

AB Bank Limited

BCIC Bhaban

30-31 Dilkusha Commercial Area

Dhaka 1000

Un-audited

AB Bank Limited and Its Subsidiaries

Consolidated and separate financial statements
for the period ended 30 June 2020

AB Bank Limited & Its Subsidiaries

Consolidated Balance Sheet

As at 30 June 2020

	Notes	30 June 2020 BDT	31 Dec 2019 BDT
<u>PROPERTY AND ASSETS</u>			
Cash	3(a)	19,719,348,365	19,872,575,058
In hand (including foreign currencies)	3.1(a)	1,416,862,351	1,136,228,324
Balance with Bangladesh Bank and its agent bank(s) (including foreign currencies)	3.2(a)	18,302,486,014	18,736,346,733
Balance with other banks and financial institutions	4(a)	3,909,943,344	5,314,835,916
In Bangladesh	4.1(a)	1,271,761,991	1,022,559,568
Outside Bangladesh	4.2(a)	2,638,181,353	4,292,276,348
Money at call and on short notice	5(a)	337,107,668	3,927,493,241
Investments	6(a)	40,404,817,328	62,416,398,807
Government	6.1(a)	29,425,444,138	51,271,643,217
Others	6.2(a)	10,979,373,190	11,144,755,589
Loans, advances and lease/investments		273,770,014,246	264,385,001,408
Loans, cash credits, overdrafts, etc./Investments	7(a)	272,443,442,118	262,549,979,066
Bills purchased and discounted	8(a)	1,326,572,128	1,835,022,342
Fixed assets including premises, furniture and fixtures	9(a)	5,221,954,850	5,426,768,812
Other assets	10(a)	7,133,945,796	6,389,899,899
Non-banking assets	11	342,984,836	342,984,836
Total Assets		350,840,116,434	368,075,957,980
<u>LIABILITIES AND CAPITAL</u>			
Liabilities			
Borrowings from other banks, financial institutions and agents	12(a)	16,552,499,497	14,820,181,442
AB Bank Subordinated Bond	13	7,400,000,000	7,400,000,000
Deposits and other accounts	14(a)	260,476,996,782	279,394,742,017
Current account and other accounts		27,813,290,960	24,205,281,483
Bills payable		12,926,030,766	4,568,375,122
Savings bank deposits		30,866,014,167	29,888,590,539
Fixed deposits		115,572,865,463	122,907,395,174
Other deposits		73,298,795,425	97,825,099,698
Other liabilities	15(a)	42,292,682,298	42,420,983,644
Total Liabilities		326,722,178,578	344,035,907,103
Capital/Shareholders' Equity			
Equity attributable to equity holders of 1		24,106,071,338	24,028,362,861
Paid-up capital	16	7,581,303,150	7,581,303,150
Statutory reserve	17	6,863,557,764	6,872,052,329
Other reserve	18(a)	2,705,758,297	2,740,036,949
Retained earnings	19(a)	6,955,452,127	6,834,970,432
Non- controlling interest	19(b)	11,866,519	11,688,017
Total Equity		24,117,937,857	24,040,050,878
Total Liabilities and Shareholders' Equity		350,840,116,434	368,075,957,980

AB Bank Limited & Its Subsidiaries

**Consolidated Balance Sheet
As at 30 June 2020**

		30 June 2020	31 Dec 2019
		BDT	BDT
Off-Balance Sheet Items	Notes		
Contingent liabilities	20	56,616,348,679	47,836,302,228
Acceptances and endorsements		7,405,813,447	9,765,796,881
Letters of guarantee	20.1	13,738,814,750	14,058,371,146
Irrevocable letters of credit		5,898,469,232	6,195,569,825
Bills for collection		29,570,687,800	17,605,068,585
Other contingent liabilities		2,563,451	211,495,791
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		56,616,348,679	47,836,302,228

-Sd-
Chief Financial Officer

-Sd-
Company Secretary

-Sd-
President & Managing Director

-Sd-
Independent Director

-Sd-
Chairman

Dhaka,
July 16, 2020

AB Bank Limited and Its Subsidiaries
Consolidated Profit and Loss Account
For the period ended 30 June 2020

	Notes	Jan'20- Jun'20 BDT	Jan'19- Jun'19 BDT	Apr'20-Jun'20 Taka	Apr'19-Jun'19 Taka
OPERATING INCOME					
Interest income/profit on investments	22(a)	12,077,636,091	10,180,523,266	6,757,692,825	5,301,478,150
Interest/profit paid on deposits and borrowings, etc.	23(a)	(10,763,195,955)	(8,839,029,887)	(5,507,145,960)	(4,553,202,531)
Net interest income		1,314,440,136	1,341,493,379	1,250,546,866	748,275,619
Investment income	24(a)	2,458,426,956	1,010,499,715	1,191,329,914	329,053,610
Commission, exchange and brokerage	25(a)	653,790,267	1,081,365,218	261,462,643	518,823,540
Other operating income	26(a)	38,957,450	73,090,042	12,716,279	34,081,479
		3,151,174,673	2,164,954,975	1,465,508,836	881,958,629
Total operating income (a)		4,465,614,810	3,506,448,354	2,716,055,702	1,630,234,248
OPERATING EXPENSES					
Salary and allowances	27(a)	1,391,155,317	1,422,878,055	758,399,981	751,440,936
Rent, taxes, insurance, electricity, etc.	28(a)	300,566,975	384,230,911	145,443,427	192,451,850
Legal expenses	29(a)	8,127,615	4,501,989	2,387,929	2,487,574
Postage, stamps, telecommunication, etc.	30(a)	51,411,862	59,452,226	20,716,818	31,676,725
Stationery, printing, advertisement, etc.	31(a)	40,300,667	83,337,913	14,649,675	50,679,136
Chief executive's salary and fees	27.1	6,005,000	-	3,155,000	-
Directors' fees	32(a)	595,754	1,455,681	291,734	742,569
Auditors' fees	33(a)	578,120	4,731,574	71,600	3,154,610
Charges on loan losses		-	-	-	-
Depreciation and repairs of Bank's assets	34(a)	362,665,217	242,944,147	172,886,686	125,046,516
Other expenses	35(a)	730,079,410	527,524,917	256,065,321	284,009,695
Total operating expenses (b)		2,891,485,937	2,731,057,414	1,374,068,171	1,441,689,611
Profit before provision (c = (a-b))		1,574,128,873	775,390,940	1,341,987,531	188,544,637
Provision against loans and advances	36(a)	1,370,030,400	497,700,000	1,251,907,015	164,200,000
Provision for investments	37(a)	-	9,319,239	-	-
Other provisions	38(a)	6,000,000	10,000,000	1,000,000	7,500,000
Total provision (d)		1,376,030,400	517,019,239	1,252,907,015	171,700,000
Profit before tax (c-d)		198,098,473	258,371,701	89,080,516	16,844,637
Provision for taxation		52,774,521	143,919,365	10,517,675	(18,634,865)
Current tax		466,037,903	262,259,560	409,662,616	35,846,885
Deferred tax		(413,263,382)	(118,340,195)	(399,144,941)	(54,481,750)
Net profit after tax		145,323,952	114,452,336	78,562,841	35,479,502
Appropriations					
Statutory reserve		9,101,355	28,624,940	87,412	28,624,940
General reserve		-	-	-	-
Dividends, etc.		-	-	-	-
		9,101,355	28,624,940	87,412	28,624,940
Retained surplus		136,222,597	85,827,396	78,475,429	6,854,563
Non- controlling interest		178,502	162,915	86,580	79,770
Net Profit/(Loss) attributable to the shareholders of parent company		136,044,095	85,664,480	78,388,850	6,774,793
Consolidated Earnings Per Share (EPS)	39(a)	0.19	0.15	0.10	0.05

-Sd-
Chief Financial Officer

-Sd-
Company Secretary

-Sd-
President & Managing Director

-Sd-
Independent Director

-Sd-
Chairman

Dhaka,
July 16, 2020

AB Bank Limited and Its Subsidiaries
Consolidated Cash Flow Statement
For the period ended 30 June 2020

	Jan'20- Jun'20 BDT	Jan'19- Jun'19 BDT
Cash Flows from Operating Activities		
Interest receipts	9,543,959,356	10,180,523,266
Interest payments	(11,329,892,173)	(9,266,688,835)
Dividend receipts	32,905,911	60,463,822
Fee and commission receipts	487,408,237	742,898,702
Recoveries on loans previously written off	7,049,614	10,800,941
Payments to employees	(1,397,160,317)	(1,422,878,055)
Payments to suppliers	(40,300,667)	(83,337,913)
Income taxes paid	(1,224,312,870)	(617,592,756)
Receipts from other operating activities	2,630,860,525	1,350,791,510
Payments for other operating activities	(1,312,936,294)	(1,066,784,740)
Operating profit before changes in operating assets & liabilities	(2,602,418,678)	(111,804,058)
Increase/decrease in operating assets and liabilities		
Loans and advances to customers	(6,851,336,103)	(7,893,148,368)
Other assets	(282,431,340)	231,066,691
Deposits from other banks	852,943,226	582,392,760
Deposits from customers	(19,203,992,242)	13,958,253,241
Trading liabilities (short-term borrowings)	872,205,348	(1,527,804,159)
Other liabilities	(688,608,961)	1,260,757,992
	(25,301,220,072)	6,611,518,156
Net cash (used in)/ flow from operating activities (a)	(27,903,638,750)	6,499,714,098
Cash Flows from Investing Activities		
Sale/ (Purchase)of government securities	21,807,649,989	(3,470,146,686)
Sale/ (Purchase) of trading securities, shares, bonds, etc.	165,382,399	(361,924,865)
Purchase of property, plant and equipment	(64,689,739)	(420,416,314)
Net cash flow from/ (used in) investing activities (b)	21,908,342,650	(4,252,487,864)
Cash Flows from Financing Activities		
Increase/(decrease) of long-term borrowings	860,112,707	(73,857,604)
Dividend paid	(2,350)	(696)
Net cash flow from/ (used in) Financing activities (c)	860,110,358	(73,858,300)
Net (decrease)/increase in cash (a+b+c)	(5,135,185,742)	2,173,367,934
Effects of exchange rate changes on cash and cash equivalents	(13,280,560)	-
Cash and cash equivalents at beginning of the year	29,116,505,329	20,403,713,833
Cash and cash equivalents at end of the period (*)	23,968,039,027	22,577,081,766
(*) Cash and cash equivalents:		
Cash	1,416,862,351	1,700,092,352
Prize bonds	1,639,650	2,080,300
Money at call and on short notice	337,107,668	627,822,370
Balance with Bangladesh Bank and its agent bank(s)	18,302,486,014	16,827,778,298
Balance with other banks and financial institutions	3,909,943,344	3,419,308,447
	23,968,039,027	22,577,081,766
Net Operating Cash Flow Per Share (NOCFPS)	(36.81)	8.57

-Sd-
Chief Financial Officer

-Sd-
Company Secretary

-Sd-
President & Managing Director

-Sd-
Independent Director

-Sd-
Chairman

Dhaka,
July 16, 2020

AB Bank Limited and Its Subsidiaries

Consolidated Statement of Changes in Equity
For the period ended 30 June 2020

Particulars	Paid-up capital	Statutory reserve	General reserve	Assets revaluation reserve	Foreign exchange revaluation reserve on investment in BDT	Investment revaluation reserve	Non controlling interest	Retained earnings	Total
	BDT	BDT	BDT	BDT	BDT	BDT	BDT	BDT	BDT
Restated balance at 01 January 2020	7,581,303,150	6,872,052,329	1,304,649,867	1,296,690,729	1,710,590	136,985,764	11,688,017	6,834,970,432	24,040,050,878
Net profit after taxation for the period	-	-	-	-	-	-	178,502	145,145,450	145,323,952
Addition/(Adjustment) made during the period	-	9,101,355	-	(24,941)	-	(38,585,240)	-	(12,822,080)	(42,330,906)
Foreign exchange rate fluctuation	-	(17,595,920)	335,252	-	3,996,277	-	-	(11,841,675)	(25,106,067)
Balance at 30 June 2020	7,581,303,150	6,863,557,764	1,304,985,119	1,296,665,788	5,706,867	98,400,524	11,866,519	6,955,452,127	24,117,937,857
Balance at 30 June 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	7,062,180,131	24,011,550,642

-Sd-
Chief Financial Officer

-Sd-
Company Secretary

-Sd-
President & Managing Director

-Sd-
Independent Director

-Sd-
Chairman

Dhaka,
July 16, 2020

AB Bank Limited

Balance Sheet

As at 30 June 2020

	Notes	30 June 2020 BDT	31 Dec 2019 BDT
<u>PROPERTY AND ASSETS</u>			
Cash	3	19,719,208,598	19,872,447,371
In hand (including foreign currencies)	3.1	1,416,722,585	1,136,100,637
Balance with Bangladesh Bank and its agent bank(s) (including foreign currencies)	3.2	18,302,486,014	18,736,346,733
Balance with other banks and financial institutions	4	3,772,296,719	5,248,790,344
In Bangladesh		1,138,019,744	960,214,284
Outside Bangladesh		2,634,276,974	4,288,576,060
Money at call and on short notice	5	931,057,668	4,776,493,241
Investments	6	39,623,057,448	61,578,564,387
Government	6.1	29,425,444,138	51,271,643,217
Others	6.2	10,197,613,310	10,306,921,170
Loans, advances and lease/investments	7	266,235,408,363	256,512,476,640
Loans, cash credits, overdrafts, etc./Investments		265,669,349,517	255,778,280,956
Bills purchased and discounted	8	566,058,846	734,195,684
Fixed assets including premises, furniture and fixtures	9	4,676,896,305	4,871,210,242
Other assets	10	12,985,839,480	12,365,703,251
Non-banking assets	11	342,984,836	342,984,836
Total Assets		348,286,749,420	365,568,670,314
<u>LIABILITIES AND CAPITAL</u>			
Liabilities			
Borrowings from other banks, financial institutions and agents	12	16,552,499,497	14,820,039,741
AB Bank Subordinated Bond	13	7,400,000,000	7,400,000,000
Deposits and other accounts	14	260,595,827,098	279,457,593,298
Current accounts and other accounts		27,835,802,199	24,205,740,688
Bills payable		12,926,030,766	4,568,375,122
Savings bank deposits		30,866,014,167	29,888,590,539
Fixed deposits		115,572,865,463	122,908,353,612
Other deposits		73,395,114,503	97,886,533,336
Other liabilities	15	40,866,898,562	41,050,555,751
Total Liabilities		325,415,225,158	342,728,188,791
Capital/Shareholders' Equity			
Total Shareholders' Equity		22,871,524,262	22,840,481,523
Paid-up capital	16	7,581,303,150	7,581,303,150
Statutory reserve	17	6,863,557,764	6,872,052,329
Other reserve	18	2,531,354,989	2,569,965,170
Retained earnings	19	5,895,308,360	5,817,160,874
Total Liabilities and Shareholders' Equity		348,286,749,420	365,568,670,314

AB Bank Limited**Balance Sheet****As at 30 June 2020**

		30 June 2020	31 Dec 2019
		BDT	BDT
Off-Balance Sheet Items	Notes		
Contingent liabilities	20	56,616,348,679	47,836,302,228
Acceptances and endorsements		7,405,813,447	9,765,796,881
Letters of guarantee	20.1	13,738,814,750	14,058,371,146
Irrevocable letters of credit		5,898,469,232	6,195,569,825
Bills for collection		29,570,687,800	17,605,068,585
Other contingent liabilities		2,563,451	211,495,791
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>56,616,348,679</u>	<u>47,836,302,228</u>

-Sd-
Chief Financial Officer

-Sd-
Company Secretary

-Sd-
President & Managing Director

-Sd-
Independent Director

-Sd-
Chairman

Dhaka,
July 16, 2020

AB Bank Limited

Profit and Loss Account
For the period ended 30 June 2020

	Notes	Jan'20- Jun'20 BDT	Jan'19- Jun'19 BDT	Apr'20-Jun'20 BDT	Apr'19-Jun'19 BDT
OPERATING INCOME					
Interest income/profit on investments	22	12,014,005,745	10,053,198,215	6,723,250,573	5,238,715,007
Interest paid/profit on deposits and borrowings, etc.	23	(10,762,975,588)	(8,827,691,584)	(5,507,088,511)	(4,547,679,881)
Net interest income		1,251,030,157	1,225,506,631	1,216,162,062	691,035,126
Investment income	24	2,477,588,075	1,067,168,047	1,190,560,715	394,957,348
Commission, exchange and brokerage	25	596,438,321	1,006,313,042	249,454,911	486,870,198
Other operating income	26	18,048,201	32,479,056	6,548,836	14,760,898
		3,092,074,597	2,105,960,145	1,446,564,462	896,588,443
Total operating income (a)		4,343,104,754	3,331,466,776	2,662,726,524	1,587,623,569
OPERATING EXPENSES					
Salary and allowances	27	1,357,681,069	1,388,053,582	742,056,023	733,388,908
Rent, taxes, insurance, electricity, etc.	28	293,922,271	377,498,868	142,232,674	188,931,513
Legal expenses	29	8,127,615	4,361,689	2,387,929	2,430,074
Postage, stamps, telecommunication, etc.	30	47,090,803	53,278,706	18,487,449	27,958,752
Stationery, printing, advertisement, etc.	31	39,907,976	82,905,948	14,521,871	50,472,987
Chief executive's salary and fees	26.1	6,005,000	-	3,155,000	-
Directors' fees	32	366,420	1,291,512	62,400	578,400
Auditors' fees	33	571,620	4,731,574	65,100	3,154,610
Charges on loan losses		-	-	-	-
Depreciation and repairs of Bank's assets	34	351,515,794	232,739,790	167,219,617	119,981,351
Other expenses	35	720,745,128	518,844,782	252,666,762	279,629,012
Total operating expenses (b)		2,825,933,695	2,663,706,452	1,342,854,825	1,406,525,607
Profit before provision (c = (a-b))		1,517,171,059	667,760,324	1,319,871,699	181,097,962
Provision against loans and advances	36	1,370,030,400	497,700,000	1,251,907,015	164,200,000
Provision for investments	37	-	-	-	-
Other provisions	38	6,000,000	10,000,000	1,000,000	7,500,000
Total provision (d)		1,376,030,400	507,700,000	1,252,907,015	171,700,000
Profit before taxation (c-d)		141,140,659	160,060,324	66,964,685	9,397,962
Provision for taxation		39,553,063	119,579,765	7,366,305	(16,011,399)
Current tax		451,798,504	237,240,442	405,998,968	38,705,984
Deferred tax		(412,245,441)	(117,660,677)	(398,632,663)	(54,717,383)
Net profit after taxation		101,587,596	40,480,559	59,598,379	25,409,361
Appropriations					
Statutory reserve		9,101,355	28,624,940	87,412	28,624,940
General reserve		-	-	-	-
Dividends, etc.		-	-	-	-
		9,101,355	28,624,940	87,412	28,624,940
Retained surplus		92,486,241	11,855,620	59,510,967	(3,215,579)
Earnings Per Share (EPS)	39	0.13	0.05	0.08	0.03

-Sd-
Chief Financial Officer

-Sd-
Company Secretary

-Sd-
President & Managing Director

-Sd-
Independent Director

-Sd-
Chairman

Dhaka,
July 16, 2020

AB Bank Limited
Cash Flow Statement
For the period ended 30 June 2020

	Notes	Jan'20- Jun'20 BDT	Jan'19- Jun'19 BDT
Cash flows from Operating Activities			
Interest receipts		9,480,329,010	10,053,198,215
Interest payments		(11,329,671,807)	(9,255,350,532)
Dividend receipts		14,281,622	47,771,535
Fees and commission receipts		430,233,545	670,569,111
Recoveries on loans previously written off		7,049,614	10,800,941
Payments to employees		(1,363,686,069)	(1,388,053,582)
Payments to suppliers		(39,907,976)	(82,905,948)
Income taxes paid		(1,190,881,239)	(574,824,543)
Receipts from other operating activities	40	2,660,839,990	1,395,973,347
Payments for other operating activities	41	(1,291,838,728)	(1,044,336,379)
Operating profit before changes in operating assets & liabilities		(2,623,252,037)	(167,157,837)
Increase/decrease in operating assets and liabilities			
Loans and advances to customers		(7,189,254,989)	(8,483,381,630)
Other assets		(158,898,501)	404,378,048
Deposits from other banks		852,943,226	582,392,760
Deposits from customers		(19,148,013,208)	14,080,300,396
Trading liabilities (short-term borrowings)		872,347,049	(1,527,592,880)
Other liabilities		(780,186,700)	1,356,049,839
		(25,551,063,121)	6,412,146,534
Net cash (used in)/ flow from operating activities (a)		(28,174,315,158)	6,244,988,697
Cash Flows from Investing Activities			
Sale/ (Purchase) of government securities		21,807,649,989	(3,470,146,686)
Sale/ (Purchase) of trading securities, shares, bonds, etc.		109,307,860	(235,986,543)
Purchase of property, plant and equipment		(64,604,308)	(420,229,250)
Net cash flow from/ (used in) investing activities (b)		21,852,353,540	(4,126,362,479)
Cash Flows from Financing Activities			
Increase/(decrease) of long-term borrowings		860,112,707	(73,857,604)
Dividend paid		(2,350)	(696)
Net cash flow from/(used in) Financing activities (c)		860,110,358	(73,858,300)
Net (decrease)/ increase in cash (a+b+c)		(5,461,851,260)	2,044,767,918
Effects of exchange rate changes on cash and cash equivalents		(13,280,560)	-
Cash and cash equivalents at beginning of the year		29,899,334,456	21,042,569,215
Cash and cash equivalents at end of the period (*)		24,424,202,635	23,087,337,135
(*) Cash and cash equivalents:			
Cash		1,416,722,585	1,699,954,074
Prize bonds		1,639,650	2,080,300
Money at call and on short notice		931,057,668	1,236,222,370
Balance with Bangladesh Bank and its agent bank(s)		18,302,486,014	16,827,778,298
Balance with other banks and financial institutions		3,772,296,719	3,321,302,093
		24,424,202,635	23,087,337,135
Net Operating Cash Flow Per Share (NOCFPS)	42	(37.16)	8.24

-Sd-
Chief Financial Officer

-Sd-
Company Secretary

-Sd-
President & Managing Director

-Sd-
Independent Director

-Sd-
Chairman

Dhaka,
July 16, 2020

AB Bank Limited

**Statement of Changes in Equity
For the period ended 30 June 2020**

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 2020	7,581,303,150	6,872,052,329	1,222,199,200	1,296,690,729	51,075,241	5,817,160,874	22,840,481,523
Net profit after taxation for the period	-	-	-	-	-	101,587,596	101,587,596
Addition/(Adjustment) made during the period	-	9,101,355	-	(24,941)	(38,585,240)	(12,822,080)	(42,330,906)
Foreign exchange rate fluctuation	-	(17,595,920)	-	-	-	(10,618,031)	(28,213,951)
Balance at 30 June 2020	7,581,303,150	6,863,557,764	1,222,199,200	1,296,665,788	12,490,001	5,895,308,360	22,871,524,262
Balance at 30 June 2019	7,581,303,150	6,657,623,190	1,222,199,200	1,297,829,907	10,534,729	5,924,332,513	22,693,822,690

-Sd-
Chief Financial Officer

-Sd-
Company Secretary

-Sd-
President & Managing Director

-Sd-
Independent Director

-Sd-
Chairman

Dhaka,
July 16, 2020

Selective Notes to the Financial Statements for the period ended 30 June 2020

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 2020, 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, 2020. There is no convertible instrument of the Bank, thus no dilution effect has been considered.

2(C) Significant Deviation

I. Investment income

During the period (Jan. 20-Jun. 20) net gain on treasury bills and treasury bonds accounted for BDT 33 crore where as last year loss was BDT 115 crore. Due to changes of Treasury Bill/Bond yield curve mark to market gain/loss booked in the Financial Statements.

II. Commission, exchange and brokerage

In Bangladesh operation other business like Export, Import, Remittance and Guarantee have been decreased from last year same reporting time. As such, fee base commission income decreased compare to last year.

III. Provision against loans and advances

Provision against loans and advances made during the period (Jan-Jun) 2020 as per Bangladesh Bank guidelines/instructions.

IV. Net Operating Cash Flow Per Share (NOCFPS)

Major reason of significant deviation on Net Operating Cash Flow Per Share (NOCFPS) of Tk. (37.16) from Tk. 8.24 for decreasing of customer deposits BDT 1,915 crore in half year ended June 30, 2020.

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	776,342,672
02	AB Securities Limited	99.91% owned Subsidiary	Loans and advances	168,502,576
03	AB International Finance Limited	Fully owned (100%) Subsidiary	Placement through OBU	593,950,000
Total loans/placement to subsidiary				1,538,795,248

2(e) General

- i) Figures relating to the previous period/year have been rearranged wherever necessary.
- ii) Figures in these notes have been rounded off to the nearest BDT.

AB Bank Limited

Notes to the Financial Statements for the period ended 30 June 2020

		30 Jun 2020 BDT	31 Dec 2019 BDT
3. Cash			
Cash in hand	(Note 3.1)	1,416,722,585	1,136,100,637
Balance with Bangladesh Bank and its agent bank(s)	(Note 3.2)	18,302,486,014	18,736,346,733
		<u>19,719,208,598</u>	<u>19,872,447,371</u>
3(a) Consolidated Cash			
AB Bank Limited		19,719,208,598	19,872,447,371
AB Investments Limited		25,000	25,000
AB International Finance Limited		63,878	62,958
AB Securities Limited		35,000	35,000
Cashlink Bangladesh Limited (CBL)		15,889	4,729
		<u>19,719,348,365</u>	<u>19,872,575,058</u>
3.1 Cash in hand			
In local currency		1,381,915,810	1,112,273,983
In foreign currency		34,806,775	23,826,654
		<u>1,416,722,585</u>	<u>1,136,100,637</u>
3.1(a) Consolidated Cash in hand			
AB Bank Limited		1,416,722,585	1,136,100,637
AB Investments Limited		25,000	25,000
AB International Finance Limited		63,878	62,958
AB Securities Limited		35,000	35,000
Cashlink Bangladesh Limited (CBL)		15,889	4,729
		<u>1,416,862,351</u>	<u>1,136,228,324</u>
3.2 Balance with Bangladesh Bank and its agent bank(s)			
Balance with Bangladesh Bank			
In local currency		10,268,230,157	16,933,745,693
In foreign currency		7,340,468,788	1,325,358,012
		17,608,698,945	18,259,103,705
Sonali Bank Limited		693,787,068	477,243,028
(as an agent bank of Bangladesh Bank) - local currency		<u>18,302,486,014</u>	<u>18,736,346,733</u>
3.2(a) Consolidated Balance with Bangladesh Bank and its agent bank(s)			
AB Bank Limited		18,302,486,014	18,736,346,733
AB Investments Limited		-	-
AB International Finance Limited		-	-
AB Securities Limited		-	-
Cashlink Bangladesh Limited (CBL)		-	-
		<u>18,302,486,014</u>	<u>18,736,346,733</u>
4. Balance with other banks and financial institutions			
In Bangladesh		1,138,019,744	960,214,284
Outside Bangladesh		2,634,276,974	4,288,576,060
		<u>3,772,296,719</u>	<u>5,248,790,344</u>

AB Bank Limited

Notes to the Financial Statements for the period ended 30 June 2020

	30 Jun 2020 BDT	31 Dec 2019 BDT
4(a) Consolidated balance with other banks and financial institutions		
In Bangladesh	(Note: 4.1.a) 1,271,761,991	1,022,559,568
Outside Bangladesh (Nostro Accounts)	(Note: 4.2.a) 2,638,181,353	4,292,276,348
	3,909,943,344	5,314,835,916
4.1.a Consolidated In Bangladesh		
AB Bank Limited	1,138,019,744	960,214,284
AB Investment Limited	31,179,866	207,700
AB International Finance Limited	-	-
AB Securities Limited	154,606,446	81,563,768
Cashlink Bangladesh Limited (CBL)	44,348,157	41,974,568
	1,368,154,213	1,083,960,320
<u>Less: Inter company transaction</u>	96,392,222	61,400,752
	1,271,761,991	1,022,559,568
(Details are given in Annex - A)		
4.2.a Consolidated Outside Bangladesh (Nostro Accounts)		
AB Bank Limited	2,634,276,974	4,288,576,060
AB Investment Limited	-	-
AB International Finance Limited	26,341,026	4,084,192
AB Securities Limited	-	-
Cashlink Bangladesh Limited (CBL)	-	-
	2,660,618,000	4,292,660,252
<u>Less: Inter company transactions</u>	22,436,647	383,904
	2,638,181,353	4,292,276,348
5. Money at call and on short notice		
In Bangladesh	127,425,000	3,640,000,000
Outside Bangladesh	803,632,668	1,136,493,241
	931,057,668	4,776,493,241
5(a) Consolidated money at call and on short notice		
AB Bank Limited	931,057,668	4,776,493,241
AB Investment Limited	-	-
AB International Finance Limited	-	-
AB Securities Limited	-	-
Cashlink Bangladesh Limited (CBL)	-	-
	931,057,668	4,776,493,241
<u>Less: Inter-group transaction</u>	(593,950,000)	(849,000,000)
	337,107,668	3,927,493,241
6. Investments	39,623,057,448	61,578,564,387

AB Bank Limited

Notes to the Financial Statements for the period ended 30 June 2020

		30 Jun 2020 BDT	31 Dec 2019 BDT
6 (a) Consolidated investments			
AB Bank Limited		39,623,057,448	61,578,564,387
AB International Finance Limited		-	-
AB Investment Limited		670,155,091	736,423,365
AB Securities Limited		111,604,789	101,411,055
Cashlink Bangladesh Limited (CBL)		-	-
		40,404,817,328	62,416,398,807
6.1 Government securities			
T.Bill-Local-RE.REPO		-	4,594,340,150
T.Bill		881,933,401.40	7,805,539,669
Treasury bonds		28,231,871,087	38,590,159,898
Bangladesh Bank Islami Investment bonds		310,000,000	280,000,000
Prize bonds		1,639,650	1,603,500
		29,425,444,138	51,271,643,217
6.1(a) Consolidated Government securities			
AB Bank Limited		29,425,444,138	51,271,643,217
AB Investment Limited		-	-
AB International Finance Limited		-	-
AB Securities Limited		-	-
Cashlink Bangladesh Limited (CBL)		-	-
		29,425,444,138	51,271,643,217
6.2 Other investments			
Shares	(Note 6.2.1)	4,216,353,409	4,144,754,812
Bond	(Note 6.2.2)	4,000,000,000	4,000,000,000
Pinnacle Global Fund Pte Limited	(Note 6.2.3)	1,638,881,144	1,639,846,896
		9,855,234,553	9,784,601,708
Investments -ABBL, Mumbai branch			
Treasury bills		342,378,757	522,319,462
Debentures and bonds		-	-
		342,378,757	522,319,462
Total other investments		10,197,613,310	10,306,921,170
6.2 (a) Consolidated other investments			
AB Bank Limited		10,197,613,310	10,306,921,170
AB Investment Limited		670,155,091	736,423,365
AB International Finance Limited		-	-
AB Securities Limited		111,604,789	101,411,055
Cashlink Bangladesh Limited (CBL)		-	-
		10,979,373,190	11,144,755,589

Notes to the Financial Statements for the period ended 30 June 2020

	30 Jun 2020 BDT	31 Dec 2019 BDT
6.2.1 Investments in shares		
Quoted (Publicly traded)	3,776,737,829	3,705,139,231
Unquoted	439,615,580	439,615,580
	4,216,353,409	4,144,754,812
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
	4,000,000,000	4,000,000,000
6.2.3 Pinnacle Global Fund Pte Limited	1,638,881,144	1,639,846,896
Provision for the above has been maintained as per Bangladesh Bank Letter no. DBI-1/101/2018-1316 dated 26 April 2018.		
7. Loans, advances and lease/investments	266,235,408,363	256,512,476,640
7.1 Broad category-wise breakup excluding bills purchased and discounted		
In Bangladesh		
Loans	246,323,524,500	235,031,219,673
Overdrafts	19,338,959,568	20,715,404,558
Cash credits	-	-
	265,662,484,068	255,746,624,231
Outside Bangladesh: ABBL, Mumbai branch		
Loans	542,235	660,680
Overdrafts	7	-
Cash credits	6,323,207	30,996,046
	6,865,449	31,656,725
	265,669,349,517	255,778,280,956
7.2 Net loans, advances and lease/investments		
Gross loans and advances	266,235,408,363	256,512,476,640
<u>Less:</u>		
Interest suspense	17,431,858,968	18,134,825,637
Provision for loans and advances	16,676,334,305	15,279,405,791
	34,108,193,273	33,414,231,427
	232,127,215,091	223,098,245,212

Notes to the Financial Statements for the period ended 30 June 2020

	30 Jun 2020 BDT	31 Dec 2019 BDT
7.3 Geographical location-wise (division) distribution		
In Bangladesh		
<u>Urban branches</u>		
Dhaka	203,583,638,323	194,532,221,250
Chittagong	45,655,878,452	44,979,109,982
Khulna	3,652,945,378	3,646,885,424
Sylhet	1,142,044,328	1,175,079,035
Barisal	157,205,410	208,433,374
Rajshahi	4,143,140,615	4,022,984,661
Rangpur	5,100,458,562	4,927,809,088
Mymensingh	562,509,766	563,683,749
	<u>263,997,820,833</u>	<u>254,056,206,564</u>
<u>Rural branches</u>		
Dhaka	1,208,244,365	1,221,932,442
Chittagong	415,509,849	439,174,322
Khulna	-	-
Sylhet	46,223,859	45,277,729
Barisal	-	-
Rajshahi	-	-
Rangpur	-	-
Mymensingh	75,938,385	76,279,971
	<u>1,745,916,459</u>	<u>1,782,664,465</u>
Outside Bangladesh		
ABBL, Mumbai branch	491,671,072	673,605,611
	<u>266,235,408,364</u>	<u>256,512,476,640</u>
7.4 Classification of loans, advances and lease/investments		
In Bangladesh		
<u>Unclassified</u>		
Standard	201,477,336,327	193,311,858,904
Special Mention Account	16,428,800,127	15,636,520,911
	<u>217,906,136,454</u>	<u>208,948,379,815</u>
<u>Classified</u>		
Sub-Standard	2,346,864,132	2,219,729,829
Doubtful	3,453,409,697	3,254,684,217
Bad/Loss	42,037,327,008	41,416,077,168
	<u>47,837,600,838</u>	<u>46,890,491,214</u>
	<u>265,743,737,292</u>	<u>255,838,871,028</u>
Outside Bangladesh-Mumbai Branch		
Unclassified Loan	491,671,072	673,605,611
Classified Loan	-	-
	<u>491,671,072</u>	<u>673,605,611</u>
	<u>266,235,408,363</u>	<u>256,512,476,640</u>

AB Bank Limited

Notes to the Financial Statements for the period ended 30 June 2020

	30 Jun 2020 BDT	31 Dec 2019 BDT
7(a) Consolidated loans, advances and lease/investments excl. Bills purchased		
AB Bank Limited	265,669,349,517	255,778,280,956
AB Investment Limited	6,796,795,621	6,752,714,392
AB International Finance Limited	-	-
AB Securities Limited	922,142,227	930,528,911
Cashlink Bangladesh Limited (CBL)	-	-
	273,388,287,366	263,461,524,259
<u>Less: Inter company transaction</u>	944,845,248	911,545,194
	<u>272,443,442,118</u>	<u>262,549,979,066</u>
8 Bills purchased and discounted		
In Bangladesh	81,253,224	92,246,798
Outside Bangladesh - ABBL, Mumbai Branch	484,805,623	641,948,886
	566,058,846	734,195,684
8 (a) Consolidated Bills purchased and discounted		
AB Bank Limited	566,058,846	734,195,684
AB Investment Limited	-	-
AB International Finance Limited	760,513,282	1,100,826,659
AB Securities Limited	-	-
Cashlink Bangladesh Limited (CBL)	-	-
	1,326,572,128	1,835,022,342
9. Fixed assets including premises, furniture and fixtures		
Cost:		
Land and Building	2,968,097,272	2,968,097,272
Furniture and fixtures	250,416,779	250,083,131
Office appliances	64,150,176	64,178,283
Electrical appliances	1,904,947,408	1,901,779,739
Motor vehicles	820,870,229	781,076,227
Intangible Assets	771,876,192	758,525,505
Right of Use Assets	1,329,421,828	1,329,421,828
	8,109,779,884	8,053,161,986
<u>Less: Accumulated depreciation and amortization</u>	3,432,883,579	3,181,951,744
	<u>4,676,896,305</u>	<u>4,871,210,242</u>

AB Bank Limited

Notes to the Financial Statements for the period ended 30 June 2020

	30 Jun 2020 BDT	31 Dec 2019 BDT
9(a) Consolidated Fixed assets including premises, furniture and fixtures		
Cost:		
AB Bank Limited	8,109,779,884	8,053,161,986
AB Investments Limited	688,571,092	688,571,092
AB International Finance Limited	4,735,101	4,718,520
AB Securities Limited	37,847,382	37,778,532
Cashlink Bangladesh Limited (CBL)	81,471,369	81,471,369
	<u>8,922,404,827</u>	<u>8,865,701,499</u>
Accumulated depreciation:		
AB Bank Limited	3,432,883,579	3,181,951,744
AB Investments Limited	150,398,567	141,044,753
AB International Finance Limited	4,523,285	4,403,501
AB Securities Limited	31,173,178	30,061,320
Cashlink Bangladesh Limited (CBL)	81,471,369	81,471,369
	<u>3,700,449,978</u>	<u>3,438,932,687</u>
	<u>5,221,954,850</u>	<u>5,426,768,812</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>

Notes to the Financial Statements for the period ended 30 June 2020

	30 Jun 2020 BDT	31 Dec 2019 BDT
Non-income generating		
Arab Bangladesh Bank Foundation (99.60% owned subsidiary company of ABBL)	19,920,000	19,920,000
Deferred tax assets (Note 10.1)	2,971,227,325	2,559,125,266
Accounts receivable	2,169,257,289	1,358,719,057
Preliminary, formation, organisational, renovation, development, prepaid expenses and others	731,418,025	699,855,925
Exchange for clearing	20,837,111	26,837,111
Interest accrued on investment but not collected, commission and brokerage receivable on shares and debentures, and other income receivables	629,413,742	1,250,896,297
Security deposits	72,412,020	75,798,791
Advance rent and advertisement (Note 10.2)	108,924,333	113,443,319
Stationery, stamps, printing materials, etc.	33,314,713	31,978,415
Inter-branch adjustment	-	14,147
	6,756,724,558	6,136,588,329
	12,985,839,480	12,365,703,251

10(a) Consolidated Other assets

AB Bank Limited	12,985,839,480	12,365,703,251
AB Investment Limited	363,789,055	300,379,486
AB International Finance Limited	40,396,389	37,219,501
AB Securities Limited	81,700,463	11,989,506
Cashlink Bangladesh Limited (CBL)	31,876,844	32,515,580
	13,503,602,231	12,747,807,325
<u>Less: Inter-group transaction</u>	<u>6,369,656,435</u>	<u>6,357,907,426</u>
	7,133,945,796	6,389,899,899

10.1 Deferred tax assets

a) Deferred tax assets for specific provisions of loans and advances

Opening Deferred Tax (Assets)/Liabilities	2,622,704,984	1,995,567,400
<u>Add: Deferred Tax Income during the period</u>	<u>422,812,500</u>	<u>796,087,500</u>
<u>Less: Write-Off adjustment</u>	<u>-</u>	<u>118,861,316</u>
Less. Adjustment during the period	-	50,088,601
Closing deferred tax assets	3,045,517,484	2,622,704,984

b) Deferred tax liabilities against property, plant & equipment

Balance at 01 January	63,579,718	103,787,730
<u>Add/(less): Provision made during the period/year</u>	<u>10,567,059</u>	<u>(40,257,496)</u>
<u>Add/(Less): Adjustment for Rate Fluctuation during the period</u>	<u>143,381</u>	<u>49,483</u>
Closing deferred tax liabilities	74,290,158	63,579,718
Net Deferred Tax Assets (a-b)	2,971,227,325	2,559,125,266
Net Deferred Tax Income during the year	412,245,441	836,344,996

Notes to the Financial Statements for the period ended 30 June 2020

	30 Jun 2020 BDT	31 Dec 2019 BDT
10.1.1 Calculations of deferred tax liabilities		
Deferred tax liabilities against Property, Plant & Equipment		
Accounting base of Property, Plant & Equipment	3,613,554,101	3,700,011,239
Tax base of Property, Plant & Equipment	3,408,972,990	3,523,048,120
Difference	204,581,111	176,963,119
(Deductible)/Taxable Temporary Difference		
Effective Tax Rate	37.50%	37.50%
Deferred Tax (Assets)/Liabilities	76,717,916	66,361,170
Deferred Tax (Assets)/Liabilities of Mumbai Branch	(2,427,761)	(2,781,455)
Closing Deferred Tax (Assets)/Liabilities	74,290,156	63,579,715
10.1.2 Consolidated deferred tax liabilities		
AB Bank Limited	74,290,158	63,579,718
AB Investment Limited	10,413,284	11,437,840
Total	84,703,442	75,017,557
10.1.3 Consolidated deferred tax assets		
AB Bank Limited	3,045,517,484	2,622,704,984
AB Securities Limited	2,253,143	2,265,570
Total	3,047,770,627	2,624,970,554
10.2 Advance rent and advertisement		
Advance rent upto June 2020 Tk 23 crore has been considered with Right of Use (ROU) Assets as per IFRS 16		
11 Non-Banking Assets	342,984,836	342,984,836
The Bank has received absolute ownership of 11 mortgaged property according to the verdict of the Honorable Court under section 33 (7) of Artha Rin Adalat Ain, 2003. These have been recorded at Taka 342,984,836 as non-banking assets in accordance with Bank Companies Act 1991(amendment up to 2018) and BRPD circular 14 of 2003.		
12. Borrowings from other banks, financial institutions and agents		
In Bangladesh	(Note 12.1) 16,552,499,497	14,820,039,741
Outside Bangladesh	-	-
	16,552,499,497	14,820,039,741

AB Bank Limited

Notes to the Financial Statements for the period ended 30 June 2020

	30 Jun 2020 BDT	31 Dec 2019 BDT
12.1 In Bangladesh:		
12.1.1 Bangladesh Bank		
Export Development Fund	1,893,944,832	1,401,605,286
Islamic Investment Bond	513,236,066	1,816,519,380
Refinance against IPFF	265,517,650	284,034,590
Refinance against Women Entr., Small Enterprise, ETP & Others	1,024,167,094	145,537,446
	3,696,865,641	3,647,696,701
12.1.2 Call & Term Borrowing from		
NCC Bank Ltd.	1,224,250,000	924,500,000
NRB Commercial Bank Limited	500,000,000	500,000,000
Agrani Bank Limited	5,357,600,000	2,900,000,000
Sonali Bank Limited	2,000,000,000	3,000,000,000
Janata Bank Limited	500,000,000	-
Basic Bank Limited	390,000,000	-
Uttara Bank Limited	2,000,000,000	500,000,000
Bank Asia Limited	-	1,500,000,000
Midland Bank Ltd	-	300,000,000
South Bangla Bank Ltd	-	500,000,000
Rupali Bank Limited	509,100,000	500,000,000
National Bank Limited	-	254,700,000
South East Bank Limited	254,550,000	169,800,000
Accrued interest	120,133,857	123,343,040
Accrued Interest Repo-Other Bank	-	-
	12,855,633,857	11,172,343,040
Total in Bangladesh	16,552,499,497	14,820,039,741
12(a) Consolidated Borrowings from other banks, financial institutions and agents		
AB Bank Limited	16,552,499,497	14,820,039,741
AB Investment Limited	776,342,672	737,184,319
AB International Finance Limited	594,570,967	845,905,526
AB Securities Limited	168,502,576	174,502,576
Cashlink Bangladesh Limited (CBL)	-	-
	18,091,915,713	16,577,632,162
<u>Less: Intercompany transactions</u>	1,539,416,215	1,757,450,720
	16,552,499,497	14,820,181,442
13. AB Bank Subordinated Bond		
AB Bank Subordinated Bond-I	1,000,000,000	1,000,000,000
AB Bank Subordinated Bond-II	2,400,000,000	2,400,000,000
AB Bank Subordinated Bond-III	4,000,000,000	4,000,000,000
	7,400,000,000	7,400,000,000

AB Bank Limited

Notes to the Financial Statements for the period ended 30 June 2020

	30 Jun 2020 BDT	31 Dec 2019 BDT
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.		
BRAC	400,000,000	400,000,000
Sonali Bank Limited	800,000,000	800,000,000
Agrani Bank Limited	500,000,000	500,000,000
Midland Bank Limited	80,000,000	80,000,000
BRAC Bank Limited	220,000,000	220,000,000
NRB Commercial Bank Limited	220,000,000	220,000,000
Mutual Trust Bank Limited	32,000,000	32,000,000
Grameen Capital Management Limited	8,000,000	8,000,000
Rupali Bank Limited	600,000,000	600,000,000
Janata Bank Limited	300,000,000	300,000,000
Uttara Bank Limited	180,000,000	180,000,000
National Life Insurance Co. Limited	60,000,000	60,000,000
Jamuna Bank Limited	2,300,000,000	2,300,000,000
National Credit & Commerce Bank Limited	1,700,000,000	1,700,000,000
	7,400,000,000	7,400,000,000

14. Deposit and other accounts

Inter-bank deposits	3,216,435,832	2,363,492,605
Other deposits	257,379,391,267	277,094,100,693
	260,595,827,098	279,457,593,298

14(a) Consolidated Deposit and other accounts

AB Bank Limited	260,595,827,098	279,457,593,298
AB Investment Limited	-	-
AB International Finance Limited	-	-
AB Securities Limited	-	-
Cashlink Bangladesh Limited (CBL)	-	-
	260,595,827,098	279,457,593,298
<u>Less: Inter-group transaction</u>	118,830,317	62,851,282
	260,476,996,782	279,394,742,016

Notes to the Financial Statements for the period ended 30 June 2020

	30 Jun 2020 BDT	31 Dec 2019 BDT
14.1 Demand and time deposits		
a) Demand Deposits		
Current accounts and other accounts	27,835,802,199	24,205,740,688
Savings Deposits (9%)	2,777,941,275	2,689,973,149
Bills Payable	12,926,030,766	4,568,375,122
	43,539,774,240	31,464,088,959
b) Time Deposits		
Savings Deposits (91%)	28,088,072,892	27,198,617,391
Short Notice Deposits	26,293,875,549	50,930,113,957
Fixed Deposits	115,572,865,463	122,908,353,612
Other Deposits	47,101,238,954	46,956,419,379
	217,056,052,858	247,993,504,339
Total Demand and Time Deposits	260,595,827,098	279,457,593,298

15. Other liabilities

Accumulated provision against loans and advances	(Note 15.1)	16,676,334,305	15,279,405,791
Inter-branch adjustment		3,563,064	-
Provision for current tax (net of advance tax)	(Note 15.2)	1,585,410,895	2,330,977,161
Interest suspense account		17,431,858,968	18,134,825,637
Provision against other assets	(Note 15.3)	339,873,106	336,573,038
Accounts payable - Bangladesh Bank		357,109,112	186,368,159
Accrued expenses		175,783,514	170,706,883
Lease Liabilities	(Note 15.4)	762,528,971	842,847,290
Provision for off balance sheet items	(Note 15.5)	710,000,000	710,000,000
Provision against investments	(Note 15.6)	2,189,603,000	2,209,603,000
Others (*)		634,833,628	849,248,793
		40,866,898,562	41,050,555,751

(*) 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.

15.1 Accumulated provision against loans and advances

The movement in specific provision for bad and doubtful debts

Balance at 01 January		6,993,879,956	5,078,767,423
Fully provided debts written off during the period	(-)	-	(316,963,509)
Recovery of amounts previously written off	(+)	7,049,614	109,176,042
Specific provision made during the period	(+)	1,127,500,000	2,122,900,000
		1,134,549,614	1,915,112,534
Balance at 30 June		8,128,429,570	6,993,879,956
Provision made by ABBL, Mumbai Branch		-	-
Total provision on classified loans and advances		8,128,429,570	6,993,879,956

Notes to the Financial Statements for the period ended 30 June 2020

		30 Jun 2020 BDT	31 Dec 2019 BDT
<u>On unclassified loans</u>			
Balance at 01 January		8,282,733,658	5,557,133,658
Transferred from Off Balance Sheet provisions	(+)	-	100,000,000
Transferred from investment provisions	(+)	20,000,000	-
General provision made during the period/year	(+)	241,800,000	2,625,600,000
		<u>261,800,000</u>	<u>2,725,600,000</u>
Balance at 30 June		8,544,533,658	8,282,733,658
Provision made by ABBL, Mumbai Branch		3,371,077	2,792,177
Total provision on un-classified loans and advances		8,547,904,734	8,285,525,835
Total provision on loans and advances		16,676,334,304	15,279,405,790

		30 Jun 2020	
		Maintained	Excess
<u>Provision for</u>	<u>Required</u>		
Un-classified loans and advances	8,543,371,077	8,547,904,734	4,533,658
Classified loans and advances	8,120,000,000	8,128,429,570	8,429,570
	<u>16,663,371,077</u>	<u>16,676,334,305</u>	<u>12,963,228</u>

(*) The required provision as disclosed above has been derived without considering the requirement of provisioning for the year 2019 as imposed by Bangladesh Bank vide letter no. DBI-1/101/2020-1573 dated June 18, 2020.

15.1.1 Details of provision for loans and advances

		30 Jun 2020	
		Required	Maintained
<u>General Provision</u>		<u>8,543,371,077</u>	<u>8,547,904,734</u>
Standard		8,156,844,284	8,161,377,942
Special Mention Account		386,526,793	386,526,793
<u>Specific Provision</u>		<u>8,120,000,000</u>	<u>8,128,429,570</u>
Substandard		318,463,484	318,463,484
Doubtful		1,256,297,321	1,256,297,321
Bad/Loss		6,545,239,196	6,553,668,766
Excess provision maintained at 30 June 2020			12,963,228

15.2 Provision for current tax (net of advance tax)

Current Tax	(note 15.2.1)	4,402,723,433	4,034,349,742
Advance Income Tax	(note 15.2.2)	2,817,312,538	1,703,372,580
Provision for current tax (net of advance tax)		1,585,410,895	2,330,977,161

15.2.1 Provision for current tax

Opening Balance	3,895,988,647	14,835,831,960
Add: Provision made during the year	475,200,000	1,895,469,161
Less: Adjustment during the year	-	12,666,362,557
Less: Deferred Tax adjustment during the year	-	50,088,601
Less: Write-off adjustment	-	118,861,316
Closing Balance	4,371,188,647	3,895,988,647
Provision held by ABBL, Mumbai Branch	31,534,787	138,361,095
	<u>4,402,723,433</u>	<u>4,034,349,742</u>

Corporate income tax assessment of the Bank is completed up to the income year ended 31 December 2017 (Assessment Year 2018-19). 1st Appeal filed against the order of the Deputy Commissioner of Taxes for the assessment year 2018-19. Corporate income tax return for the year 2018 submitted under section 82BB corresponding to Assessment Years 2019-20. 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.

Notes to the Financial Statements for the period ended 30 June 2020

	30 Jun 2020 BDT	31 Dec 2019 BDT
15.2.2 Advance corporate income tax		
In Bangladesh:		
Balance at 01 January 2019	1,584,282,901	13,330,000,239
<u>Add:</u> Paid during the period/year	1,184,700,889	920,645,219
Tax withheld during the period		
Paid during the year	1,184,700,889	920,645,219
<u>Less:</u> Transfer/Adjustment during the period/year	-	12,666,362,557
Closing balance (Bangladesh operations)	2,768,983,790	1,584,282,901
Advance tax of ABBL, Mumbai Branch	48,328,747	119,089,679
	<u>2,817,312,538</u>	<u>1,703,372,580</u>

15.3 Provision against other assets

Provision for

Prepaid legal expenses	127,030,000	121,030,000
Protested bills	73,355,678	76,055,610
Others	139,487,428	139,487,428
	<u>339,873,106</u>	<u>336,573,038</u>

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

15.3.1 Calculation of Provision against other assets

	Outstanding amount	Base for Provision	Rate	Provisions Requirement	Provisions Maintained
Prepaid legal expenses	126,791,341	126,791,341	50% & 100%	63,395,671	127,030,000
Protested bills	72,439,995	72,439,995	100%	72,439,995	73,355,678
Others	117,955,866	117,955,866	100%	117,955,866	139,487,428
Required provision for other assets				253,791,531	339,873,106
Total provision requirement					253,791,531
Total provision maintained					339,873,106
Excess provision maintained at 30 June 2020					<u>86,081,575</u>

15.4 Leasehold Liabilities

Opening balance of present value of lease liability	842,847,290	979,237,360
Finance Cost @ 8%	33,713,892	49,896,645
Rental payment during the period/year	114,032,210	186,286,715
Closing balance of lease liability	<u>762,528,971</u>	<u>842,847,290</u>

Bank recognises lease liabilities measured at the present value of lease payments to be made over the leased term using incremental borrowing rate @ 8% at the date of initial application of "IFRS 16 Leases". Lease liability is measured by increasing the carrying amount to reflect interest on lease liability, reducing the carrying amount to reflect the lease payments, and remeasuring the carrying amount to reflect any reassessment of lease

Notes to the Financial Statements for the period ended 30 June 2020

	30 Jun 2020 BDT	31 Dec 2019 BDT
15.5 Provision for off balance sheet items		
Opening balance	710,000,000	810,000,000
Less: Transferred to general provisions	-	(100,000,000)
Closing balance	710,000,000	710,000,000

15.5.1 Particulars of required provision for Off-Balance Sheet Items

	Base for Provision	Rate (%)	30 June 2020	31 Dec 2019
Acceptances and endorsements	7,391,399,107	1%	73,913,991	97,347,035
Letters of guarantee	13,737,115,277	1%	137,371,153	140,566,747
Irrevocable letters of credit	5,898,469,232	1%	58,984,692	61,955,698
Bills for collection	-	1%	-	-
Others	2,563,451	1%	25,635	2,114,958
Total Off Balance Sheet Items & required provision	27,029,547,067		270,295,471	301,984,438
Total provision maintained			710,000,000	710,000,000
Excess provision at 30 June 2020			439,704,529	408,015,562

No provision has been maintained against Off Balance Sheet items of Mumbai Branch BDT 27,083,480,978 as per Reserve Bank of India (RBI) guidelines.

15.6 Provision against investments

Provision against quoted shares:

Opening balance	1,830,353,000	1,650,053,000
Less: Transferred to General provision for loans and advances	(20,000,000)	-
Add: Provision made during the period/year	-	180,300,000
Closing Balance	1,810,353,000	1,830,353,000
Total provision maintained for Investment	1,810,353,000	1,830,353,000
Total provision requirement for Investment	1,802,653,809	1,826,516,990
Excess provision	7,699,191	3,836,010

Provision for Pinnacle Global Fund Pte Limited:

Opening balance	379,250,000	239,250,000
Add: Provision made during the period/year	-	140,000,000
Closing Balance	379,250,000	379,250,000

(*) Provision for Pinnacle Global Fund Pte Limited has been maintained as per Bangladesh Bank vide letter no. DBI-1/101/2020-1573 dated June 18, 2020.

Total Provision maintained against investment:

Provision against quoted shares	1,810,353,000	1,830,353,000
Provision for Pinnacle Global Fund Pte Limited	379,250,000	379,250,000
	2,189,603,000	2,209,603,000

AB Bank Limited

Notes to the Financial Statements for the period ended 30 June 2020

	30 Jun 2020 BDT	31 Dec 2019 BDT
15(a) Consolidated Other liabilities		
AB Bank Limited	40,866,898,562	41,050,555,751
AB Investment Limited	875,107,025	852,726,243
AB International Finance Limited	93,486,826	86,150,229
AB Securities Limited	597,073,113	448,712,800
Cashlink Bangladesh Limited (CBL)	-	28,750
	42,432,565,526	42,438,173,774
<u>Less: Inter-group transaction</u>	139,883,228	17,190,130
	42,292,682,298	42,420,983,644
16. Share Capital	7,581,303,150	7,581,303,150
16.1 Authorised Capital		
1,500,000,000 ordinary shares of BDT 10 each	15,000,000,000	15,000,000,000
16.2 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
17. Statutory reserve		
In Bangladesh		
Opening balance	6,547,756,164	6,324,553,560
<u>Add: Addition during the year</u>	-	223,202,604
<u>Add./Less: Adjustment for Foreign Exchange Rate Fluctuation</u>	-	-
	6,547,756,164	6,547,756,164
Outside Bangladesh - ABBL, Mumbai Branch		
Opening balance	324,296,165	298,809,180
<u>Add: Addition during the period</u>	9,101,355	27,870,923
<u>Add/(Less): Adjustment for Foreign Exchange Rate Fluctuation</u>	(17,595,920)	(2,383,939)
	315,801,600	324,296,165
	6,863,557,764	6,872,052,329
18. Other reserve		
General reserve	1,222,199,200	1,222,199,200
Assets revaluation reserve	1,296,665,788	1,296,690,729
Investment revaluation reserve	12,490,001	51,075,241
	2,531,354,989	2,569,965,170

AB Bank Limited

Notes to the Financial Statements for the period ended 30 June 2020

	30 Jun 2020 BDT	31 Dec 2019 BDT
18(a) Consolidated Other reserve		
AB Bank Limited	2,531,354,989	2,569,965,170
AB Investment Limited	-	-
AB International Finance Limited	88,492,786	84,161,257
AB Securities Limited	85,910,523	85,910,523
Cashlink Bangladesh Limited (CBL)	-	-
	2,705,758,297	2,740,036,949
19. Retained earnings		
Opening balance	5,817,160,874	5,905,152,980
<u>Add</u> : Post-tax profit for the period/year	101,587,596	167,741,264
<u>Less</u> : Transfer to statutory reserve	(9,101,355)	(251,073,528)
	5,909,647,115	5,821,820,716
<u>Add</u> /(<u>Less</u>): Transferred from Assets Revaluation Reserve	24,941	1,518,905
<u>Add</u> /(<u>Less</u>): Adjustment for lease finance	593,912	-
<u>Add</u> /(<u>Less</u>): Transferred to Investment fluctuation reserve	(4,339,578)	-
<u>Add</u> /(<u>Less</u>): Foreign Exchange Translation gain/(loss)	(10,618,031)	(6,178,746)
	5,895,308,360	5,817,160,874
19(a) Consolidated Retained earnings		
AB Bank Limited	5,895,308,360	5,817,160,874
AB Investment Limited	291,767,650	290,465,910
AB International Finance Limited	45,734,996	117,098,561
AB Securities Limited	153,158,971	152,001,606
Cashlink Bangladesh Limited (CBL)	(165,959,110)	(167,733,872)
	6,220,010,866	6,208,993,079
<u>Add</u> /(<u>Less</u>): Adjustment made during the period/year	718,981,282	609,338,872
Non Controlling Interest	(16,459,979)	(16,638,480)
	6,955,452,127	6,834,970,432
19(b) Non-controlling interest		
AB Investment Limited	10,211	10,210
AB Securities Limited	452,218	451,195
Cashlink Bangladesh Limited	11,404,089	11,226,613
	11,866,519	11,688,017
20. Contingent liabilities	56,616,348,679	47,836,302,228
20.1 Letters of guarantee		
Money for which the Bank is contingently liable in respect of guarantees issued favoring:		
Directors	-	-
Government	-	-
Banks and other financial institutions	132,124,748	101,954,959
Others	13,606,690,002	13,956,416,188
	13,738,814,750	14,058,371,146

Notes to the Financial Statements for the period ended 30 June 2020

	Jan'20- Jun'20 Taka	Jan'19- Jun'19 Taka
21. Profit and loss account		
<u>Income:</u>		
Interest, discount and similar income	14,147,121,309	12,182,073,066
Dividend income	14,281,622	47,771,535
Fee, commission and brokerage	430,233,545	670,569,111
Gains less losses arising from investment securities	5,165,499	39,589,301
Gains less losses arising from dealing in foreign currencies	166,204,776	335,743,932
Other operating income	18,048,201	32,479,056
Gains less losses arising from dealing securities	325,025,391	(1,149,067,640)
Income from non-banking assets	-	-
	15,106,080,342	12,159,158,360
<u>Expenses:</u>		
Interest, fee and commission	10,762,975,588	8,827,691,584
Administrative expenses	1,846,689,229	1,996,451,128
Other operating expenses	720,745,128	518,844,782
Depreciation and amortization on banking assets	258,499,338	148,410,542
Loss on loans and advances	-	-
	13,588,909,283	11,491,398,036
	<u>1,517,171,059</u>	<u>667,760,324</u>
22. Interest income/profit on investments		
Interest on loans and advances:		
Loans and advances	11,173,110,673	9,371,149,536
Bills purchased and discounted	450,027,930	576,037,340
	11,623,138,603	9,947,186,876
Interest on:		
Calls and placements	364,873,516	88,789,883
Balance with foreign banks	6,095,656	6,471,400
Reverse Repo	7,989,674	1,303,367
Balance with Bangladesh Bank	11,908,297	9,446,689
	390,867,142	106,011,339
	<u>12,014,005,745</u>	<u>10,053,198,215</u>
22(a). Consolidated Interest income/profit on investments		
AB Bank Limited	12,014,005,745	10,053,198,215
AB International Finance Limited	25,805,415	28,325,053
AB Investment Limited	28,115,618	80,228,283
AB Securities Limited	10,335,448	19,512,647
Cashlink Bangladesh Limited (CBL)	2,005,678	1,803,645
	12,080,267,905	10,183,067,844
Less: Intercompany transactions	2,631,814	2,544,577
	<u>12,077,636,091</u>	<u>10,180,523,266</u>

Notes to the Financial Statements for the period ended 30 June 2020

	Jan'20- Jun'20 Taka	Jan'19- Jun'19 Taka
23. Interest/profit paid on deposits, borrowings, etc.		
Interest on deposits:		
Fixed deposits	5,042,182,944	5,005,686,569
Savings deposits	504,955,908	477,929,900
Special notice deposits	1,262,607,215	1,091,359,315
Other deposits	2,420,441,733	1,047,792,122
	<u>9,230,187,800</u>	<u>7,622,767,905</u>
Interest on borrowings:		
Local banks, financial institutions including BB	1,151,701,760	772,904,501
Subordinated Bond	381,086,028	432,019,178
	<u>10,762,975,588</u>	<u>8,827,691,584</u>
23(a). Consolidated Interest/profit paid on deposits, borrowings, etc.		
AB Bank Limited	10,762,975,588	8,827,691,584
AB Investment Limited	-	-
AB International Finance Limited	2,852,180	2,790,381
AB Securities Limited	8,400,000	12,416,942
Cashlink Bangladesh Limited (CBL)	-	-
	<u>10,774,227,768</u>	<u>8,842,898,907</u>
<u>Less: Intercompany transactions</u>	<u>11,031,814</u>	<u>3,869,019</u>
	<u>10,763,195,955</u>	<u>8,839,029,887</u>
24. Investment income		
Capital gain on sale of shares	5,165,499	39,589,301
Interest on treasury bills	90,415,667	14,369,819
Dividend on shares	14,281,622	47,771,535
Interest on treasury bonds	1,837,109,633	1,923,479,651
Gain/(Loss) on treasury bills and treasury bonds	325,025,391	(1,149,067,640)
Interest on other bonds & others	205,590,264	191,025,381
	<u>2,477,588,075</u>	<u>1,067,168,047</u>
24(a). Consolidated Investment income		
AB Bank Limited	2,477,588,075	1,067,168,047
AB Investment Limited	(26,075,975)	(65,007,281)
AB International Finance Limited	-	-
AB Securities Limited	6,914,856	8,338,949
Cashlink Bangladesh Limited (CBL)	-	-
	<u>2,458,426,956</u>	<u>1,010,499,715</u>
25. Commission, exchange and brokerage		
Other fees, commission and service charges	264,938,778	380,550,348
Commission on letters of credit	130,859,128	222,279,377
Exchange gains less losses arising from dealings in foreign currencies	166,204,776	335,743,932
	<u>596,438,321</u>	<u>1,006,313,042</u>

AB Bank Limited

Notes to the Financial Statements for the period ended 30 June 2020

	Jan'20- Jun'20 Taka	Jan'19- Jun'19 Taka
25(a). Consolidated Commission, exchange and brokerage		
AB Bank Limited	596,438,321	1,006,313,042
AB Investment Limited	14,547,887	18,649,398
AB International Finance Limited	20,925,237	34,605,021
AB Securities Limited	21,878,823	21,797,757
Cashlink Bangladesh Limited (CBL)	-	-
	653,790,267	1,081,365,218
26. Other income		
Locker rent, insurance claim and others	683,164	2,555,927
Recoveries on telex, telephone, fax, etc.	13,675,811	22,029,519
Recoveries on courier, postage, stamp, etc.	2,843,955	7,745,017
Non-operating income (*)	845,271	148,593
	18,048,201	32,479,056
(*) Non-operating income includes sale of scrap items.		
26(a). Consolidated other income		
AB Bank Limited	18,048,201	32,479,056
AB Investment Limited	4,501,860	5,769,660
AB International Finance Limited	27,032,301	38,724,189
AB Securities Limited	533,348	199,780
Cashlink Bangladesh Limited (CBL)	-	-
	50,115,710	77,172,684
<u>Less: Inter company transactions</u>	11,158,260	4,082,642
	38,957,450	73,090,042
27. Salary and allowances		
Basic salary, provident fund contribution and all other allowances	1,271,539,656	1,298,639,159
Festival and incentive bonus	86,141,412	89,414,424
	1,357,681,069	1,388,053,582
27.1 Chief executive's salary and fees	6,005,000	-
27(a). Consolidated salary and allowances		
AB Bank Limited	1,357,681,069	1,388,053,582
AB Investment Limited	7,288,015	7,521,414
AB International Finance Limited	14,879,897	14,642,614
AB Securities Limited	11,172,585	12,526,693
Cashlink Bangladesh Limited (CBL)	133,752	133,752
	1,391,155,317	1,422,878,055
28. Rent, taxes, insurance, electricity, etc.		
Rent, rates and taxes	156,109,596	245,502,159
Electricity, gas, water, etc.	38,941,200	45,374,535
Insurance	98,871,474	86,622,173
	293,922,271	377,498,868

Notes to the Financial Statements for the period ended 30 June 2020

	Jan'20- Jun'20 Taka	Jan'19- Jun'19 Taka
28.1 Rent, rates and taxes		
Right Of Use (ROU) assets has been calculated for the period ended June 30, 2020 as per IFRS-16 considering monthly rental expenses excluding low value assets.		
28(a). Consolidated Rent, taxes, insurance, electricity, etc.		
AB Bank Limited	293,922,271	377,498,868
AB Investment Limited	565,679	701,219
AB International Finance Limited	5,147,981	4,966,447
AB Securities Limited	3,689,304	3,822,577
Cashlink Bangladesh Limited (CBL)	-	-
	303,325,235	386,989,111
<u>Less: Inter company transactions</u>	<u>2,758,260</u>	<u>2,758,200</u>
	<u>300,566,975</u>	<u>384,230,911</u>
29. Legal expenses		
Legal expenses	<u>8,127,615</u>	<u>4,361,689</u>
29(a). Consolidated legal expenses		
AB Bank Limited	8,127,615	4,361,689
AB Investment Limited	-	140,300
AB International Finance Limited	-	-
AB Securities Limited	-	-
Cashlink Bangladesh Limited (CBL)	-	-
	<u>8,127,615</u>	<u>4,501,989</u>
30. Postage, stamp, telecommunication, etc.		
Telex, fax, internet, wireless link, SWIFT, etc.	38,812,734	36,611,542
Telephone	2,800,904	3,241,741
Postage, stamp and shipping	5,477,165	13,425,423
	<u>47,090,803</u>	<u>53,278,706</u>
30(a). Consolidated Postage, stamp, telecommunication, etc.		
AB Bank Limited	47,090,803	53,278,706
AB Investment Limited	329,162	367,109
AB International Finance Limited	3,236,679	5,100,525
AB Securities Limited	755,217	705,886
Cashlink Bangladesh Limited (CBL)	-	-
	<u>51,411,862</u>	<u>59,452,226</u>
31. Stationery, printing, advertisements, etc.		
Printing and stationery	36,533,813	78,165,236
Publicity, advertisement, etc.	3,374,163	4,740,712
	<u>39,907,976</u>	<u>82,905,948</u>

AB Bank Limited

Notes to the Financial Statements for the period ended 30 June 2020

	Jan'20- Jun'20 Taka	Jan'19- Jun'19 Taka
31(a). Consolidated Stationery, printing, advertisements, etc.		
AB Bank Limited	39,907,976	82,905,948
AB Investment Limited	37,680	129,930
AB International Finance Limited	54,528	81,181
AB Securities Limited	300,483	220,854
Cashlink Bangladesh Limited (CBL)	-	-
	40,300,667	83,337,913
32. Directors' fees		
Directors' fees	230,000	828,000
Meeting expenses	136,420	463,512
	366,420	1,291,512
Directors' fees includes fees for attending the meeting of the Board, Executive Committee, Audit Committee, Risk Management Committee and Shariah Council.		
32(a). Consolidated Directors' fees		
AB Bank Limited	366,420	1,291,512
AB Investment Limited	-	53,336
AB International Finance Limited	-	-
AB Securities Limited	183,334	53,333
	595,754	1,455,681
33. Auditors' fees		
Statutory	297,473	-
Others	274,147	4,731,574
	571,620	4,731,574
33(a). Consolidated Auditors' fees		
AB Bank Limited	571,620	4,731,574
AB Investment Limited	6,500	-
AB International Finance Limited	-	-
AB Securities Limited	-	-
Cashlink Bangladesh Limited (CBL)	-	-
	578,120	4,731,574
34. Depreciation and repairs of Bank's assets		
<u>Depreciation :</u>		
Electrical appliances	58,380,921	57,513,698
Furniture and fixtures	4,827,773	5,558,305
Office appliances	885,344	1,023,818
Building	7,809,624	8,792,029
Motor vehicles	36,379,651	34,451,751
	108,283,313	107,339,601
Depreciation of ROU (Right Of Use) assets	129,400,778	-

AB Bank Limited

Notes to the Financial Statements for the period ended 30 June 2020

	Jan'20- Jun'20 Taka	Jan'19- Jun'19 Taka
<u>Repairs:</u>		
Motor vehicles	8,613,796	11,772,750
Electrical appliances	26,141,651	34,785,596
Office premises and others	55,597,074	34,610,740
Furniture and fixtures	501,138	908,885
Office appliances	2,162,797	2,251,277
	<u>93,016,456</u>	<u>84,329,247</u>
Amortization of Intangible Assets	330,700,547	191,668,849
	<u>20,815,247</u>	<u>41,070,941</u>
	<u>351,515,794</u>	<u>232,739,790</u>

34(a). Consolidated Depreciation and repairs of Bank's assets

AB Bank Limited	351,515,794	232,739,790
AB Investment Limited	9,477,936	9,205,771
AB International Finance Limited	262,949	241,729
AB Securities Limited	1,408,538	756,858
Cashlink Bangladesh Limited (CBL)	-	-
	<u>362,665,217</u>	<u>242,944,147</u>

35. Other expenses

Contractual service	254,174,112	238,369,765
Petrol, oil and lubricant	23,221,689	28,546,601
Software expenses	99,589,162	92,424,517
Entertainment	14,468,548	18,452,367
Travelling	4,499,156	5,666,415
Subscription, membership and sponsorship	4,585,170	8,569,232
Training, seminar and workshop	5,053,066	4,227,762
Local conveyance	3,612,911	4,601,786
Professional charges	27,725,380	16,259,125
Books, newspapers and periodicals	747,659	500,304
Finance Charge for lease liability	33,713,892	-
Donation	74,407,260	10,626,109
Bank Charges	4,083,608	7,224,070
Sundry expenses (*)	170,863,515	83,376,729
	<u>720,745,128</u>	<u>518,844,782</u>

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

35(a). Consolidated other expenses

AB Bank Limited	720,745,128	518,844,782
AB Investment Limited	2,940,923	5,115,885
AB International Finance Limited	8,696	659,284
AB Securities Limited	6,333,499	2,866,643
Cashlink Bangladesh Limited (CBL)	51,165	38,323
	<u>730,079,410</u>	<u>527,524,917</u>

AB Bank Limited

Notes to the Financial Statements for the period ended 30 June 2020

	Jan'20- Jun'20 Taka	Jan'19- Jun'19 Taka
36. Provision against loans and advances		
On un-classified loans	242,530,400	186,000,000
On classified loans	1,127,500,000	311,700,000
	1,370,030,400	497,700,000
36(a). Consolidated provision against loans and advances		
AB Bank Limited	1,370,030,400	497,700,000
AB Investment Limited	-	-
AB International Finance Limited	-	-
AB Securities Limited	-	-
Cashlink Bangladesh Limited (CBL)	-	-
	1,370,030,400	497,700,000
37. Provisions for investments		
Provision for quoted shares in Bangladesh operations	-	-
Provision for Pinnacle Global Fund Pte Limited	-	-
Provision for Amana Bank Plc	-	-
Total provision for investments	-	-
37(a). Consolidated provisions for diminution in value of investments		
AB Bank Limited	-	-
AB Investment Limited	-	5,819,239
AB International Finance Limited	-	-
AB Securities Limited	-	3,500,000
Cashlink Bangladesh Limited (CBL)	-	-
	-	9,319,239
38. Other provision		
Provision for off balance sheet items	-	-
Provision for Other assets	6,000,000	10,000,000
	6,000,000	10,000,000
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.		
38(a). Consolidated other provisions		
AB Bank Limited	6,000,000	10,000,000
AB Investment Limited	-	-
AB International Finance Limited	-	-
AB Securities Limited	-	-
Cashlink Bangladesh Limited (CBL)	-	-
AB Exchange (UK) Ltd.	-	-
	6,000,000	10,000,000

Notes to the Financial Statements for the period ended 30 June 2020

	Jan'20- Jun'20 Taka	Jan'19- Jun'19 Taka
39. Earnings Per Share (EPS)		
Profit after taxation	101,587,596	40,480,559
Number of ordinary shares outstanding	758,130,315	758,130,315
Earnings Per Share	0.13	0.05
39.(a) Consolidated Earnings Per Share		
Net Profit/(Loss) attributable to the shareholders of parent company	145,145,450	114,289,420
Number of ordinary shares outstanding	758,130,315	758,130,315
Earnings Per Share	0.19	0.15
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, 2020 .		
40. Receipts from other operating activities		
Interest on treasury bills, bonds, debenture and others	2,463,306,454	1,019,396,512
Exchange earnings	179,485,336	344,097,780
Recoveries on telex, telephone, fax, etc.	13,675,811	22,029,519
Recoveries on courier, postage, stamp, etc.	2,843,955	7,745,017
Non-operating income	845,271	148,593
Others	683,164	2,555,927
	2,660,839,990	1,395,973,347
41. Payments for other operating activities		
Rent, taxes, insurance, electricity, etc.	455,634,577	377,498,868
Postage, stamps, telecommunication, etc.	47,090,803	53,278,706
Repairs of Bank's assets	93,016,456	84,329,248
Legal expenses	8,127,615	4,361,689
Auditor's fees	571,620	4,731,574
Directors' fees	366,420	1,291,512
Other Expenses	687,031,236	518,844,782
	1,291,838,728	1,044,336,379
42 Net Operating Cash Flow Per Share (NOCFPS)		
Net Operating Cash Flow	(28,174,315,158)	6,244,988,697
Number of ordinary shares outstanding	758,130,315	758,130,315
Net Operating Cash Flow Per Share (NOCFPS)	(37.16)	8.24
42(a) Consolidated Net Operating Cash Flow Per Share (NOCFPS)		
Net Operating Cash Flow	(27,903,638,750)	6,499,714,098
Number of ordinary shares outstanding	758,130,315	758,130,315
Net Operating Cash Flow Per Share (NOCFPS)	(36.81)	8.57

AB Bank Limited

Notes to the Financial Statements for the period ended 30 June 2020

	Jan'20- Jun'20 Taka	Jan'19- Jun'19 Taka
43 Net Asset Value Per Share (NAVPS)		
Net Asset Value	22,871,524,262	22,840,481,523
Number of ordinary shares outstanding	758,130,315	758,130,315
Net Asset Value Per Share (NAVPS)	30.17	30.13
43(a) Consolidated Net Asset Value Per Share (NAVPS)		
Net Asset Value	24,106,071,338	24,028,362,861
Number of ordinary shares outstanding	758,130,315	758,130,315
Net Asset Value Per Share (NAVPS)	31.80	31.69
44 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.