reserve		-	-	-	-
Dividends, etc.		-	-	-	-
		28,624,940	28,233,393	28,624,940	28,233,393
Retained surplus		85,827,396	269,968,049	6,854,563	151,282,736
Non- controlling interest		162,915	176,658	79,770	89,415
Net Profit attributable to the shareholders of parent company		85,664,481	269,791,391	6,774,793	151,193,321
Consolidated Earnings Per Share (EPS)	38(a)	0.15	0.39	0.05	0.24

-Sd-
Chief Financial Officer (Acting)

-Sd-
Company Secretary (CC)

-Sd-
President & Managing Director

-Sd-
Director

-Sd-
Director

Dhaka,
July 30, 2019

AB Bank Limited and Its Subsidiaries

**Consolidated Cash Flow Statement
For the period ended 30 June 2019**

	Jan'19 - Jun'19	Jan'18 - Jun'18
	BDT	BDT
Cash Flows from Operating Activities		
Interest receipts	10,180,523,266	8,878,198,204
Interest payments	(9,266,688,835)	(8,424,385,693)
Dividend receipts	60,463,822	76,977,009
Fee and commission receipts	742,898,702	851,809,348
Recoveries on loans previously written off	10,800,941	4,415,409
Payments to employees	(1,422,878,055)	(1,445,622,033)
Payments to suppliers	(83,337,913)	(83,297,560)
Income taxes paid	(617,592,756)	(199,182,490)
Receipts from other operating activities	1,350,791,510	2,318,554,666
Payments for other operating activities	(1,066,784,740)	(1,240,157,742)
Operating profit before changes in operating assets & liabilities	(111,804,058)	737,309,116
Increase/decrease in operating assets and liabilities		
Loans and advances to customers	(7,893,148,368)	(4,287,330,487)
Other assets	231,066,691	(360,224,063)
Deposits from other banks	582,392,760	719,117,728
Deposits from customers	13,958,253,241	(9,301,148,132)
Trading liabilities (short-term borrowings)	(1,527,804,159)	804,618,709
Other liabilities	1,260,757,992	3,424,364,549
	6,611,518,156	(9,000,601,695)
Net cash used in operating activities (a)	6,499,714,098	(8,263,292,579)
Cash Flows from Investing Activities		
(Sale)/Purchase of government securities	(3,470,146,686)	7,075,776,590
(Purchase)/Sale of trading securities, shares, bonds, etc.	(361,924,865)	(4,091,136,482)
Purchase of property, plant and equipment	(420,416,314)	(22,266,677)
Net cash flow from investing activities (b)	(4,252,487,864)	2,962,373,431
Cash Flows from Financing Activities		
Increase/(decrease) of long-term borrowings	(73,857,604)	3,992,698,612
Dividend paid	(696)	(188,521)
Net cash flow from/(used in) financing activities (c)	(73,858,300)	3,992,510,091
Net (decrease)/increase in cash (a+b+c)	2,173,367,934	(1,308,409,057)
Effects of exchange rate changes on cash and cash equivalents	-	-
Cash and cash equivalents at beginning of the year	20,403,713,833	22,521,816,127
Cash and cash equivalents at end of the period (*)	22,577,081,766	21,213,407,070
(*) Cash and cash equivalents:		
Cash	1,700,092,352	1,674,103,275
Prize bonds	2,080,300	2,924,900
Money at call and on short notice	627,822,370	1,658,749,100
Balance with Bangladesh Bank and its agent bank(s)	16,827,778,298	14,034,256,795
Balance with other banks and financial institutions	3,419,308,447	3,843,373,000
	22,577,081,766	21,213,407,070
Net Operating Cash Flow Per Share (NOCFPS)	43(a)	8.57
		(10.90)

**-Sd-
Chief Financial Officer (Acting)**

**-Sd-
Company Secretary (CC)**

**-Sd-
President & Managing Director**

**-Sd-
Director**

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Dhaka,
July 30, 2019

AB Bank Limited and Its Subsidiaries

Consolidated Statement of Changes in Equity
For the period ended 30 June 2019

Particulars	Paid-up capital	Statutory reserve	General reserve	Assets revaluation reserve	Foreign exchange revaluation reserve on investment in foreign operation	Investment revaluation reserve	Non controlling interest	Retained earnings	Total
	BDT	BDT	BDT	BDT	BDT	BDT	BDT	BDT	BDT
Restated balance at 01 January 2019	7,581,303,150	6,623,362,740	1,303,199,679	1,298,209,633	5,517,410	106,164,694	10,414,141	6,967,589,458	23,895,760,904
Net profit after taxation for the period	-	-	-	-	-	-	162,915	114,289,420	114,452,336
Addition/(Adjustment) made during the period	-	28,624,940	-	(379,726)	-	(9,719,442)	-	(28,245,317)	(9,719,545)
Foreign exchange rate fluctuation	-	5,635,510	835,241	-	(3,960,373)	-	-	8,546,570	11,056,948
Balance at 30 Jun 2019	7,581,303,150	6,657,623,190	1,304,034,920	1,297,829,907	1,557,036	96,445,252	10,577,055	7,062,180,132	24,011,550,643
Balance at 30 Jun 2018	7,581,303,150	6,562,315,837	1,302,838,777	1,299,889,624	(4,289,446)	228,558,126	10,376,145	7,301,153,191	24,282,145,405

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Dhaka,
July 30, 2019

AB Bank Limited

Balance Sheet
As at 30 June 2019

		30 Jun 2019 BDT	31 Dec 2018 BDT
<u>PROPERTY AND ASSETS</u>			
	Notes		
Cash	3	18,527,732,372	16,433,059,322
In hand (including foreign currencies)	3.1	1,699,954,074	1,960,393,120
Balance with Bangladesh Bank and its agent bank(s) (including foreign currencies)	3.2	16,827,778,298	14,472,666,202
Balance with other banks and financial institutions	4	3,321,302,093	3,178,371,232
In Bangladesh		1,154,850,259	1,625,277,794
Outside Bangladesh		2,166,451,834	1,553,093,439
Money at call and on short notice	5	1,236,222,370	1,428,822,961
Investments	6	47,289,960,679	43,593,782,292
Government	6.1	36,983,512,489	33,523,320,645
Others	6.2	10,306,448,190	10,070,461,647
Loans, advances and lease/investments	7	249,534,565,132	241,070,141,406
Loans, cash credits, overdrafts, etc./Investments		248,875,440,079	239,945,454,387
Bills purchased and discounted	8	659,125,053	1,124,687,019
Fixed assets including premises, furniture and fixtures	9	4,158,134,201	3,886,208,770
Other assets	10	12,648,910,596	12,935,585,637
Non-banking assets		-	-
Total Assets		336,716,827,445	322,525,971,620
<u>LIABILITIES AND CAPITAL</u>			
Liabilities			
Borrowings from other banks, financial institutions and agents	11	16,670,999,275	18,272,449,759
AB Bank Subordinated Bond	12	8,700,000,000	8,700,000,000
Deposits and other accounts	13	249,679,883,699	235,444,849,491
Current accounts and other accounts		24,706,085,247	22,820,201,543
Bills payable		3,417,088,711	2,994,339,125
Savings bank deposits		29,213,165,705	28,685,663,090
Fixed deposits		124,103,640,746	128,219,725,045
Other deposits		68,239,903,289	52,724,920,690
Other liabilities	14	38,972,121,782	37,458,190,496
Total Liabilities		314,023,004,755	299,875,489,746
Capital/Shareholders' Equity			
Total Shareholders' Equity		22,693,822,690	22,650,481,875
Paid-up capital	15	7,581,303,150	7,581,303,150
Statutory reserve	16	6,657,623,190	6,623,362,740
Other reserve	17	2,530,563,836	2,540,663,004
Retained earnings	18	5,924,332,513	5,905,152,980
Total Liabilities and Shareholders' Equity		336,716,827,445	322,525,971,620

AB Bank Limited

**Balance Sheet
As at 30 June 2019**

		30 Jun 2019 BDT	31 Dec 2018 BDT
Off-Balance Sheet Items	Notes		
Contingent liabilities	19	48,091,932,231	57,209,035,486
Acceptances and endorsements		15,693,399,764	21,728,577,752
Letters of guarantee	19.1	14,374,718,368	14,569,014,333
Irrevocable letters of credit		9,847,623,988	12,060,360,225
Bills for collection		6,950,744,389	7,389,781,311
Other contingent liabilities		1,225,445,722	1,461,301,865
Other commitments		-	-
Documentary credits and short term trade-related transactions		-	-
Forward assets purchased and forward deposits placed		-	-
Undrawn note issuance and revolving underwriting facilities		-	-
Undrawn formal standby facilities, credit lines and other commitments		-	-
Total		<u>48,091,932,231</u>	<u>57,209,035,486</u>

-Sd-
Chief Financial Officer (Acting)

-Sd-
Company Secretary (CC)

-Sd-
President & Managing Director

-Sd-
Director

-Sd-
Director

Dhaka,
July 30, 2019

AB Bank Limited

Profit and Loss Account

For the period ended 30 June 2019

Notes	Jan'19 - Jun'19 BDT	Jan'18 - Jun'18 BDT	April'19 -Jun'19 BDT	April'18 -Jun'18 BDT	
OPERATING INCOME					
Interest income/profit on investments	21	10,053,198,215	9,387,162,234	5,238,715,007	5,262,743,429
Interest paid/profit on deposits and borrowings, etc.	22	(8,827,691,584)	(8,457,821,124)	(4,547,679,881)	(4,480,846,673)
Net interest income		1,225,506,631	929,341,110	691,035,126	781,896,756
Investment income	23	1,067,168,047	1,801,218,353	394,957,348	850,696,452
Commission, exchange and brokerage	24	1,006,313,042	1,240,138,909	486,870,198	666,338,524
Other operating income	25	32,479,056	87,620,031	14,760,898	58,067,609
		2,105,960,145	3,128,977,293	896,588,443	1,575,102,585
Total operating income (a)		3,331,466,776	4,058,318,404	1,587,623,569	2,356,999,341
OPERATING EXPENSES					
Salary and allowances	26	1,388,053,582	1,404,073,791	733,388,908	741,838,562
Rent, taxes, insurance, electricity, etc.	27	377,498,868	363,857,565	188,931,513	186,636,278
Legal expenses	28	4,361,689	1,822,326	2,430,074	980,291
Postage, stamps, telecommunication, etc.	29	53,278,706	62,382,533	27,958,752	28,355,068
Stationery, printing, advertisement, etc.	30	82,905,948	82,953,098	50,472,987	44,282,087
Chief executive's salary and fees	26.1	-	6,100,000	-	3,250,000
Directors' fees	31	1,291,512	2,314,464	578,400	886,175
Auditors' fees	32	4,731,574	1,049,441	3,154,610	505,890
Depreciation and repairs of Bank's assets	33	232,739,790	230,402,994	119,981,351	116,344,226
Other expenses	34	518,844,782	702,946,421	279,629,012	440,516,987
Total operating expenses (b)		2,663,706,452	2,857,902,632	1,406,525,607	1,563,595,564
Profit before provision (c = (a-b))		667,760,324	1,200,415,771	181,097,962	793,403,778
Provision against loans and advances	35	497,700,000	436,000,000	164,200,000	396,000,000
Provision for investments	36	-	170,000,000	-	-
Other provisions	37	10,000,000	60,024,484	7,500,000	4,998,937
Total provision (d)		507,700,000	666,024,484	171,700,000	400,998,937
Profit before taxation (c-d)		160,060,324	534,391,287	9,397,962	392,404,841
Provision for taxation		119,579,765	431,054,180	(16,011,399)	308,004,426
Current tax		237,240,442	533,084,498	38,705,984	370,319,759
Deferred tax		(117,660,677)	(102,030,318)	(54,717,383)	(62,315,333)
Net profit after taxation		40,480,559	103,337,107	25,409,361	84,400,415
Appropriations					
Statutory reserve		28,624,940	28,233,393	28,624,940	28,233,393
General reserve		-	-	-	-
Dividends, etc.		-	-	-	-
		28,624,940	28,233,393	28,624,940	28,233,393
Retained surplus		11,855,620	75,103,714	(3,215,579)	56,167,022
Earnings Per Share (EPS)	38	0.05	0.14	0.03	0.11

-Sd-
Chief Financial Officer (Acting)

-Sd-
Company Secretary (CC)

-Sd-
President & Managing Director

-Sd-
Director

-Sd-
Director

Dhaka,
July 30, 2019

AB Bank Limited

**Cash Flow Statement
For the period ended 30 June 2019**

		Jan'19 - Jun'19	Jan'18 - Jun'18
		BDT	BDT
Cash flows from Operating Activities	Notes		
Interest receipts		10,053,198,215	8,636,570,978
Interest payments		(9,255,350,532)	(8,412,790,455)
Dividend receipts		47,771,535	58,212,589
Fees and commission receipts		670,569,111	788,842,747
Recoveries on loans previously written off		10,800,941	4,415,409
Payments to employees		(1,388,053,582)	(1,410,173,791)
Payments to suppliers		(82,905,948)	(82,953,098)
Income taxes paid		(574,824,543)	(152,319,213)
Receipts from other operating activities	39	1,395,973,347	2,277,506,547
Payments for other operating activities	40	(1,044,336,379)	(1,220,255,096)
Operating profit before changes in operating assets & liabilities		(167,157,837)	487,056,618
Increase/decrease in operating assets and liabilities			
Loans and advances to customers		(8,483,381,630)	(3,801,688,515)
Other assets	41	404,378,048	(275,574,233)
Deposits from other banks		582,392,760	719,117,728
Deposits from customers		14,080,300,396	(9,638,506,646)
Trading liabilities (short-term borrowings)		(1,527,592,880)	805,661,865
Other liabilities	42	1,356,049,839	3,587,767,070
		6,412,146,534	(8,603,222,731)
Net cash used in operating activities (a)		6,244,988,697	(8,116,166,113)
Cash Flows from Investing Activities			
Purchase of government securities		(3,470,146,686)	7,075,776,590
(Purchase)/Sale of trading securities, shares, bonds, etc.		(235,986,543)	(3,937,044,203)
Purchase of property, plant and equipment		(420,229,250)	(22,901,388)
Net cash flow from investing activities (b)		(4,126,362,479)	3,115,830,999
Cash Flows from Financing Activities			
Increase/(decrease) of long-term borrowings		(73,857,604)	3,992,698,612
Dividend paid		(696)	(188,521)
Net cash flow from/(used in) financing activities (c)		(73,858,300)	3,992,510,091
Net Increase/(decrease) in cash (a+b+c)		2,044,767,918	(1,007,825,024)
Effects of exchange rate changes on cash and cash equivalents		-	-
Cash and cash equivalents at beginning of the year		21,042,569,215	22,941,590,211
Cash and cash equivalents at end of the period (*)		23,087,337,135	21,933,765,188
(*) Cash and cash equivalents:			
Cash		1,699,954,074	1,673,974,872
Prize bonds		2,080,300	2,924,900
Money at call and on short notice		1,236,222,370	2,495,749,100
Balance with Bangladesh Bank and its agent bank(s)		16,827,778,298	14,034,256,795
Balance with other banks and financial institutions		3,321,302,093	3,726,859,521
		23,087,337,135	21,933,765,188
Net Operating Cash Flow Per Share (NOCFPS)	43	8.24	(10.71)

**-Sd-
Chief Financial Officer (Acting)**

**-Sd-
Company Secretary (CC)**

**-Sd-
President & Managing Director**

**-Sd-
Director**

**-Sd-
Director**

Dhaka,
July 30, 2019

AB Bank Limited

Statement of Changes in Equity
For the period ended 30 June 2019

Particulars	Paid-up capital	Statutory reserve	General reserve	Assets revaluation reserve	Investment revaluation reserve	Retained earnings	Total
	BDT	BDT	BDT	BDT	BDT	BDT	BDT
Balance at 01 January 2019	7,581,303,150	6,623,362,741	1,222,199,200	1,298,209,633	20,254,171	5,905,152,980	22,650,481,875
Net profit after taxation for the period	-	-	-	-	-	40,480,559	40,480,559
Addition/(Adjustment) made during the period	-	28,624,940	-	(379,726)	(9,719,442)	(28,245,214)	(9,719,442)
Foreign exchange rate fluctuation	-	5,635,510	-	-	-	6,944,187	12,579,698
Balance at 30 Jun 2019	7,581,303,150	6,657,623,190	1,222,199,200	1,297,829,907	10,534,729	5,924,332,513	22,693,822,689
Balance at 30 Jun 2018	7,581,303,150	6,562,315,837	1,222,199,200	1,299,889,625	126,624,021	6,064,924,814	22,857,256,646

-Sd-
Chief Financial Officer (Acting)

-Sd-
Company Secretary (CC)

-Sd-
President & Managing Director

-Sd-
Director

-Sd-
Director

Dhaka,
July 30, 2019

AB Bank Limited
Selective Notes to the Financial Statements
for the period ended June 30, 2019

1. Accounting Policies:

Accounting policies have been followed in preparing these financial statements are same as applied in financial statements of the Bank of preceding financial year.

2. Revenue recognition

Interest income

The interest income is recognised on accrual basis. Interest on loans and advances ceases to be taken into income when such advances are classified or treated as Sub Standard (SS) as per BRPD circular no. 14 dated 23 September 2012 and is kept in interest suspense account. Interest on classified advances is accounted for as income when realised.

Investment income

Interest income on investments is recognised on accrual basis except treasury bills. Capital gains on investments in shares are also included in investment income. Capital gains are recognized when these are realised.

2(a) Provision:

i) Loans & Advances

Provisions for loans and advances has been made as per directives/instructions of Bangladesh Bank issued from time to time.

ii) Investments

Provisions for diminution in value of investment is made for loss arising on diminution value of investment in quoted shares and other investments have been accounted for as per Bangladesh Bank Guidelines/instructions.

iii) Taxation

Provision for income tax has been made on taxable income after necessary adjustment made in accordance with the provisions of the Finance Act 2019, Income Tax Ordinance 1984 and other relevant rules as applicable.

2(b) Earnings Per Share (EPS):

Earnings Per Share (EPS) has been computed in accordance with International Accounting Standard (IAS)-33 by dividing the basic earnings by the number of ordinary shares outstanding as of June 30, 2019 .

2(C) Significant Deviation:

I. Investment income

During the period Gain/(Loss) on treasury bills and treasury bonds has drastically been reduced. As a result, income from investment is decreased from previous period.

II. Commission, exchange and brokerage

Off-Balance Sheet exposures has been reduced so that commission income comparatively decreased from previous period.

III. Provision against loans and advances

Provision against loans and advances made during the 2nd quarter (Jan-Jun) 2019 as per Bangladesh Bank guidelines/instructions.

IV. Provision for investments

We have maintained adequate provision against portfolio investment. So, there is no further provision requirement against portfolio investment in this quarter.

2(d) Related party disclosures

A party is related to the company if:

- (i) directly or indirectly through one or more intermediaries, the party controls, is controlled by, or is under common control with, the company; has an interest in the company that gives it significant influence over the company; or has joint control over the company;
- (ii) the party is an associate;
- (iii) the party is a joint venture;
- (iv) the party is a member of the key management personnel of the Company or its parent;
- (v) the party is a close member of the family of any individual referred to in (i) or (iv);
- (vi) the party is an entity that is controlled, jointly controlled or significantly influenced by or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (iv) or (v); or
- (vii) the party is a post-employment benefit plan for the benefit of employees of the company, or of any entity that is a related party of the company.

Significant contracts where the Bank is a party and wherein Directors have interest:

Name of contract	Name of the party	Name of Director and related by	Relationship
Lease agreement with AB Bank Limited	Elite International Ltd.	Feroz Ahmed	Common Director

Related party transactions:

Name of related party	Relationship	Nature of transaction	Amount in BDT
Elite International Ltd.	Common Director	Office Rent	1,242,000

Loans/placement given to subsidiary of the Bank:

Sl. No.	Name of Party	Connection with party	Nature of transaction	Amount in BDT
01	AB Investment Limited	99.99% owned Subsidiary	Loans and advances	782,428,466
02	AB Securities Limited	99.91% owned Subsidiary	Loans and advances	186,476,491
03	AB International Finance Limited	Fully owned (100%) Subsidiary	Placement through OBU	608,400,000
Total loans/placement to subsidiary				1,392,042,995

2(e) General

- i) Figures relating to the previous year included in this report have been rearranged, wherever considered necessary, to make them comparable with those of the current year.
- ii) Figures in these notes have been rounded off to the nearest Taka/BDT.

AB Bank Limited
Notes to the financial statements for the period ended June 30, 2019

	30 June 2019	31 Dec 2018
	BDT	BDT
3. Cash		
Cash in hand (Note 3.1)	1,699,954,074	1,960,393,120
Balance with Bangladesh Bank and its agent bank(s) (Note 3.2)	16,827,778,298	14,472,666,202
	<u>18,527,732,372</u>	<u>16,433,059,322</u>
3(a) Consolidated Cash		
AB Bank Limited	18,527,732,372	16,433,059,322
AB Investments Limited	25,000	25,000
AB International Finance Limited	75,749	60,069
AB Securities Limited	35,000	7,699
Cashlink Bangladesh Limited (CBL)	2,529	3,429
	<u>18,527,870,650</u>	<u>16,433,155,519</u>
3.1 Cash in hand		
In local currency	1,651,390,228	1,930,310,067
In foreign currency	48,563,846	30,083,053
	<u>1,699,954,074</u>	<u>1,960,393,120</u>
3.1(a) Consolidated Cash in hand		
AB Bank Limited	1,699,954,074	1,960,393,120
AB Investments Limited	25,000	25,000
AB International Finance Limited	75,749	60,069
AB Securities Limited	35,000	7,699
Cashlink Bangladesh Limited (CBL)	2,529	3,429
	<u>1,700,092,352</u>	<u>1,960,489,318</u>
3.2 Balance with Bangladesh Bank and its agent bank(s)		
Balance with Bangladesh Bank		
In local currency	15,306,177,200	13,768,884,839
In foreign currency	1,012,071,286	512,577,340
	16,318,248,486	14,281,462,179
Sonali Bank Limited	509,529,812	191,204,023
(as an agent bank of Bangladesh Bank) - local currency	<u>16,827,778,298</u>	<u>14,472,666,202</u>
3.2(a) Consolidated Balance with Bangladesh Bank and its agent bank(s)		
AB Bank Limited	16,827,778,298	14,472,666,202
AB Investments Limited	-	-
AB International Finance Limited	-	-
AB Securities Limited	-	-
Cashlink Bangladesh Limited (CBL)	-	-
	<u>16,827,778,298</u>	<u>14,472,666,202</u>
4. Balance with other banks and financial institutions		
In Bangladesh	1,154,850,259	1,625,277,794
Outside Bangladesh	2,166,451,834	1,553,093,439
	<u>3,321,302,093</u>	<u>3,178,371,232</u>

AB Bank Limited

Notes to the financial statements for the period ended June 30, 2019

	30 June 2019	31 Dec 2018
	BDT	BDT
4(a) Consolidated balance with other banks and financial institutions		
In Bangladesh (Note: 4.1.a)	1,241,756,006	1,823,369,874
Outside Bangladesh (Nostro Accounts) (Note: 4.2.a)	2,177,552,440	1,555,049,778
	<u>3,419,308,447</u>	<u>3,378,419,652</u>
4.1.a Consolidated In Bangladesh		
AB Bank Limited	1,154,850,259	1,625,277,794
AB Investment Limited	165,379	163,372
AB International Finance Limited	-	-
AB Securities Limited	166,181,730	219,418,078
Cashlink Bangladesh Limited (CBL)	41,065,360	39,142,292
	<u>1,362,262,728</u>	<u>1,884,001,535</u>
<u>Less:</u> Inter company transaction	120,506,722	60,631,661
	<u>1,241,756,006</u>	<u>1,823,369,874</u>
4.2.a Consolidated Outside Bangladesh (Nostro Accounts)		
AB Bank Limited	2,166,451,834	1,553,093,439
AB Investment Limited	-	-
AB International Finance Limited	73,729,765	2,873,543
AB Securities Limited	-	-
Cashlink Bangladesh Limited (CBL)	-	-
	2,240,181,599	1,555,966,982
<u>Less:</u> Inter company transactions	62,629,159	917,204
	<u>2,177,552,440</u>	<u>1,555,049,778</u>
5. Money at call and on short notice		
In Bangladesh	338,000,000	350,000,000
Outside Bangladesh	898,222,370	1,078,822,961
	<u>1,236,222,370</u>	<u>1,428,822,961</u>
5(a) Consolidated money at call and on short notice		
AB Bank Limited	1,236,222,370	1,428,822,961
AB Investment Limited	-	-
AB International Finance Limited	-	-
AB Securities Limited	-	-
Cashlink Bangladesh Limited (CBL)	-	-
	<u>1,236,222,370</u>	<u>1,428,822,961</u>
<u>Less:</u> Inter-group transaction	(608,400,000)	(839,000,000)
	<u>627,822,370</u>	<u>589,822,961</u>
6. Investments	<u>47,289,960,679</u>	<u>43,593,782,292</u>
6 (a) Consolidated investments		
AB Bank Limited	47,289,960,679	43,593,782,292
AB International Finance Limited	-	-
AB Investment Limited	761,595,018	598,400,806
AB Securities Limited	122,308,153	159,564,043
Cashlink Bangladesh Limited (CBL)	-	-
	<u>48,173,863,849</u>	<u>44,351,747,141</u>

AB Bank Limited

Notes to the financial statements for the period ended June 30, 2019

	30 June 2019 BDT	31 Dec 2018 BDT
6.1 Government securities		
T.Bill	368,830,229	-
Treasury bonds	36,348,601,960	33,253,504,945
Bangladesh Bank Islami Investment bonds	264,000,000	267,500,000
Prize bonds	2,080,300	2,315,700
	<u>36,983,512,489</u>	<u>33,523,320,645</u>
6.1(a) Consolidated Government securities		
AB Bank Limited	36,983,512,489	33,523,320,645
AB Investment Limited	-	-
AB International Finance Limited	-	-
AB Securities Limited	-	-
Cashlink Bangladesh Limited (CBL)	-	-
	<u>36,983,512,489</u>	<u>33,523,320,645</u>
6.2 Other investments		
Shares	4,228,336,883	4,073,326,681
Bond	4,000,000,000	4,000,000,000
Pinnacle Global Fund Pte Limited	1,632,120,880	1,620,531,856
	<u>9,860,457,763</u>	<u>9,693,858,537</u>
Investments -ABBL, Mumbai branch		
Treasury bills	445,990,426	376,603,110
Debentures and bonds	-	-
	<u>445,990,426</u>	<u>376,603,110</u>
Total other investments	<u>10,306,448,190</u>	<u>10,070,461,647</u>
6.2 (a) Consolidated other investments		
AB Bank Limited	10,306,448,190	10,070,461,647
AB Investment Limited	761,595,018	598,400,806
AB International Finance Limited	-	-
AB Securities Limited	122,308,153	159,564,043
Cashlink Bangladesh Limited (CBL)	-	-
	<u>11,190,351,361</u>	<u>10,828,426,496</u>
6.2.1 Investments in shares		
Quoted (Publicly traded)	3,734,033,549	3,579,023,347
Unquoted	494,303,334	494,303,334
	<u>4,228,336,883</u>	<u>4,073,326,681</u>
6.2.2 Investment in subordinated bonds		
United Commercial Bank Ltd.	2,750,000,000	2,750,000,000
National Bank Ltd.	1,250,000,000	1,250,000,000
Trust Bank Limited	-	-
	<u>4,000,000,000</u>	<u>4,000,000,000</u>
6.2.3 Pinnacle Global Fund Pte Limited	<u>1,632,120,880</u>	<u>1,620,531,856</u>

Provision for the above has been maintained as per Bangladesh Bank Letter no. DBI-1/101/2018-1316 dated 26 April 2018.

	30 June 2019 BDT	31 Dec 2018 BDT
7. Loans, advances and lease/investments	<u>249,534,565,132</u>	<u>241,070,141,407</u>
7.1 Broad category-wise breakup excluding bills purchased and discounted In Bangladesh		
Loans	227,500,000,972	218,454,567,396
Overdrafts	21,357,774,919	21,469,015,304
Cash credits	-	-
	<u>248,857,775,890</u>	<u>239,923,582,700</u>
Outside Bangladesh: ABBL, Mumbai branch		
Loans	724,455	857,155
Overdrafts	-	-
Cash credits	16,939,734	21,014,532
	17,664,189	21,871,687
	<u>248,875,440,079</u>	<u>239,945,454,387</u>
7.2 Net loans, advances and lease/investments		
Gross loans and advances	249,534,565,132	241,070,141,407
<u>Less:</u>		
Interest suspense	22,420,102,726	19,704,000,511
Provision for loans and advances	11,134,347,718	10,639,913,428
	33,554,450,444	30,343,913,940
	<u>215,980,114,688</u>	<u>210,726,227,467</u>
7.3 Geographical location-wise (division) distribution In Bangladesh		
<u>Urban branches</u>		
Dhaka	186,284,732,152	177,398,148,260
Chittagong	45,971,891,698	45,044,489,929
Khulna	3,597,868,744	4,241,865,534
Sylhet	1,388,182,886	1,706,871,983
Barisal	135,443,016	209,418,491
Rajshahi	4,006,094,358	3,947,785,970
Rangpur	4,925,638,501	4,773,577,125
Mymensingh	603,900,220	813,560,601
	<u>246,913,751,574</u>	<u>238,135,717,892</u>
<u>Rural branches</u>		
Dhaka	1,373,426,838	1,422,797,756
Chittagong	485,530,684	484,638,715
Khulna	-	-
Sylhet	45,371,863	51,017,378
Barisal	-	-
Rajshahi	-	-
Rangpur	-	-
Mymensingh	79,976,428	77,400,044
	<u>1,984,305,812</u>	<u>2,035,853,894</u>
Outside Bangladesh		
ABBL, Mumbai branch	636,507,744	898,569,620
	<u>249,534,565,132</u>	<u>241,070,141,406</u>

	30 June 2019 BDT	31 Dec 2018 BDT
7.4 Classification of loans, advances and lease/investments		
In Bangladesh		
<u>Unclassified</u>		
Standard	145,417,854,811	130,508,546,015
Special Mention Account	32,592,402,290	29,935,179,745
	<u>178,010,257,101</u>	<u>160,443,725,759</u>
<u>Classified</u>		
Sub-Standard	7,244,600,000	4,145,600,000
Doubtful	2,925,100,000	3,809,100,000
Bad/Loss	60,718,100,287	71,773,146,027
	<u>70,887,800,287</u>	<u>79,727,846,027</u>
	<u>248,898,057,388</u>	<u>240,171,571,787</u>
Outside Bangladesh-Mumbai Branch		
Unclassified Loan	636,507,744	898,569,620
Classified Loan	-	-
	<u>636,507,744</u>	<u>898,569,620</u>
	<u>249,534,565,132</u>	<u>241,070,141,407</u>
7(a) Consolidated loans, advances and lease/investments		
AB Bank Limited	248,875,440,079	239,945,454,388
AB Investment Limited	6,796,045,370	6,781,090,546
AB International Finance Limited	-	-
AB Securities Limited	879,457,230	881,889,697
Cashlink Bangladesh Limited (CBL)	-	-
	<u>256,550,942,679</u>	<u>247,608,434,630</u>
<u>Less: Inter company transaction</u>	968,904,957	622,013,274
	<u>255,582,037,722</u>	<u>246,986,421,356</u>
8 Bills purchased and discounted		
In Bangladesh	40,281,497	247,989,086
Outside Bangladesh - ABBL, Mumbai Branch	618,843,556	876,697,933
	<u>659,125,053</u>	<u>1,124,687,019</u>
8 (a) Consolidated Bills purchased and discounted		
AB Bank Limited	659,125,053	1,124,687,019
AB Investment Limited	-	-
AB International Finance Limited	818,332,959	1,074,196,894
AB Securities Limited	-	-
Cashlink Bangladesh Limited (CBL)	-	-
	<u>1,477,458,012</u>	<u>2,198,883,913</u>
9. Fixed assets including premises, furniture and fixtures		
Cost:		
Land and Building	3,334,695,983	3,334,695,983
Furniture and fixtures	251,081,992	251,696,675
Office appliances	65,182,924	64,842,310
Electrical appliances	2,014,050,392	1,696,166,546
Motor vehicles	757,754,761	746,846,242
Intangible Assets	738,237,441	655,429,056
	<u>7,161,003,492</u>	<u>6,749,676,812</u>
<u>Less: Accumulated depreciation and amortization</u>	3,002,869,291	2,863,468,043
	<u>4,158,134,201</u>	<u>3,886,208,770</u>

AB Bank Limited
Notes to the financial statements for the period ended June 30, 2019

	30 June 2019 BDT	31 Dec 2018 BDT
9(a) Consolidated Fixed assets including premises, furniture and fixtures		
Cost:		
AB Bank Limited	7,161,003,492	6,749,676,812
AB Investments Limited	687,344,661	687,202,886
AB International Finance Limited	4,680,818	4,635,529
AB Securities Limited	30,343,698	30,343,698
Cashlink Bangladesh Limited (CBL)	81,471,369	81,471,369
	<u>7,964,844,038</u>	<u>7,553,330,294</u>
Accumulated depreciation:		
AB Bank Limited	3,002,869,291	2,863,468,043
AB Investments Limited	131,168,437	122,007,063
AB International Finance Limited	4,260,281	4,118,552
AB Securities Limited	29,197,723	28,809,002
Cashlink Bangladesh Limited (CBL)	81,471,369	81,471,358
	<u>3,248,967,102</u>	<u>3,099,874,018</u>
	<u>4,715,876,937</u>	<u>4,453,456,276</u>
10 Other Assets:		
Income generating-Equity Investment		
In Bangladesh:		
AB Investment Limited (99.99% owned subsidiary company of ABBL)	5,811,431,750	5,811,431,750
AB Securities Limited (99.91% owned subsidiary company of ABBL)	199,898,000	199,898,000
Cashlink Bangladesh Limited (CBL) (90% owned subsidiary company of ABBL)	212,581,228	212,581,228
	<u>6,223,910,978</u>	<u>6,223,910,978</u>
Outside Bangladesh:		
AB International Finance Ltd., Hong Kong (wholly owned subsidiary company of ABBL)	5,203,944	5,203,944
	<u>5,203,944</u>	<u>5,203,944</u>
	<u>6,229,114,922</u>	<u>6,229,114,922</u>
Non-income generating		
Arab Bangladesh Bank Foundation (99.60% owned subsidiary company of ABBL)	19,920,000	19,920,000
Share Money Deposits - AB Investment Limited	-	-
Deferred tax assets (Note 10.1)	2,009,482,678	1,891,779,670
Accounts receivable	2,446,542,306	2,299,178,425
Preliminary, formation, organisational, renovation, development, prepaid expenses and others	656,474,426	999,244,181
Exchange for clearing	32,237,111	453,222,112
Interest accrued on investment but not collected, commission and brokerage receivable on shares and debentures, and other income receivables	603,474,423	605,240,157
Security deposits	163,525,253	162,207,512
Local drafts paid without advice	-	-
Advance rent and advertisement	442,477,656	226,716,629
Stationery, stamps, printing materials, etc.	40,641,690	48,962,028
Inter-branch adjustment	5,020,132	-
	<u>6,419,795,674</u>	<u>6,706,470,714</u>
	<u>12,648,910,596</u>	<u>12,935,585,637</u>

	30 June 2019 BDT	31 Dec 2018 BDT
10(a) Consolidated Other assets		
AB Bank Limited	12,648,910,596	12,935,585,637
AB Investment Limited	356,574,591	157,065,820
AB International Finance Limited	34,647,034	28,019,758
AB Securities Limited	7,850,351	56,626,977
Cashlink Bangladesh Limited (CBL)	31,977,519	32,354,358
	13,079,960,092	13,209,652,550
<u>Less: Inter-group transaction</u>	6,426,144,505	6,447,735,698
	<u>6,653,815,586</u>	<u>6,761,916,852</u>
10.1 Deferred tax assets		
a) Deferred tax assets for specific provisions of loans and advances		
Opening Deferred Tax (Assets)/Liabilities	1,995,567,400	1,508,826,970
<u>Add: Deferred Tax Income during the period/year</u>	116,887,500	486,740,431
<u>Less: Write-Off adjustment</u>	-	-
Closing Deferred Tax Assets	<u>2,112,454,900</u>	<u>1,995,567,400</u>
b) Deferred tax liabilities against property, plant & equipment		
Balance at 01 January	103,787,730	80,784,454
<u>Add/(less): Provision made during the period/year</u>	(773,177)	20,998,517
<u>Add/(Less): Adjustment for Rate Fluctuation during the year</u>	(42,331)	2,004,759
Closing Deferred Tax Liabilities	<u>102,972,223</u>	<u>103,787,730</u>
Net Deferred Tax Assets (a-b)	<u>2,009,482,678</u>	<u>1,891,779,670</u>
Net Deferred Tax Income during the period/year	<u>117,660,677</u>	<u>465,741,914</u>
10.02 Calculations of deferred tax liabilities :		
Deferred tax liabilities against Property, Plant & Equipment		
Accounting base of Property, Plant & Equipment	4,147,048,203	3,877,785,440
Tax base of Property, Plant & Equipment	3,866,383,252	3,595,032,878
Difference	<u>280,664,951</u>	<u>282,752,562</u>
	-	-
(Deductible)/Taxable Temporary Difference	<u>280,664,951</u>	<u>282,752,562</u>
Effective Tax Rate	37.50%	37.50%
Deferred Tax (Assets)/Liabilities	<u>105,249,357</u>	<u>106,032,211</u>
Deferred Tax (Assets)/Liabilities of Mumbai Branch	<u>(2,277,136)</u>	<u>(2,244,482)</u>
Closing Deferred Tax (Assets)/Liabilities	<u>102,972,221</u>	<u>103,787,729</u>
11. Borrowings from other banks, financial institutions and agents		
In Bangladesh	16,670,999,275	18,272,449,759
Outside Bangladesh	-	-
	<u>16,670,999,275</u>	<u>18,272,449,759</u>

AB Bank Limited

Notes to the financial statements for the period ended June 30, 2019

	30 June 2019 BDT	31 Dec 2018 BDT
11.1 In Bangladesh:		
11.1.1 <u>Bangladesh Bank</u>		
Export Development Fund	1,653,622,320	1,495,730,627
Islamic Investment Bond	2,012,269,218	2,056,462,900
Refinance against IPFF	301,027,687	317,210,749
Refinance against Women Entr., Small Enterprise, ETP & Others	153,842,842	211,517,384
	4,120,762,067	4,080,921,660
11.1.2 <u>Call & Term Borrowing from</u>		
NCC Bank Ltd.	1,300,000,000	500,000,000
NRB Commercial Bank Limited	-	400,000,000
Agrani Bank Limited	3,600,000,000	4,000,000,000
Sonali Bank Limited	2,800,000,000	2,600,000,000
Janata Bank Limited	-	1,000,000,000
Meghna Bank Limited	-	700,000,000
Basic Bank Limited	-	250,000,000
Uttara Bank Limited	1,950,000,000	2,500,000,000
Bank Asia Limited	1,500,000,000	-
Phoneix Finance Ltd	-	20,000,000
Mercantile Bank Limited	-	-
Rupali Bank Limited	-	1,922,900,000
IDCOL	1,120,000,000	-
South East Bank Limited	169,000,000	-
Krishi Bank Limited	-	125,850,000
Accrued interest	109,496,553	166,646,489
Accrued Interest Repo-Other Bank	1,740,655	6,131,610
	12,550,237,208	14,191,528,098
Total in Bangladesh	16,670,999,275	18,272,449,759
11(a) Consolidated Borrowings from other banks, financial institutions and agents		
AB Bank Limited	16,670,999,275	18,272,449,759
AB Investment Limited	782,217,187	423,537,438
AB International Finance Limited	604,421,446	839,904,947
AB Securities Limited	186,476,491	198,475,836
Cashlink Bangladesh Limited (CBL)	-	-
	18,244,114,399	19,734,367,980
<u>Less:</u> Intercompany transactions	1,573,326,403	1,461,918,222
	16,670,787,996	18,272,449,759
12. AB Bank Subordinated Bond		
AB Bank Subordinated Bond-I	1,500,000,000	1,500,000,000
AB Bank Subordinated Bond-II	3,200,000,000	3,200,000,000
AB Bank Subordinated Bond-III	4,000,000,000	4,000,000,000
	8,700,000,000	8,700,000,000

AB Bank Subordinated Bonds

Bank has issued 7 years Sub-Ordinated bonds in three phases, namely- AB Bank Subordinated Bond-I for BDT 250 crore in August 2014, AB Bank Subordinated Bond-II for BDT 400 crore in September 2015 and AB Bank Subordinated Bond-III for BDT 400 crore in May 2018 under Private Placement of Debt Securities Rules, 2012. These bonds are non-convertible, unsecured in nature and approved by the Central Bank for inclusion in Tier-II capital of the Bank.

AB Bank Limited
Notes to the financial statements for the period ended June 30, 2019

	30 June 2019 BDT	31 Dec 2018 BDT
AB Bank Subordinated Bond (cont.)		
BRAC	600,000,000	600,000,000
Sonali Bank Limited	1,100,000,000	1,100,000,000
Agrani Bank Limited	700,000,000	700,000,000
Midland Bank Limited	120,000,000	120,000,000
BRAC Bank Limited	300,000,000	300,000,000
NRB Commercial Bank Limited	300,000,000	300,000,000
Mutual Trust Bank Limited	48,000,000	48,000,000
Grameen Capital Management Limited	12,000,000	12,000,000
Rupali Bank Limited	800,000,000	800,000,000
Janata Bank Limited	400,000,000	400,000,000
Uttara Bank Limited	240,000,000	240,000,000
National Life Insurance Co. Limited	80,000,000	80,000,000
Jamuna Bank Limited	2,300,000,000	2,300,000,000
National Credit & Commerce Bank Limited	1,700,000,000	1,700,000,000
	8,700,000,000	8,700,000,000
13. Deposit and other accounts		
Inter-bank deposits	2,583,340,412	2,000,947,652
Other deposits	247,096,543,287	233,443,901,839
	249,679,883,699	235,444,849,491
13(a) Consolidated Deposit and other accounts		
AB Bank Limited	249,679,883,699	235,444,849,491
AB Investment Limited	-	-
AB International Finance Limited	-	-
AB Securities Limited	-	-
Cashlink Bangladesh Limited (CBL)	-	-
	249,679,883,699	235,444,849,491
<u>Less: Inter-group transaction</u>	183,605,802	61,558,646
	249,496,277,897	235,383,290,845
13.3 Demand and time deposits		
a) Demand Deposits		
	30,752,358,872	28,396,250,345
Current accounts and other accounts	24,706,085,247	22,820,201,543
Savings Deposits (9%)	2,629,184,913	2,581,709,678
Bills Payable	3,417,088,711	2,994,339,125
b) Time Deposits		
	218,927,524,827	207,048,599,146
Savings Deposits (91%)	26,583,980,791	26,103,953,412
Short Notice Deposits	43,018,373,797	32,204,480,815
Fixed Deposits	124,103,640,746	128,219,725,045
Other Deposits	25,221,529,492	20,520,439,875
	249,679,883,699	235,444,849,491
Total Demand and Time Deposits	249,679,883,699	235,444,849,491

		30 June 2019 BDT	31 Dec 2018 BDT
14. Other liabilities			
Accumulated provision against loans and advances	(Note 14.1)	11,134,347,718	10,639,913,428
Inter-branch adjustment		-	838,178
Provision for current tax (net of advance tax)	(Note 14.2)	1,162,666,519	1,500,377,781
Interest suspense account		22,420,102,726	19,704,000,511
Provision against other assets	(Note 14.3)	327,573,038	318,685,468
Accounts payable - Bangladesh Bank		564,797,764	1,642,013,761
Accrued expenses		221,331,190	224,980,797
Provision for off balance sheet items	(Note 14.4)	810,000,000	810,000,000
Provision against investments	(Note 14.5)	1,889,303,000	1,889,303,000
Others (*)		441,999,828	728,077,572
		<u>38,972,121,782</u>	<u>37,458,190,496</u>

(*) Others includes provision for audit fee, excise duty, income tax and VAT deducted at source, unclaimed dividend, accounts payable for safe keeping, earnest and security money, etc.

14.1 Accumulated provision against loans and advances

The movement in specific provision for bad and doubtful debts

Balance at 01 January		5,078,767,423	3,772,067,423
Fully provided debts written off during the period	(-)	(14,142,324)	-
Recovery of amounts previously written off	(+)	10,800,941	8,725,518
Specific provision made during the period	(+)	311,700,000	1,297,974,482
		<u>308,358,617</u>	<u>1,306,700,000</u>
Balance at 31 December		<u>5,387,126,040</u>	<u>5,078,767,423</u>
Provision made by ABBL, Mumbai Branch		-	-
Total provision on classified loans and advances		<u>5,387,126,040</u>	<u>5,078,767,423</u>

On unclassified loans

Balance at 01 January		5,557,133,658	4,867,316,658
Transfer from other assets provisions	(+)	-	-
Transferred from Off Balance Sheet provisions	(+)	-	50,000,000
Transfer from Other Assets	(+)	-	-
Transferred from provision for current tax	(+)	-	-
General provision made during the year	(+)	186,000,000	639,817,000
		<u>186,000,000</u>	<u>689,817,000</u>
Balance at 31 December		<u>5,743,133,658</u>	<u>5,557,133,658</u>
Provision made by ABBL, Mumbai Branch		4,088,021	4,012,348
Total provision on un-classified loans and advances		<u>5,747,221,679</u>	<u>5,561,146,006</u>
Total provision on loans and advances		<u>11,134,347,718</u>	<u>10,639,913,428</u>

Provision for	Required	30 June 2019	
		Maintained	Excess
Un-classified loans and advances	5,744,088,021	5,747,221,679	3,133,658
Classified loans and advances	5,387,100,000	5,387,126,039	26,039
	<u>11,131,188,021</u>	<u>11,134,347,718</u>	<u>3,159,697</u>

(*) The required provision as disclosed above has been derived without considering the requirement of provisioning for the year 2018 as imposed by Bangladesh Bank vide letter no. DBI-1/101/2018-1316 dated 26 April 2018.

	30 June 2019 BDT	31 Dec 2018 BDT
14.1.1 Details of provision for loans and advances	30 June 2019	
	Required	Maintained
General Provision	5,744,088,021	5,747,221,679
Standard	5,217,388,021	5,220,521,679
Special Mention Account	526,700,000	526,700,000
Specific Provision	5,387,100,000	5,387,126,040
Substandard	975,000,000	975,000,000
Doubtful	1,034,700,000	1,034,700,000
Bad/Loss	3,377,400,000	3,377,426,040
Excess provision maintained at 30 June 2019		3,159,697
14.2 Provision for current tax (net of advance tax)		
Current Tax (note 14.2.1)	15,218,898,816	14,978,959,012
Advance Income Tax (note 14.2.2)	14,056,232,297	13,478,581,232
Provision for current tax (net of advance tax)	1,162,666,519	1,500,377,780
14.2.1 Provision for current tax		
Opening Balance	14,835,831,960	13,917,551,618
Add: Provision made during the period/year	198,431,061	918,280,342
Less: Write-off adjustment	-	-
Closing Balance	15,034,263,021	14,835,831,960
Provision held by ABBL, Mumbai Branch	184,635,795	143,127,052
	15,218,898,816	14,978,959,012
<p>Corporate income tax assessment of the Bank is completed up to the income year ended 31 December 2014 (Assessment Year 2015-16). 1st Appeal filed against the order of the Deputy Commissioner of Taxes for the assessment year 2015-16. Corporate income tax return for the years 2015,2016 & 2017 submitted under section 82BB corresponding to Assessment Years 2016-17 ,2017-18 & 2018-19. Tax assessments for income years 1995,1996, 1997, 2007, 2009 ,2010, 2011 and 2012 were completed but these were referred to the Hon'ble High Court on the application made by the Bank for some disputed points.</p>		
14.2.2 Advance corporate income tax		
In Bangladesh:		
Balance at 01 January 2018	13,330,000,239	13,008,910,364
Add: Paid during the period	534,554,487	321,089,875
Tax withheld during the period		
Paid during the period	534,554,487	321,089,875
Less: Transfer/Adjustment during the period	-	-
Closing balance (Bangladesh operations)	13,864,554,727	13,330,000,239
Advance tax of ABBL, Mumbai Branch	191,677,570	148,580,992
	14,056,232,297	13,478,581,232
14.3 Provision against other assets		
Provision for		
Prepaid legal expenses	112,030,000	107,530,000
Protested bills	76,055,610	76,055,610
Others	139,487,428	135,099,858
	327,573,038	318,685,468

Provision against other assets was made as per BRPD Circular # 14 dated 25 June 2001 issued by Bangladesh Bank.

30 June 2019
BDT

31 Dec 2018
BDT

14.3.1 Calculation of Provision against other assets

	Outstanding amount	Base for Provision	Rate	Provisions Requirement	Provisions Maintained
Prepaid legal expenses	111,839,264	111,839,264	50% & 100%	55,919,632	112,030,000
Protested bills	75,645,980	75,645,980	100%	75,645,980	76,055,610
Others	92,548,490	92,548,490	100%	92,548,490	139,487,428
Required provision for other assets				224,114,102	327,573,038
Total provision requirement					224,114,102
Total provision maintained					327,573,038
Excess provision maintained at 30 June 2019					103,458,936

14.4 Provision for off balance sheet items

Opening balance	810,000,000	860,000,000
<u>Less:</u> Transferred to general provisions	-	50,000,000
<u>Add:</u> Provision made during the year	-	-
<u>Less:</u> Adjustment during the year	-	-
Closing balance	810,000,000	810,000,000

14.4.1 Particulars of required provision for Off-Balance Sheet Items

	Base for Provision	Rate (%)	30 June 2019	31 Dec 2018
Acceptances and endorsements	15,623,640,724	1%	156,236,407	216,648,132
Letters of guarantee	14,373,020,436	1%	143,730,204	145,690,143
Irrevocable letters of credit	9,847,623,988	1%	98,476,240	120,603,602
Bills for collection	-	1%	-	-
Others	1,225,445,722	1%	12,254,457	14,613,019
Total Off Balance Sheet Items & required provision	41,069,730,870		410,697,309	497,554,896
Total provision maintained			810,000,000	810,000,000
Excess provision at 30 June 2019			399,302,691	312,445,104

No provision has been maintained against Off Balance Sheet items of Mumbai Branch BDT 3,768,707,737 as per Reserve Bank of India (RBI) guidelines.

14.5 Provision against investments

Provision against quoted shares:

Opening balance	1,650,053,000	1,560,053,000
<u>Add:</u> Provision made during the period	-	90,000,000
<u>Less:</u> Transferred to General Reserve	-	-
Closing Balance	1,650,053,000	1,650,053,000

Total provision maintained for Investment	1,650,053,000	1,650,053,000
Total provision requirement for Investment	1,574,760,566	1,642,820,432
Excess provision	75,292,434	7,232,568

AB Bank Limited
Notes to the financial statements for the period ended June 30, 2019

	30 June 2019 BDT	31 Dec 2018 BDT
Provision for Pinnacle Global Fund Pte Limited:		
Opening balance	239,250,000	-
Add: Provision made during the period/Year	-	239,250,000
Closing Balance	239,250,000	239,250,000
(*) Provision for Pinnacle Global Fund Pte Limited has been maintained as per Bangladesh Bank vide letter no. DBI-1/101/2018-1316 dated 26 April 2018.		
Total Provision maintained against investment:		
Provision against quoted shares	1,650,053,000	1,650,053,000
Provision for Pinnacle Global Fund Pte Limited	239,250,000	239,250,000
	1,889,303,000	1,889,303,000
14(a) Consolidated Other liabilities		
AB Bank Limited	38,972,121,782	37,458,190,496
AB Investment Limited	878,288,445	873,488,971
AB International Finance Limited	162,522,128	65,509,340
AB Securities Limited	474,575,589	610,856,624
Cashlink Bangladesh Limited (CBL)	9,742,006	9,770,756
	40,497,249,950	39,017,816,187
Less: Inter-group transaction	197,812,911	115,494,023
	40,299,437,039	38,902,322,164
15. Share Capital	7,581,303,150	7,581,303,150
15.1 Authorised Capital		
1,500,000,000 ordinary shares of BDT 10 each	15,000,000,000	15,000,000,000
15.2 Issued, Subscribed and Paid-up Capital		
10,000,000 ordinary shares of BDT 10 each issued for cash	100,000,000	100,000,000
5,000,000 ordinary shares of BDT 10 each issued for rights	50,000,000	50,000,000
743,130,315 ordinary shares of BDT 10 each issued as bonus shares	7,431,303,150	7,431,303,150
	7,581,303,150	7,581,303,150
16. Statutory reserve		
In Bangladesh		
Opening balance	6,324,553,560	6,256,894,064
Add: Addition during the period	-	67,659,496
Add/less Adjustment for Foreign Exchange Rate Fluctuation	-	-
	6,324,553,560	6,324,553,560
Outside Bangladesh - ABBL, Mumbai Branch		
Opening balance	298,809,180	292,348,935
Add: Addition during the year	28,624,940	27,622,121
Add/(Less): Adjustment for Foreign Exchange Rate Fluctuation	5,635,510	(21,161,876)
	333,069,630	298,809,180
	6,657,623,190	6,623,362,740

AB Bank Limited
Notes to the financial statements for the period ended June 30, 2019

	30 June 2019 BDT	31 Dec 2018 BDT
17. Other reserve		
General reserve	1,222,199,200	1,222,199,200
Assets revaluation reserve	1,297,829,907	1,298,209,633
Investment revaluation reserve	10,534,729	20,254,171
Foreign exchange revaluation for investment in foreign operation	-	-
	<u>2,530,563,836</u>	<u>2,540,663,004</u>
17(a) Consolidated Other reserve		
AB Bank Limited	2,530,563,836	2,540,663,004
AB Investment Limited	-	-
AB International Finance Limited	83,392,756	86,517,889
AB Securities Limited	85,910,523	85,910,523
Cashlink Bangladesh Limited (CBL)	-	-
	<u>2,699,867,115</u>	<u>2,713,091,416</u>
18. Retained earnings		
Opening balance	5,905,152,980	6,011,991,999
Add/(Less) Adjustment for investment in Amana Bank	-	-
Add: Post-tax profit for the period/year	40,480,559	18,323,578
Less: Transfer to statutory reserve	(28,624,940)	(95,281,616)
	<u>5,917,008,600</u>	<u>5,935,033,960</u>
Add/(Less): Transferred from Assets Revaluation Reserve	379,726	2,270,683
Add/(Less): Foreign Exchange Translation gain/(loss)	6,944,187	(32,151,664)
	<u>5,924,332,513</u>	<u>5,905,152,980</u>
18(a) Consolidated Retained earnings		
AB Bank Limited	5,924,332,513	5,905,152,980
AB Investment Limited	353,176,140	348,015,148
AB International Finance Limited	67,604,724	108,540,902
AB Securities Limited	157,897,888	151,680,259
Cashlink Bangladesh Limited (CBL)	(178,896,597)	(180,470,666)
	6,324,114,667	6,332,918,623
Add/(Less): Adjustment made during the period/year	718,981,282	616,758,478
Add/(Less): Foreign Exchange Translation gain/(loss)	1,334,740	-
Minority interest	(17,749,442)	(17,912,357)
	<u>7,062,180,131</u>	<u>6,967,589,458</u>
18(b) Non-controlling interest		
AB Investment Limited	10,304	10,297
AB Securities Limited	456,411	450,910
Cashlink Bangladesh Limited	10,110,340	9,952,933
	<u>10,577,055</u>	<u>10,414,140</u>
19. Contingent liabilities	<u>48,091,932,231</u>	<u>57,209,035,486</u>
19.1 Letters of guarantee		
Money for which the Bank is contingently liable in respect of guarantees issued favoring:		
Directors	-	-
Government	-	-
Banks and other financial institutions	150,392,508	68,158,730
Others	14,224,325,860	14,500,855,603
	<u>14,374,718,368</u>	<u>14,569,014,333</u>

	Jan'19- Jun'19 Taka	Jan'18- Jun'18 Taka
20. Profit and loss account		
<u>Income:</u>		
Interest, discount and similar income	12,182,073,066	11,181,247,951
Dividend income	47,771,535	58,212,589
Fee, commission and brokerage	670,569,111	788,842,747
Gains less losses arising from investment securities	39,589,301	1,330,627
Gains less losses arising from dealing in foreign currencies	335,743,932	451,296,162
Other operating income	32,479,056	87,620,031
Gains less losses arising from dealing securities	(1,149,067,640)	(52,410,578)
Income from non-banking assets	-	-
	<u>12,159,158,360</u>	<u>12,516,139,527</u>
<u>Expenses:</u>		
Interest, fee and commission	8,827,691,584	8,457,821,124
Administrative expenses	1,996,451,128	2,010,435,564
Other operating expenses	518,844,782	702,946,421
Depreciation and amortization on banking assets	148,410,542	144,520,647
Loss on loans and advances	-	-
	<u>11,491,398,036</u>	<u>11,315,723,756</u>
21. Interest income/profit on investments	<u>667,760,324</u>	<u>1,200,415,771</u>
Interest on loans and advances:		
Loans and advances	9,371,149,536	8,872,597,507
Bills purchased and discounted	576,037,340	344,797,403
	<u>9,947,186,876</u>	<u>9,217,394,909</u>
Interest on:		
Calls and placements	88,789,883	162,188,635
Balance with foreign banks	6,471,400	4,801,425
Reverse Repo	1,303,367	-
Balance with Bangladesh Bank	9,446,689	2,777,265
	<u>106,011,339</u>	<u>169,767,325</u>
	<u>10,053,198,215</u>	<u>9,387,162,234</u>
21(a). Consolidated Interest income/profit on investments		
AB Bank Limited	10,053,198,215	9,387,162,234
AB International Finance Limited	28,325,053	23,111,748
AB Investment Limited	80,228,283	194,715,160
AB Securities Limited	19,512,647	24,807,011
Cashlink Bangladesh Limited (CBL)	1,803,645	1,789,925
	<u>10,183,067,844</u>	<u>9,631,586,078</u>
<u>Less: Intercompany transactions</u>	<u>2,544,577</u>	<u>2,796,618</u>
	<u>10,180,523,266</u>	<u>9,628,789,460</u>
22. Interest/profit paid on deposits, borrowings, etc.		
Interest on deposits:		
Fixed deposits	5,005,686,569	4,927,160,346
Savings deposits	477,929,900	459,425,056
Special notice deposits	1,091,359,315	961,637,919
Other deposits	1,047,792,122	909,276,473
	<u>7,622,767,905</u>	<u>7,257,499,794</u>
Interest on borrowings:		
Local banks, financial institutions including BB	772,904,501	847,663,795
Subordinated Bond	432,019,178	352,657,535
	<u>8,827,691,584</u>	<u>8,457,821,124</u>

AB Bank Limited
Notes to the financial statements for the period ended June 30, 2019

	Jan'19- Jun'19 Taka	Jan'18- Jun'18 Taka
22(a). Consolidated Interest/profit paid on deposits, borrowings, etc.		
AB Bank Limited	8,827,691,584	8,457,821,124
AB Investment Limited	-	-
AB International Finance Limited	2,790,381	2,984,357
AB Securities Limited	12,416,942	12,731,942
Cashlink Bangladesh Limited (CBL)	-	-
	8,842,898,907	8,473,537,423
<u>Less: Intercompany transactions</u>	3,869,019	4,121,060
	8,839,029,887	8,469,416,362
23. Investment income		
Capital gain on sale of shares	39,589,301	1,330,627
Interest on treasury bills	14,369,819	16,647,919
Dividend on shares	47,771,535	58,212,589
Income from Amana Bank Limited as Associates	-	-
Interest on treasury bonds	1,923,479,651	1,723,740,237
Gain/(Loss) on treasury bills and treasury bonds	(1,149,067,640)	(52,410,578)
Interest on other bonds & others	191,025,381	53,697,560
	1,067,168,047	1,801,218,353
23(a). Consolidated Investment income		
AB Bank Limited	1,067,168,047	1,801,218,353
AB Investment Limited	(65,007,281)	8,740,259
AB International Finance Limited	-	-
AB Securities Limited	8,338,949	13,253,911
Cashlink Bangladesh Limited (CBL)	-	147,171
	1,010,499,715	1,823,359,695
24. Commission, exchange and brokerage		
Other fees, commission and service charges	380,550,348	435,054,962
Commission on letters of credit	222,279,377	281,281,876
Commission on letters of guarantee	67,739,386	72,505,910
Exchange gains less losses arising from dealings in foreign currencies	335,743,932	451,296,162
	1,006,313,042	1,240,138,909
24(a). Consolidated Commission, exchange and brokerage		
AB Bank Limited	1,006,313,042	1,240,138,909
AB Investment Limited	18,649,398	14,375,167
AB International Finance Limited	34,605,021	34,809,437
AB Securities Limited	21,797,757	17,471,501
Cashlink Bangladesh Limited (CBL)	-	-
	1,081,365,218	1,306,795,014
25. Other income		
Locker rent, insurance claim and others	2,555,927	3,795,246
Recoveries on loans previously written off	-	4,415,409
Recoveries on telex, telephone, fax, etc.	22,029,519	34,281,848
Recoveries on courier, postage, stamp, etc.	7,745,017	15,288,620
Non-operating income (*)	148,593	29,838,907
	32,479,056	87,620,031

(*) Non-operating income includes sale of scrap items.

AB Bank Limited
Notes to the financial statements for the period ended June 30, 2019

	Jan'19- Jun'19 Taka	Jan'18- Jun'18 Taka
25(a). Consolidated other income		
AB Bank Limited	32,479,056	87,620,031
AB Investment Limited	5,769,660	6,111,311
AB International Finance Limited	38,724,189	31,767,517
AB Securities Limited	199,780	185,566
Cashlink Bangladesh Limited (CBL)	-	-
	77,172,684	125,684,425
<u>Less: Inter company transactions</u>	4,082,642	4,082,702
	73,090,042	121,601,723
26. Salary and allowances		
Basic salary, provident fund contribution and all other allowances	1,298,639,159	1,313,536,335
Festival and incentive bonus	89,414,424	90,537,456
	1,388,053,582	1,404,073,791
26.1 Chief executive's salary and fees	-	6,100,000
26(a). Consolidated salary and allowances		
AB Bank Limited	1,388,053,582	1,404,073,791
AB Investment Limited	7,521,414	7,661,517
AB International Finance Limited	14,642,614	15,326,875
AB Securities Limited	12,526,693	12,326,675
Cashlink Bangladesh Limited (CBL)	133,752	133,176
	1,422,878,055	1,439,522,033
27. Rent, taxes, insurance, electricity, etc.		
Rent, rates and taxes	245,502,159	230,962,570
Electricity, gas, water, etc.	45,374,535	47,048,361
Insurance	86,622,173	85,846,634
	377,498,868	363,857,565
27(a). Consolidated Rent, taxes, insurance, electricity, etc.		
AB Bank Limited	377,498,868	363,857,565
AB Investment Limited	701,219	642,899
AB International Finance Limited	4,966,447	4,751,802
AB Securities Limited	3,822,577	3,870,692
Cashlink Bangladesh Limited (CBL)	-	11,000
	386,989,111	373,133,958
<u>Less: Inter company transactions</u>	2,758,200	2,758,260
	384,230,911	370,375,698
28. Legal expenses		
Legal expenses	4,361,689	1,822,326
28(a). Consolidated legal expenses		
AB Bank Limited	4,361,689	1,822,326
AB Investment Limited	140,300	96,300
AB International Finance Limited	-	-
AB Securities Limited	-	-
Cashlink Bangladesh Limited (CBL)	-	-
	4,501,989	1,918,626

AB Bank Limited

Notes to the financial statements for the period ended June 30, 2019

	Jan'19- Jun'19 Taka	Jan'18- Jun'18 Taka
29. Postage, stamp, telecommunication, etc.		
Telex, fax, internet, wireless link, SWIFT, etc.	36,611,542	41,824,799
Telephone	3,241,741	4,138,249
Postage, stamp and shipping	13,425,423	16,419,485
	53,278,706	62,382,533
29(a). Consolidated Postage, stamp, telecommunication, etc.		
AB Bank Limited	53,278,706	62,382,533
AB Investment Limited	367,109	354,836
AB International Finance Limited	5,100,525	3,949,029
AB Securities Limited	705,886	733,872
Cashlink Bangladesh Limited (CBL)	-	150
	59,452,226	67,420,420
30. Stationery, printing, advertisements, etc.		
Printing and stationery	78,165,236	67,194,173
Publicity, advertisement, etc.	4,740,712	15,758,925
	82,905,948	82,953,098
30(a). Consolidated Stationery, printing, advertisements, etc.		
AB Bank Limited	82,905,948	82,953,098
AB Investment Limited	129,930	48,596
AB International Finance Limited	81,181	49,554
AB Securities Limited	220,854	246,312
Cashlink Bangladesh Limited (CBL)	-	-
	83,337,913	83,297,560
31. Directors' fees		
Directors' fees	828,000	1,150,000
Meeting expenses	463,512	1,164,464
	1,291,512	2,314,464
Directors' fees includes fees for attending the meeting of the Board, Executive Committee, Audit Committee, Risk Management Committee and Shariah Council.		
31(a). Consolidated Directors' fees		
AB Bank Limited	1,291,512	2,314,464
AB Investment Limited	53,336	200,010
AB International Finance Limited	-	-
AB Securities Limited	53,333	253,333
Cashlink Bangladesh Limited (CBL)	57,500	57,500
	1,455,681	2,825,307
32. Auditors' fees		
Statutory	-	330,842
Others	4,731,574	718,599
	4,731,574	1,049,441

AB Bank Limited
Notes to the financial statements for the period ended June 30, 2019

	Jan'19- Jun'19 Taka	Jan'18- Jun'18 Taka
32(a). Consolidated Auditors' fees		
AB Bank Limited	4,731,574	1,049,441
AB Investment Limited	-	-
AB International Finance Limited	-	-
AB Securities Limited	-	-
Cashlink Bangladesh Limited (CBL)	-	-
	4,731,574	1,049,441
33. Depreciation and repairs of Bank's assets		
<u>Depreciation :</u>		
Electrical appliances	57,513,698	53,869,103
Furniture and fixtures	5,558,305	6,239,702
Office appliances	1,023,818	1,122,629
Building	8,792,029	9,017,465
Motor vehicles	34,451,751	36,323,845
	107,339,601	106,572,744
<u>Repairs:</u>		
Motor vehicles	11,772,750	10,878,875
Electrical appliances	34,785,596	35,007,451
Office premises and others	34,610,740	36,727,626
Furniture and fixtures	908,885	738,952
Office appliances	2,251,277	2,529,442
	84,329,248	85,882,346
Amortization of Intangible Assets	191,668,849	192,455,090
	41,070,941	37,947,903
	232,739,790	230,402,994
33(a). Consolidated Depreciation and repairs of Bank's assets		
AB Bank Limited	232,739,790	230,402,994
AB Investment Limited	9,205,771	9,261,314
AB International Finance Limited	241,729	242,963
AB Securities Limited	756,858	855,129
Cashlink Bangladesh Limited (CBL)	-	31,824
	242,944,147	240,794,223
34. Other expenses		
Contractual service	238,369,765	242,231,664
Petrol, oil and lubricant	28,546,601	34,413,863
Software expenses	92,424,517	85,986,189
Entertainment	18,452,367	19,888,891
Travelling	5,666,415	10,933,798
Subscription, membership and sponsorship	8,569,232	57,775,196
Training, seminar and workshop	4,227,762	6,111,961
Local conveyance	4,601,786	5,197,073
Professional charges	16,259,125	55,328,882
Books, newspapers and periodicals	500,304	945,489
Branch opening expenses	-	94,977
Bank Charges	7,224,070	8,841,864
Sundry expenses (*)	94,002,838	175,196,574
	518,844,782	702,946,421

(*) Sundry expenses includes business promotion, rebate to foreign correspondents, donation & dress employees etc.

AB Bank Limited
Notes to the financial statements for the period ended June 30, 2019

	Jan'19- Jun'19 Taka	Jan'18- Jun'18 Taka
34(a). Consolidated other expenses		
AB Bank Limited	518,844,782	702,946,421
AB Investment Limited	5,115,885	2,242,150
AB International Finance Limited	659,284	1,729,884
AB Securities Limited	2,866,643	3,079,389
Cashlink Bangladesh Limited (CBL)	38,323	75,835
	527,524,917	710,073,679
35. Provision against loans and advances		
On un-classified loans	186,000,000	136,000,000
On classified loans	311,700,000	300,000,000
	497,700,000	436,000,000
35(a). Consolidated provision against loans and advances		
AB Bank Limited	497,700,000	436,000,000
AB Investment Limited	-	-
AB International Finance Limited	-	-
AB Securities Limited	-	-
Cashlink Bangladesh Limited (CBL)	-	-
	497,700,000	436,000,000
36. Provisions for investments		
Provision for quoted shares in Bangladesh operations	-	170,000,000
Provision for Pinnacle Global Fund Pte Limited	-	-
Provision for Amana Bank Plc	-	-
Total provision for investments	-	170,000,000
36(a). Consolidated provisions for diminution in value of investments		
AB Bank Limited	-	170,000,000
AB Investment Limited	5,819,239	-
AB International Finance Limited	-	-
AB Securities Limited	3,500,000	-
Cashlink Bangladesh Limited (CBL)	-	-
	9,319,239	170,000,000
37. Other provision		
Provision for off balance sheet items	-	-
Provision for Other assets	10,000,000	60,024,484
	10,000,000	60,024,484
Provision for other assets included prepaid legal expenses, protested bills and others has been made as per Bangladesh Bank BRPD Circular # 14 dated 25 June 2001.		
37(a). Consolidated other provisions		
AB Bank Limited	10,000,000	60,024,484
AB Investment Limited	-	-
AB International Finance Limited	-	-
AB Securities Limited	-	-
Cashlink Bangladesh Limited (CBL)	-	-
	10,000,000	60,024,484

AB Bank Limited

Notes to the financial statements for the period ended June 30, 2019

	Jan'19- Jun'19 Taka	Jan'18- Jun'18 Taka
38. Earnings Per Share (EPS)		
Profit after taxation	40,480,559	103,337,107
Number of ordinary shares outstanding	758,130,315	758,130,315
Earnings Per Share	0.05	0.14
38.(a) Consolidated Earnings Per Share		
Net Profit attributable to the shareholders of parent company	114,289,420	298,024,785
Number of ordinary shares outstanding	758,130,315	758,130,315
Earnings Per Share	0.15	0.39
Earnings Per Share (EPS) has been computed in accordance with International Accounting Standard (IAS)-33 by dividing the basic earnings by the number of ordinary shares outstanding as of June 30, 2019 .		
39. Receipts from other operating activities		
Interest on treasury bills, bonds, debenture and others	1,019,396,512	1,743,005,765
Exchange earnings	344,097,780	451,296,162
Recoveries on telex, telephone, fax, etc.	22,029,519	34,281,848
Recoveries on courier, postage, stamp, etc.	7,745,017	15,288,620
Non-operating income	148,593	29,838,907
Others	2,555,927	3,795,246
	1,395,973,347	2,277,506,547
40. Payments for other operating activities		
Rent, taxes, insurance, electric	377,498,868	363,857,565
Postage, stamps, telecommunication, etc.	53,278,706	62,382,533
Repairs of Bank's assets	84,329,248	85,882,346
Legal expenses	4,361,689	1,822,326
Auditor's fees	4,731,574	1,049,441
Directors' fees	1,291,512	2,314,464
Other Expenses	518,844,782	702,946,421
	1,044,336,379	1,220,255,096
41. Decrease in other assets		
Investment in subsidiaries	6,229,114,922	6,229,114,922
Advance rent and advertisement	442,477,656	226,716,629
Stationery, stamps, printing materials, etc.	40,641,690	48,962,028
Security deposits	163,525,253	162,207,512
Commission and brokerage receivable on shares and debentures, and other income receivables	603,474,423	605,240,157
Accounts receivable	2,446,542,306	2,299,178,425
Preliminary, formation, organizational, renovation, development and prepaid expenses	656,474,426	999,244,181
Exchange for clearing	32,237,111	453,222,112
Inter-branch adjustment	5,020,132	-
Arab Bangladesh Bank Foundation	19,920,000	19,920,000
	10,639,427,919	11,043,805,967
Net Decrease	(404,378,048)	796,687,496

	Jan'19- Jun'19 Taka	Jan'18- Jun'18 Taka
42. Increase/(decrease) in other liabilities		
Accumulated provision against loans and advances	11,134,347,718	10,639,913,428
Provision for current tax	1,162,666,519	1,500,377,781
Interest suspense account	22,420,102,726	19,704,000,511
Accounts payable - Bangladesh Bank	564,797,764	1,642,013,761
Provision against other assets	327,573,038	318,685,468
Accrued expenses	221,331,190	224,980,797
Provision against investments	1,889,303,000	1,889,303,000
Provision against off balance sheet items	810,000,000	810,000,000
Others	441,999,828	728,077,572
	38,972,121,782	37,457,352,318
<u>Less:</u> Adjustment for provision and others	16,196,362,391	16,037,642,766
	22,775,759,391	21,419,709,552
Net Increase/(Decrease)	1,356,049,839	7,224,614,281
43 Net Operating Cash Flow Per Share (NOCFPS)		
Net Operating Cash Flow	6,244,988,697	(8,116,166,113)
Number of ordinary shares outstanding	758,130,315	758,130,315
Net Operating Cash Flow Per Share (NOCFPS)	8.24	(10.71)
43(a) Consolidated Net Operating Cash Flow Per Share (NOCFPS)		
Net Operating Cash Flow	6,499,714,098	(8,263,292,579)
Number of ordinary shares outstanding	758,130,315	758,130,315
Net Operating Cash Flow Per Share (NOCFPS)	8.57	(10.90)
44 Net Asset Value Per Share (NAVPS)		
Net Asset Value	22,693,822,690	22,650,481,875
Number of ordinary shares outstanding	758,130,315	758,130,315
Net Asset Value Per Share (NAVPS)	29.93	29.88
44(a) Consolidated Net Asset Value Per Share (NAVPS)		
Net Asset Value	24,000,973,587	23,885,346,764
Number of ordinary shares outstanding	758,130,315	758,130,315
Net Asset Value Per Share (NAVPS)	31.66	31.51
45 Reconciliation of net profit with cash flows from operating activities		
Bank prepares Cash flow statement in accordance with Bangladesh Bank, BRPD Circular No. 14 dated 25 June 2003.		