

ANNUAL REPORT

2021



Celebrating
45
YEARS OF **BONDING**
GENERATIONS



Discover
Life with benefits

 **16207**

 **AB Bank**



CELEBRATING RUBY JUBILEE

Starting 40 years ago as first private sector commercial bank of Bangladesh, we have now become one of the leading financial institutions in the country. Over the past 40 years, we have increased financial inclusion for the unbanked masses, empowered entrepreneurs and businesses to fulfill their potential, facilitated in-flow of remittance from expatriate workers and encouraged the growing middle-class of the country to aspire and achieve more. Through it all we stood strong as a partner in the development of Bangladesh and its people.

We would like to take this auspicious moment to thank our clients, partners, regulators, stakeholders and well-wishers. We could not have done it without You.



LETTER OF TRANSMITTAL

June 20, 2022

All Shareholders of AB Bank Limited
Bangladesh Bank
Bangladesh Securities and Exchange Commission
Registrar of Joint Stock Companies and Firms
Dhaka Stock Exchange Limited
Chittagong Stock Exchange Limited

Dear Sir,

Annual Report 2021

We are pleased to enclose the Annual Report 2021 along with the Audited Financial Statements including consolidated and separate Balance Sheet as on December 31, 2021, Profit and Loss Account, Cash Flow Statement, Statement of Changes in Equity for the year then ended, Liquidity Statement and a summary of significant Accounting Policies and other explanatory notes thereto of AB Bank Limited and its subsidiaries for your kind information and record. Financial Statements of 'the Bank' comprise those of Conventional Branches, Islamic Banking Branch, one overseas Branch at Mumbai, India and Offshore Banking Unit while consolidated Financial Statements comprise Financial Statements of the Bank and its four subsidiaries, namely - AB Investment Limited (ABIL), AB Securities Limited (ABSL), Cashlink Bangladesh Limited (CBL) and AB International Finance Limited (ABIFL), Hong Kong.

Thank you.

Yours Sincerely,



Md. Jasim Uddin ACS
Company Secretary (In-charge)

AB BANK LIMITED

Introducing Bangladesh to its very first private sector bank; AB Bank Limited incorporated on December 31, 1981. Arab Bangladesh Bank as formerly known started its effective operation from April 12, 1982 with the mission to be the best performing bank of the country.

With an ambition to secure its place as the leading service provider, creating lasting value for its clientele, shareholders, and employees and particularly for the community it operates in, AB Bank has formulated a golden heritage and an enviable legacy that may not be imitated by many. Achieving plenty of milestones and incorporating numerous changes over the last 40 years, AB has always been authentic to its desire of being the technology driven innovative bank of Bangladesh. To excel this new era of technological triumph, AB has successfully introduced internet banking, SMS banking, cutting edge ICT, state-of-the-art network solution, 24/7 ATM service and many other e-products.

AB has extensively widened its services over the last 40 years in both home and abroad. The bank opened its very first branch at Karwan Bazar on 12th April 1982 and now has a successful footprint of 105 branches including one overseas branch in Mumbai, India. The Bank has one Off-shore Banking Unit, Custodial Wing, Agent Banking Outlets and 254 ATMs spread across the country. It has also extended its services through 5 subsidiary companies.

HIGHLIGHTS 2021



Deposits

2021 BDT 298,373 Million
2020 BDT 290,719 Million



Loans and Advances

2021 BDT 290,460 Million
2020 BDT 274,830 Million



Total Assets

2021 BDT 410,317 Million
2020 BDT 386,086 Million



Profit after Tax

2021 BDT 641 Million
2020 BDT 391 Million



AD Ratio

2021 86.27%
2020 85.26%



CL Ratio

2021 14.15%
2020 16.79%



EPS

2021 BDT 0.77
2020 BDT 0.47



Cost of Fund

2021 6.76%
2020 8.35%



Local Presence

103 Conventional Branch
01 Islami Banking Branch
01 Off-shore Banking Unit
04 Subsidiaries



Manpower

594 Female
1,686 Male
2,280 Total



International Presence

01 Overseas Branch, Mumbai (India)
01 Foreign Subsidiary, ABIFL (Hong Kong)



Alternative Delivery Channel

164 Agent Banking Outlet
254 ATMs
AB Direct (Internet Banking)

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VISION, MISSION AND CORE VALUES



VISION STATEMENT

To be the trendsetter for innovative banking with excellence and perfection



MISSION STATEMENT

To be the best performing bank in the country



CORE VALUES

Our Compliance

We consider adherence to national policies and objectives a priority for giving our customers the best financial support with corporate integrity, meaning a fully compliant bank along with involvement in social development.

Our Customers

We give the best priority on our customer demand and through our endless effort we assure the best satisfaction to our customers.

Our Shareholders

We assure the best return to our shareholders by prudent performance.

Our Team Members

We provide secure, satisfying employment, ensuring the contribution of each individual to the success of ABBL.



STRATEGIC PRIORITIES

Maximizing the Capital Base

Enhanced Focus on Retail and SME Business

Boosting Non-Funded Business

Expanding Banking Network via Agent Banking

Focus on Islamic Banking Channel

Renewed Focus on Asset Quality

Transforming to Digital Platform

CHRONICLES

Certificate of Incorporation	December 31, 1981
First meeting of the Board of Directors	February 05, 1982
Commencement of Business	February 27, 1982
Opening of the First Branch (Karwan Bazar Branch)	April 12, 1982
Opening of AB International Finance Limited (ABIFL) -Subsidiary at Hong Kong	November, 1995
First Foreign Branch at Mumbai, India	April 06, 1996
Opening of the Islamic Banking Branch	December 23, 2004
Listing with Dhaka Stock Exchange (DSE)	December 28, 1983
Publication of Prospectus for IPO	May 05, 1984
Subscription for Share starts	June 25, 1984
Listing with Chittagong Stock Exchange (CSE)	October 21, 1995
Online share transaction in CDS	May 07, 2006
Opening of Merchant Banking Wing (MBW)	November 02, 2002
Incorporation of Arab Bangladesh Bank Foundation	November 03, 2003
Security Custodial Service License	January 22, 2007
Incorporation of AB Investment Limited (ABIL)	December 24, 2009
Launching of ATM	April 12, 2002
Launching of Visa Card	December 23, 2004
New Logo Launch	January 01, 2008
Opening of AB Bank Training Academy	October 07, 2008
Primary Dealership License	December 08, 2009
Off-shore Banking Unit	December 06, 2009
Incorporation of Myanmar Rep. Office	December 10, 2010
Registered Office Shifted to Gulshan	November 15, 2020
Primary Dealership License	December 08, 2009
Off-shore Banking Unit	December 06, 2009
Incorporation of Myanmar Rep. Office	December 10, 2010

Business Automation

Full Automation of Core Banking Solutions (CBS)	March, 2007
Mumbai Branch connected with Central Network	April 20, 2009
Disaster Recovery Site (DR Site) starts operation	April 28, 2009
Automated Cheque Requisition System	May 04, 2009
Digitization of Authorized Signatories	October 17, 2009
SMS Banking Services	August 10, 2010
Cheque truncation & automated clearing process	October 07, 2010
Internet Banking Services	November 25, 2010
Electronic Fund Transfer (EFT)	February, 2011
Automation of Credit Information Bureau (CIB)	August 25, 2011
Anti-Money Laundering Solution	January 01, 2013
Commencement of Real Time Gross Settlement System	October 29, 2015
Customers' NID Verification Agreement with Election Commission	November 24, 2015
eStatements to Customers	January 03, 2017
Corporate Internet Banking	November 18, 2018
CBS Upgradation	August 06, 2019
Direct Foreign Remittance to Bank Accounts	January 01, 2020
Credit Card Payments from Other Bank Accounts	October 22, 2020
A - Challan	June 23, 2021
AB Trade Portal	August 24, 2021
Fund Transfer to Nagad	August 26, 2021
Mumbai CBS Upgrade	November 22, 2021

Branching-out

Opening of Principal Branch	January 16, 1986
First Branch in Dhaka Division (Karwan Bazar Branch)	April 12, 1982
First Branch in Chattogram Division (Agrabad Branch)	September 19, 1982
First Branch in Sylhet Division (Dargah Gate Branch)	May 27, 1983
First Branch in Khulna Division (Khulna Branch)	March 15, 1984
First Branch in Rajshahi Division (Bogura Branch)	July 25, 1984
First Branch in Barisal Division (Barishal Branch)	October 07, 1986
First Branch in Rangpur Division (Saidpur Branch)	July 19, 1986
First Branch in Mymensingh Division (Mymensingh)	May 20, 1999
First Agent Banking Outlet (Dohar, Joypara, Dhaka)	December 24, 2017



PRODUCTS AND SERVICES

CORPORATE AND STRUCTURED FINANCE



- ▶ Term Loan
- ▶ Time Loan
- ▶ Trade Finance
- ▶ Trust Receipt
- ▶ Working Capital
- ▶ Bill Discounting
- ▶ Letter of Guarantee
- ▶ Syndicate Financing
- ▶ Equity Financing and Arrangement

SMALL AND MEDIUM ENTERPRISE (SME)



- ▶ Gati
- ▶ Proshar
- ▶ Digun
- ▶ Sathi
- ▶ Progati
- ▶ Chhotopuji
- ▶ Awparajita
- ▶ Uddog
- ▶ Uttaran

TREASURY AND FOREIGN EXCHANGE PRODUCTS



Money Market

- ▶ Overnight (call)
- ▶ Short Notice Deposit
- ▶ Term Deposit
- ▶ Repo
- ▶ Reverse Repo
- ▶ SWAP
- ▶ Foreign Currency Lending and Borrowing

Fixed Income Market

- ▶ Treasury Bill
- ▶ Treasury Bond

FX Market

- ▶ Spot
- ▶ Forward
- ▶ Corporate

RETAIL LOAN PRODUCTS



- ▶ Personal Loan (Secured & Unsecured)
- ▶ Home Loan
- ▶ Auto Loan
- ▶ Credit Card

SERVICE PRODUCTS



- ▶ 24 hour ATM access
- ▶ Online Banking
- ▶ SMS Banking
- ▶ Internet Banking
- ▶ SWIFT
- ▶ Locker Service
- ▶ Custodian Service
- ▶ 24/7 Call Center

Automated Challan



- ▶ Payment of Tax
- ▶ Payment of VAT
- ▶ Excise Duty
- ▶ Government Fees
- ▶ Passport Fees

DEPOSIT PRODUCTS



- ▶ AB নিশ্চিত
- ▶ AB জন্মভূমি রেমিটেন্স সেবা
- ▶ AB জন্মভূমি সঞ্চয়ি হিসাব
- ▶ AB জন্মভূমি এম.এসডি.এস
- ▶ AB জন্মভূমি ফিক্সড ডিপোজিট
- ▶ AB Height
- ▶ Profit First
- ▶ Savings Account
- ▶ MaxSaver
- ▶ SmartSaver
- ▶ Student Account
- ▶ Shampurna
- ▶ Payroll Management
- ▶ Current Account
- ▶ Progati
- ▶ Special Notice Deposit (SND)
- ▶ Fixed Term Deposit
- ▶ Monthly Savings Deposit Scheme (MSDS)
- ▶ Monthly Income Deposit Scheme (MIDS)
- ▶ Foreign Currency Account
- ▶ NFCD
- ▶ RFCD
- ▶ Family Savings Plan (FSP)
- ▶ Double Deposit Scheme (DDS)
- ▶ Millionaire Savings Account (MSA)

ISLAMI BANKING SERVICES



Deposit Products

- ▶ Profit First-Mudaraba Term Deposit
- ▶ Al-Wadiah Current Deposit
- ▶ Mudaraba Savings Deposit
- ▶ Mudaraba Special Notice Deposit
- ▶ Mudaraba Term Deposit
- ▶ Mudaraba Pension Deposit Scheme
- ▶ Mudaraba Quarterly Profit Paying Deposit Scheme
- ▶ Mudaraba Hajj Deposit Scheme
- ▶ Mudaraba Monthly Profit Paying Deposit Scheme
- ▶ Mudaraba Cash Waqf Deposit
- ▶ Mudaraba Marriage Savings Deposit Scheme

Investment Products

- ▶ Bai-Murabaha
- ▶ Bai-Muajjal
- ▶ Bai-Muajjal (TR)
- ▶ Hire-Purchase under Shirkatul Melk (HPSM)
- ▶ Murabaha Post-Import (MPI)
- ▶ Quard against MTDR

MESSAGE FROM THE CHAIRMAN



Bismillahir Rahmanir Rahim

As-salamu alaikum,

Distinguished Shareholders,

On behalf of the Board of Directors, I would like to extend a warm welcome to all of you to the 40th Annual General Meeting of the Bank. It is your trust, faith, cooperation and understanding that has underpinned our journey for the last 40 years, therefore I must begin by thanking you all. It is indeed our privilege to state that our Bank has, from its establishment in the early 80s, led the banking industry by introducing innovative ideas and bringing in changes which facilitated the progress of the Bank and the industry as a whole into new and transformative products, processes and technology. Throughout this journey, I am gratified to note that we always had the support of our shareholders and our valued customers, which has been the driving force behind our achievements. The last 3 to 4 years has been a challenging time for the Bank and I am delighted to see that even through these trying times we found our shareholders and our customers by our side.

Dear Shareholders,

Bangladesh celebrated two momentous events in the last couple of years; the birth centenary of the Father of the Nation Bangabandhu Sheikh Mujibur Rahman and the 50th anniversary of our glorious independence. While we celebrate these joyous occasions; with deep humility and a heart filled with pride and gratitude we remember our valiant freedom fighters and those thousands of martyrs who made the ultimate sacrifice to give us a better tomorrow. The whole nation and indeed, all freedom loving people the world over, joined us to salute and pay grateful tribute to Bangabandhu, a charismatic leader who led the country to its independence and finally made the supreme sacrifice along with some of very dear family members for his beloved Bangladesh. It is his dream that we see becoming reality as Bangladesh has made significant economic progress undaunted by its limited resources. In the last decade, GDP growth rate was impressive and the Per Capita Income has risen steadily. In disaster management, financial inclusion, human development indices or in poverty alleviation, we have made significant progress. In fact, Bangladesh has become today, the global role model of development.

Honorable Shareholders,

Three and half years back, when the bank was faced with some very critical issues, we joined the Board. The financial performance at that time was far behind the shareholders' expectations in all financial indicators. Non-Performing loans, liquidity crunch, inadequate management of credit risk, non-functional asset/liability management, lack of controls in foreign exchange management, failure of internal control systems/processes resulted in near collapse of governance. Both the Board and the management became dysfunctional. The central bank, in fact, highlighted the issues in their post inspection meeting with the Board in early 2019 and demanded immediate action to rectify the situation.

Highlights from our 2018 results (from the 2018 Annual Report) will give an idea of the situation.

Financial Indicators (in Taka Crores)	2018
Total Deposits	23,545
Loans and Advances	24,107
Loan Deposit Ratio (AD Ratio)*	91.09%
Classified Loans (CL)	7,973
% CL to Total Loans and Advances	33.07%
Operating Profit	343.94
Profit After Tax	4.32
Earnings Per Share	0.05
P/E ratio	547.39
Net Asset value per share	27.10
Cost Income Ratio	64.44%
Cost of Fund	8.64%
Return on Assets	0.01%
Return on Equity	0.08%
Assets Utilization Ratio	66.61%
CRAR (Consolidated)	10.48%
Credit Rating	A2

* Calculated as per Bangladesh Bank Guidelines

To meet these challenges the Board was reconstituted bringing in experience, knowledge and integrity. The management team was augmented with a dynamic managing director and few other key officials with known track record of success. A focused and results oriented plan with target dates and identified impact was undertaken with total commitment of the Board and the management Team. Against all odds and with relentless effort for 3 years we can now say that we have been able to steer the Bank out of the stormy waters and can now look forward to giving our honored shareholders, clients and all stakeholders even better performance in future.

The new leadership in the Management Team was guided to review and reconstruct the dysfunctional business model. We reviewed the internal control process and re-established risk management process, corporate governance and accountability. But the task became very tough as most of the tenure was affected by the COVID-19 pandemic where normal course of business stagnated. Necessary policy

changes had to be made to address the volatility of the situation and to ensure balance between life and livelihood, work place safety and seamless business continuity. With greater emphasis on identifying high impact income stream, such as recovery of impaired assets, growing a strong Credit Cards base and reducing cost of deposits by strengthening and deepening Retail, Agent Banking and Islamic Banking, the Bank was able to create a new, robust, impactful and sustainable business model.

I can now say with confidence that we have been able to restore the image of the Bank to a great extent and the combined effort of the Board and the Management has resulted in building the foundation for a sustainable growth. To illustrate the extent of the turnaround achieved by us I would like you, honorable shareholders to look carefully at the comparative figures:

Financial Indicators (in Taka Crores)	2018	2021	Change	
			Volume	%
Total Deposits	23,545	29,837	6,292	26.72%
Loans and Advances	24,107	29,046	4,939	20.49%
Loan Deposit Ratio (AD Ratio)*	91.09%	86.27%		-4.82%
Classified Loans (CL)	7,973	4,111	-3,862	-48.44%
CL % to Total Loans and Advances	33.07%	14.15%		-18.92%
Operating Profit	343.94	662.02	318.08	92.48%
Profit After Tax	4.32	71.68	67.36	1,559.69%
Earnings Per Share	0.05	0.86	0.81	1,559.25%
P/E ratio	547.39	17.59	-529.80	-96.79%
Net Asset value per share	27.10	29.08	1.98	7.31%
Cost Income Ratio	64.44%	48.28%		-16.16%
Cost of Fund	8.64%	6.76%		-1.88%
Return on Assets	0.01%	0.16%		0.15%
Return on Equity	0.08%	2.31%		2.23%
Assets Utilization Ratio	66.61%	86.12%		19.51%
CRAR (Consolidated)	10.48%	11.42%		0.94%
Credit Rating	A2	AA-	Two Notches up	

* Calculated as per Bangladesh Bank Guidelines

However, for a sustainable growth of the Bank in the future there is a caveat - *This will only be possible if we have supportive Capital Adequacy Policy that looks to enhance the Bank's ability to grow its Lending Assets and increase revenue.* If we look at our CRAR it is now slightly below the recommended level which means our ability or capacity to grow our lending assets is limited. Therefore, to sustain our growth trajectory this issue must be addressed.

I now want to mention some of the economic variables which is having significant impact on business-

We know that just before the Russian invasion of Ukraine, global economy was recovering from the COVID-19 outbreak. But the situation changed drastically and the global economy is now experiencing another major shock. The invasion of Ukraine has not only triggered a humanitarian disaster but it tightened global financial conditions; borrowing costs have increased, particularly in emerging market and

developing economies. In response to inflationary pressures and uncertainty, all the countries are taking conservative policy accommodation. Against this backdrop, the global growth is projected to slow down from 5.7 percent in 2021 to 2.9 percent in 2022 and average 3 percent in 2023-24. Global consumer price inflation has climbed higher around the world and is above central bank targets in almost all countries. Inflation is projected to remain elevated for longer and at higher levels than previously assumed.

In case of Bangladesh, the economy has been consistently performing well with above 6 percent GDP growth since FY 2010-11 to up until COVID-19 outbreak. The growth rate was elevated to 8.15 percent in FY 2018-19. Unfortunately, the country's economic growth was slowed due to negative impact of the COVID-19 pandemic. According to Bangladesh Bureau of Statistics (BBS) Bangladesh registered a GDP growth of 6.94 percent in FY21. In December 2021 inflation rate was 6.05 percent on point to point basis and foreign exchange reserve stood at USD 46.15 billion. For controlling the recent volatility in the foreign exchange market Bangladesh Bank released part of its reserve into the market because of which the total reserve came down to USD 42 billion. Within the year there was no change in policy rates, Cash Reserve Ratio (CRR) was 4.00 percent, bank rate was 4.00 percent and repo rate was 4.75 percent. Concern is that, the United States and its Western allies have imposed a number of economic sanctions on Russia. To disrupt the banking and international trade of Russia, cross-border payment network banned different banks including the Central Bank of Russia. With no signs of diplomatic activity to end the hostilities between Russia and Ukraine, the global economic implications will become much more severe. Export earnings of Bangladesh from Russia and Ukraine are near about 2% of the total export earnings of Bangladesh. If the conflict between Russia and Ukraine continues, Bangladesh may be deprived of these export earnings. On the other hand, Bangladesh mainly imports wheat, edible oil, fertilizers and chemicals, steel or aluminum, and many more from Russia. As the war has made it difficult to import these essential commodities, prices of these commodities have also increased. Apart from these, major funding of Rooppur Nuclear Power is provided by Russia's VB Bank which has now been banned by the Western countries. However, the positive thing is that three major development projects of the country including Padma Bridge, Metrorail and Karnaphuli Tunnel are ready to launch. These projects will accelerate the economic growth of Bangladesh, specially living standard of the country's southern part will be upgraded. Accordingly, the Government set a GDP growth of 7.5% for the next fiscal year.

In this economic backdrop; strong steps towards the bank's reduction of NPL has been progressing where BDT 7,973 crore of 2018 has reduced to BDT 4,111 crore in 2021. Thus, CL ratio for the same period improved to 14.15% from 33.07%. Still the number is too high and obviously remains a major concern for the Bank. The

Bank successfully completed issuance of Additional Tier-I equivalent Perpetual Bonds of 540 crore. In 2021, the Bank was able to maintain its operating profit of BDT 662 crore, and Profit after Tax stood at BDT 71.68 crore compared with BDT 39.43 crore in last year. Balance sheet size of the Bank stood at BDT 41,336 crore in December 2021, which is BDT 2,447 crore higher than the last year. LD ratio and other liquidity ratios were within prescribed limit. With a financially healthy balance sheet, strong corporate governance, robust risk management framework and a highly revamped and dedicated management team, we are on the path towards sustained long term profitability and growth, subject to our concurrent Capital Adequacy needs being met. Apart from doing business, we are, as always, doing our bit in addressing the basic social needs, promoting arts, culture and sports through our CSR activities.

Dear Shareholders,

Taking all the variables in mind, the Board recommended 5% dividend for the year 2021 (3% stock and 2% cash) for your approval in the Annual General Meeting and on behalf of the Bank I would like to express my gratitude for your support and trust. While our very special thanks goes to the sponsors of the Bank, I would like to take this opportunity to express our sincere appreciation to all our regulators, customers, and the media for their cooperation. I must also thank all our employees for their continued support and trust and most importantly the shareholders and customers of the Bank.

Finally, I will take just a few moments, first to thank and then to seek your prayers for my future well being as I have decided that I will not seek reelection to the Board. Therefore, this is my final appearance as your chairman in an AGM. With deep humility I thank you all for the support and confidence you have showed in my leadership. I would like to specially mention Mr. M. Morshed Khan, the Founding Chairman; it was at his request that I joined the Board. I would also like to mention the Governor of Bangladesh Bank, the Chairman of Bangladesh Securities and Exchange Commission, Bangladesh Association of Banks, its Chairman and all the members, past Chairman of AB Bank Mr. Faisal Morshed Khan, the regulators, the print and electronic media, my colleagues and fellow members of the Board, the Managing Director and every single member of our staff and finally and most importantly; honorable shareholders and customers of the Bank.

THANK YOU VERY MUCH!

KHUDA HAFEZ.



Muhammad A. (Rume) Ali
Chairman

MESSAGE FROM THE DESK OF PRESIDENT AND MANAGING DIRECTOR



Dear Shareholders,

As-salamu alaikum

It gives me immense pleasure to present the Annual Report 2021 of the Bank, while we proudly celebrate 40 years of banking services in the country with a tagline “গ্রাহক আস্থার ৪০ বছর”. Year 2021 was a very special one as the entire nation celebrated the golden jubilee of its independence and the birth centenary of Bangabandhu Sheikh Mujibur Rahman, Father of the Nation. Over the last five decades, Bangladesh overcame enormous economic hurdles and took itself to a position where developing countries are taking us as a ‘role model’ for economic growth. Today, our economic performance is defined as ‘Bangladesh Surprise’. Behind these economic developments, the banking sector in Bangladesh has been playing a pivotal role as more than 80 percent of all economic activities are being routed through banks. Besides financing public and private sector projects, banks are also facilitating international trade and service payments, generating employment, growing foreign remittance services, strengthening the rural economy, developing the housing sector, etc. As a pioneer in the banking industry of Bangladesh, AB is proud to be associated with these economic developments of the country for more than 40 years.

Honorable Shareholders,

The last few years COVID-19 pandemic has affected the economic and social well-being of the world in many ways; these include - slowdown in economic activities, significant loss of jobs, sharp decline in exports and increased poverty. The global economy is currently recovering from this pandemic but the process of recovery is very challenging to say the least. However, according to Global Economic Prospect Report of the World Bank, global economic growth rate was 5.7 percent in 2021 and the growth rate forecast for 2022 and 2023 is 2.9 percent and 3.0 percent respectively. According to the Asian Development Bank, strong exports along with high domestic demand will keep the Developing Asia’s growth rate strong at 5.2% in 2022 and 5.3% in 2023.

Economic Backdrop:

According to the Bangladesh Bureau of Statistics (BBS) the country managed to register 6.94 percent GDP growth with actual GDP being \$416 billion in FY21. The per capita income also increased to \$2,591 from \$2,024 in the same period. To keep the economy going the government also

announced 28 stimulus packages worth of BDT 1.35 trillion. According to Bangladesh Bank, in December 2021 the inflation rate was 6.05 percent on point to point basis. The government's continuous effort to keep the food supply chain uninterrupted during COVID-19 pandemic worked very well which also helped to keep the inflation under control. The government also took massive vaccination programs which successfully managed to restrict the death rate and spread-out of the disease at a minimal level. These initiatives of the government have been very well appreciated by the leaders across the world.

According to the World Bank, although Bangladesh economy is steadily recovering after the COVID-19 pandemic, we are still facing tremendous challenges to sustain this road to recovery. At the end of December 2021 the country's foreign exchange reserve stood at USD 46.15 billion. During the same period, the weighted average interest rate stood at 7.18 percent for credits and 3.99 percent for deposits. The gap between weighted average interest rate of credit and deposit (spread) at that time reached at 3.19 percent. Throughout the year, policy rates were static - Cash Reserve Ratio (CRR) was 4.00 percent, Bank Rate was 4.00 percent and Repo Rate was 4.75 percent. Since last quarter of 2021, the import has increased significantly which created pressure in our foreign currency reserve. The recent Russia's invasion of Ukraine has heightened the issue even further. Under these scenario, Bangladesh Bank took several measures like imposing stricter controls on import of less necessary and luxury items.

Business Performance:

We have redefined our business model taking into cognizance of COVID-19 and adopted, transformed and innovated our drivers of growth. We prioritized our businesses to achieve a sustainable development. In 2021, the Bank registered an operating profit of BDT 662 crore. After maintaining required provisions, Profit after Tax stood at BDT 71.68 crore in 2021 compared to BDT 39.43 crore in 2020. We are proud to say that our deposits stood at BDT 29,808 crore in December 2021, which was BDT 753 crore higher than last year. Classified loans were reduced to 14.15% from 16.79% of last year. Apart from these, Capital to Risk Weighted Assets Ratio increased to 11.42% in 2021 from 11.33% in 2020. During the year both Bangladesh Securities and Exchange Commission and Bangladesh Bank gave their consent to issue Additional Tier-I capital equivalent perpetual bonds of BDT 600 crore. Accordingly, we have successfully completed the private issue portion while public issuance subscription

process is ongoing. AB was able to maintain Loan Deposit (LD) Ratio within prescribed limit of Bangladesh Bank guidelines (below 87%). Other liquidity parameters like Liquidity Coverage Ratio (LCR) and Net Stable Funding Ratio (NSFR) of the Bank were well above the regulatory requirements. The Credit rating of the Bank also stood at Bangladesh Bank Rating Grade-1.

Dear Shareholders,

We are continuously improving with innovative products to provide better solutions to the business needs of our customers. We have introduced one stop customer services '360 Degree' aimed to facilitate all the services at a single point. We have upgraded the core banking solutions and are continuously upgrading different IT platforms to provide state of the art services with enhanced security. The newly formed Senior Management Team has established new system and processes to ensure accountability and to safeguard your interest. We are also working strongly to bring efficiency in terms of human resource which always remains the very heart of any organizations.

Dear Shareholders,

Bangladesh is now setting the stage for further economic growth and job creation by ramping up investments in energy, inland connectivity, urban projects and transport infrastructure, as well as prioritizing climate change adaptation and disaster preparedness on its path toward sustainable growth. We as a nation, are expecting to see our dreams come true with the inauguration of the Padma Bridge in June 2022, the dream project of the Father of the Nation – Bangabandhu Sheikh Mujibur Rahman. Metrorail and Karnaphuli Tunnel, another two mega projects are in the way. These projects will definitely going to accelerate the economic growth of the country. In addition to creating new jobs, these projects will add 2 percent to the growth of GDP. For accelerating these economic growth current infrastructure-mega-projects are vital. For the developing country like us, sound economic growth is usually required both for capital accumulation to fund the mega projects and to earn the benefits of these projects for boosting the growth rate. It is expected that these large infrastructural undertakings and mega projects would transform the country's communications, transportation, ports and energy scenario by 2030 and help the country to achieve the target of the 'Prospective Plan- 2041'.

Honorable Shareholders,

Based on the financials of 2021, the Board of Directors of the Bank declared 2% cash and 3% stock dividend. We feel that as we grow, our responsibility towards the society grows too. Our commitment is to contribute to the society for improving the lives of people, particularly the segment who are underprivileged and less fortunate in terms of basic needs and remain alongside as sincere benefactor of the country's rich heritage of arts, culture and sports.

It should be noted that at AB Bank human resources continue to be the most important asset. The quality of their output forms the basis of the institution's overall performance resulting in its goodwill. Based on the Covid-19 situation in the country we conducted several capacity building and skill development programs for our employees through virtual trainings, some also by way of physical presence as well. We believe in diversity and therefore, we consciously employ talented, self-motivated and pro-active candidates from diverse backgrounds for ensuring creativity, innovation and value-addition to the banking industry.

I want to thank all my colleagues who are working hard to continuously improve our services for the customers, increase business value propositions and abet betterment of the community as a whole. I also extend my sincerest gratitude to our valued customers, shareholders and stakeholders for their continued support and trust in us, the regulators for their guidance and our Board of Directors for their pragmatic vision, valuable advice and leadership.

Thank you.



Tarique Afzal
President and Managing Director



BOARD OF DIRECTORS

Sitting from left : Tarique Afzal, Muhammad A. (Rumeen) Ali and Feroz Ahmed

Standing from left : Shajir Ahmed, Md. Maqsoodul Huq Khan, Khairul Alam Choudhury and Shafiqul Alam

COMPOSITION OF THE BOARD AND COMMITTEES



BOARD OF DIRECTORS

Chairman

Muhammad A. (Rumee) Ali

Directors

Feroz Ahmed
Shajir Ahmed
Khairul Alam Choudhury
Md. Maqsubul Huq Khan

Independent Director

Shafiqul Alam

President and Managing Director

Tarique Afzal



AUDIT COMMITTEE

Chairman

Shafiqul Alam

Members

Shajir Ahmed
Md. Maqsubul Huq Khan



RISK MANAGEMENT COMMITTEE

Chairman

Shafiqul Alam

Members

Feroz Ahmed
Md. Maqsubul Huq Khan



EXECUTIVE COMMITTEE

Chairman

Feroz Ahmed

Member

Khairul Alam Choudhury



SHAHRIAH SUPERVISORY COMMITTEE

Chairman

Justice Siddiqur Rahman Miah

Members

Tarique Afzal
Feroz Ahmed
Kaiser A. Chowdhury
Najmul Ehsan
Iftexhar Enam Awal
Muhammad Musa



COMPANY SECRETARY (IN-CHARGE)

Md. Jasim Uddin ACS



AUDIT COMMITTEE

From left: Md. Maqsudul Huq Khan, Shafiqul Alam and Shajir Ahmed



RISK MANAGEMENT COMMITTEE

From left: Md. Maqsudul Huq Khan, Shafiqul Alam and Feroz Ahmed



EXECUTIVE COMMITTEE

From left: Khairul Alam Choudhury and Feroz Ahmed

DIRECTORS' PROFILE



Muhammad A. (Rumee) Ali

Chairman

Mr. Muhammad A. (Rumee) Ali is an iconic banker with extensive and wide-ranging experience as CEO, Board Member, and Chairman of several institutions.

He started his career with ANZ Grindlays Bank (Bangladesh) in 1975 after completing his Masters in Economics from Dhaka University. In 1997, he was the first Bangladeshi to be appointed as the CEO of the Bank's Bangladesh operations. After acquisition of this bank by Standard Chartered Group in 2000, he was selected to be the first CEO of the combined operations of these two banks as Standard Chartered Bank.

In November, 2002 he joined Bangladesh Bank as Deputy Governor and was responsible for driving the regulatory reforms in the country's banking sector, especially in the Risk Management and Corporate Governance areas. He, very successfully, worked as a central banker for four years.

He has repeatedly proven himself to be an eminently capable leader in a number of high profile executive appointments. Mr. Rumee Ali served as

Managing Director, Enterprises and Investments at BRAC. During this period he was Chairman of BRAC Bank Ltd. and founder Chairman of bKash Limited, the first mobile financial service in Bangladesh. He has also served as a member of the Board of BRAC and BRAC International.

In the past he served on the boards of Alliance for Bangladesh workers Safety (USA), Global Alliance for Banking on Values and Performance Based Funds Initiative of IFC/World Bank Washington, PKSF Bangladesh. He was made a Fellow of the Institute of Bankers, Bangladesh in 2001. In addition, he has participated in many international forums as key-note speaker and panelist.



Feroz Ahmed

Director

Mr. Ahmed is the Chairman of Elite Paint and Chemical Industries Ltd., Hexagon Chemical Complex Ltd. and Managing Director of Elite International Ltd., Ahmed Securities Services Ltd. and FDN Energy Ltd. among others. Apart from business activities, Mr. Feroz is also involved with various Socio-Cultural, Philanthropic and Sports organizations. He was associated with the Bangladesh Cricket Board (BCB) as its AD-HOC Executive Committee Member. He is also a Member, Board of Trustees, Chittagong Independent University, life member of Chittagong Zila Krira Sangstha and member of the Chattogram Mohanagari Krira Sangstha. He is a life member of Red Crescent Society, Chattogram, Maa O Shishu Haspatal, Chattogram.



Shajir Ahmed

Director

Mr. Shajir Ahmed completed his Bilingual Diploma degree on International Baccalaureate (IB) from United World College of South East Asia, Singapore. Following which, he graduated in Business Management from Kings College London under University of London in 2008. In 2009, he started his first job as a Central Accounts Officer in Habib Bank AG Zurich, Dubai.

Upon Mr. Ahmed's return to Bangladesh in 2010, he joined his family business as the Director of Elite Paint and Chemical Industries Limited, a pioneer manufacturer of different graded paints in Bangladesh. At present, Mr. Ahmed is the Managing Director of Super Silica Bangladesh Limited and the Director of Super Tel Limited, Super Sea Fish (Pvt.) Limited, Elite Super Plastic Ind. (Pvt.) Limited, Super Shares and Securities Limited., Elite Food Industries Limited, Broast Foods Ind. (Pvt.) Limited and Aurora Decor Limited.

Mr. Ahmed also holds the position of Deputy Managing Director of Super Refinery (Pvt.) Limited, the first Natural Gas Condensate Refinery in the private sector since June 01, 2006 till date.



Khairul Alam Choudhury
Director

Mr. Khairul Alam Choudhury, Barrister-at-Law is a Director of AB Bank Limited. He graduated from University of Wolver Hampton, UK in 2001. Thereafter, Mr. Choudhury obtained his post-graduation from the City University, UK in 2002 and was also called to the Bar from Lincoln's Inn, London in 2002. Mr. Choudhury is a practicing lawyer of the Supreme Court of Bangladesh.



Md. Maqsudul Huq Khan
Director

Mr. Maqsudul H. Khan is a Supply Chain and Compliance professional. Currently he is working as General Manager, Supply Chain and Commercial Division of Millennium Automotive Group which deals with importation and/or assembling of brand new Nissan, Jaguar, Land Rover, Hyundai and SsangYong vehicles in Bangladesh. Prior to joining Millennium Automotive Group, he worked for Bureau Veritas, a renowned French multi-national conglomerate for a long time. He has a long professional career in Operations, Compliance and Legal Affairs. He also worked as Head of International Trade Division (ITD) of a multi-national organization (BVQI) which is the global leader in Quality Assurance, Health, Safety and Environmental Solutions.

He has achieved International Diploma in Supply Chain Management from ITC-UNCTAD/WTO, Geneva. He also completed Certified Supply Chain Professional (CSCP) course from American Production and Inventory Control Society (APICS). Before that he obtained Masters in Business Administration (MBA) and Bachelor of Laws (LLB).



Shafiqul Alam
Independent Director

Mr. Shafiqul Alam joined AB Bank as Independent Director with effect from September 07, 2020. Mr. Alam, a seasoned banker having 40 years of banking experience served in different Senior Management Positions in local and multinational banks. He obtained his M.Sc degree from the University of Dhaka. Mr. Alam started his career with ANZ Grindlays Bank (Bangladesh) in 1980, and served Prime Bank, First Security Islami Bank, United Commercial Bank and during 2013-2019 he was Managing Director and CEO of Jamuna Bank.



Tarique Afzal
President and Managing Director

Mr. Tarique Afzal joined AB Bank in 2018 as Deputy Managing Director – Head of Corporate, Legal and Regulatory Affairs. Subsequently he has been appointed as the President and Managing Director with effect from July 08, 2019.

Prior to joining AB Bank he was the Chief Executive Officer of Sonali Polaris Financial Technology Limited a joint venture of Sonali Bank and Polaris, India.

Mr. Tarique Afzal, to his credit, has impressive overseas work experiences and worked in London during the late 1980s and in Credit Union in Canada, later served in ANZ Grindlays Bank and Standard Chartered Bank in Bangladesh.

He also worked in Bank Alfalah, BRAC Bank and served as the CEO for Dun and Bradstreet Rating Agency in Bangladesh.

His core competencies are creating new business streams, operational efficiency, performance improvements and regulatory relationships.



CORE SENIOR MANAGEMENT TEAM

Sitting from left: Md. Aminur Rahman, Mahmudul Alam, Tarique Afzal, Syed Mizanur Rahman and Khandaker Anwar

Standing from left: Iftekhar Enam Awal, M. N. Azim, K. M. Mohiuddin Ahmed, Z. M. Babar Khan, Shabbir Huda and Golam Mahmud Rizvi

SENIOR MANAGEMENT TEAM

Tarique Afzal President and Managing Director	Chairman
Najmul Ehsan Chief of Credit Review and Process Management	Member
Mahmudul Alam, DMD Head of Credit	Member
Syed Mizanur Rahman, DMD Head of Relationship, Agent and Islamic Banking	Member
K. M. Mohiuddin Ahmed, DMD Chief Financial Officer	Member
Md. Aminur Rahman, SEVP Head of Operations (Acting)	Member
Z. M. Babar Khan, SEVP Head of Credit Risk Management	Member
Iftekhar Enam Awal, SEVP Head of Business - Corporate and SME	Member
M. N. Azim, SEVP Head of Financial Institutions and Treasury	Member
Golam Mahmud Rizvi, SEVP Head of Business-2	Member
Md. Jahangir Alam, SEVP Deputy Chief Risk Officer and CAMLCO	Member
A.K.M Kamal Uddin, SEVP Head of SAM	Member
Shabbir Huda, EVP Head of HRMD (Acting)	Member
Sheikh Md. Reajul Islam, EVP Head of Treasury Back Office	Member
Mohiuddin Ahmed Chowdhury, EVP Head of DICC (Acting)	Member
Major Sk Md Yousuf Reza (Retd), EVP Head of General Services, Security and Procurement	Member
Khandaker Anwar, SVP Head of IT (Acting) and e-Biz operations	Member



INVESTOR RELATIONS

FORWARD LOOKING STATEMENT

Annual Report for the year 2021 contains actual facts and where applicable statements based on assumptions, estimates, beliefs and future expectations. Such forward looking statements may include but not limited to future plan, performance, growth of business, profitability and cash flow of the Bank which are subject to known and unknown risks. Actual performance or results may materially differ from original plan, assumptions, estimates or expectations expressed or implied in forward looking statements. Therefore, undue reliance should not be placed on such statements for making any decisions, transactions or investments with the Bank. Bank does not guarantee in anyway that the expressions made or implied in forward looking statements would be materialized.

Bank does not also take any responsibility to update, modify or revise any forward looking statements contained in this Annual Report irrespective of whether those are changed by any new events, information or future development or by any other factors.

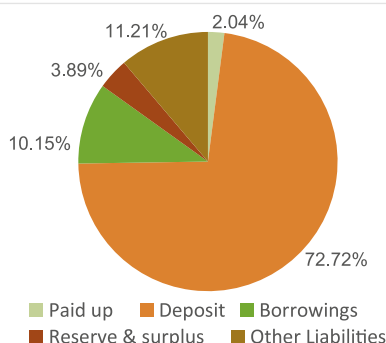


SHAREHOLDERS' INFORMATION

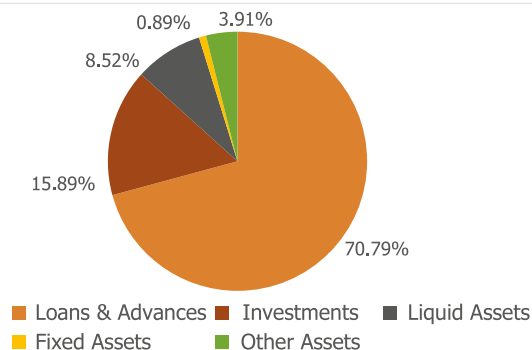
In Crore Taka

Particulars	AB Bank Limited			Consolidated		
	2021	2020	% Growth	2021	2020	% Growth
At the year-end						
Total Assets	41,032	38,609	6.3%	41,336	38,889	6.29%
Loans and Advances	29,046	27,483	6%	29,904	28,290	6%
Deposits	29,837	29,072	3%	29,808	29,055	3%
Equity	2,431	2,449	-1%	2,556	2,568	0%
Investments	6,521	6,376	2%	6,570	6,442	2%
Performance during the year						
Interest Income	2,038	2,429	-16%	2,060	2,443	-16%
Operating Profit	613	647	-5%	662	665	0%
Provision for loans and others	433	514	-16%	466	532	-12%
Profit before tax	181	132	37%	196	133	48%
Provision for tax	116	93	25%	125	94	33%
Profit after tax	64	39	64%	72	39	84%
Statutory Ratios						
Liquid Assets	27.93%	25.58%		27.93%	25.58%	
Capital adequacy ratio	10.74%	10.84%		11.42%	11.33%	
Share information						
Earnings per share (Taka)	0.77	0.47	64%	0.86	0.47	82%
Dividend:	5%	5%				
Stock Dividend (Proposed)	3%	5%		-	-	-
Cash (Proposed)	2%	-		-	-	-
Net Asset Value per share (Taka)	29.08	29.30	-1%	30.59	32.26	-5%
Ratios						
Classified Loan	14.15%	16.79%		13.75%	16.31%	
Return on Assets (ROA)	0.16%	0.10%		0.18%	0.10%	
Return on Equity (ROE)	2.63%	1.65%		2.80%	1.59%	

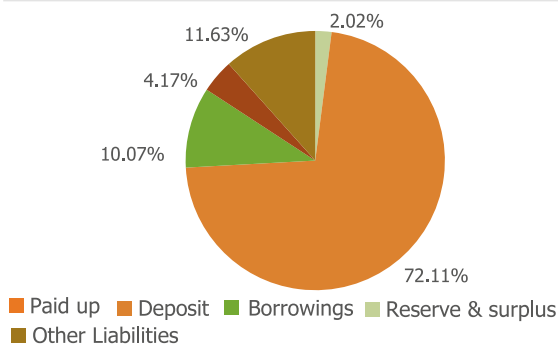
Constituents of Liabilities & Capital AB- 2021



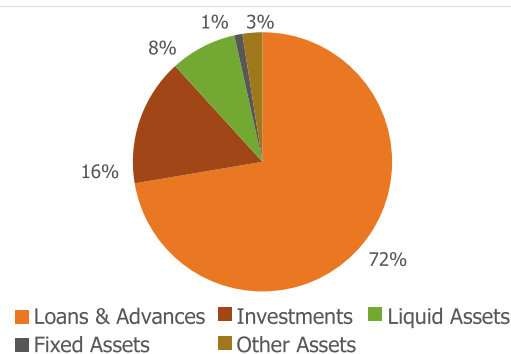
Constituents of Assets AB- 2021



Constituents of Liabilities & Capital Consolidated 2021



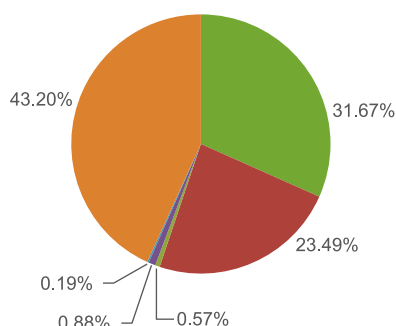
Constituents of Assets Consolidated 2021



SHAREHOLDERS' PATTERN

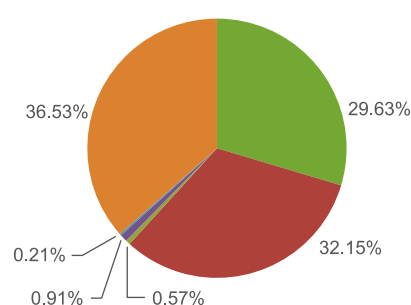
Particulars	Number of Shares		% of Shares	
	2021	2020	2021	2020
Sponsors and Directors	264,707,703	235,827,577	31.67%	29.63%
Local Institutions	196,315,507	255,957,105	23.49%	32.15%
Govt. of Bangladesh	4,791,108	4,562,961	0.57%	0.57%
Foreign Institutions	7,316,415	7,205,885	0.88%	0.91%
Non-resident Bangladeshi	1,617,502	1,674,427	0.19%	0.21%
General Public	361,090,436	290,808,875	43.20%	36.53%
Total	835,838,671	796,036,830	100%	100%

Year : 2021



■ Sponsors & Directors
 ■ Local Institutions
 ■ Govt. of Bangladesh
 ■ Foreign Institutions
 ■ Non-resident Bangladeshi
 ■ General Public

Year : 2020

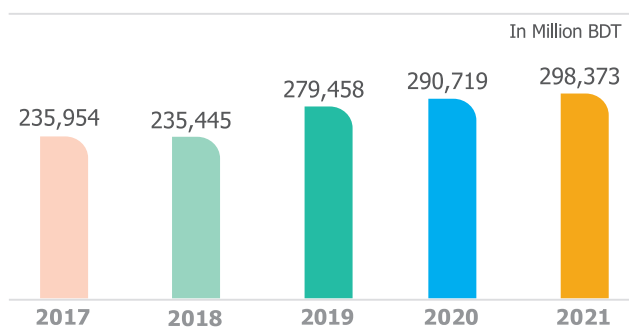


■ Sponsors & Directors
 ■ Local Institutions
 ■ Govt. of Bangladesh
 ■ Foreign Institutions
 ■ Non-resident Bangladeshi
 ■ General Public

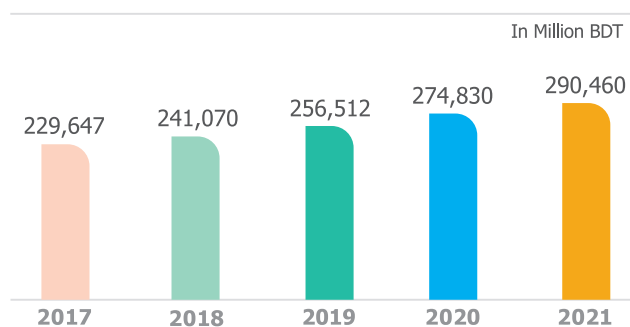
Name of Director	Status	No. of Shareholding including nominating institution/individual	
		31.12.2021	31.12.2020
Mr. Muhammad A. (Rume) Ali Nominated by Pacific Traders Limited	Chairman	83,454,592	79,480,564
Mr. Feroz Ahmed	Director	17,342,538	16,516,704
Mr. Shajir Ahmed Nominated by Hexagon Chemical Complex Ltd.	Nominated Director	22,894,393	21,804,184
Mr. Khairul Alam Choudhury Nominated by Pacific Industries Limited	Nominated Director	81,758,976	77,865,692
Mr. Md. Maqsubul Huq Khan Nominated by Emkay Holdings Limited	Nominated Director	17,088,750	16,275,000
Mr. Shafiqul Alam	Independent Director	-	-
Mr. Tarique Afzal	President and Managing Director	-	-

GRAPHICAL PRESENTATION

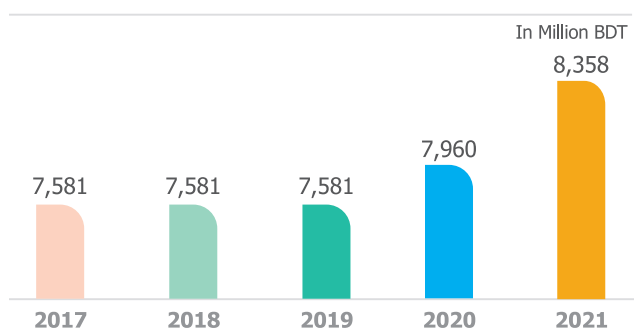
Total Deposit



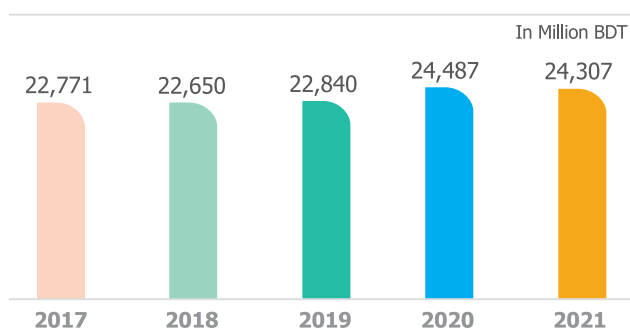
Total Loan & Advances



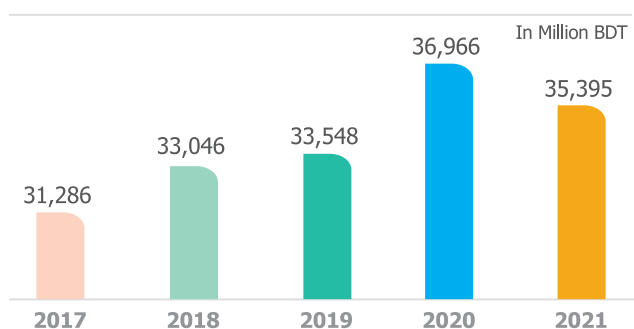
Paid-up Capital



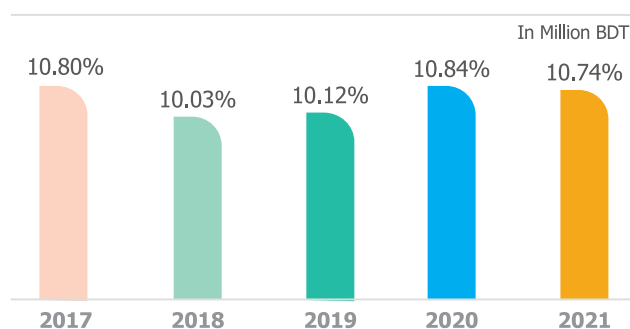
Equity



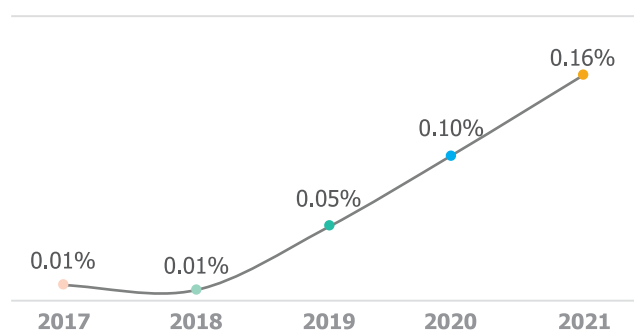
Total Capital



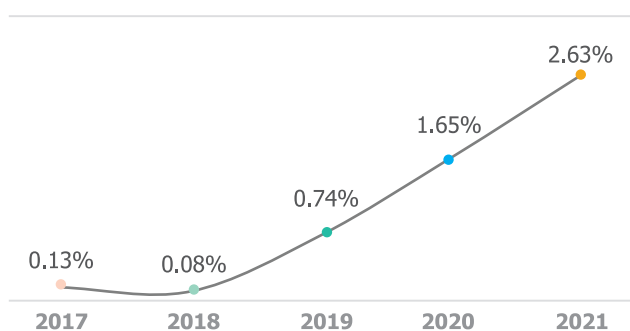
Capital To Risk Weighted Assets Ratio



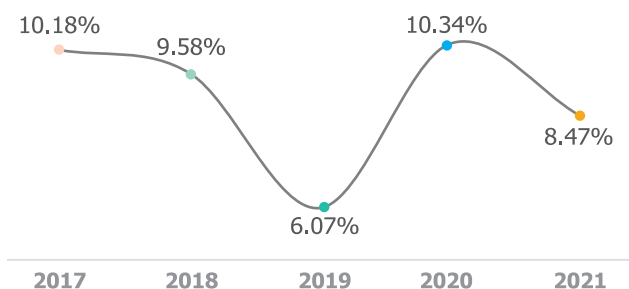
Return on Assets (ROA)



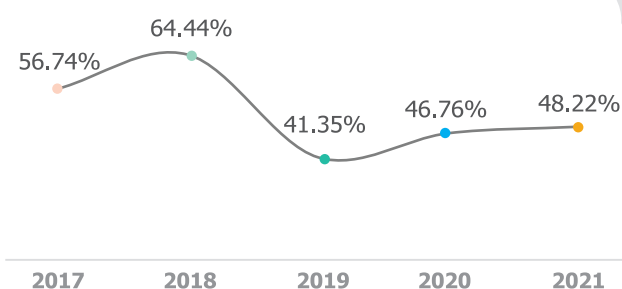
Return on Equity (ROE)



Return on investment (ROI)



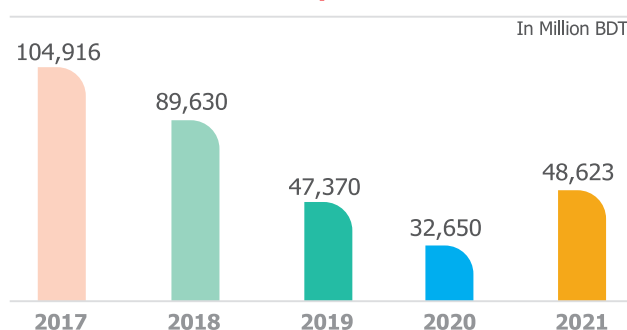
Cost Income Ratio



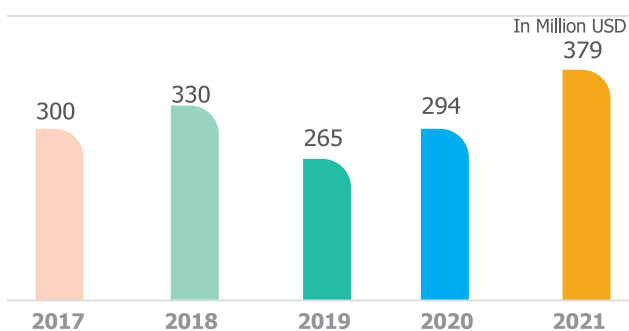
Export



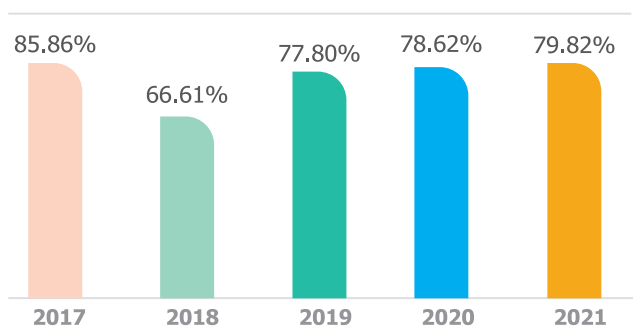
Import



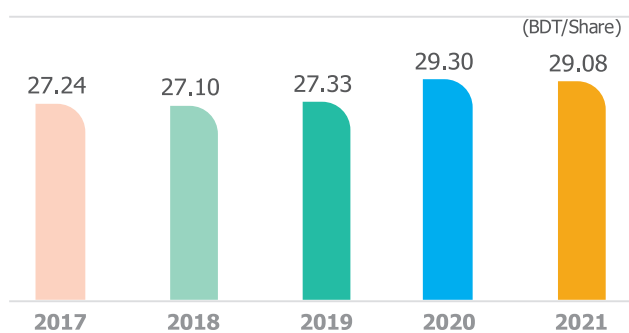
Remittance



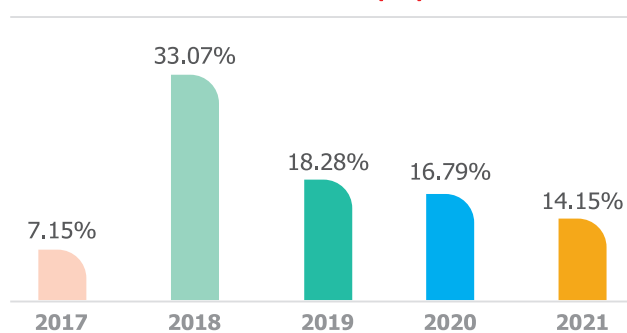
Assets Utilization Ratio



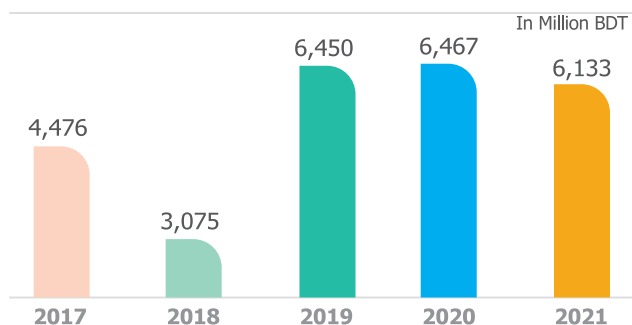
Net Asset Value



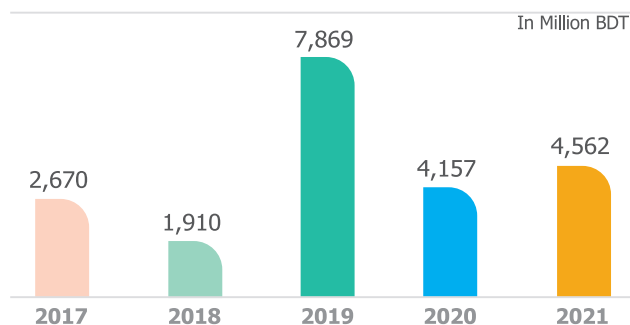
Classified Loans (CL) Ratio



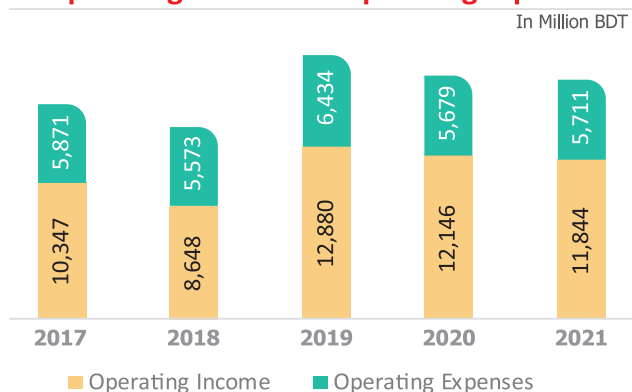
Operating Profit



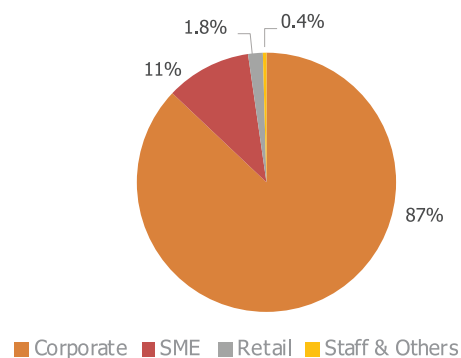
Net interest margin



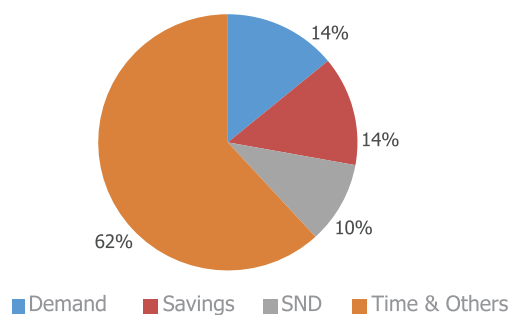
Operating Income vs. Operating Expenses



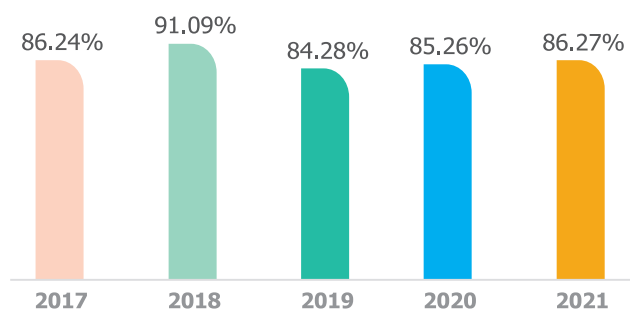
% of Loan Mix



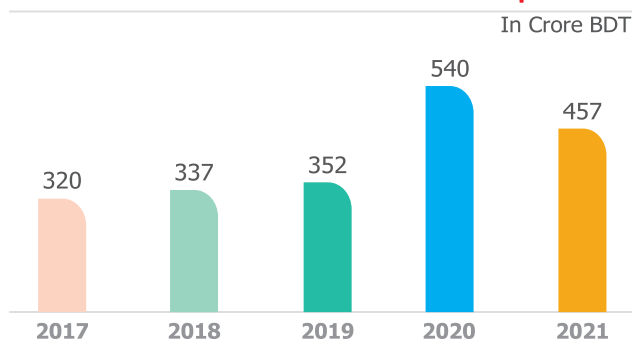
% of Deposit Mix



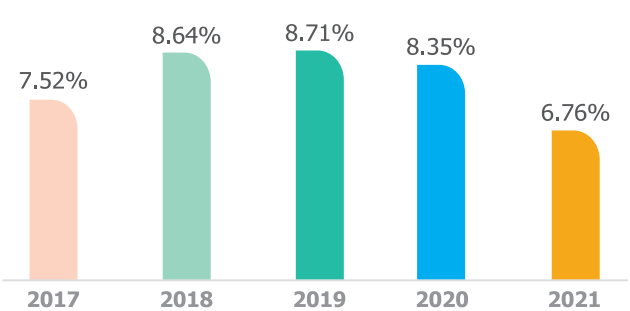
Loan Deposit (LD) Ratio



Contribution to National Exchequer



Cost of Fund



LAST 10 YEARS' PERFORMANCE

In Million Taka

Particulars	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Balance Sheet										
Cash and bank balances	30,619	25,294	25,121	19,611	21,768	24,265	21,744	20,436	17,338	18,499
Investments	65,215	63,761	61,579	43,594	45,749	48,187	32,559	30,779	28,676	26,115
Money at call and short notice	4,351	2,500	4,776	1,429	1,170	6,806	5,284	3,863	2,251	3,672
Loans and advances	290,460	274,830	256,512	241,070	229,647	218,769	209,725	177,571	140,121	106,066
Fixed assets	3,632	4,489	4,871	3,543	4,113	4080	4,201	4,405	4,173	4,230
Other assets	15,706	14,877	12,366	12,936	12,117	12,728	11,496	9,277	15,446	15,261
Non Banking Assets	334	334	343	343	-	-	-	-	-	-
Total assets	410,317	386,086	365,569	322,526	314,565	314,836	285,010	246,331	208,006	173,842
Borrowings	29,832	19,108	14,820	18,272	21,871	15,454	23,693	10,977	9,987	3,649
Bonds	11,810	9,350	7,400	8,700	6,000	6,500	6,500	2,500	-	-
Deposits	298,373	290,719	279,458	235,445	235,954	245,641	213,819	198,189	161,846	140,026
Other liabilities	45,995	42,422	41,050	37,458	27,968	24,126	18,206	15,351	19,232	14,133
Equity	24,307	24,487	22,840	22,650	22,771	23,114	22,792	19,314	16,940	16,034
Total liability and SH's equity	410,317	386,086	365,569	322,526	314,565	314,836	285,010	246,331	208,006	173,842
Total contingent liabilities	42,323	59,191	47,836	57,209	65,451	73,479	68,649	77,069	83,217	59,590
Loan Deposit Ratio*	86.27%	85.26%	84.28%	91.09%	86.24%	83.67%	96.80%	89.60%	86.58%	75.75%
Interest earning assets	327,506	303,276	284,417	214,825	270,093	272,625	249,985	215,691	175,978	144,167
Non-Interest earning assets	82,811	82,486	81,151	107,701	44,472	42,211	35,026	30,640	32,028	29,676
Profitability										
Net interest margin	4,562	4,157	7,869	1,910	2,670	2,837	4,279	6,079	3,780	3,123
Operating income	11,844	12,146	12,884	8,648	10,347	11,018	10,582	12,155	9,755	8,435
Operating expenses	5,711	5,679	6,434	5,573	5,871	5,999	5,628	5,230	4,465	4,072
Operating profit	6,133	6,467	6,450	3,075	4,476	5,019	4,954	6,925	5,290	4,363
Provision for loans and others	4,327	5,145	5,141	2,519	4,634	3,017	2,195	2,946	2,305	1,173
Profit before tax	1,806	1,322	1,309	556	(158)	2,002	2,759	3,979	2,985	3,190
Provision for tax	1,165	931	1,141	538	(188)	697	1,489	2,719	1,974	1,752
Profit after tax	641	391	168	18	30	1,305	1,270	1,260	1,011	1,439
Cost income ratio	48.22%	46.76%	41.35%	64.44%	56.74%	54.44%	52.86%	43.03%	45.78%	48.27%
Return on investment (ROI)	8.47%	10.34%	6.07%	9.58%	10.18%	13.50%	10.49%	9.68%	10.37%	11.39%
Return on assets (ROA)	0.16%	0.10%	0.05%	0.01%	0.01%	0.44%	0.48%	0.54%	0.53%	0.88%
Return on equity (ROE)	2.63%	1.65%	0.74%	0.08%	0.13%	5.68%	6.03%	6.95%	6.13%	9.31%
Assets Utilization Ratio	79.82%	78.62%	77.80%	66.61%	85.86%	86.59%	87.71%	87.56%	84.60%	82.93%
Cost of fund	6.76%	8.35%	8.71%	8.64%	7.52%	8.06%	9.75%	10.63%	11.82%	12.07%
Earnings Per Share	0.77	0.47	0.20	0.02	0.04	1.56	1.60	1.58	1.27	1.81
Net income per share	0.77	0.47	0.20	0.02	0.04	1.56	1.60	1.58	1.27	1.81

In Million Taka

Particulars	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Other business										
Import	48,623	32,650	47,370	89,630	104,916	115,794	111,245	112,220	125,383	100,373
Export	55,593	46,800	55,110	73,450	75,109	76,052	72,982	77,252	72,571	65,782
Remittance (Mln USD)	379	294	265	330	300	254	280	299	237	217
Equity measures										
Authorized capital	15,000	15,000	15,000	15,000	15,000	15,000	6,000	6,000	6,000	6,000
Paid-up capital	8,358	7,960	7,581	7,581	7,581	6,739	5,990	5,325	4,976	4,423
Capital - Tier I	23,458	19,570	18,712	19,194	19,731	18,703	18,339	16,561	15,570	14,630
Capital - Tier II	11,937	17,396	14,836	13,852	11,556	11,938	9,994	6,238	3,203	2,552
Total capital	35,395	36,966	33,548	33,046	31,286	30,640	28,333	22,799	18,772	17,181
Capital surplus/ (deficit)**	(5,813)	(5,666)	(7,875)	(6,092)	(1,310)	462	2,780	712	1,385	2,532
Statutory reserve	7,485	7,144	6,872	6,623	6,549	6,496	6,111	5,582	5,565	5,005
Retained earnings	4,812	5,687	5,817	5,905	6,012	6,810	6,831	6,768	4,986	5,159
Capital to Risk Weighted Assets Ratio	10.74%	10.84%	10.12%	10.03%	10.80%	10.79%	11.09%	10.32%	10.80%	11.73%
Asset quality										
Total loans and advances	290,460	274,830	256,512	241,070	229,647	218,769	209,725	177,571	140,121	106,066
Classified loans (CL)	41,109	46,155	46,890	79,728	16,409	11,365	6,619	6,856	4,720	3,522
CL ratio	14.15%	16.79%	18.28%	33.07%	7.15%	5.19%	3.16%	3.86%	3.37%	3.32%
Provision for unclassified loan	6,347	11,267	8,286	5,561	4,871	4,099	2,119	1,930	1,707	1,270
Provision for classified loan	20,953	8,958	6,994	5,079	3,862	2,506	2,596	2,924	2,273	1,049
Share information										
Market Price per share (DSE)	13.5	12.10	7.90	12.00	22.10	22.30	20.90	29.90	26.20	33.70
Dividend - %	5***	5.00	5.00	-	-	12.50	12.50	12.50	12.00	12.50
Bonus - %	3.00	5.00	5.00	-	-	12.50	12.50	12.50	7.00	12.50
Cash - %	2.00	-	-	-	-	-	-	-	5.00	-
Price earnings ratio (times)	17.59	25.84	40.43	547.39	624.03	14.29	13.75	19.83	21.66	19.58
Net Asset Value per share (Taka)	29.08	29.30	27.33	27.10	27.24	27.65	27.27	23.11	20.27	19.18
Distribution network										
Number of branches	105	105	105	105	105	104	101	93	89	87
Employee number	2,280	2,202	2,210	2,310	2,354	2,423	2,276	2,220	2,179	2,070
Number of Agent Outlet	150	86	59	23	-	-	-	-	-	-

* Loan-deposit ratio calculation has been done as per Bangladesh Bank guidelines.

** Considering capital conservation buffer @2.5%

*** Recommended by the Board

FINANCIAL CALENDAR



QUARTERLY RESULTS OF 2021

Unaudited results for the 1 st Quarter ended 30 th March 2021	Announced on	April 27, 2021
Unaudited result for the 2 nd Quarter and half-year ended 30 th June 2021	Announced on	July 31, 2021
Unaudited results for the 3 rd Quarter ended 30 th September 2021	Announced on	October 27, 2021
Audited consolidated results for the year ended 31 st December 2021	Announced on	April 26, 2022

39th AGM Information

Price Sensitive Information	April 27, 2021
Record Date	May 19, 2021
Date of AGM- at 4:00 p.m. through Digital Platform	June 10, 2021
Publication of 39 th AGM Notice	May 19, 2021
Annual Report-2020 Dispatch	May 25, 2021
Stock Dividend Credited	June 15, 2021
Cash Dividend Distribution	N/A

40th AGM

Publication of Price Sensitive Information	April 27, 2022
Record Date	May 24, 2022
Publication of notice of the 40 th AGM	June 14, 2022
Date of 40 th AGM – at 12:30 p.m. through Digital Platform	July 06, 2022

STOCK DETAILS

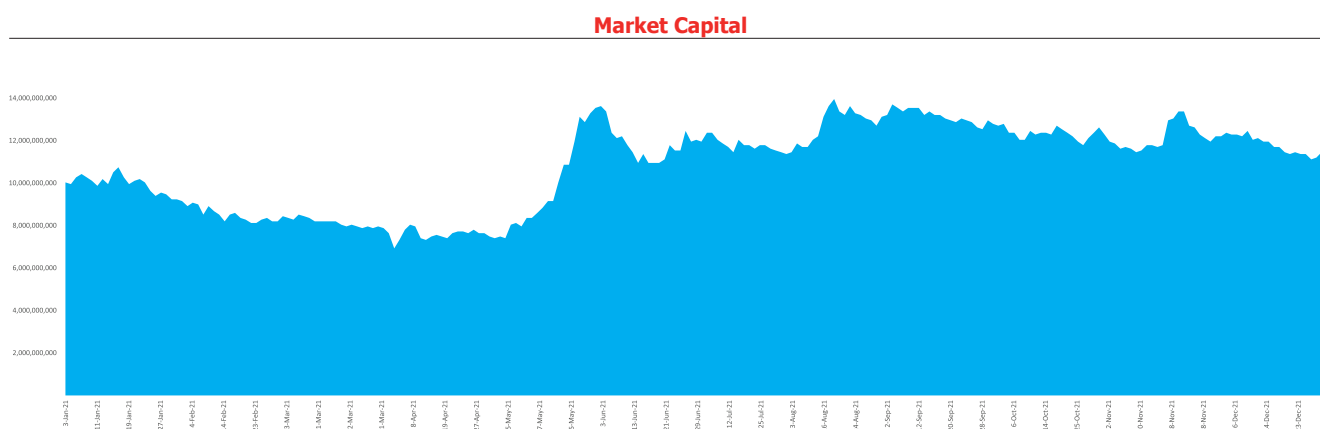
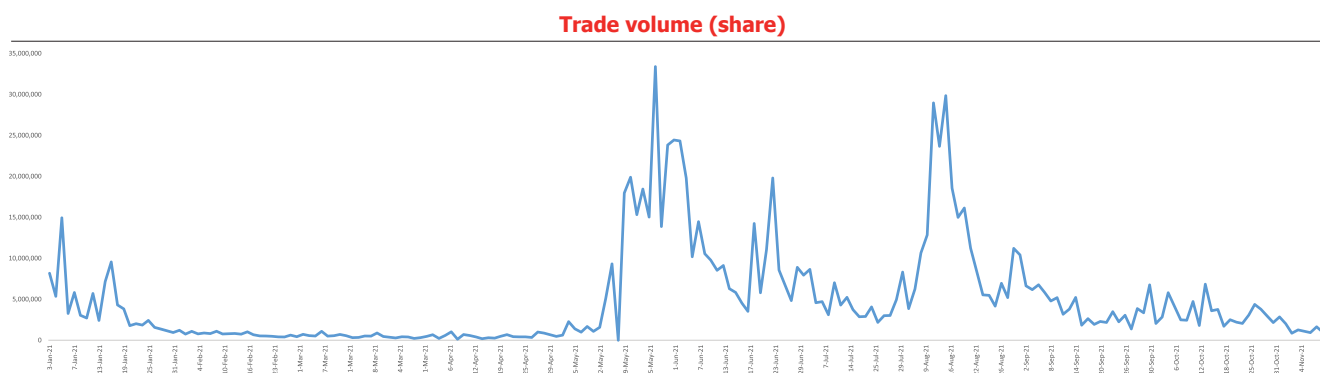
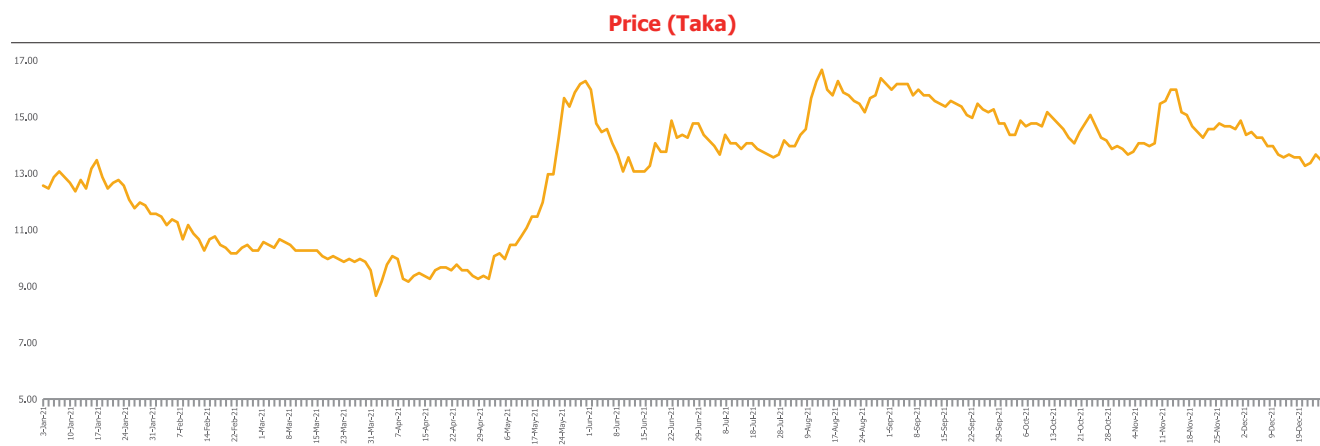
Particulars	DSE	CSE
Stock symbol	ABBANK	ABBANK
Listing Year	28 th December, 1983	21 st October, 1995
Market category	B	B
Electronic share	YES	YES
Face Value (Taka)	10	10
Paid-up Capital	8,358,386,710	8,358,386,710
Market lot	1	1
Total Number of Securities	835,838,671	835,838,671

Availability of Information about Annual Report

Annual Report 2021 and other information is available at <http://abbl.com/investor-relations/>

PRICE TREND OF AB BANK SHARE

Period	January to December 2021
Year End closing	Tk. 13.50
Year High	Tk. 17.40
Year Low	Tk. 8.70
Average Trade Volume (Per Day)	4,674,103 shares
Total Trade Volume	1,121,784,767 shares





NOTICE OF THE 40th (FORTIETH) ANNUAL GENERAL MEETING

Notice is hereby given that the 40th (fortieth) Annual General Meeting (AGM) of AB Bank Limited will be held on **July 06, 2022 (Wednesday) at 12:30 p.m. by using Digital Platform** to transact the following business:

AGENDA

1. To receive, consider and adopt the Audited Financial Statements of the Bank for the year ended 31st December 2021, and the Reports of the Directors and the Auditors thereon.
2. To approve the Dividend for the year ended 31st December 2021.
3. To elect/re-elect Directors.
4. To appoint Auditor for the year 2022 and to fix their remunerations.
5. To appoint Auditor for certification on the compliance on conditions of Corporate Governance Code for the year 2022 and to fix their remuneration.
6. To transact any other business/issue with the permission of the Chairman.

By order of the Board
Sd/-

Md. Jasim Uddin ACS
Company Secretary(In-charge)

Dated: June 14, 2022

NOTES:

- i) **The Record Date: May 24, 2022 (Tuesday).**
The shareholders whose names appeared in the Members/Depository Register under Central Depository System (CDS) on **Record Date** would be eligible to attend/participate and vote at the Annual General Meeting (AGM).
- ii) The Board of Directors have recommended 2% (Two percent) Cash Dividend and 3% (Three percent) Stock Dividend to all the shareholders.
- iii) Pursuant to the Bangladesh Securities and Exchange Commission's revised Order No. SEC/SRMIC/94-231/91 dated March 31, 2021, the AGM will be held using Digital Platform which will be conducted via live webcast
- iv) Link of the meeting and login details will be notified to the respective shareholders email addresses. Full login/participation process for the Digital Platform meeting will also be available at the bank's website: www.abbl.com
- v) Pursuant to the Bangladesh Securities and Exchange Commission (BSEC) Notification BSEC/CMRRCD/2006-158/208/Ad min/81 dated June 20, 2018, the soft copies of the Annual Report 2021 will be sent to the email addresses of the shareholders available in the respective Beneficial Owner (BO) Accounts maintained with the Depository Participants (DPs) in time. The Annual Report 2021 will also be available at the bank's website: <http://abbl.com/investor-relations/>
- vi) The shareholders whose email address and mobile number have been updated/Changed in the meantime are requested to email us at cs@abbl.com mentioning their full name, BO ID, Email Address and mobile number to get the digital platform meeting invitation.
- vii) A shareholder entitled to attend and vote at the AGM may appoint a Proxy to attend and vote in his/her stead. A copy of "Proxy Form", duly signed and affixed with requisite revenue stamp must be sent to the AB Bank Share Division or may send scanned copy (considering Covid-19 pandemic) of the proxies with requisite stamps, as per Stamp Act, to cs@abbl.com, no later than 48 hours before commencement of the AGM.
- viii) Concerned Depository participants (DP)/Merchant Banks are requested to provide us with a list of their margin loan holders who hold AB Bank shares, as on record date with the details of Shareholders' name, BO ID, shareholding position, cash dividend receivable, tax rate etc. (in MS Excel format), within June 30, 2022, along with the name of the contact person to the Share Department of the company and also soft copy of the same cs@abbl.com for facilitating payment of Cash Dividend. The DP/ Stock Brokers are requested to provide us with their Bank Account name and number, routing number etc. for receiving the dividends of their margin loan holders.

N.B. As per BSEC Directive No. SEC/CMRRCD/2009-193/154 dated 24.10.2013, "No benefit in cash or kind other than in the form of cash dividend or stock dividend shall be paid to the holders of equity securities," in the ensuing 40th AGM of the Bank.

AB BANK LIMITED

Head Office: The Skymark, 18, Gulshan Avenue, Gulshan-1, Dhaka-1212

www.abbl.com

THE 39TH AGM



39th AGM of the Bank



39th AGM of the Bank

EVENTS



AB Bank Celebrates its 40th Founding Anniversary



Awareness program on A - Challan

EVENTS



Honorable Governor of Bangladesh Bank handed over an appreciation letter to the President and Managing Director of the Bank for exceeding the disbursement target of working capital in agriculture sector



President and Managing Director of the Bank received a crest from Brig Gen Md Moazzem Hossain, BGBM (BAR), PhD for Industry talk on Academia Linkage in the Era of 4IR

EVENTS



Inauguration of AB Bank 30th President Cup Golf Tournament at the Bhatary Golf and Country Club, Chattogram



The Bank signed an agreement with MetLife

EVENTS



Re-launching of Remittance Service Operation with Western Union



Inaugurating Automated Challan System Service - The first among the Private Commercial Banks

EVENTS



Inauguration of ATM booth at Gulshan Club



AB Bank Training Academy (ABTA) organized a training program on Customer Service Skills

EVENTS

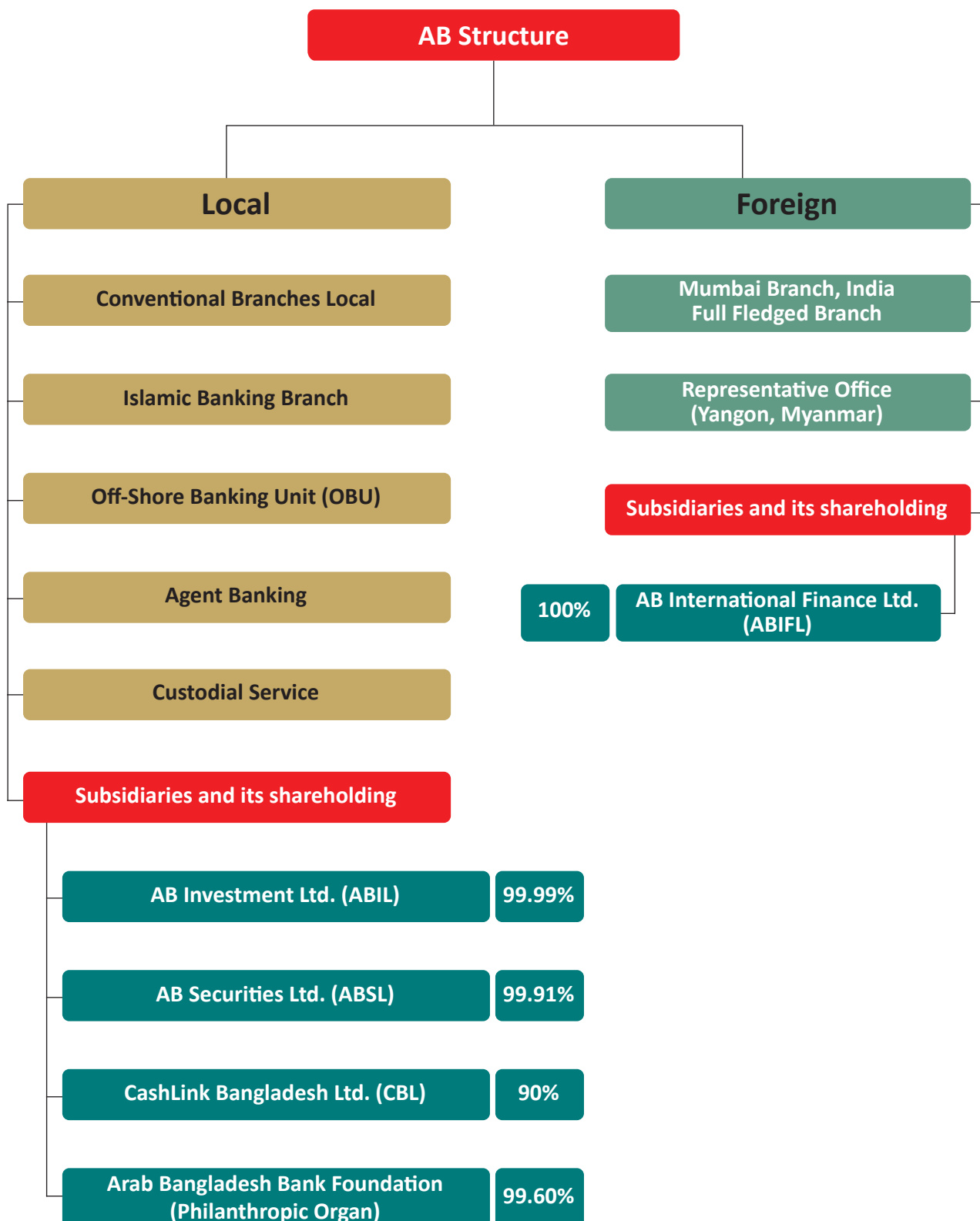


Inauguration of Agent Banking outlet at Horogram Bazar, Court, Rajshahi



The Bank signed an agreement with Petrochem

AB STRUCTURE





CORPORATE **GOVERNANCE**

CORPORATE GOVERNANCE

Corporate Governance policies and practices of the Bank are focused on ensuring fairness, transparency and accountability in the organization as a whole. Bank is structured and systems and processes are organized aligned with accepted Corporate Governance practices and also in line with guidelines of Bangladesh Bank and the Bangladesh Securities and Exchange Commission (BSEC) in this regard. While pursuing the goal of Shareholders value addition, Bank attached utmost importance to setting up of well-defined compliance oriented organization and business structure.

Board of Directors of AB Bank Limited comprises of 7 (seven) Members including President and Managing Director. Board of Directors of AB Bank is a professionally run forum having Members from various backgrounds and professions.

Board is the apex body for strategy and policy formulations and for taking decisions on business, operational and financial matters besides ensuring compliance and risk management of the Bank. This is run professionally following the guidelines of Bangladesh Bank and within the authorities of the Memorandum and Articles of Associations of the Bank. Management of the Bank operates within the policies, guidance and limits approved by the Board.

During 2021, Board Meeting held at least once in a month.

Audit Committee comprises of 3 (three) Members. Chairman of the Audit Committee is the Independent Director of the Board. Company Secretary acts as the Secretary of the Committee while other Members of the Management attend the Committee Meeting on invitation only. Audit Committee works within scope of Bangladesh Bank guidelines and Corporate Governance Codes.

Risk Management Committee (RMC) of the Bank has been formed in compliance of Bank Company Act, 1991 as amended up to 2018, under section 15 Kha, and subsequent BRPD Circular # 11 Dated October 27, 2013. At present, RMC comprises of 3 (three) Board Members and the Chairman of the Audit Committee is also the Chairman of the RMC. Function of the RMC is to minimize risk regarding Strategic planning and implementation and to accomplish Board functions accurately related to risk.

Executive Committee of the Bank has been formed in compliance with Bangladesh Bank Company Act, 1991 as amended up to 2018, under section 15 Kha, and subsequent BRPD Circular # 11 Dated October 27, 2013. At present, Executive Committee comprises 02 (two) Board members. Functions of the Committee has been set by the Board of Directors of the Bank.

Shariah Supervisory Committee of the Bank has 7 (seven) Members for overseeing and strategic guidance of the Islamic Banking business. The Committee comprises of scholarly persons and operates as per the assigned responsibilities.

Regulatory Compliance Disclosure

Bank has been following related guidelines on submission of Quarterly, Half-yearly and Yearly Financial Statements and other statutory reports. Any significant development in the business is forth-with disclosed through the adherence of proper rules/guidelines/directives in the form of Price Sensitive Declarations.

Bank also ensures submission of returns to Regulatory Bodies in full-compliance of the requirements and appropriate disclosures ensuring transparency and accountability.

Board of Directors ensures adequate disclosures for the Shareholders and other stakeholders through the Annual Report or other specific disclosures if required.

Delegation of Power

Management empowered with appropriate finance and business decision making authorities as per the guidelines of Bangladesh Bank.

Credit Committee delegated with the authority for credit approval up to a given limit. Board has approved a Procurement Manual to cover the purchase of goods and services and other procurements of the Bank. Limited formal delegation in this respect has also been given to the Management.

Besides, various manuals, policies and guidelines were approved by the Board from time to time with levels of authority and process delegation varied across the Bank.

Bank also has well empowered ALCO to deal with funding and treasury matters.

President and Managing Director is the Executive Head of the Bank. Bank has approved Organizational Structure (Organogram) up to the Unit Level with clear functional segregation and segregation of processing functioning (Front and Back office) authorities. This ensures Core Risk Management compliance across the Bank. Bank's functions and plans also consider various regulatory limits and restrictions to be risk compliant, as well.

Risk Management Division (RMD) formed in compliance with the relevant guidelines of Bangladesh Bank. Bank also has a strong Supervisory Review Process (SRP) Team in place.

In the overall, Bank is governed by the rules, regulations, codes, directions, and policies as applicable for the Banking business and operation. Different control aspects based on need are in place, which includes capital

adequacy, risk management, market, liquidity, anti-money laundering compliance, prudential guidelines, reporting standards among others.

Other operations of AB Bank like AB International Finance Limited (ABIFL) at Hong Kong, and the Branch in Mumbai, India, governed by the rules and regulations of the respective countries. While the three local subsidiaries - AB Investment Limited (ABIL) and AB Securities Limited (ABSL), Cashlink Bangladesh Limited (CBL) governed by rules and regulations of the Bangladesh Securities and Exchange Commission (BSEC) mostly. Arab Bangladesh Bank Foundation is a philanthropic entity of the Bank.

Business Plan vs Achievements in 2021

Business Plan of the Bank provides for the Working Platform embodying the growth aspect, profitability, risk appetite, capital management etc. It also embodies accountability in terms of set KPI's and acts as a roadmap for Shareholders value addition.

Overall performance of the Bank in 2021 with respect to Business Target is given below:

Amount in Crore Tk.

Performance	BGT 2021	ACT 2021	Variance	
			Amount	%
Operating Profit	814	613	(201)	(25)
Provisions for loans and others	451	433	(19)	(4)
Profit before Tax	363	181	(182)	(50)
Provision for Tax	212	116	(96)	(45)
Net Profit After Tax	150	64	(86)	(57)
Loans and Advances	29,763	29,046	(717)	(2)
Deposits	33,017	29,837	(3,179)	(10)
Import	20,000	4,862	(15,138)	(76)
Export	9,000	5,559	(3,441)	(38)
Guarantee	2,000	1,002	(998)	(50)
Inward Remittance (USD)	100	38	(62)	(62)

Inspection by Bangladesh Bank

Bangladesh Bank conducted comprehensive inspection for the year ended December 31, 2021. Tripartite meeting among Bangladesh Bank, External Auditors and Management of AB held for finalization of Annual Financial Statements.

External Audit

External Auditors covered 11 (eleven) Branches and Head Office as part of the Annual Audit Program. Auditors covered 83% of the risk assets.

Auditors submitted a Management Report with a Special Section on the general discussion of Internal Control System in Head Office and Branch level within which they comments on the function and control mechanism of the AML and CFT compliance. The Report was discussed in the Audit Committee.

Department of Internal Control and Compliance (DICC)

DICC operates independently in line with the Bangladesh Bank guidelines. Head of Audit is accountable to the Audit Committee of the Board.

Credit Rating

ARGUS Credit Rating Services Limited (ACRSL) has completed the rating of the Bank based on the results up to September 30, 2021 and other relevant quantitative as well as qualitative information up to the date of rating declaration and accorded following ratings for the Bank on December 28, 2021:

The summary of their ratings are given below:

Long term	AA-
Short term	ST-2
Validity	December 27, 2022

Rating Description

AA-	Very high credit quality and minimal expectation of credit risk. When assigned this rating indicates the obligor has very strong capacity to meet its financial obligations and is unlikely to be impacted adversely by foreseeable events.
ST-2	High certainty of timely payment. Liquidity factors are strong and supported by good fundamental protection factors. Risk factors are very small.

Compliance

Bangladesh Securities and Exchange Commission (BSEC) issued Corporate Governance Code-2018 (Notification dated June 3, 2018) for the companies listed with the Stock Exchanges. Certification on Compliance status is enclosed herewith.

S. F. Ahmed and Co.
House 51 (3rd Floor)
Road 9, Block F, Banani
Dhaka 1213, Bangladesh

Phone: (880-2) 989-4258, 987-1018, 987-0619
987-0561, 881-6467 and 881-5101
Cell: (880) 1911-341-139
Fax : (880-2) 882-5135
E-mails: (i)sfaco@citechco.net
(ii)sfaco@sfahmedco.org
Website: www.sfahmedco.org

[Certificate issued as per condition #1(5)(xxvii) of Corporate Governance Code of
BSEC vide notification no. BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June 2018]

We have examined the compliance status with the Corporate Governance Code by AB Bank Limited ("The Company") for the year ended on 31 December 2021. This code relates to the notification no. BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June 2018 of Bangladesh Securities and Exchange Commission.

Such compliance with Corporate Governance Code is the responsibility of the Company. Our examination was limited to the procedures and implementation thereof as adopted by the management in ensuring compliance with the conditions of the Corporate Governance Code.

This is a scrutiny and verification and an independent audit on compliance with the conditions of the Corporate Governance Code as well as the provisions of relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) so far as those standards are not inconsistent with any condition of this Corporate Governance Code.

We state that we have obtained all the information and explanations, which we have required, and after due scrutiny and verification thereof, we report that, in our opinion:

- (a) The Company has complied with the conditions of Corporate Governance Code as stipulated in above mentioned Corporate Governance Code issued by the Commission; except condition nos. 1(2)(a), 1(2)(d), 1(7), 4(ii) and 6. However, condition nos. 1(7), 4(ii) and 6 were not complied with due to Bangladesh bank's regulations restricting to form any committee other than those allowed by them as stated in Annexure-A;
- (b) The Company has complied with the provisions of relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) as required by this Code;
- (c) Proper books and records have been kept by the Company as required under the Companies Act, 1994, the securities laws and other relevant laws; and
- (d) The governance of the Company is satisfactory.

Dhaka, Bangladesh
Dated, 01 June 2022



S. F. Ahmed and Co.
Chartered Accountants

Md. Moktar Hossain, FCA
Senior Partner

Status of Compliance with the conditions imposed by the Bangladesh Securities and Exchange Commission's Notification No(SEC/CMRRCD/2006-158/207/Admin/80 dated 03 June 2018 issued under section 2CC of the Securities and Exchange Ordinance, 1969 is presented below:

Condition No ()	Title	Compliance Status ("√" has been put in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1	Board of Directors (BoD)			
1(1)	Board size (number of Board members - minimum 5 and Maximum 20)	√		The Board of AB Bank Limited is composed of 07 Directors including the President and Managing Director.
1(2)	Independent Directors			
1(2)(a)	At least one fifth (1/5) of the total number of Directors shall be Independent Directors		√	AB Bank has 01 Independent Director and appointment of another Independent Director is under process.
1(2)(b)	Independent Director means a Director			
1(2)(b)(i)	who either does not hold any share in the company or holds less than one percent (1%) shares of the total paid-up Capital of the company	√		Independent Director has declared their compliance
1(2)(b)(ii)	who is not a sponsor of the company or is not connected with the company's any sponsor or director or nominated director or shareholder of the company or any of its associates, sister concerns, subsidiaries and parents or holding entities who holds one percent (1%) or more shares of the total paid-up shares of the company on the basis of family relationship and his or her family members also shall not hold above mentioned shares in the company	√		
1(2)(b)(iii)	who has not been an executive of the company in immediately preceding 2 (two) financial years	√		
1(2)(b)(iv)	who does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary/associated companies	√		
1(2)(b)(v)	who is not a member or TREC holder, director or officer of any stock exchange	√		
1(2)(b)(vi)	who is not a shareholder, director or officer of any member of stock exchange or an intermediary of the capital market	√		
1(2)(b)(vii)	who is not a partner or executive or was not a partner or an executive during the preceding 3 (three) years of the company's statutory audit firm or audit firm engaged in internal audit services or audit firm conducting special audit or professional certifying compliance of this code.	√		
1(2)(b)(viii)	who shall not be an independent director in more than 5 (five) listed companies	√		
1(2)(b)(ix)	who has not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan to a bank or a Non-Bank Financial Institution (NBFI)	√		
1(2)(b)(x)	who has not been convicted for a criminal offence involving moral turpitude	√		
1(2)(c)	Independent Director(s) shall be appointed by BoD approved by the shareholders in the Annual General Meeting (AGM)	√		
1(2)(d)	The post of independent director(s) cannot remain vacant for more than 90 (ninety) days		√	Appointment of another Independent Director is under process.
1(2)(e)	The tenure of office of an independent director shall be for a period of 3 (three) years, which may be extended for 1 (one) term only.	√		
1(3)	Qualification of Independent Director			
1(3)(a)	Independent director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial, regulatory and corporate laws and can make meaningful contribution to business	√		
1(3)(b)(i)	Independent Director should be a Business Leader who is or was a promoter or director of an unlisted company having minimum paid-up capital of Tk. 100.00 million or any listed company or a member of any national or international chamber of commerce or business association; or			Not Applicable

Condition No ()	Title	Compliance Status ("√" has been put in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1(3)(b)(ii)	Independent Director should be a Corporate Leader who is or was a top level executive not lower than Chief Executive Officer or Managing Director or Deputy Managing Director or Chief Financial Officer or Head of Finance or Accounts or Company Secretary or Head of Internal Audit and Compliance or Head of Legal Service or a candidate with equivalent position of an unlisted company having minimum paid-up capital of Tk. 100.00 million or of a listed company; or	√		
1(3)(b)(iii)	Independent Director should be a Former official of government or statutory or autonomous or regulatory body in the position not below 5th Grade of the national pay scale, who has at least educational background of bachelor degree in economics or commerce or business or Law; or			Not Applicable
1(3)(b)(iv)	Independent Director should be a University Teacher who has educational background in Economics or Commerce or Business Studies or Law			Not Applicable
1(3)(b)(v)	Independent Director should be a Professional who is or was an advocate practicing at least in the High Court Division of Bangladesh Supreme Court or a Chartered Accountant or Cost and Management Accountant or Chartered Financial Analyst or Chartered Certified Accountant or Certified Public Accountant or Chartered Management Accountant or Chartered Secretary or equivalent qualification			Not Applicable
1(3)(c)	The independent director shall have at least 10 (ten) years of experiences in any field mentioned in clause (b)	√		
1(3)(d)	In special cases the above qualifications may be relaxed subject to prior approval of Commission			Not Applicable
1(4)	Duality of Chairperson of the Board of Directors and Managing Director or Chief Executive Officer			
1(4)(a)	The positions of the Chairperson of the Board and the Managing Director (MD) and/or Chief Executive Officer (CEO) of the company shall be filled by different individuals	√		Mr. Muhammad A. (Rumee) Ali, Chairman Mr. Tarique Afzal, President and Managing Director
1(4)(b)	The Managing Director (MD) and/or Chief Executive Officer (CEO) of a listed company shall not hold the same position in another listed company	√		
1(4)(c)	The Chairperson of the Board shall be elected from among the non-executive directors of the company	√		
1(4)(d)	The Board shall clearly define respective roles and responsibilities of the Chairperson and the Managing Director and/or Chief Executive Officer	√		
1(4)(e)	In the absence of the Chairperson of the Board, the remaining members may elect one of themselves from non- executive directors as Chairperson for that particular Board's meeting; the reason of absence of the regular Chairperson shall be duly recorded in the minutes	√		
1(5)	The Directors' Report to Shareholders			
1(5)(i)	Industry outlook and possible future developments in the industry	√		
1(5)(ii)	Segment-wise or product-wise performance	√		
1(5)(iii)	Risks and concerns including internal and external risk factors, threat to sustainability and negative impact on environment, if any	√		
1(5)(iv)	A discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin	√		Discussion on interest income, expense and net profit provided.
1(5)(v)	Discussion on continuity of any Extra-Ordinary gain or loss			No such Extra-ordinary gain or loss occurred in the Financial Year.
1(5)(vi)	A detailed discussion on related party transactions along with a statement showing amount, nature of related party, nature of transactions and basis of transactions of all related party transactions	√		
1(5)(vii)	Utilization of proceeds from public issues, rights issues and/or through any other instrument			Not Applicable
1(5)(viii)	An explanation if the financial results deteriorate after the company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO) (Rights Share Offer, Direct Listing, etc			Not Applicable

Condition No ()	Title	Compliance Status ("√" has been put in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1(5)(ix)	If significant variance occurs between Quarterly Financial performance and Annual Financial Statements, the management shall explain about the variance	√		
1(5)(x)	Remuneration to directors including independent directors	√		
1(5)(xi)	The financial statements present fairly its state of affairs, the result of its operations, cash flows and changes in equity	√		
1(5)(xii)	Proper books of account have been maintained	√		
1(5)(xiii)	A statement that appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment	√		
1(5)(xiv)	A statement that International Accounting Standards (IAS)/ International Financial Reporting Standard (IFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there-from has been adequately disclosed	√		
1(5)(xv)	The system of Internal control is sound in design and has been effectively implemented and monitored	√		
1(5)(xvi)	Minority shareholders have been protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress	√		
1(5)(xvii)	Going Concern (ability to continue as going concern)	√		
1(5)(xviii)	Highlight and explain significant deviations from the last year's operating results	√		
1(5)(xix)	Key operating and financial data of at least preceding 5(five) years shall be summarized	√		
1(5)(xx)	Reason for non-declaration of Dividend			Not Applicable
1(5)(xxi)	Board's statement to the effect that no bonus share or stock dividend has been or shall be declared as interim dividend			Not Applicable
1(5)(xxii)	The total number of Board meetings held during the year and attendance by each director	√		
1(5)(xxiii)	A report on the pattern of shareholding disclosing the aggregate number of shares (along with name-wise details where stated below) held by			
1(5)(xxiii)(a)	Parent or Subsidiary or Associated Companies and other related parties	√		
1(5)(xxiii)(b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and Compliance and their spouses and minor children	√		
1(5)(xxiii)(c)	Executives Explanation: For the purpose of this clause, the expression "Executive" means top 5 (five) salaried employees of the company, other than the Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer and Head of Internal Audit and Compliance.	√		
1(5)(xxiii)(d)	Shareholders holding ten percent (10%) or more voting interest in the company (name wise details);	√		Nil
1(5) (xxiv)	The appointment or reappointment of a director, a disclosure on the following information to the shareholders			
1(5)(xxiv)(a)	A brief resume of the director	√		
1(5) (xxiv)(b)	Nature of his or her expertise in specific functional areas	√		
1(5)(xxiv)(c)	Names of companies in which the person also holds the directorship and the membership of committees of the Board	√		
1(5) (xxv)	A Management's Discussion and Analysis signed by CEO or MD presenting detailed analysis of the company's position and operations along with a brief discussion of changes in the financial statements, among others, focusing on			
1(5) (xxv)(a)	Accounting policies and estimation for preparation of financial statements	√		
1(5) (xxv)(b)	Changes in accounting policies and estimation, if any, clearly describing the effect on financial performance or results and financial position as well as cash flows in absolute figure for such changes	√		

Condition No ()	Title	Compliance Status ("√" has been put in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1(5) (xxv)(c)	Comparative analysis (including effects of inflation) of financial performance or results and financial position as well as cash flows for current financial year with immediate preceding five years explaining reasons thereof	√		
1(5) (xxv)(d)	Compare such financial performance or results and financial position as well as cash flows with the peer industry scenario	√		
1(5) (xxv)(e)	Briefly explain the financial and economic scenario of the country and the globe	√		
1(5) (xxv)(f)	Risks and concerns issues related to the financial statements, explaining such risk and concerns mitigation plan of the company	√		
1(5) (xxv)(g)	Future plan or projection or forecast for company's operation, performance and financial position, with justification thereof, i.e., actual position shall be explained to the shareholders in the next AGM	√		
1(5) (xxvi)	Declaration or certification by the CEO and the CFO to the Board as required under condition No. 3(3) disclosed as per Annexure-A	√		
1(5) (xxvii)	The report as well as certificate regarding compliance of conditions of this Code as required under condition No.9 disclosed as per Annexure-B and Annexure-C	√		
1(6)	The company conducted its Board meetings and record the minutes of the meetings as well as keep required books and records in line with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Code	√		
1(7)	Code of Conduct for the Chairperson, other Board members and Chief Executive Officer			
1(7)(a)	The Board laid down a code of conduct, based on the recommendation of the Nomination and Remuneration Committee (NRC) at condition No(6, for the Chairperson of the Board, other board members and Chief Executive Officer of the company	-		Clause#5 of BRPD Circular no. 11 dated October 27, 2013 issued by Bangladesh Bank does not permit any Bank in Bangladesh to form any other Committee except three committees namely, Executive Committee, Audit Committee and Risk Management Committee. Accordingly, the Bank has not formed NRC.
1(7)(b)	The code of conduct as determined by the NRC posted on the website of the company including, among others, prudent conduct and behavior, confidentiality, conflict of interest, compliance with laws, rules and regulations, prohibition of insider trading, relationship with environment, employees, customers and suppliers and independency	-		
2	Governance of Board of Directors of Subsidiary Company			
2(a)	Provisions relating to the composition of the Board of the holding company made applicable to the composition of the Board of the subsidiary company	√		
2(b)	At least 1 (one) independent director on the Board of the holding company shall be a director on the Board of the subsidiary company	√		
2(c)	The minutes of the Board meeting of the subsidiary company placed for review at the following Board meeting of the holding company	√		
2(d)	The minutes of the respective Board meeting of the holding company stated that they have reviewed the affairs of the subsidiary company also	√		
2(e)	The Audit Committee of the holding company also reviewed the financial statements, in particular the investments made by the subsidiary company	√		
3	Managing Director (MD) or Chief Executive Officer (CEO), Chief Financial Officer (CFO), Head of Internal Audit and Compliance (HIAC) and Company Secretary (CS)			
3(1)	Appointment			
3(1)(a)	The Board appointed a Managing Director (MD) or Chief Executive Officer (CEO), a Company Secretary (CS), a Chief Financial Officer (CFO) and a Head of Internal Audit and Compliance (HIAC)	√		
3(1)(b)	The positions of the Managing Director (MD) or Chief Executive Officer (CEO), Company Secretary (CS), Chief Financial Officer (CFO) and Head of Internal Audit and Compliance (HIAC) filled by different individuals	√		
3(1)(c)	The MD or CEO, CS, CFO and HIAC of a listed company shall not hold any executive position in any other company at the same time	√		

Condition No ()	Title	Compliance Status ("√" has been put in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
3(1) (d)	The Board clearly defined respective roles, responsibilities and duties of the CFO, the HIAC and the CS	√		
3(1)(e)	The MD or CEO, CS, CFO and HIAC not removed from their position without approval of the Board as well as immediate dissemination to the Commission and stock exchange(s)	√		
3(2)	The MD or CEO, CS, CFO and HIAC of the company attended the meetings of the Board	√		
3(3)	Duties of Managing Director (MD) or Chief Executive Officer (CEO) and Chief Financial Officer (CFO)			
3(3)(a)(i)	The MD or CEO and CFO certified to the Board that they have reviewed financial statements for the year and that to the best of their knowledge and belief these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading	√		
3(3) (a)(ii)	These statements together presented a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws	√		
3(3)(b)	The MD or CEO and CFO also certified that there are, to the best of knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board or its members	√		
3(3) (c)	The certification of the MD or CEO and CFO disclosed in the Annual Report	√		
4	Board of Directors Committee			
4(i)	Audit Committee	√		
4(ii)	Nomination and Remuneration Committee	-		Clause#5 of BRPD Circular no. 11 dated October 27, 2013 issued by Bangladesh Bank does not permit any Bank in Bangladesh to form any other Committee except three committees namely, Executive Committee, Audit Committee and Risk Management Committee. Accordingly, the Bank has not formed NRC.
5	Audit Committee			
5(1)	Responsibility to the Board of Directors			
5(1)(a)	The Audit Committee is the sub-committee of the BoD	√		
5(1)(b)	The Audit Committee assisted the BoD in ensuring that the financial statements reflected true and fair view of the state of affairs of the company and in ensuring a good monitoring system within the business	√		
5(1)(c)	The Audit Committee is responsible to the BoD; The duties of the Audit Committee is clearly set forth in writing	√		
5(2)	Constitution of the Audit Committee			
5(2)(a)	The Audit Committee is composed of at least 3 members	√		
5(2)(b)	The BoD appointed members of the Audit Committee who is the directors of the company and included at least 1 (one) Independent Director	√		
5(2)(c)	All members of the audit committee is "financially literate" and at least 1 (one) member has accounting or related financial management experience	√		
5(2)(d)	When the term of service of the Committee members expires or there is any circumstance causing any Committee member to be unable to hold office before expiration of the term of service, thus making the number of the Committee members to be lower than the prescribed number of 3 (three) persons, the Board shall appoint the new Committee member to fill up the vacancy immediately or not later than 1 (one) month from the date of vacancy in the Committee to ensure continuity of the performance of work of the Audit Committee	√		
5(2)(e)	The Company Secretary acted as the secretary of the Audit Committee	√		
5(2)(f)	The quorum of the Audit Committee meeting is not constituted without at least 1(one) independent director	√		
5(3)	Chairman of the Audit Committee			
5(3)(a)	The BoD selected the Chairman of the Audit Committee, who is an Independent Director	√		

Condition No ()	Title	Compliance Status ("√" has been put in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
5(3)(b)	In the absence of the Chairperson of the Audit Committee, the remaining members may elect one of themselves as Chairperson for that particular meeting, in that case there shall be no problem of constituting a quorum as required under condition No. 5(4)(b) and the reason of absence of the regular Chairperson shall be duly recorded in the minutes	√		
5(3)(c)	Chairman of the audit committee remained present in the AGM	√		
5(4)	Meeting of the Audit Committee			
5(4)(a)	The Audit Committee conducted at least its four meetings in a financial year	√		
5(4)(b)	The quorum of the meeting of the Audit Committee is constituted in presence of either two members or two-third of the members of the Audit Committee, whichever is higher, where presence of an independent director is a must	√		
5(5)	Role of Audit Committee			
5(5)(a)	Oversee the financial reporting process	√		
5(5)(b)	Monitor choice of accounting policies and principles	√		
5(5)(c)	Monitor Internal Control Risk Management process	√		
5(5)(d)	Oversee hiring and performance of external auditors	√		
5(5)(e)	Hold meeting with the external or statutory auditors	√		
5(5)(f)	Review the annual financial statements before submission to the board for approval	√		
5(5)(g)	Review the quarterly and half yearly financial statements before submission to the board for approval	√		
5(5)(h)	Review the adequacy of internal audit function	√		
5(5)(i)	Review the Management's Discussion and Analysis before disclosing in the Annual Report	√		
5(5)(j)	Review statement of significant related party transactions submitted by the management	√		
5(5)(k)	Review Management Letters/Letter of Internal Control weakness issued by statutory auditors	√		
5(5)(l)	Oversee the determination of audit fees based on scope and magnitude, level of expertise deployed and time required for effective audit and evaluate the performance of external auditors	√		
5(5)(m)	Disclosure to the Audit Committee about the uses/applications of IPO funds by major category (capital expenditure, sales and marketing expenses, working capital, etc), on a quarterly basis, as a part of their quarterly declaration of financial results(Further, on an annual basis, shall prepare a statement of funds utilized for the purposes other than those stated in the prospectus			Not Applicable
5(6)	Reporting of the Audit Committee			
5(6)(a)	Reporting to the Board of Directors			
5(6)(a)(i)	Reporting to BoD on the activities of the Audit Committee	√		
5(6)(a)(ii)(a)	Reporting to BoD on conflicts of interests			No such incidence arose
5(6)(a)(ii)(b)	Reporting to BoD on any fraud or irregularity or material defect in the internal control system			No such incidence arose
5(6)(a)(ii)(c)	Reporting to BoD on suspected infringement of laws			No such incidence arose
5(6)(a)(ii)(d)	Reporting to BoD on any other matter			No such incidence arose
5(6)(b)	Reporting to BSEC (if any material impact on the financial condition and results of operation, unreasonably ignored by the management)			No such incidence arose
5(7)	Reporting to the Shareholders of Audit Committee activities, which shall be signed by the Chairman and disclosed in the Annual Report	√		
6	Nomination and Remuneration Committee (NRC)			
6(1)	Responsibility to the Board of Directors			

Condition No ()	Title	Compliance Status ("√" has been put in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
6(1)(a)	The company has a Nomination and Remuneration Committee (NRC) as a sub-committee of the Board	-		Clause#5 of BRPD Circular no. 11 dated October 27, 2013 issued by Bangladesh Bank does not permit any Bank in Bangladesh to form any other Committee except three committees namely, Executive Committee, Audit Committee and Risk Management Committee. Accordingly, the Bank has not formed NRC.
6(1)(b)	The NRC assisted the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top level executive as well as a policy for formal process of considering remuneration of directors, top level executive.	-		
6(1)(c)	The Terms of Reference (ToR) of the NRC is clearly set forth in writing covering the areas stated at the condition No(6(5)(b)	-		
6(2)	Constitution of the NRC			
6(2)(a)	The Committee is comprised of at least three members including an independent director	-		Clause#5 of BRPD Circular no. 11 dated October 27, 2013 issued by Bangladesh Bank does not permit any Bank in Bangladesh to form any other Committee except three committees namely, Executive Committee, Audit Committee and Risk Management Committee. Accordingly, the Bank has not formed NRC.
6(2)(b)	All members of the Committee is non-executive directors	-		
6(2)(c)	Members of the Committee is nominated and appointed by the Board	-		
6(2)(d)	The Board has authority to remove and appoint any member of the Committee	-		
6(2)(e)	In case of death, resignation, disqualification, or removal of any member of the Committee or in any other cases of vacancies, the board has filled the vacancy within 180 (one hundred eighty) days of occurring such vacancy in the Committee	-		
6(2)(f)	The Chairperson of the Committee may appoint or co-opt any external expert and/or member(s) of staff to the Committee as advisor who shall be non-voting member, if the Chairperson feels that advice or suggestion from such external expert and/or member(s) of staff shall be required or valuable for the Committee	-		
6(2)(g)	The company secretary acted as the secretary of the Committee	-		
6(2)(h)	The quorum of the NRC meeting is not constituted without attendance of at least an independent director	-		
6(2)(i)	No member of the NRC has received, either directly or indirectly, any remuneration for any advisory or consultancy role or otherwise, other than Director's fees or honorarium from the company	-		
6(3)	Chairperson of the NRC			
6(3)(a)	The Board has selected 1 (one) member of the NRC to be Chairperson of the Committee, who is an independent director	-		Clause#5 of BRPD Circular no. 11 dated October 27, 2013 issued by Bangladesh Bank does not permit any Bank in Bangladesh to form any other Committee except three committees namely, Executive Committee, Audit Committee and Risk Management Committee. Accordingly, the Bank has not formed NRC.
6(3)(b)	In the absence of the Chairperson of the NRC, the remaining members elected one of themselves as Chairperson for that particular meeting, the reason of absence of the regular Chairperson is duly recorded in the minutes	-		
6(3)(c)	The Chairperson of the NRC attended the annual general meeting (AGM) to answer the queries of the shareholders	-		
6(4)	Meeting of the NRC			
6(4)(a)	The NRC has conducted at least one meeting in a financial year	-		Clause#5 of BRPD Circular no. 11 dated October 27, 2013 issued by Bangladesh Bank does not permit any Bank in Bangladesh to form any other Committee except three committees namely, Executive Committee, Audit Committee and Risk Management Committee. Accordingly, the Bank has not formed NRC.
6(4)(b)	The Chairperson of the NRC may convene any emergency meeting upon request by any member of the NRC;	-		
6(4)(c)	The quorum of the meeting of the NRC is constituted in presence of either two members or two third of the members of the Committee, whichever is higher, where presence of an independent director is must as required under condition No(6(2)(h)	-		
6(4)(d)	The proceedings of each meeting of the NRC is duly recorded in the minutes and such minutes is confirmed in the next meeting of the NRC	-		

Condition No ()	Title	Compliance Status ("√" has been put in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
6(5)	Role of the NRC			
6(5)(a)	NRC is independent and responsible or accountable to the Board and to the shareholders			Clause#5 of BRPD Circular no. 11 dated October 27, 2013 issued by Bangladesh Bank does not permit any Bank in Bangladesh to form any other Committee except three committees namely, Executive Committee, Audit Committee and Risk Management Committee. Accordingly, the Bank has not formed NRC.
6(5)(b)	NRC oversees, among others, the following matters and make report with recommendation to the Board			
6(5)(b)(i)	Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend a policy to the Board, relating to the remuneration of the directors, top level executive, considering the following:	-		Clause#5 of BRPD Circular no. 11 dated October 27, 2013 issued by Bangladesh Bank does not permit any Bank in Bangladesh to form any other Committee except three committees namely, Executive Committee, Audit Committee and Risk Management Committee. Accordingly, the Bank has not formed NRC.
6(5)(b)(i) (a)	The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully	-		
6(5)(b)(i) (b)	The relationship of remuneration to performance is clear and meets appropriate performance benchmarks	-		
6(5)(b)(i) (c)	Remuneration to directors, top level executive involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals	-		
6(5)(b)(ii)	Devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality	-		
6(5)(b)(iii)	Identifying persons who are qualified to become directors and who may be appointed in top level executive position in accordance with the criteria laid down, and recommend their appointment and removal to the Board	-		
6(5)(b)(iv)	Formulating the criteria for evaluation of performance of independent directors and the Board	-		
6(5)(b)(v)	Identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria	-		
6(5)(b)(vi)	Developing, recommending and reviewing annually the company's human resources and training policies	-		
6(5)(c)	The company has disclosed the nomination and remuneration policy and the evaluation criteria and activities of NRC during the year at a glance in its annual report	-		
7	External / Statutory Auditors			
7(1)(i)	Non-engagement in appraisal or valuation services or fairness opinions	√		
7(1)(ii)	Non-engagement in designing and implementation of Financial Information System	√		
7(1)(iii)	Non-engagement in Book Keeping or other services related to the accounting records or financial statements	√		
7(1)(iv)	Non-engagement in Broker-dealer services	√		
7(1)(v)	Non-engagement in actuarial services	√		
7(1)(vi)	Non-engagement in internal audit services	√		
7(1)(vii)	Non-engagement in any other services that the Audit Committee determines	√		
7(1)(viii)	Non-engagement in audit or certification services on compliance of corporate governance as required under condition No. 9(1); and	√		
7(1)(ix)	Non-engagement in any other service that creates conflict of interest	√		
7(2)	No partner or employees of the external audit firms possesses any share of the company during the tenure of their assignment	√		
7(3)	Representative of external or statutory auditors remained present in the Shareholders' Meeting (Annual General Meeting or Extraordinary General Meeting) to answer the queries of the shareholders	√		

Condition No ()	Title	Compliance Status ("√" has been put in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
8	Maintaining a website by the Company			
8(1)	The company has an official website linked with the website of the stock exchange	√		
8(2)	The company kept the website functional from the date of listing	√		
8(3)	The company made available the detailed disclosures on its website as required under the listing regulations of the concerned stock exchange(s)	√		
9	Reporting and Compliance of Corporate Governance			
9(1)	Obtaining certificate from a practicing Professional Accountant/Secretary regarding compliance of conditions of Corporate Governance Guidelines of the BSEC and include in the Annual Report	√		
9(2)	The professional will provide the certificate on compliance of this Corporate Governance Code shall be appointed by the shareholders in the annual general meeting	√		
9(3)	Directors statement in the directors' report whether the company has complied with these conditions	√		

DIVIDEND DISTRIBUTION POLICY

Preface

In compliance with Bangladesh Securities and Exchange Commission's Directive No. BSEC/CMRRCD/2021-386/3-dated, 14 January 2021 the Dividend Distribution Policy of the Bank has been formulated. This policy is effective from 27 May 2021 being the date of its approval by the Board of Directors of the Bank.

The Policy is aimed to lay down the criteria and parameters that are to be considered by the Bank at the time of declaration and distribution of the dividend.

The Board of Directors may declare interim dividend and recommend final dividend complying the Companies Act, 1994; the Bank Company Act, 1991 (amended up to 2018) and provisions of all Rules, Regulations, Notifications, Orders, Guidelines, etc. in force or to be enforced and issued or to be issued from time to time by Regulatory Authorities.

Parameters to be considered for declaration of dividend:

The Board of Directors of the Bank will consider the following internal or external parameters while recommending/declaring dividend:

1. Financial performance and growth opportunities of the Bank
2. Dividend payout trend of the Bank
3. Capital to Risk Weighted Assets Ratio (CRAR) position of the Bank
4. Tax implication
5. Economic factors
6. Regulatory requirements

For fixing the dividend payout ratio, the Board needs to consider the operating results of the Bank and the Shareholders return as well. Dividend should be paid out of Divisible profit of the Bank. If the eligibility criteria for recommendation of dividend has not been met by the Bank or any threshold has been fixed by the Regulators or any restriction has been imposed by the Regulatory Authorities; the Board of Directors of the Bank may recommend dividend within the threshold or may not recommend any dividend according to restrictions.

Procedure of declaration/recommendation of dividend

Interim Dividend:

The Bank shall notify the Exchange and the Commission in advance the date and time of its board of directors' meeting specially called for consideration/adoption of its quarterly financial statements and for declaration of any entitlement (interim dividend) for the shareholders before 3 (three) working days of holding such meeting:

Provided that no stock/bonus entitlement shall be declared as interim dividend and Provided that the decision about recommending dividend and entitlement for such dividend cannot be changed.

Annual Dividend/ final dividend:

The Bank shall notify the Exchange and the Commission in advance the date and time of its board of directors' meeting specially called for consideration/adoption of its annual audited financial statements and for declaration of any entitlement for the shareholders before 7 (seven) days of holding such meeting.

The Board of Directors while considering/adopting annual audited financial statements shall, in the same Board of Directors' meeting also fix the date of the relevant annual general meeting and take specific decisions with regard to (a) recommending or not recommending dividend for the shareholders on the basis of said financial statements; and (b) the shareholders who shall be entitled to such dividend, if recommended:

Provided that the decision about recommending or not recommending dividend and entitlement for such dividend, if recommended, cannot be changed prior to holding of the annual general meeting and no dividend shall be paid other than out of profits of the year or any other undistributed profits.

Dividend is required to approve by the shareholders at an Annual General Meeting (AGM) on the basis of recommendation of the Board. All requisite approvals and clearances, where necessary as applicable, are obtained before recommendation and approval of dividend.

Entitlement to dividend

Only the shareholders of the Bank whose names are appeared in the Register of Members and/or Depository Register of the Bank on the record date fixed by the Bank are entitled to receive the dividend.

Payment of dividend

The Bank should maintain detailed information of Beneficiary Owners (BO) account, bank account, mobile phone number, email and address of the shareholder as maintained with the Depository Participants (DP) by itself or by appointing an agent for the purpose of proper distribution of dividend. These information should be kept confidential.

Annual dividend should pay off within 30 days of approval and interim dividend should be paid within 30 days of record date.

a) Cash dividend

Within 10 days of declaration of Dividend an amount equivalent to declared cash dividend payable for the concerned year shall be kept in separate bank account. The Bank needs to pay off such dividend directly to the bank account of the entitled shareholder as available in the BO account maintained with the DP or the bank account as provided by the shareholder through Electronic Transfer after deducting applicable tax at source and require to issue tax deduction certificate. After disbursement of cash dividend, an intimation is required to send through a short message service (SMS) to mobile number or email of the shareholders.

In case of margin client having debit balance or margin loan of stock broker or merchant banker or portfolio manager, the Bank pays off cash dividend to the Consolidated Customers' Bank Account (CCBA) of the stock broker or to the separate bank account of merchant banker or portfolio manager through Electronic Transfer in order to account for such dividend immediately in the individual client's portfolio account.

In case of non-availability of bank account information or not possible to distribute cash dividend through Electronic Transfer or any electronic payment system, the Bank should issue cash dividend warrant and require to send it to the shareholder by post.

The Bank pays off cash dividend to non-resident sponsor, director, shareholder through security custodian in compliance the rules or regulations in this regard.

b) Stock dividend

Bank requires to credit stock dividend (Bonus Share) directly to the BO account within 30 days of approval subject to the clearance of the exchange(s) and CDBL complying rules and regulations in this regard.

Unpaid/Unclaimed dividend

Bank should maintain detail information of unpaid or unclaimed dividend and rationale thereof. Unpaid or unclaimed cash dividend including accrued interest (after adjustment of bank charge, if any) thereon, if remain, are required to transfer to a separate bank account named 'Unclaimed Dividend Account' within one year from the date of approval. In case of non-credited stock dividend through Corporate Action due to closure of BO ID or any other reasons, the bonus shares will be kept in 'Dividend Suspense Account'. The Bank should not forfeit any unclaimed cash or stock dividend till the claim becomes barred by the law of land in force. Unclaimed dividend is paid off as per procedure set by the Bangladesh Securities and Exchange Commission and the Stock Exchanges.

Disclosure

The policy will be available on the Bank's website and will also be disclosed in the Bank's Annual Report.

DIRECTORS' STATEMENT OF RESPONSIBILITIES

Bismillahir Rahmanir Rahim

Dear Fellow Shareholders,

The Directors are required to present the Annual Report together with Directors' Report and the Financial Statements in accordance with the Companies Act, 1994, Rules and Regulations of the Institute of Chartered Accountants of Bangladesh (ICAB), Rules and Regulations of Bangladesh Bank (BB), Bangladesh Securities and Exchange Commission (BSEC) Rules, 1987, the Dhaka Stock Exchange (Listing) Regulations, 2015, Chittagong Stock Exchange (Listing) Regulations, 2015 and BSEC's notification on Financial Reporting and Disclosure dated June 20, 2018.

The Financial Statements are required by law and International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) as adopted by ICAB to present fairly the financial position of the Company and the performance for the period. Proper accounting records should be kept that disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that its Financial Statements comply with the Companies Act, 1994 and Bank Company Act, 1991 (as amendment up to 2018).

The Directors' report of AB Bank Limited confirm that Directors' Report together with the Financial Statements in the Annual Report for the year 2021 have been prepared in compliance with laws, rules and regulatory guidelines as per the Companies Act, 1994; The Bank Company Act, 1991 (as amendment up to 2018), guidelines issued by Bangladesh Bank and BSEC Corporate Governance Code No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June 2018.

Board through its Audit Committee established appropriate and adequate Internal Control System in the Bank to attain business objectives in short-term and sustainability in long-term. Board acknowledges its responsibility for establishing Internal Control Systems' efficiency, effectiveness, reliability, timeliness, completeness and compliance with applicable laws and regulations.

Board of Directors of AB Bank Limited meets regularly to consider Bank's policies, procedures, risk management and business plan among others. During the year 2021, twenty three (23) meetings of the Board of Directors took place. This report should be read in conjunction with Auditors' Report to the Shareholders of AB Bank Limited. Compliances of BSEC Corporate Governance Code-2018 are given separately.

Some of the information in this Annual Report may contain projections or other forward-looking statements regarding the Bank. These statements are based on our expectations and assumptions. Statements of such nature are not be construed as guarantee of future performance. Therefore, future results and trends may differ materially from what is in our forward-looking statements.

On behalf of the Board,



Muhammad A. (Rume) Ali
Chairman

REPORT OF THE AUDIT COMMITTEE

Audit Committee works according to the codes issued by Bangladesh Securities and Exchange Commission and guidelines of Bangladesh Bank. The Board set out the overall Business Plan and formulates Policies that the Management is responsible for implementation. The Audit Committee, on behalf of the Board, ensures effective implementation of the process and procedures set out in the Business Plans and Policies. The Audit Committee also reviews the Internal Control administration and compliance status of the Bank as a whole.

Functions of the Audit Committee

The key function of the Audit Committee is to facilitate the Board to execute its oversight responsibilities. The main responsibilities of the Audit Committee, among others, are as below:-

- Review adequacy of Internal Control System.
- Review Financial Reporting Process and Financial Statements.
- Review Internal Audit Report and External Audit Report (Management Report).
- Monitor Accounting Policies and Principles, Internal Control Risk Management Process.
- Monitor Compliance Culture.
- Recommendation for appointment of external auditor.
- Compliance of rules and regulations, etc.

Composition of the Audit Committee

1. Shafiqul Alam - Chairman
2. Shajir Ahmed - Member
3. Md. Maqsoodul Huq Khan - Member

Company Secretary acts as the Secretary of the Audit Committee. Senior Officials of the Bank attend the Meetings on invitation.

Meetings of the Audit Committee

Audit Committee held 08 (Eight) Meetings during the year 2021.

During the year under review, the Audit Committee, inter alia, focused on the following activities (not an exhaustive list):

- Reviewed the Internal Audit Plan for the year 2021.
- Reviewed the Draft Financial Statements and following discussions with the External Auditor recommended it to the Board for their consideration.

- Reviewed the Management Letter issued by the External Auditor, Management responses thereto and corrective measures taken by the Bank to avoid recurrence of the lapses mentioned therein.
- Recommended to the Board for appointment of Statutory Auditor of the Bank. - Reviewed the Financial Statements of Subsidiary Companies.
- Reviewed Quarterly and Half Yearly Financial Statements and recommended to the Board for adoption.
- Reviewed half yearly Self-Assessment of Antifraud Internal Controls (SAFIC) Reports and recommended its submission to Bangladesh Bank.
- Reviewed annual 'Health Report' of the Bank and recommended its submission to Bangladesh Bank.
- Reviewed Comprehensive Inspection Report of Bangladesh Bank including status of compliance thereof.
- Reviewed Branch Inspection Reports and Head Office functions conducted by the Department of Internal Control and Compliance (DICC).

Recommendation of Financial Statements

Audit Committee reviewed and examined the Annual Financial Statements for the year ended 2021 prepared by the Management and audited by the External Auditor ACNABIN, Chartered Accountants, and recommended the same to the Board for consideration.

Acknowledgement

Audit Committee expresses its sincere thanks to the Members of the Board and the Management of AB for their excellent support in carrying out the duties and responsibilities of the committee during the period under review.



Shafiqul Alam

Chairman, Audit Committee

REPORT OF THE SHARIAH SUPERVISORY COMMITTEE FOR THE YEAR 2021

In the name of Allah, the Beneficent, the Merciful

The duty of the Shariah Supervisory Committee is to provide independent opinion and necessary guidelines by observing and reviewing the activities of Islamic Banking Operation of the Bank and to make the clients aware of Shariah Principles. On the other hand, the responsibility of the Bank Management is to ensure that the Bank services its business under Islamic Banking Operation in accordance with the rules and principles of Islamic Shariah.

During the Pandemic Year 2021, AB Bank Shariah Supervisory Committee met physically as well as virtually and reviewed different operational issues including those referred to it by the Management of the Bank and gave opinion and decisions related to Islamic Shariah.

The important issues attended by the AB Bank Shariah Supervisory Committee as follows:

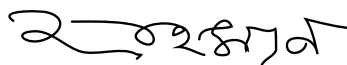
1. Reviewing the yearly Shariah Audit Report 2020 of Islami Banking Branch.
2. Approving the Final Accounts, 2020 of Islami Banking Branch.
3. Approving the Report of Shariah Supervisory Committee for the year 2020 on Islamic Banking.
4. Quard facility against CD Account maintained with Principal Branch.
5. Introducing branding and logo for Islamic Banking as Ahlan.
6. Review the legal issues of the Islami Banking Branch.

The Supervisory Committee after reviewing the Shariah Inspection Reports, Balance Sheet and Profit and Loss Account Statement (as on the 31st December, 2020) of Islamic banking operation of the Bank for the year 2021 gave the following opinion:

1. In Bai Murabaha /Muajjal mode, buying and selling are being done by ensuring physical/ constructive possession of the goods.
2. The agreements for investment and transactions entered into by Islami Banking Branch during the period concerned have been made in accordance with the Principles of Islamic Shariah.
3. Searching mode of Investment for e-GP business.
4. Profit distributed to Mudaraba Depositors has been made following the weightage system (PSR).
5. Roll out the deposit mobilization process for Islami Banking through conventional branches.
6. In 2021, Compensation Realized Fund being used for educational purpose and towards upholding the necessities of human mankind.

To the best of our knowledge, there is no gross violation and lapses found in the Islamic banking operations over the year 2021.

May Allah (SWT) grant success to our sincere efforts and bless us with His Rahmah and Barakah and guide us all to His right path.



Justice Siddiqur Rahman Miah

Chairman, AB Bank Shariah Supervisory Committee



ECONOMIC IMPACT REPORT

ECONOMIC IMPACT REPORT

AB being a responsible corporate citizen and a dynamic financial institution has created value in line with its mission "To be the best performing bank in the country". Toward this value creation AB has put in place an organizational and operational framework which is based on transparent and ethical conduct of business. Bank has systems, processes, and procedures to create value with appropriate risk management (validation) system in order to ensure sustainable value addition to stakeholders. It has not been a case of bottom line enhancement alone but creation of value conducive to socio- economic development.

Savings, Investment, production, distribution, consumption of goods and service, and employment generation are essential parts of an Economic System. As a financial intermediary Bank plays an important catalytical role in the mobilization of resources like saving and allocation thereof in productive investments, consumptions and development of trading activities locally and internationally.

Economic impact related to a bank as an institution and ordained activities of a bank extends beyond the boundaries of any single organization and is linked to both environmental and social development. By analyzing economic impact we seek to understand how a company adds value to society. Bank's direct contributions to the economy would comprise of creation of employment opportunities, collection of taxes on behalf of the government etc. including harnessing the savings habits among the members of the community and improvement of socio- economic and environmental performance in client organizations through banking services could be considered as indirect contributions.

Bank as an institution is woven in to the socio-economic fabric involving numerous sector of the society which together are identified as stakeholders of a bank. Shareholders provide much needed capital depositors and investors invest money, borrowers obtain credit facility, employees put their effort for the bank to serve customers and government provides financial infrastructure by way of regulatory, systems, supervisions etc. Financial services thus provided lead to creation of wealth which is bound to be distributed among stakeholders in different forms of distribution like Dividend, Interest, Tax, Salaries etc.

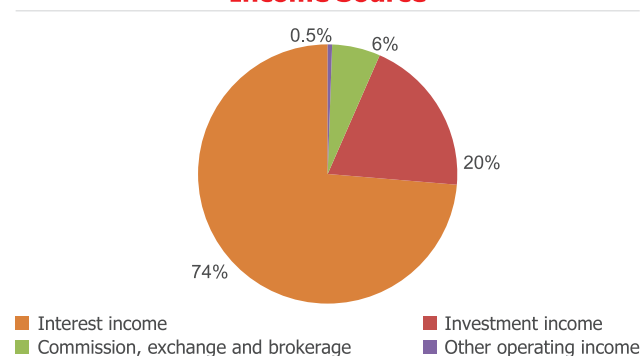
AB has taken following measures to create, sustain and deliver value which are as follows:

Amount in crore Taka

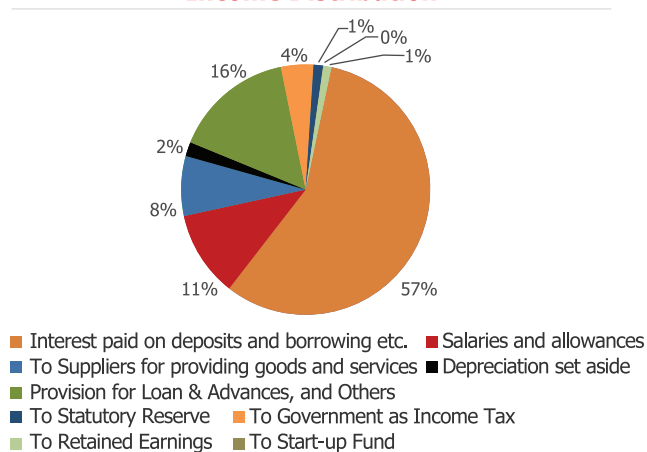
Source of Income	2021	%	2020	%
Interest income	2,038	74%	2,429	75%
Investment income	546	20%	646	20%
Commission, exchange and brokerage	167	6%	126	4%
Other operating income	15	1%	27	1%
Total	2,767	100%	3,228	100%

Distribution of Income	2021	%	2020	%
Interest paid on deposits and borrowing etc.	1,582	57%	2,013	62%
Salaries and allowances	307	11%	274	8%
To Suppliers for providing goods and services	214	8%	243	8%
Depreciation set aside	51	2%	51	2%
Provision for Loan and Advances and Others	433	16%	514	16%
To Government as Income Tax	116	4%	93	3%
To Statutory Reserve	34	1%	28	1%
To Start-up Fund	1	0%	-	0%
To Retained Earnings	29	1%	11	0%
Total	2,767	100%	3,228	100%

Income Source



Income Distribution



A. Maintaining adequate capital

Capital adequacy is the measure of the financial strength and sustainability of a bank. Capital to Risk Weighted Assets Ratio (CRAR) determines the capacity of the Bank in terms of meeting the time liabilities and other risks such as credit risks, market risks, operational risks, etc. It is the policy of AB to maintain adequate capital as a cushion for potential losses to absorb unforeseen eventualities/ shocks, to ensure long term sustainability and growth of the Bank to endure and enhance shareholders value.

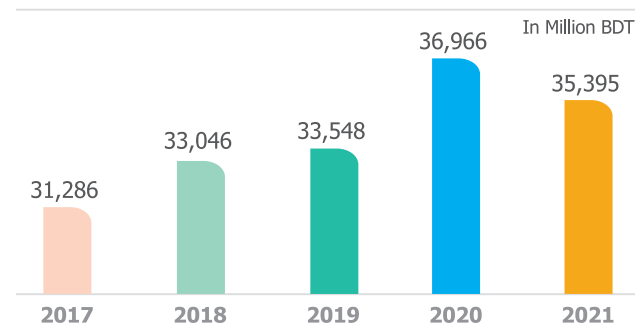
At the end of 2021, Bank's total capital reached at BDT 3,540 Crore as against BDT 3,697 Crore on 31 December 2020.

Summary of total capital and capital adequacy ratio of the Bank under Basel III is as follows:

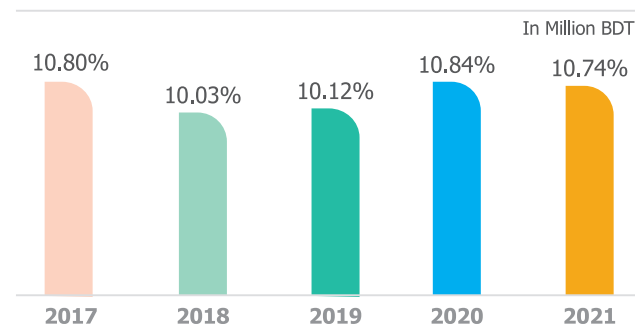
Taka in Crore

	2021	2020
Common Equity Tier-I Capital	1,905	1,957
Additional Tier –I	441	-
Tier I	2,346	1,957
Tier-2 Capital	1,194	1,740
Total Capital	3,540	3,697
Risk weighted assets	32,967	34,106
CRAR against		
Common Equity Tier-I Capital	5.78%	5.74%
Additional Tier –I	1.34%	-
Tier I	7.12%	5.74%
Tier-2 Capital	3.62%	5.10%
Total Capital	10.74%	10.84%

Total Capital



Capital To Risk Weighted Assets Ratio



B. Risk Management

Risk management covering credit risks, market risks and operational risks is at the heart of all business operations and transactions of AB. Risk management system has been designed and implemented to ensure quality and value of assets and smooth banking operations and services in a sustainable way to protect interest of shareholders, depositors and all the stakeholders. Risk management systems also comply with Bangladesh Bank's core risk management guidelines.

C. Dividend Policy

AB's dividend policy aims at ensuring long term sustainable growth maintaining capital adequacy requirements which ultimately leads to shareholders value creation.

AB Bank declared 5% Dividend (3% Stock Dividend and 2% Cash Dividend) for the year 2021

D. Maintenance of Liquidity

Bank maintains liquid assets to carry out the day-to-day operations and fulfill the statutory requirements in relation to business as imposed by the regulator from time to time. Asset and Liabilities Committee (ALCO) of the Bank monitors the evolving business situation and provides direction to maintain an optimum trade-off between liquidity and profitability.

AB maintains positive mismatch in interest earning assets and interest bearing liabilities. Bank has detailed laid down plan for business inflow- outflow to manage liquidity profile and also ensure generation of profitability.

E. Utilization of Resources

Bank follows a well defined strategy and plan to mobilize resources such as deposits and borrowings besides the capital, cost effective market responsive measures of fund mobilization are adopted for the purpose with due consideration for of profitable investments for bottom line growth.

Resource allocation at competitive rate follows the productive sectors including export oriented sectors ship-breaking etc. Sectors like SME, Women Entrepreneur and Agriculture are also in the resource mobilization scheme.

Bank maintained Credit- Deposit ratio to ensure resource utilization in proper. This has contributed towards improvement of assets quality and generation of income in the overall. Further, the cost- income ratio of the Bank signifies the optimum utilization of resources.

F. Contribution to the National Exchequer

AB Bank contributed Taka 457 crore into the national exchequer in the form of VAT, Income Tax and Excise Duty.



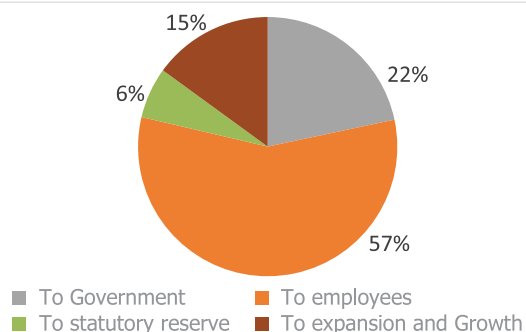
G. Value Added Statement

Value Added Statement (VAS) for the year ended 31 December 2021

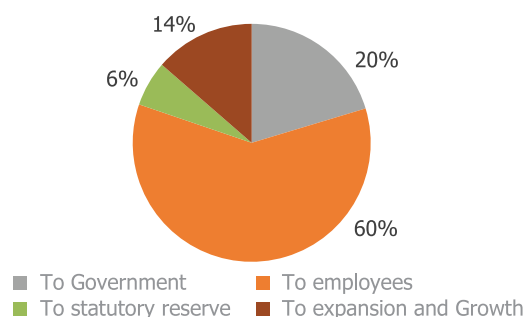
The Value Added Statement for the Bank shows how the value is created and distributed among different stakeholders of the Bank.

	2021 Crore Taka	2020 Crore Taka
Income from Banking Services/Total Income	2,766.55	3,228.10
Less: Cost of services and supplies :		
Interest paid on deposits and borrowings, etc	1,582.20	2,013.46
Total operating expenses excluding salary and allowances, loan loss charges and depreciation and amortization	214.00	242.53
	1,796.20	2,256.00
Less: Provision for loans and advances and others	432.66	514.49
Total value added	537.70	457.61
Distribution of added value		
To Government	116.49	93.07
To employees	306.50	274.08
To statutory reserve	34.14	28.18
To expansion and Growth	80.56	62.29
Retained earning	29.36	10.97
Start-up Fund	0.64	-
Depreciation and amortization	50.56	51.32
	537.70	457.61

Distribution of Value Addition 2021



Distribution of Value Addition 2020



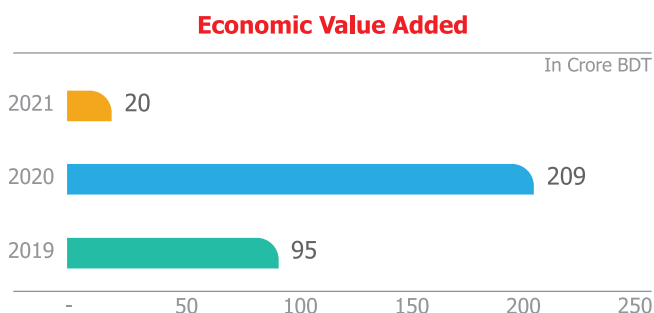
H. Economic Value Added Statement

EVA Statement for the year ended 31 December 2021

Economic Value Added (EVA) is a key performance indicator to measure profitability of a Bank as compared to cost of equity capital. It indicates how much additional value has been created by the Bank for its shareholders after deducting the minimum rate of return required by the shareholders i.e. cost of equity.

In Crore BDT

	2021	2020	2019
Shareholder's equity	2,431	2,449	2,284
Add: Cumulative provisions	2,986	2,286	1,854
Total Invested fund by shareholders	5,417	4,734	4,138
Average Shareholder's equity [A]	5,076	4,436	3,884
Earnings for the year			
Profit after taxation	64	39	17
Add: Total provisions excluding taxation	433	514	514
Earnings for the year [B]	497	554	531
Average Cost of Equity (based on rate of 10 years T-Bond plus 2% risk premium) [C]	9.40%	7.77%	11.23%
Cost of average equity [D=A X C]	477	345	436
Economic Value Added [B-D]	19.7	209.0	94.6



I. Market Value Added (MVA)

MVA Statement for the year ended 31 December 2021

Market Value Added (MVA) is the difference between the current market value (based on the quoted price in the main bourse) of a company and the capital contributed by investors. A high MVA indicates the company has created substantial wealth for the shareholders.

The share market value of AB stood at Taka 1,128 crore whereas the book value of the Shareholder's Equity stood at Taka 2,431 crore.



RISK MANAGEMENT REPORT

RISK MANAGEMENT REPORT

Introduction

Risk Management refers to the practice of identifying probable risks in advance, analyzing them and taking necessary precautionary measures to reduce the risk. Efficient tradeoff between risk and reward are compulsory for any financial institution to maximize risk-adjusted returns within stipulated boundaries. AB Bank Limited is thus running a dedicated functional unit in the bank to take care of the bank's Risk Management. The Bank has established a strong, disciplined and inclusive risk management culture, where risk management is a responsibility shared by all the employees of the Bank and involving all functions.

Risk Areas in Banking

Risks in Banking Sector	
Core Risk Areas	Other Material risk
1. Credit risk	1. Business risk
2. Market risk	2. Reputational risk
3. Operational risk	3. Residual risk
4. Liquidity risk	4. Settlement risk
5. Money laundering risk	5. Strategic risk
6. ICT risk	6. Human Resources Turnover Risk
	7. Environmental and climate change risk

Risk Culture in AB Bank

A sound and consistent risk culture throughout the Bank, is one of the key elements of effective risk management. To gain competitive advantages in the industry, a robust risk culture is one of the crucial elements. Building and maintaining a robust risk culture is critical to ensure the success of risk functions. Thus the Board of Directors and the Bank Management promotes a culture of accountability to adhere to Risk Management issues. The responsibility for risk management in the Bank is vested upon the Board of Directors, which is cascaded down to Senior Management and then further down the line. Risk culture and its impact on effective risk management is a major concern for the Board and Senior Management of AB Bank Limited. The Bank has relevant policies, guidelines and manuals for different functional areas of its business operations in line with central bank's guidelines and regulations.

Management Strategies of the Bank

AB Bank has always taken cognizance of the risks associated to various steps in its operational activities. The Bank is consciously ensuring Risk Return optimization based on its approved Risk Appetite, coupled with the necessary checks and control systems to continuously detect, assess and mitigate risks as well as following transparent policies and procedures to follow up on breaches and deviations.

Risk Appetite Framework

AB Bank has its yearly 'Risk Appetite Statement' statement, which is duly approved by the Board of Directors and also submitted to Bangladesh Bank on a regular basis. Risk Appetite framework plays a core instrumental role for better alignment of overall corporate strategy, risk mitigation and capital allocation. It also plays an important role in cascading the Risk Strategy down through the institution. Therefore, Business Strategy, Risk Appetite and Management Action Trigger are interlinked with each other.

In terms of Bangladesh Bank instructions vide DOS Circular Letter No. 13 dated September 09, 2015, DOS letter No. DOS (RMMS) 1154/1/2018-847 dated February 28, 2018 and subsequent DOS Circular No. 04 dated October 08, 2018, the Bank Board approved Risk Appetite statement for the year-2021.

Policies and Guidelines

AB Bank Limited has duly approved policies, guidelines and manuals covering all functional area to cover up all possible risk triggering areas of business operations and possible precautions therefrom. The Bank ensures regular review of all policies, guidelines and manuals taking into consideration of all central bank guidelines as well as addressing the macro economical changes, technological advancement and other operating issues as befitted.

Assigning Responsibilities

Responsibility for risk management resides at all levels within the Bank including each business managers and risk analysts. The Bank allocates the responsibilities accordingly so that risk/return decisions are taken at the most appropriate level.

The Risk Management procedures are approved, monitored and mitigated at different stages within the Bank both at Board level as well as the management level. The Bank has its approved directives through the decisions from the meetings of the Board of Directors, Board Risk Management Committee (BRMC), Executive Committee and Audit Committee.



The Management team of the bank follows the decisions and guidance from the Board level committees and implement the directives through various management level committees like Supervisory Review Process (SRP) Team, Senior Management Team (SMT), Executive Risk Management Committee (ERMC), Assets Liability Committees (ALCO), Credit Risk Management Committee (CRMC), etc. The Internal Control and Compliance Division (ICCD) and Risk Management Department (RMD) also plays vital roles in the risk management monitoring process of the Bank.

Risk Management

Credit Risk Management:

Credit risk is, perhaps, the most obvious of the risks that can arise from the Banking business. AB Bank Limited therefore always do the best to ensure the likelihood that customers will pay back the Bank's due in a timely manner. Bank has dedicated credit team at branches, business division and Head Office for proper analysis of prospective borrower's financial health, business status, cashflow trends as well as market reputation, experience in the relevant business line, etc. Other risk mitigating tools of the Bank include – Credit Rating of the customers, centralized credit limit activation, software based credit monitoring system, etc.

Market Risk Management

Managing market risk is essential for all the banks due to the volatile nature of the current markets. AB Bank limited has the dedicated ALCO (Asset Liability Committee) comprising Treasury and other Senior Management to decide upon the mitigation of the risk that emanates from adverse movement of interest rate, foreign exchange rates, equity prices, commodity prices, etc. the ALCO takes into consideration the present and anticipated future market trend and takes appropriate decisions on interest rates and investments. The Bank has segregated Front Office, Mid Office and Back Office to ensure 'check and balance' between Treasury functions.

Operational Risk Management

The Bank is always cautious about the Operational risk, as this is the risk that comes from the within. To avoid direct or indirect operational losses, Bank applies adequate internal controls and employee accountability. The Bank is committed to alleviate this type of risk through duly approved thorough

operational guidelines, strong dedicated team to implement policies at all levels through meticulous check and balance, frequent audits as well as adequate trainings, meetings for increased awareness at all levels.

Liquidity Risk Management

This is a risk that Bank is unable to stay resilient. Banks face this risk, when the cushion provided by the liquid assets of the bank are not sufficient to meet maturing obligations. AB Bank has dedicated Asset Liability Committee (ALCO) for taking necessary precautions to restrain the risks that can arouse from liquidity issue:

- Bank is always highly cautious about maintaining the parameters that are set by central bank
- To counter maturity gaps, a balanced mix of short and long terms deposits are ensured
- Business growth in assets viz-a-viz liabilities are formulated well ahead in the annual budget maintaining a proper balance
- The Bank has attractive deposit based products to capture depositors from various segments

Combating Money Laundering and Financing of Terrorism

AB Bank Limited always emphasizes on Combating Money Laundering and Financing of Terrorism through robustness in awareness programs and trainings among all officials round the year. To avoid all sorts of risks that are directly associated with 'money' and to safeguard the bank from all possible threats, AB Bank Limited has taken the following steps:

- Dedicated Unit naming 'Central Compliance Department (CCD)' is in process round the year under supervision of Bank's Chief Anti Money Laundering Compliance Officer (CAMLCO)
- AB Bank guidelines on Anti Money Laundering (AML) and Combating the Financing of Terrorism (CFT) have been formulated and disseminated to all employees of the bank
- Software based monitoring has been implemented for monitoring account activities and for Auto reporting of Cash Transaction Reports (CTR)
- Internal audit team regularly reviewing AML and CFT compliance status of branches

ICT Risk Management

With the popularization of i-banking and e-commerce in modern arena, the ICT Risk Management is a crucial area of focus for any financial institution. AB Bank Limited is very keen on safeguarding the 'Information Assets' of its valuable customer base, as protection and maintenance of financial assets are vital for the organizations' overall sustainability.

Considering the significance of information security, AB Bank Limited has rolled out its ICT Security Unit (ISU) in order to protect the information from unauthorized access, modification, disclosure and destruction. AB Bank ISU team has deployed necessary manpower and arranged necessary monitoring tools in order to establish Security Operation Center (SOC) for 24 X 7 surveillance.

The Bank is aiming to manage its ICT Risk appropriately by maintaining best practices to support its business objectives and to establish sufficient controls for protecting bank's information by complying all current laws, regulations and guidelines.

Reputation Risk and Settlement Risk Management

AB Bank Limited emphasizes on Reputation Risk and Settlement Risk Management, being these two as one of the main criteria of the ICAAP document. The Foreign Exchange operations of the Bank ensures that there is no 'non-payment and delayed payment of accepted bills (foreign and domestic)' to keep its Reputation Risk at lowest possible level. Similarly the Bank also stands zero tolerance for 'non-receiving or delayed receiving of receivable bills (foreign and domestic)' to minimize its Settlement Risk. AB Bank Limited has been very much instrumental in maintaining Foreign Exchange operational activities such smoothly and has achieved appreciations from various external bodies for efficient handling of the accepted liability bills.

Capital Plan and Management

The Bank is keen on maintaining strong capital base to support its business growth as well as to comply with all regulatory requirements and obtained good Credit Rating and CAMELS rating. To have a cushion to absorb any unforeseen shock, the capital adequacy position and assessment is reported to the Board of

Directors and to the Risk Committee periodically.

Capital Maintenance

Following important issues are considered for capital maintenance:

- Increased capital requirement for sustainable business growth
- Keeping sufficient cushion to absorb unforeseen shock or stress
- Cost effective options for raising Tier 1 and Tier 2 capital as per Basel-III accord
- Improving credit rating and CAMELS rating of the Bank
- Meeting regulatory requirements
- Meeting covenants of lenders

The Bank is always cautious about ensuring satisfactory return to shareholders as well as sustainable growth of the Bank along with strong capital adequacy ratio (CAR) to protect greater interest of the depositors and shareholders.

Stress Testing

AB Bank conducts stress testing exercise and prepares Stress Testing Report on Quarterly basis in accordance with Bangladesh Bank Guidelines considering the following risk factors:

- a) Credit Risk
- b) Interest Rate Risk
- c) Exchange Rate Risk
- d) Equity Price Risk
- e) Liquidity Risk

Latest Stress Testing Report based on December 31, 2021 has been approved by the Board of the Bank and submitted to Bangladesh Bank accordingly.

Supervisory Review Process (SRP) - Supervisory Review Evaluation Process (SREP) on Internal Capital Adequacy Assessment Process (ICAAP)

Supervisory Review Process (SRP) gives emphasis to the value that Banks have a process for assessing overall capital adequacy in relation to risk profile and strategy for maintaining their capital at a satisfactory level. The process involves constitution of two teams viz SRP Team at the Bank level and SREP Team at Bangladesh Bank. Accordingly, AB Bank Limited has formed its SRP team duly approved by the Board.

Supervisory Review Evaluation Team (SREP) of central bank reviews and evaluates the Bank's ICAAP and strategies, as well as its ability to monitor and ensure compliance with economic Capital Adequacy Ratio (CAR). Under this process, Bank has to maintain 'Adequate Capital' in addition to Minimum Capital Requirement (MCR) under Section 13 of Bank Company (Amendment up to 2018) Act, 1991.

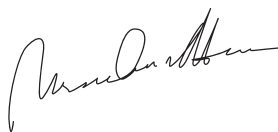
AB Bank Limited prepares the ICAAP document every year maintaining all regulatory criteria. After its completion, necessary approval from the Board of Directors is obtained and submitted to the central bank for their further review and for holding the SRP-SREP dialogue thereon

Risk Management Division

The Bank has an established Risk Management Department (RMD) in accordance with Bangladesh Bank guidelines. The department follows Bangladesh Bank's risk related directives and works closely with core risks dealing divisions to address and mitigate the risks properly. RMD has a continuous focus on the core risk areas. The department plays a key role in providing suggestions where mitigating factors require some added expertise and need to undertake required initiatives. Mentionable that, the Board's Risk Management Committee has authorized the Management to implement all the directives of the central bank timely and properly. RMD is working in line with the directives.

Conclusion

This is an era of change, thus era of Risk Management. With the constant change of macro factors in the economics, along with the change of technology and trends in international business, risks in Banking area are ever changing all the time. Thus to stay safe and to succeed in Banking operation, Risk Management has to ensure through revised operating model, process management, IT/ Data infrastructure as well as efficient talent pool inside the organization in a continuous manner. To uphold the reputation that AB Bank is holding in the Banking industry of the country for long 40 years, AB Bank Limited is considering Risk Management as core part of Bank's strategic planning. Along with the business growth and profit maximization, the Bank will continue to grow at an optimum level through customer satisfaction as well as effective risk management.



Mahmudul Alam
DMD and Chief Risk Officer



DIRECTORS' **REPORT**



DIRECTORS' REPORT

Bismillahir Rahmanir Rahim

Honorable Shareholders

As-salamu alaikum,

I am pleased to present AB Bank's Annual Report of 2021 in which we show how we continue to create sustainable growth and stakeholders' value amidst an extraordinary year. In recent years, we have continued to build on our resiliency. The strategic actions taken by the current management team enabled us to continue our support to our customers and stakeholders during these challenging times.

The COVID-19 pandemic has virtually affected all industries and economies. As the outbreak rapidly spread, movement restrictions and social distancing measures were widely implemented, affecting businesses and economic activities. The pandemic put a strain on global financial conditions with sharp declines in prices of financial assets, vulnerabilities in credit markets and dampened loans growth.

As containment measures gradually eased from the second quarter, economic activities partially resumed and economic indicators started to improve. COVID-19-resilient industries experienced quicker recovery, supported by a global surge in digitalization and a shift in consumer preferences.

Our commitment to value creation extends beyond creating profits. We consider the impact of our organizational decision-making on all our stakeholders, now and into the future. With uncertainties expected in 2021, our focus is to provide adequate support to help our customers, employees, suppliers, and communities navigate the impact of COVID-19.

Dear Shareholders,

With this backdrop I, on behalf of The Board of Directors of AB Bank Limited, am presenting to you the Directors' Report for the year ended 31 December 2021 which summarizes the global and local macroeconomic trends, projections, outlook and presents AB Bank's business highlights and key financial indicators of 2021.

Russia-Ukraine Conflict

The Russian invasion of Ukraine has already begun to affect the global economy through economic uncertainty and disruptions in supply of essential food staples and essential inputs, such as energy and fertilizers. The consequent shortage has led to inflation, globally. Recent COVID-19 lockdowns in Shanghai, China, and export bans in many countries, such as India and Indonesia, have exacerbated the problems further.

Global Economy

Region	Real GDP growth rate		
	2020	2021	2022 (projected)
World	-3.2	6.1	3.6
Advanced Economies	1.6	5.2	3.3
United States	-3.5	5.7	3.7
Euro Area	-6.5	5.3	2.8
Emerging Market and Developing Economies	-2.1	6.8	4.4
India	-7.3	8.9	8.2
China	2.3	8.1	4.4

Source: WEO, IMF

International Monetary Fund (IMF) significantly revised down the forecasted GDP growth rates of 2022 because of the Russia-Ukraine conflict. Previously, world output was expected to grow by 4.9% and now it is projected to grow only by 3.6%.

The World Bank (WB) has identified three channels through which the Russia/Ukraine conflict can affect the global economy: 1) Commodity and financial markets 2) Migration and trade links 3) Business/consumer confidence.

The economic shocks resulting from Russia-Ukraine conflict are worsening the negative effects of the COVID-19 pandemic. Fuel and food prices have increased rapidly and are adversely affecting vulnerable populations in low-income countries. Economic uncertainty arising from the conflict has already caused many countries to turn inwards and ban exports of major food staples in order to avoid any shortage/crisis.

Experts are advocating the strengthening of investment channels, social safety nets, and improving energy efficiency to mitigate the negative effects of the crisis.

Bangladesh Economy

	FY19-20	FY20-21	FY21-22 (forecasted)
Real GDP growth rate	3.4	6.9	6.4

Source: WB website

Bangladesh's economy grew by 6.9% in FY20-21, a much larger rate than the estimated 5.2%. The growth was driven by excellent vaccine coverage and resurgence of manufacturing and service sectors. WB has forecasted that the economy will grow by 6.4% in FY21-22.

The Russia-Ukraine conflict and associated sanctions may lead to a higher current account deficit and rising inflation as global commodity prices surge. Public debt remains sustainable, and the March 2022 joint World Bank-IMF Debt Sustainability Analysis assessed that Bangladesh remained at low risk of external and public debt distress. The debt crisis in Sri Lanka can affect investor and consumer confidence.

Global inflation has resulted in increased demand for the US dollars and, hence, the Bangladeshi taka, like many other currencies in the world, has recently began losing value. Meanwhile, the higher dollar expenditure for imports and other necessities is putting pressure on foreign exchange reserves.

International Food Policy Research Institute (IFPRI) notes that the Russia-Ukraine conflict may cause a food crisis in Bangladesh. The government of Bangladesh will need to take prompt decisions and actions to avert any such crisis.

Banking Sector

The banking sector of Bangladesh will play a pivotal role in the economy's recovery from the COVID-19 pandemic as well as mitigating adverse effects from the Russia-Ukraine conflict.

Bangladesh Bank (BB) reassured in MPS 21-22 that it would provide adequate financing support to all the priority and vulnerable sectors while maintaining price stability. BB will continue its ongoing pro-growth expansionary monetary policy to support investment and employment generating activities.

BB's FY21-22 monetary program is based on the government's targeted real GDP growth rate of 7.2% and general inflation ceiling of 5.3%. The programed growth of broad money (M2) is set at 15.0%. The annual public and private sector credit growth rates are projected to be 32.6% and 14.8%, respectively, in June-22. In case of any unexpected developments, BB has reassured that it will take necessary measures.

	Year-on-year growth rates (in %)			
	Actual		Planned	
	Dec-20	Jun-21	Dec-21	Jun-22
Domestic credit	9.7	10.3	14.1	17.8
Public sector	17.2	21.2	30.6	32.6
Private sector	8.4	8.4	11	14.8
Broad money	14.3	13.6	13.8	15.0
Reserve money	21.3	22.4	14.0	10.0

Source: MPS21-22, BB

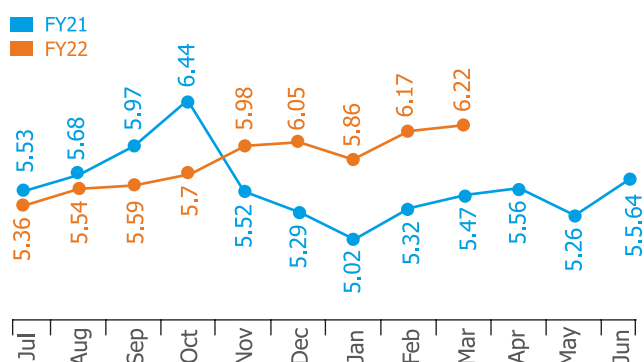
The amount of excess liquidity in the country's banking sector reached a record high of Tk. 2,315 billion in June 2021 which decreased to Tk. 1,866 billion at the end of April 2022.

Year-on-year deposit growth rate in the banking system was more than 12% in January 2020 and the rate was around 14% in the first half of 2021. The growth rate, however, dropped to 9.05% in March 2022 and plunged further to 7.55% in May 2022.

Non-performing loans (NPLs) in the country's banking sector increased by 16.38% year-on-year to Tk. 1,03,274 crore in 2021 from Tk. 88,700.34 crore a year before.

In 2021, rescheduling of non-performing loans (NPLs) was at its lowest since 2015. Analysts described the declining loan rescheduling as a welcoming trend for the banking sector but cautioned that there is no scope to be complacent.

Inflation



Inflation rate in FY21 and FY22 (Source: Bangladesh Bank)

The inflation rate (point-to-point) came down to 5.86% in January 2022 from 6.05% the month before, but it rose again to 6.17% in February and 6.22% in March. In April 2022, the inflation rate stood at 6.29% - the highest since October 2020. This was largely driven by increasing prices of food items. Prices of food items rose by 6.34% whereas prices of non-food items increased by 6.04% in March 2022.

Export and Import

Export and import increased by 15.1% and 19.7% in FY20-21 respectively. The country's export earnings during FY20-21 was \$45.37 billion. Knitwear and woven commodities were the major export earners with 37.4% and 32% of the total export earnings respectively. Copperware, engineering products and handicrafts underwent the largest percentage increases in export earnings.

The country's import payments during FY20-21 was \$7.21 billion. The major imported commodities were: cotton (all types), cotton yarn/thread and cotton fabrics, mineral fuels, mineral oils and products of their distillation bituminous substances, mineral waxes, nuclear reactors, boilers, machinery and mechanical appliances parts thereof, iron and steel, plastics and articles thereof, electrical machineries and equipment, and cereals.

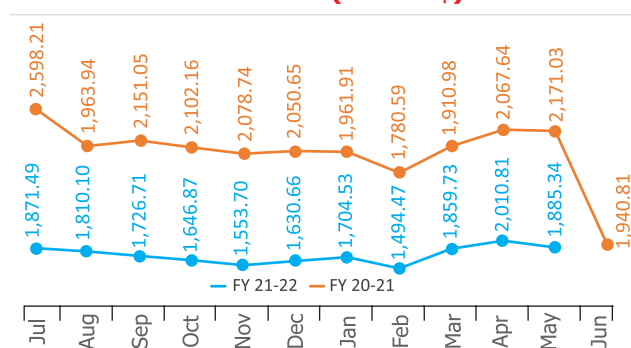
Recently, Bangladesh's trade deficit has been growing. In the first nine months of FY21-22, the trade deficit was about \$25 billion. This deficit was around 64% more than the July-March period of last year.

The export-import gap for agricultural products is concerning, especially, because of the ongoing Russia-Ukraine conflict; Bangladesh's food grains import is worth around \$10 billion while our export is just around \$1 billion.

Although Bangladesh's overall export earnings from Russia and Ukraine was only 1.72% of total in FY 2019-20, Russia-Ukraine conflict can harm export to other European countries if the conflict escalates further; 64% of the exports of the RMG sector are generated from countries in the European Union.

Remittance

Remittance (Million \$)



Source: Statistics Department, BB

The wage earners' remittance picked up in the second half of FY20-21. Since then it was being on a declining trend until Feb 2022. The remittance earnings have increased sharply in the first half of 2022. KSA, USA, UK and UAE continue to be the main source of foreign remittances for Bangladesh. In FY20-21, 55% of the remittances came from these four destinations.

BUSINESS OVERVIEW 2021

Corporate Banking

To meet the diverse financial needs of the corporates, the Bank provides a broad spectrum of products and services. With expertise, innovation and customization,

the Bank simplifies the complexities of the financial world for the clients and helps them attaining their desired objectives. The prime focus is on building and maintaining long-term mutually beneficial relationship with the clients and being a part of their journey towards development and growth. AB Bank has always been supporting the Corporate customers through a wide range of conventional Corporate and Islamic Banking Products and Services along with cutting edge solutions through a focused approach. On many occasions, AB's innovative and insightful support has transformed a good number of corporate customers, who with the passage of time, have developed themselves as the market leaders.

Like 2020, 2021 was also a very challenging year for the country due to the pandemic. As with all other business segments, corporate customers were also subjected to promote and hardships of the Bank. However, timely steps taken by Government and Bangladesh Bank through declaration of incentive package and continuous support by AB Bank helped the customers to overcome the difficult time. AB Bank supported the customers in the form of various stimulus packages that helped customers to sustain in the difficulties of the pandemic. In 2020-21, to cover the losses of corporate clients during Covid-19 period, AB disbursed total loan to the tune of Tk. 253.00 crore as working capital and Tk.102.60 crore to pay 04 months' salary to the worker of export oriented industries under Govt. declared stimulus package.

Business Highlight

Exposure in the Corporate Banking Segment accounted for BDT 25,229 or 87% of the Bank's total loan portfolio as at December 31, 2021. Exposure is largely concentrated in the following 03 (three) Sectors: a) Textile and RMG-17% b) Steel Manufacturing Industry-11% c) Ship Building and breaking-9%. This amply demonstrate the Bank's involvement in such sectors which are key to our economy. The Bank continues to have long standing relationships with country's prime names in the corporate sector.

Retail Banking

AB Bank, the first private sector commercial bank of Bangladesh, has been continuously developing flexible and customized retail products on modern technology platforms for all generations. The Bank with its expanded branch network, efficient workforce, Direct Sales Executives and Alternative Delivery Channels (ADCs) is bringing banking services at the doorsteps of the customers.

After the reinvention of Retail Banking Department in 2020, AB Retail picked up its pace in 2021 by achieving remarkable milestones in various products. With a brighter and blazing focus on retail last year, AB Retail continues to climb the ladder of success.

Pre-approved Credit Card

To accelerate the Credit Card business, many Pre-approved propositions were developed and offered in the market like, Pre-approved Credit Card for Bankers, SME and Retail clients, Agent outlets, Locker users etc.



Digitalization with Telco companies

AB Retail has signed exclusive agreements with Grameenphone, Banglalink and Robi Axiata Ltd for digitalization through which customers are offered digital gifts of internet data on various occasions. These Telco companies also committed to help in providing digital services to our customers.

Tie up with merchant outlets

AB Bank has established partnership with leading hotels and resorts, restaurants, super shops, airlines companies and service providers. These tie ups benefit the customers by ensuring a better and luxurious lifestyle through numerous offers and discounts in the merchant outlets.



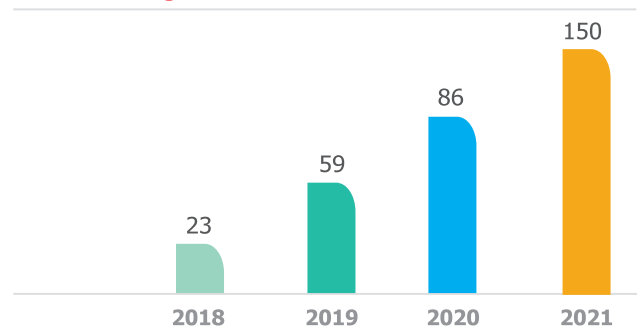
Agent Banking

Since inception of AB Bank Agent Banking, the goal has been to work for financial inclusion for the unbanked population as well as creating opportunities for entrepreneurship. The customers of Agent Banking Outlets are able to avail all basic banking services at all the agent outlets as well as at all the AB Bank Branches across the country. AB Bank is committed to establish this as the Economic Hub of the community so that the true spirit of Digital Bangladesh can be well supported by bringing the unbanked population of the nation under a banking platform through this innovative financial inclusion.

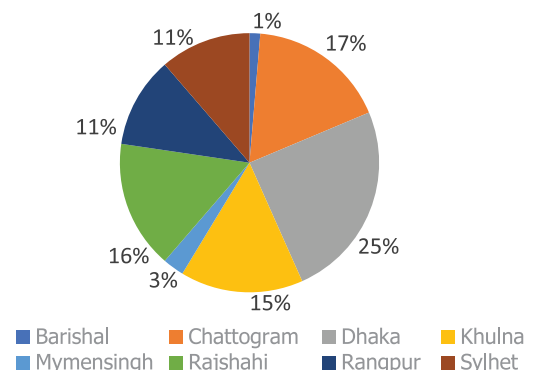
The Bank is trying its best to reduce the risks associated with delivering services and to develop technological capabilities to ensure seamless services. The Bank hopes to incorporate all the services for its customers including loan financing in the upcoming years.

Business Trend

Agent Outlet Growth Trend



Number of Outlets: division wise



SME Banking

Small and medium enterprises (SMEs) are playing increasingly important role as engines of economic growth of Bangladesh. There is a broad consensus that a vibrant SME sector is one of the principal driving forces in the development of the economy of Bangladesh. SMEs stipulate private ownership and entrepreneurial skills and can adapt quickly to change market situation, generate employment, help diversity economic activities and make significant contribution to exports and trade. Keeping pace with the ongoing progressive changes in SME sector in Bangladesh, AB has been relentlessly serving the entrepreneurs establishing a separate division named "SME Banking Division" since 2008 to give emphasis on SME financing, to ensure regulation, supervision and monitoring of SME's. SME Division is the focal point of all SME related issues, programs and projects and responsible for providing best financial solution to its customers. Management's strong commitment towards SME Banking, appropriate policy guideline, customized products for customers, consolidated database, compliance culture lead the SME Division to further higher platform of SME Banking in the country. Like other economic players, the pandemic-Covid-19, severely hit SME businesses-the larger source of growth and employment of Bangladesh by disrupting national and international business networks, supply chain, and demand. In 2020-21, AB disbursed Tk. 254 crore SME Loan under Govt. declared CMSME Stimulus Packages.

SME Facilities and Products:

OVERDRAFT

TERM LOAN

TIME LOAN

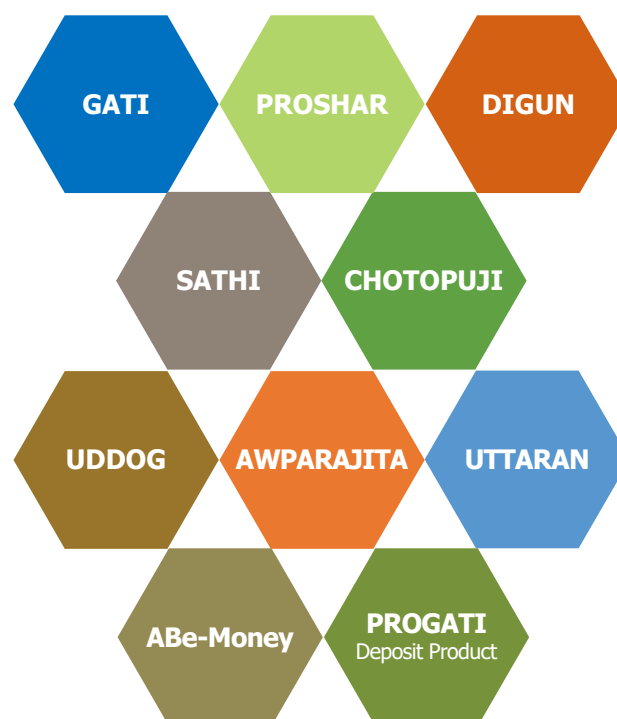
LETTER OF CREDIT

LETTER OF GUARANTEE

TRUST RECEIPT

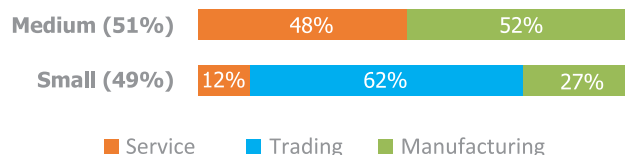
FOREIGN BILL PURCHASES

LOAN AGAINST ACCEPTED BILL

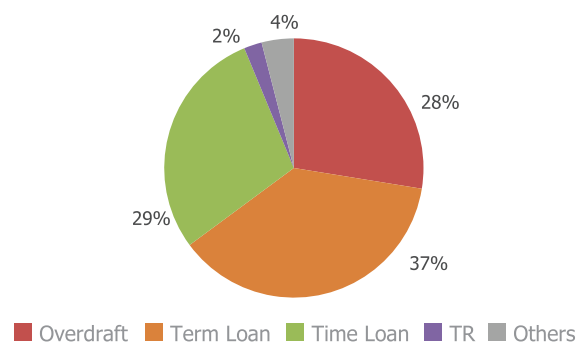


SME Portfolio Mix

SME Portfolio



SME Portfolio Segmentation



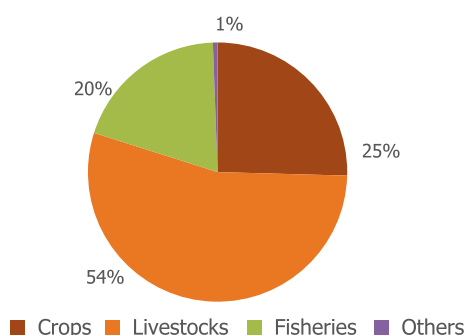
SME Delivery Channels



Agricultural and Rural Credit:

AB has gradually increased its portfolio in agricultural and rural credit. The financing are fundamentally in Crop, Fisheries and Livestock areas. AB also financed in agricultural credit at concessional interest rate for the purpose of cultivation of pulses, oil, seeds, spices and maize. Total outstanding in Agri. Loans as of December 2021 was Tk.325.40 crore.

Agricultural Portfolio



Information Technology (IT)

IT Division of the Bank is relentless in its pursuit of ensuring smooth execution of technology-related operations. The diligent team also continually strives for improvement and automation to address business/operation needs.

Initiatives of IT Department:

- **FB Teller Rollout:** Fusion Banking Teller – a modern replacement of existing teller solution – has been successfully rolled out to all 104 AB branches along with SigCap signature management solution. FB Teller simplifies the user experience and encourages cash management best practices. SigCap better captures operating instructions for joint / partnership accounts and enforces them during transactions.
- **Mumbai Go-Live:** SWIFT STP was a mandate from RBI and this has been successfully met by deploying FB Equation and FB Trade Innovation in AB Bank Mumbai (India) Branch.

- **AB Trade Portal:** It is a break-through in customer service where they can initiate LC requests online through a designated portal. Respective branch users can use this portal for providing responses and requesting additional data from customers as required.
- **Transfer to Nagad:** Now AB Direct customers can top-up any Nagad wallet from their bank accounts using our popular Internet Banking solution.
- **AB Utility:** Statement generation through AB Utility has been available to branches for quite some time. The solution has been enhancements for easy viewing of past transactions (up to 3 years) and printing for bank's internal use as well as meeting audit and regulatory demands. This shall facilitate faster decision making and compliance.
- **ACS integration:** AB Bank has integrated with the A-Challan System from both branch and online. AB customers can pay their taxes and fees from home using their AB Direct credentials.
- **Credit Card Information in IB/Mobile App:** Credit card holders can view card details, balances, outstanding transactions, dues etc. from AB Direct which increases customer convenience and satisfaction.
- **Retail loan SMS Alert:** AB retail loan customers get SMS alerts on disbursement, upcoming dues and outstanding payments. This has enhanced customer follow-up and better collection of repayments.
- **RemitBook Integrations:** API integration with exchange houses (RIA, GULF Exchange) and local agencies (BRAC Saajan) for direct customer credit and OTC payments from abroad.
- **Automation of Dispute Management:** Branch and Call Center can initiate customer disputes for different channels which eBiz can process for faster resolution.
- **Balance Confirmation via Email and SMS:** Customers will get balance confirmation report via both SMS and email thus enhancing customer service.

AB Bank Alternate Delivery Channel

AB Bank Limited is a strong brand in the banking arena with a country wide network of ATMs located in urban and rural areas. At present, the Bank's Electronic Business (eBiz) Division is enriched with Visa Debit Cards, MasterCard Credit Cards, ATMs, SMS Banking, Branch POS and Internet Banking Mobile App with a 24-hour Call Center.

International Debit Cards-First-time in Bangladesh

AB Bank proudly introduced International Debit Card (under the VISA network) – a first of its kind in Bangladesh. Using this card, customers can use their savings account tagged with their debit cards (after proper endorsement) outside the country. This brings in the convenience of using one's own account balance for foreign travel without resorting to applying for credit cards and the hassle associated with them.

Debit Cards

With the opening of any personal account, the customer is issued with a Debit Card. At all the AB Bank ATMs, this card can be used without any transaction fee. AB Bank Debit cardholders can also use their cards at all Visa labeled POS terminals around the country for purchasing goods and services.

Automated Teller Machines (ATMs)

AB Bank now has the fourth largest ATM network with 254 ATMs located across the country. The increase of ATMs is changing the conventional banking trend. For cash withdrawal and some other banking services, the customers are using AB Bank ATMs as their banking channel of choice. Bank already implemented the Online Bills Collection of DESCO and Mobile Top-up using AB Bank Visa debit cards in ATM.

Any Visa or MasterCard cardholder around the globe can enjoy the AB Bank ATM facilities too. AB Bank has also joined in the National Payment Switch of Bangladesh (NPSB) which is operated by Bangladesh Bank. Through this arrangement, any member bank's cardholder can withdraw money from AB Bank's ATMs as well as AB Bank's cardholders can withdraw money from other NPSB member banks' ATMs. Nearly 3.87 million transactions were made via AB Bank ATMs last year. Interestingly, other banks' cardholders use AB Bank's ATMs more due to high availability and consistent uptime.

AB Bank is also ready with MFS integration via NPSB and will be able to serve its customers when this facility is launched by Bangladesh Bank.

Credit Card



AB Credit Cards come in Gold, Titanium and World variants. With discounts at 5000 Plus merchant outlets, numerous Zero Interest Installment offers and "Buy One Get One Free" offers at prestigious hotels and restaurants, AB Credit Card is a mandatory requirement for the customers who value earning benefits from their card. With unlimited access to complimentary Lounge and Meet and Greet facilities at Hazrat Shahjalal International Airport, our cardholders are assured of premium access and privileges when travelling abroad. Our customer's credit card outstanding is also insured for death and permanent disabilities.

With competitive interest rates, market leading benefits, insured spending and superior global acceptability, AB Bank Credit Card is the perfect card for any credit card user.



AB Bank Contact Center was upgraded with dedicated Interactive Voice Response (IVR) in December 2020. This new system ensures better connectivity and full automation of call routing. Customers can now easily reach us to get banking services by dialing 16207. People from abroad can also get services by calling at +8809678916207.

We have also launched a state of the art complaint module for Contact Center to capture customer's complaint/feedback so that we can address customers' issues efficiently to ensure market leading customer service and satisfaction.

Discount and EMI Programs

AB Bank, in partnership with leading merchants and Service Providers, have introduced discount and 0%-interest EMI programs in the fields of Health Care, Hotels and Resorts, Airlines and Tourism, Electronics, Life Style, Dining etc. The discount programs are available in both Visa Debit and MasterCard Credit Cards whereas EMI programs are available via Credit Cards.

SMS Banking

AB Bank SMS Banking allows day to day banking on the mobile 24 hours a day. An SMS Banking customer needs to send a text message to AB Bank short code (16207) and for their desired service requirement – no hassle, no queue and easy to use.

Internet Banking and Mobile App

To facilitate modern banking services, AB Bank revamped its Internet Banking offering and introduced Mobile App under the umbrella of AB Direct. Internet Banking is browser and device independent and the Mobile App is available for Android and Apple iOS.

“Banking everywhere, never at a bank” – believing in this mantra, AB Bank brings its new Internet Banking with following benefits:

- Instant access to account information and account balance
- Print or electronically save transaction history
- Transfer funds to any Bank account within Bangladesh through EFT and Instant Transfer
- Pay utility bills (e.g. Dhaka WASA, DESCO, DPDC, and others)

Corporate Internet Banking

As its 2nd phase of AB Direct initiative, AB Bank has introduced Internet Banking services for its corporate customers as well. Company and business customers can use a highly specialized version of the Internet Banking solution for real time access to their accounts for balance information and making payments using various channels i.e. BEFTN, RTGS, pay utility bills etc. This version has a strong multi-layer authentication workflow for payments with payment delegation hierarchy. This version also supports bulk payment processing for salary disbursements, etc. Customers can also view transaction histories and download them in Excel format for further automated consumption at their end.

Branch POS (Chequeless Transaction)

AB Bank introduced Branch POS (Point of Sale) Services to consolidate its position in the market in terms of technology based retail banking product offers. This service was introduced to facilitate AB Bank Visa Debit cardholders for the higher cash withdrawal facility through POS terminals in any AB Bank Branches.

Investment Banking Department (IBD)

Investment Banking Department (IBD) was established in 2006 to manage the Bank’s investments in the capital market. There is also a Custodian Unit which operates under IBD which provides one-stop services to NRB’s and Foreign Investors interested to invest in Capital Market in Bangladesh. Besides IBD also plays a monitoring and supervisory role to AB Investment Limited and AB Securities Limited.

Keeping in pace with AB’s vision of innovative banking, IBD focuses on diversifying service horizons from that of conventional Merchant Banking services. IBD also extends services for the Portfolio Management needs of Non Resident Bangladeshi (NRBs) and foreign investors and also facilitates remittance in the local capital market through NRB-IDA, FC and NITA account. As a value-added option IBD also has a Custodian Wing under a separate license.

AML and CFT Compliance Division (ACCD)

Combating money laundering and financing of terrorism

In accordance with regulatory guidelines, AB Bank has implemented its AML/CFT Policy to mitigate money laundering and terrorist financing risks. AB understands that the fight against money laundering and terrorist financing requires individual as well as collective effort and as such knowledge on AML and CFT is essential for all staffs of the Bank.

Amid COVID-19 lockdown situation AB Bank continued with day long sessions on AML/CFT through its online platform WebEx and was able to impart training to more numbers of officials than it was originally planned to be provided through class room training.

With a dedicated team of officials, concerned Division of AB Bank could achieve planned number of visits to Branches to perform activity review of AML/CFT practices amid difficulty in movement due to COVID-19 situation. Internal Audit team also visited Branches to review AML/CFT status during those difficult days.

AB Bank continued its endeavor of monitoring transactions on a regular basis and reported sizable numbers of STRs/SARs. Bank also ensured timely submission of its reports and information to regulators and correspondents against their queries.

Bank took the initiative to ensure effective implementation of Prevention of Trade Based Money Laundering across all AD Branches as per regulatory guidelines.

Country wide Agent outlets are also being kept under monitoring from AML/CFT point of view. Agent outlet officials are also being trained and made aware on ML/TF related risks and their mitigation.

Off-shore Banking Unit (OBU)

AB Bank introduced OBU operation located in EPZ Branch, CEPZ, Chattogram. Since inception OBU extended Banking facilities to a substantial number of foreign owned companies as well as Corporate resident Customers with due permission from the regulatory body. On May 31, 2016 OBU was declared as a separate branch. Subsequently, an Offshore Banking Division was



created for the purpose of supervising Off-shore Banking Operations of the Bank. A dedicated Branch Anti Money Laundering Compliance Officer (BAMCLO) has been assigned to OBU to comply with Anti Money Laundering Policies and relevant regulations. Enhanced screening mechanism has been established for screening customers and transactions of OBU in compliance with OFAC, UN, EU and UK provided Sanctions Lists. Total Deposit and LDOs of OBU as of 31 December, 2021 was USD 155,680 and USD 69,915,775 respectively.

Department of Internal Control and Compliance (DICC)

The Department of Internal Control and Compliance (DICC) is comprised of the following division:

- Audit and Inspection Division
- Compliance Division, and
- Monitoring Division

Audit and Inspection Division conducted Risk-Based Audit and Annual Comprehensive Audit on the Branches and Departments/Divisions/Units of Head Office including concurrent audit on FIT Division. Special audits on some specific issues like year-end Branches Cash Position, Security Stock Verification, Cash Incentive Cases, and AML and CFT issues are also conducted audit by the Division and also carry out investigation works as and when required basis. The Division also summarizes the major audit finding detected by the internal audit and inspection teams during audit and inspection and presents these before the Board Audit Committee periodically for their kind perusal. It also prepares the Annual Integrated Health Report of the Bank and submits it to Bangladesh Bank after taking approval from the Board of Directors.

The Compliance Division ensures compliance of Internal, External, and Bangladesh Bank (BB) inspection Reports on Head Office, Branches, and Core Risk Areas. It arranges special Board Meetings for review and discussion of the BB comprehensive inspection report and maintains constant liaison with the Central Bank regarding compliance issues. The division monitors the operational performances of various branches and divisions thorough inspection reports. Regular following-up of inspection reports for mitigation of irregularities detected in the branches and departments, advice non-repetition of similar nature of lapses for reducing the risks. The division also archiving of all circulars, instructions, guidelines, manuals, etc.

Monitoring Division monitors operational activities of the Branches through Internal Control Tools viz. DCFCL, LDCL, and QOR. The division verifies the effectiveness of the internal control system and operational activities by ensuring the implementation of DCFCL, QOR, LDCL, and Self-Assessment on AML and CFT at the branch level. The Division conducts surprise visits of Branches as and when

necessitated and also summarizes the decisions of Board Audit Committee (BAC) Meetings quarterly and submits the same to the Board Audit Committee along with the status of compliance.

In the year 2021, DICC conducted the following audit and inspections activities:

Operations Department

General Banking Operations

General Banking Operations (GBO) is responsible to set certain standards in delivery of products and services within a regulated framework. It continuously monitors Branch activities to mitigate risks and ensures regulatory compliance and also provides necessary support all Branches as and when required.

In 2021, the Department undertook quite a few initiatives to ensure a) superior service standards b) effective operational controls c) improved process flows besides taking steps for combating COVID-19 related health hazards. Like previous years the Division undertook different initiatives as follows:

- "A-Challan" has been introduced to receive Govt. Treasury Challan Payments wherein all Government payments e.g. Taxes, Fees, Service Charges, VAT, Penalties etc. can be deposited to Government accounts through Automated Challan System (ACS) from all ABBL branches.
- To improve service quality the Division has implemented AB 360° Customer Service in 18 branches through which customers will receive all banking services from a single desk. All large and mid-size branches of the Bank will be covered in phases.
- Awareness build up activities continued during the year as an on-going exercise to prevent occurrence of any operational lapses.
- To save cost and ensure green banking, the Division introduced paperless approval system through e-mail on different operational processes.

COVID-19 pandemic initiatives:

- Ensure 'No Mask No Service' at all levels.
- Customers were informed about limited banking services/regular banking services through SMS, e-mail, bank's website and social media.
- Customers were encouraged to use ATMs, Cards and Internet banking as alternative channels to avail banking services.
- Guided the Branch Management to ensure uninterrupted customer service.

Department of Human Resource Management and Development

Even though the year 2021 was a very difficult year for AB Bank due to break-out of COVID-19 with its new Omicron variant, AB Bank and its employees together had a praiseworthy growth and positive impact.

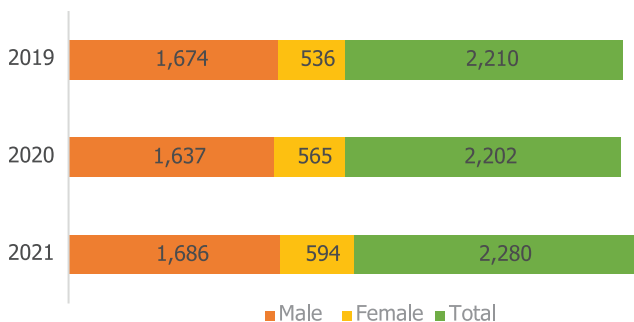
Glimpse of HR initiatives in the Year-2021 are presented below:

- Foster High Performance Work culture by effective Performance Management System and Job allocation delegation, constant focus on serving Customers in each and every horizon.
- Implement HR Systems and Practices.
- Create awareness of our competitive advantage, working with teams from different backgrounds as an integrated AB Family.
- Increase performance along with training and development.
- Employee Motivation through Reward and Recognition (Promotion, Increment, Incentives, etc.) on the basis of Performance, Employee Engagement Events, skill and competency development.
- Develop a work environment in which employees will choose to be motivated / contributing,
- Manpower planning through right-sizing and Assessment Strategy aligned with mission, goals, and organizational objectives and strategic plans and budgets.
- Identifying high-value talent as well as succession planning as a key element of business continuity strategy.

Training Data

Training	# of Courses	# of Participants
ABTA Training	106	3,985
External Training	95	383
Total	201	4,368

Gender Diversity of Employee



Age Group Wise Employee Ratio

Age Group	31.12.2021	
	Number	Mix (%)
Up to 30 years	298	13.07%
Above 30 years to up to 40 years	768	33.68%
Above 40 years to up to 50 years	796	34.91%
Above 50 years to up to 60 years	411	18.03%
Above 60 years	7	0.31%
Total	2,280	100.00%

Financial Institutions and Treasury

Treasury Functions

The strategic function of any Treasury Division is effective management of such risks as Liquidity Risk, Interest Rate Risk and Foreign Exchange Risk. Being an integrated Treasury unit, AB Bank Treasury is engaged in managing these risks within the laid down different internal policies and guidelines of Bangladesh Bank. Functions of Treasury Division are divided among ALM desk, Fixed Income desk, Money Market desk, Foreign Exchange desk and Primary Dealership (PD) desk. Core responsibility of Treasury operations is the maintenance of statutory requirements i.e. CRR, SLR and Liquidity Ratios. In the process of liquidity risk management, Treasury arranges fund both in Local Currency and Foreign Currency. As an interest rate risk manager, Treasury focuses on maturity management of both Loans and Deposits in line with Bank's risk appetite. As a Primary Dealer, AB Bank performs its responsibility as an underwriter to Govt. securities. AB Bank Treasury is capable of providing all possible treasury solutions through an array of treasury products at better prices and superior services with a dynamic and innovative work force.

Highlights of 2021

- Income from Foreign Exchange increased to BDT 302.40 million in 2021 from BDT 270.00 million in 2020.
- Interest income on Money Market Product stood at BDT 116.20 million in 2021 compared to BDT 279.80 million in 2020.
- Investment income was BDT 4,452.70 million in 2021 compared to BDT 5,969.50 million in 2020.

Financial Institutions

AB Bank's Financial Institutions (FI) Division is mainly engaged in expanding and maintaining correspondent banking relationships with local and foreign Banks, Financial Institutions and Exchange Houses. AB's foreign

correspondent relationship covers most of the important Banks and Financial Institutions in the world. AB Bank's Correspondent Banking Platform is comprised of 306 correspondents. This strong platform helps expanding international trade business of AB Bank Limited and providing better customer service to its customers.

International Trade

During 2021, AB experienced significant growth in both import and export business compared to previous year.

Import Business increased by 48.78% to Tk. 4,862 crore in 2021 from Tk. 3,268 crore in 2020. Import business of AB covers areas like industrial raw materials, food items, chemicals, medicines, textiles, capital machineries etc.

Export Business also experienced a positive growth of 18.78% percent in the year 2021 compared to the previous year. Total Export was Tk. 5,559 crore at the end of the year 2021 which was Tk. 4,680 crore in 2020. Export business was concentrated in frozen fish, readymade garments, knitwear and other indigenous products.

FI Marketing

A dedicated FI Marketing Team facilitates trade business activities originating from different Banks in Bangladesh. FI Marketing Team procures foreign trade related business i.e. Reimbursement Authorities/Payment Instructions, advising of documentary credits and confirmation to L/Cs of different Banks in Bangladesh on behalf of AB Bank Limited, Mumbai Branch and AB International Finance Limited (ABIFL), Hong Kong. During the year 2021, our FI Marketing Team collected considerable number of Reimbursement Authorities/Payment Instructions and provided great support in advising a significant number of L/Cs from different Commercial Banks in Bangladesh through our Mumbai Branch, India and ABIFL, Hong Kong.

Remittance Initiatives

AB has been using state-of-the-art API enabled remittance software for excellence in remittance operation of the Bank. AB strengthened its remittance relationship with various renowned exchange houses in 2021. AB is focusing on excellence in customer service through the existing Branch network and agents. A dedicated "Remittance Hub" backed by advanced technology platform helps expanding the Bank's service to the doorstep of the customers. Corporate clients of AB remained another major source of foreign currency. Bank is also trying to broaden its base through solicitation of indigenous export clients. Total remittance at the end of the year 2021 was USD 379 million compared to USD 215 million in 2020.

Overseas Operations

Mumbai Branch

AB Bank Limited, Mumbai Branch is the only Bangladeshi Bank's Branch in Mumbai to cater Indo-Bangla Trade. Since its inception in the year 1996, it was engaged in handling of Letter of Credit and document of export from India to Bangladesh in addition to retail banking activities. The branch also provides confirmation, negotiation and discounting services to its customers.

At present, our Mumbai Branch is maintaining VOSTRO accounts of 44 Bangladeshi Banks. Mumbai Branch's Operating Profit at the year-end of 2021 was INR 159.16 Million.

Highlights of Mumbai Branch Business

INR in Million	2021	2020	2019
Total Assets	2,891.24	2,914.70	2,576.59
Total Loans and Advances	510.43	468.00	566.93
Total Deposits	1,974.08	1,827.52	1,451.26
CRAR – Overall	36.93%	36.65%	36.51%
CRAR – Tier I	36.49%	36.25%	36.30%
CRAR – Tier II	0.43%	0.40%	0.21%
Fee based income to Total income	86.69%	82.24%	82.73%
Return on Total Assets	3.33%	1.50%	3.60%

Highlights of Mumbai Branch Business

INR in Million	2021	2020	2019
Operating Profit	159.16	21.33	159.28
Profit after Tax (PAT)	96.57	41.14	92.15
Return on Assets (%)	3.33	1.50	3.60
Return on Equity (%)	10.64	4.15	9.59

Credit Risk Management (CRM)

CRM Division manages the credit risks of the Bank as per the CRM Policy formulated in accordance with guidelines, manuals and other related circulars issued by Bangladesh Bank from time to time. The Division implements specific risk mitigating tools that include understanding customers [KYC], their past track record, financial soundness, management ability, outlook of business and industry, collateral arrangement etc. AB has diversified its credit portfolio into Corporate, SME and Retail. There are separate policies for each such segment with clearly defined tools for risk management in line with exposure, purpose, type, industry etc. A uniform Credit processing matrix is in place which has been disseminated to the Branch level. Clear segregation of Credit Relationship and Credit Administration streams across the Bank has been

established to ensure effective credit risk management. This setup has also ensured sound practices in overall credit management viz. credit processing/appraisal, approval, documentation, disbursement, monitoring and control. The Division regularly reviews and updates Credit Risk Management Policy and Lending Guidelines as and when warranted to accommodate the continuous changes in the business, economic, market conditions, social and political environments, government policy, industry demand, central bank regulation and experience of the bank for better management credit risks.

Credit Administration Management (CAM)

Credit Administration and Management (CAM) Division safeguards the total asset of the Bank. This Division is focused in complying with post-approval credit processes relating to Corporate, SME and Retail loans which includes documentation, disbursement, returns and compliance. In carrying out its responsibilities it keeps continuous liaison with Branch Managers, Business, Risk Management, Senior Management, and the Board as well as with the Regulatory authorities.

The CAM Division usually supports the bank directly and indirectly to manage the level of credit risk exposure having its five wings those are related to the complying of (1) Generating to the CIB Reports (2) Preparing Sanctions after getting approval and loading the limit (3) Limit Activation and Authorization after completion of documentation formalities as per Sanction Terms and Conditions (4) Loan Disbursement under the approved limits and finally (5) Returns and Compliance comprising loan irregularities report both to the in-house Management and Regulatory Authorities. Besides these, CAM Division typically keeps providing essential data, information and necessary counselling to the respective divisions to strengthen and to make precision the supervision of Loan Disbursement, Overview the loan Documentation, Monitoring and Controlling of Loan Delinquency and Reporting the above all status to the Board of Directors, Senior Management, Business Divisions and Branches.

Department of Accounts and Finance (A&F)

Department of Accounts and Finance works towards achieving high standards as befitting for the institution. It also ensures operations of the Bank within the compliance framework.

The Department primarily focuses on developing and maintaining a service-oriented culture. It performs the key roles of controllership financial reporting, budgeting, forecasting, financial analysis, business performance monitoring, decision support, procurement (Payment Cell) and provides support for effective risk management. In addition, the Department also provides relevant MIS to Management and the Board for facilitating strategic

decisions.

Corporate Social Responsibility (CSR)

AB believes Corporate Social Responsibility (CSR) is the first and foremost meant to contribute to the society for improving the quality of lives of people, particularly for that segment of the people who are underprivileged and less fortunate in terms of basic needs such as food, health, education etc. CSR is a self-regulating business model that helps a company be socially accountable - to itself, its stakeholders, and the public. AB Bank feels obligated towards the community in which it operates. It has long been active in a wide range socially responsible initiatives.

The Bank promotes the country's rich heritage of arts, culture and sports. The Bank always responds to the crying needs of the society and to stand beside the affected ones in times of national crisis. Besides addressing the basic social needs of the under privileged people of the country, AB believes that CSR can be a genuine platform to address growing environmental concerns also.

Risk Management Department (RMD)

Risk Management acts as one of the main operational activities in every sphere of operations for any Bank. It is the fundamental part for a bank to ensure its profitability and soundness. It also serves as essential auxiliary tools to board strategic plans towards achieving bank's overall objectives. AB Bank Limited recognizes the need for risk management to feature as a consideration in strategic and operational planning. As per Bangladesh Bank guidelines, AB Bank is having effective Risk Management Department (RMD) equipped with adequate resources and infrastructure. The fundamental objective of this Department is to protect the organization from unexpected losses caused by unfavorable downgrade in financial areas and reputational issues through early flag raising, and there-by to ensure sustainability in growth. The RMD is constantly considering and applying efforts to develop organization wide Risk Management structure and processes to rip out its outcomes in all areas of the Bank in compliance with Bangladesh Bank's risk related directives and procedures.

RMD is performing an effective role in leading the Supervisory Review Process and holding SRP-SREP dialogue on ICAAP. RMD also provides the Bank's Risk Appetite Framework in the light of Bank's strategic plan comprising Key Risk Indicators (KRIs) from different segments of the Bank. It also provides training to AB Bank officials on Risk Management issues focusing on Management Action Trigger (MAT), Comprehensive Risk Rating (CRR) with a view to enhance the level of understanding on risk management, its importance and its application.



AB Subsidiaries

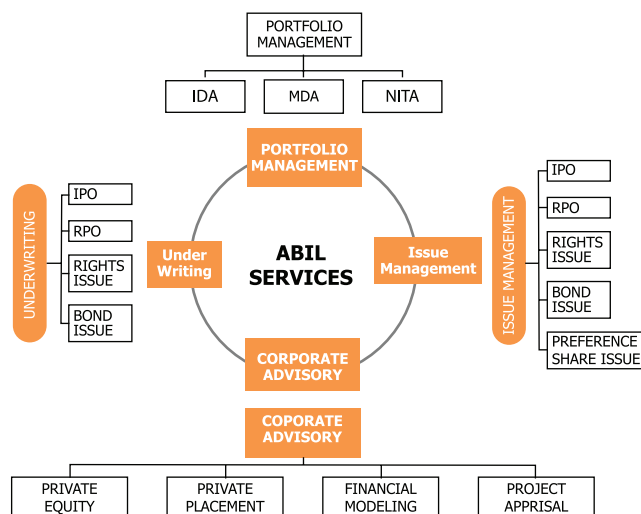
AB International Finance Limited

AB International Finance Limited (ABIFL), Hong Kong, a wholly owned subsidiary of AB Bank Limited, has started its operation in the year of 1995. ABIFL is primarily engaged in advising, adding confirmation to documentary credits, negotiation and discounting of bills under Letter of Credit. ABIFL's performance in 2021 is presented below:

Particulars	2021	2020	2019
Operating Profit-HKD Million	10.12	7.90	11.97
Profit after tax (PAT)-HKD Million	8.62	6.84	10.18
Return on assets (%)	6.91	6.38	9.82
Return on equity (%)	51.12	38.81	53.56
Earnings per share-HKD	86.17	68.45	101.76

AB Investment Limited

After incorporation on 24th day of December 2009 AB Investment Limited (ABIL), a wholly owned subsidiary company of AB Bank Limited, started its operation on the 10th day of March, 2010. ABIL provides the following services:



The number of clients of AB Investment Limited is about 2,306 and it comprises of Local Individual and Institutional clients along with NRBs and Foreign Individuals. ABIL has 7 (seven) panel brokers to perform trading of its clients and of own portfolio. Total portfolio of ABIL was more than Tk. 7.59 billion in 2021 which is 0.14% (approx.) of the total market capitalization. Currently, ABIL operates from its Head Office in Dhaka and two branch offices in Chittagong and Sylhet.

Particulars	2021	2020	2019
Number of Clients (in number)	2,306	2,326	2,349
Margin Loan provided to Clients (mn)	7,257	6,957	6,752
Operating Income (mn)	449	175	57
Operating Profit (mn)	376	100	9
Net Profit (mn)	67	(4)	(58)
Earnings Per Share (Tk.)	0.10	(0.006)	(0.089)

*Restated EPS

AB Securities Limited (ABSL)

AB Securities Limited (ABSL), a wholly owned subsidiary company of AB Bank Limited, was incorporated on 24th December 2009 and started its operation on 2nd August, 2010. ABSL is a corporate TREC Holder of both Dhaka Stock Exchange Limited (DSE) and Chittagong Stock Exchange Limited (CSE).

The number of clients of ABSL is around 3,347 and it comprises of local individual and institutional along with NRBs and foreign individuals. ABSL also acts as Agent Broker of AB Investment Limited.

Currently, ABSL is operating from its Head Office in Dhaka and two branch offices in Chittagong and Sylhet. In the year 2021, total turnover of ABSL was around Tk. 76.10 billion.

For Foreign Nationals and Non-Resident Bangladeshis, ABSL provides one stop stock broking services including assistance in opening Foreign Currency (FC) Account and Non-Resident Investor's Taka Account (NITA), BO Account opening and trading at DSE and CSE.

Performance of ABSL

Particulars	2021	2020	2019
Number of Clients (in number)	3,347	3,117	2,942
Margin Loan provided to Clients (mn)	762	919.0	931
Operating Income (mn)	164	152	28
Operating Profit (mn)	92	70	(20)
Earnings Per Share-EPS (Tk.)	0.23	0.16	0.01
Total Turnover-Trade (Billion Tk.)	76	46	18

Cashlink Bangladesh Limited (CBL)

CBL is a subsidiary of AB Bank Limited. CBL incorporated on 24th September 2008 with the following objectives:

- To carry on the business of providing integrated electronic financial payment to AB and other member Banks
- To do Transaction Processing solutions in Bangladesh, including coordination and deployment of independent branded automated teller machines (ATM)
- To facilitate Electronic Fund Transfer through Points of Sale (EFT POS) and provide pre-paid Card
- Debit Card, Credit Card processing services, etc.
- To facilitate E-commerce facility to our clients

Performance of Cashlink

BDT in Lac

Particulars	2021	2020	2019
Total Operating Income	30.73	40.31	135.55
Total Operating Expense	4.41	4.19	4.53
Profit After Tax	18.42	24.38	127.37
Total Shareholder's Equity	787.46	769.04	744.66
Total Asset	882.73	856.41	823.94

Arab Bangladesh Bank Foundation (ABBF)

Arab Bangladesh Bank Foundation (ABBF) is a platform for philanthropic activities of the Bank.

Financial Performance Highlights

As one of the most highly regulated industries in the world, investors have some level of assurance in the soundness of the banking system. As a result, investors can focus most of their efforts on how a bank will perform in different economic environments. In 2021, as with other sectors, the Banking Sector as a whole experienced adverse effect of COVID 19 pandemic. Within these challenging economic and business environment, the Bank registered following financials:

BDT in crore

Particulars	Consolidated		Change %	Solo		Change %
	2021	2020		2021	2020	
Interest Income/Profit on Investments	2,059.72	2,442.69	-16%	2,038.41	2,429.15	-16%
Interest Paid/Profit on Deposits and Borrowings, etc.	1,583.00	2,017.16	-22%	1,582.20	2,013.46	-21%
Net Interest Income	476.72	425.53	12%	456.21	415.68	10%
Other Income	776.69	825.90	-6%	728.14	798.95	-9%
Operating Expenses	591.39	586.21	1%	571.07	567.93	1%
Operating Profit	662.02	665.22	0.005%	613.29	646.70	-5%
Provisions for Loans and Others	465.71	531.99	-12%	432.66	514.49	-16%
Profit before Taxation	196.30	133.23	47%	180.63	132.21	37%
Provisions for Tax	124.62	93.80	33%	116.49	93.07	25%
Profit after Tax	71.68	39.43	82%	64.14	39.14	64%
Earnings Per Share (BDT)	0.86	0.47	0.39	0.77	0.47	0.30

In the year 2021, Interest Income and Interest Expenses decreased by 16% and 22% respectively. Net Interest Income increased by 12% and 10% on consolidated and solo basis. Gain from Treasury bills and bonds was reduced during the year as a result, other income has decreased by 6% and 9% on consolidated and solo basis. Operating expense of the Bank was managed prudently. As a result, there was a minimum growth in operating expenses both in consolidated and solo basis. However, at the end, Bank registered 82% and 64% growth in Profit after Tax and stood at BDT 72 crore and BDT 64 crore in consolidated and solo basis respectively.

Asset Quality

BDT in crore

Particulars	Consolidated		Change %	Solo		Change %
	2021	2020		2021	2020	
Total Loans and advances	29,904.34	28,290.09	5.71%	29,045.98	27,482.99	5.69%
Unclassified	25,793.40	23,674.63	8.95%	24,935.04	22,867.53	9.04%
Standard	25,038.88	22,010.99	13.76%	24,180.52	21,203.89	14.04%
Special mention Account	754.52	1,663.64	-54.65%	754.52	1,663.64	-54.65%
Classified	4,110.94	4,615.46	-10.93%	4,110.94	4,615.46	-10.93%
Sub-standard	51.91	234.57	-77.87%	51.91	234.57	-77.87%
Doubtful	313.88	309.68	1.36%	313.88	309.68	1.36%
Bad Loss	3,745.15	4,071.21	-8.01%	3,745.15	4,071.21	-8.01%

It is main challenge of the Bank to keep the assets quality at optimum level. In 2021, Bank was able to reduce classified loans by BDT 505 crore. As a result, CL ratio stood at 14.15% in 2021 from 16.79% of 2020. Improving the asset quality, recovering classified and written off loans, restructuring loan portfolio in order to improve the profitability are the prime focus of the Board.

Capital Position

BDT in crore

Particulars	Consolidated		Change %	Solo		Change %
	2021	2020		2021	2020	
Risk Weighted Assets	33,337.93	34,461.71	-3.26%	32,966.60	34,105.67	-3.34%
Credit Risk	30,043.53	31,751.21	-5.38%	29,808.53	31,556.50	-5.54%
Market Risk	1,182.00	835.96	41.39%	1,107.10	726.80	52.32%
Operational Risk	2,112.40	1,874.54	12.69%	2,050.97	1,822.36	12.54%
Regulatory Requirement	12.50%	12.50%		12.50%	12.50%	
Capital Requirement	4,167.24	4,307.71		4,120.82	4,263.21	
Capital Maintained	3,805.93	3,905.10	-2.54%	3,539.51	3,696.60	-4.25%
Tier-1	2,472.41	2,067.39	19.59%	2,345.80	1,957.01	19.87%
CET-I	2,031.41	2,067.39	-1.74%	1,904.80	1,957.01	-2.67%
Add. Tier-I	441.00	-	100%	441.00	-	100%
Tier-2	1,333.52	1,837.70	-27.44%	1,193.71	1,739.59	-31.38%
Capital Surplus/ (deficit)	(361.31)	(402.62)		(581.31)	(566.61)	
Capital to Risk Weighted Asset Ratio (CRAR)	11.42%	11.33%		10.74%	10.84%	
Tier-I	7.42%	6.00%		7.12%	5.74%	
Tier-II	4.00%	5.33%		3.62%	5.10%	

At the end of 2021, Bank was able to maintain CRAR @11.42% and 10.74% on consolidated and solo basis respectively against 12.50% (10% minimum and 2.50% capital conservation buffer) regulatory requirement. Risk Weighted Assets of the Bank was decreased near about 3% and capital decreased approximately 4%. However, issuance of Perpetual bonds of BDT 600 crore is in process and within 2021 BDT 441 crore has been subscribed.

Cash Flow Position

BDT in crore

Particulars	Consolidated		Change %	Solo		Change %
	2021	2020		2021	2020	
Net cash flow from operating activities	254.24	(367.19)	169.24%	300.75	(382.93)	178.54%
Net cash flow from investing activities	74.79	(178.80)	-141.83%	59.03	(194.24)	-130.39%
Net cash flow from financing activities	354.94	366.02	-3.03%	354.94	366.02	3.03%
Net decrease in cash	683.97	(179.97)	-480.04%	714.72	(211.15)	438.49%
Net Operating Cash Flow Per Share (NOCFPS) (BDT)	3.04	(4.39)	7.43	3.60	(4.58)	8.18

Major component of net cash flow from operating activities was operating profit after elimination of the effect of depreciation and provision and non-cash items in Profit and Loss Account. Changes in operating assets and liabilities i.e. changes in loans, deposits and short term borrowing mainly affected the cash flow from operating activities. Net Operating Cash Flow Per Share increased than last year.

Key Ratio

Particulars	2021	2020
Capital to Risk Weighted Assets Ratio	10.74%	10.84%
Loan Deposit Ratio	86.27%	85.26%
Cost income ratio	48.22%	46.71%
CL Ratio	14.15%	16.79%
Return on investment (ROI)	8.47%	10.34%
Return on assets (ROA)	0.16%	0.10%
Return on equity (ROE)	2.63%	1.65%
Assets Utilization Ratio	79.82%	78.62%
Operating Profit Per Employee (Lac/Taka)	26.90	29.37

Shareholding Pattern

Shareholding pattern of the Bank is disclosed as below following the requirements of Section 1.5 (xxiii) of BSEC Corporate Governance Code No. BSEC/CMRRCD/2006-158/207/Admin/80, dated 03 June 2018:

- a) Parent / Subsidiary / Associated Companies and other related parties: Not Applicable
- b) As of December 31, 2021, shares held by Directors including nominating Individual and Institutions, Chief Executive Officer, Company Secretary, Chief Financial Officer and Head of Internal Audit and their Spouses and Minor Children are as follows:

Name of the Directors, CEO, CS, CFO and HIAC	Status	No. of Shares	%	Name of the Spouses	No. of Shares	%
Mr. Muhammad A. (Rumee) Ali Nominated by Pacific Traders Ltd.	Chairman	83,454,592	9.9845%	Ms. Tamara R. Ali	-	-
Mr. Feroz Ahmed	Director	17,342,538	2.0749%	Ms. Salvana Ahmed	342,321	0.0410%
Mr. Shajir Ahmed Nominated by Hexagon Chemical Complex Ltd	Director	22,894,393	2.7391%	Ms. Fahmida Islam	-	-
Mr. Khairul Alam Choudhury Nominated by Pacific Industries Ltd.	Director	81,758,976	9.7817%	Ms. Mariya Rakhi Chowdhury	-	-
Mr. Md. Maqsoodul Huq Khan Nominated by Emkay Holdings Ltd.	Director	17,088,750	2.0445%	Ms. Kazi Homaira Nirjhar	-	-
Mr. Shafiqul Alam	Independent Director	-	-	Ms. Najma Shafiq	-	-
Mr. Tarique Afzal	President and Managing Director	-	-	Ms. Ornita Afzal	-	-
Mr. K.M. Mohiuddin Ahmed	Chief Financial Officer	-	-	Dr. Khairun Nessa	-	-
Mr. Mohiuddin Ahmed Chowdhury	Head of Internal Control and Compliance(In-charge)	-	-	Ms. Tasmina Hoque	-	-
Mr. Md. Jasim Uddin ACS	Company Secretary (In-charge)	-	-	Ms. Jannatul Bakia	-	-

- c) As of December 31, 2021, shares held by top five salaried employees other than the Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, and Head of Internal Audit.

Sl. No	Employee Name	Designation	No. of Shares
1	Mr. Sajjad Hussain	Additional Managing Director	-
2	Mr. Abdur Rahman	Deputy Managing Director	-
3	Mr. Mahmudul Alam	Deputy Managing Director	-
4	Mr. Syed Mizanur Rahman	Sr. Executive Vice President	-
5	Mr. Mahadev Sarker Sumon	Sr. Executive Vice President	-

d) Shareholders holding ten percent or more voting interest in the company: Nil

Dividend

The Board in its 732nd Meeting held on April 26, 2022 recommended 3.00% Stock Dividend and 2% Cash Dividend to all the Shareholders. Stock and Cash Dividend is subject to Shareholders approval in the 40th Annual General Meeting scheduled to be held on July 06, 2022, Wednesday through Digital platform. Record Date has been fixed on May 24, 2022, Tuesday.

In compliance with Code no: 1.5 (XXI) of the Corporate Governance Code -2018 issued by Bangladesh Securities and Exchange Commission, Board confirms that no bonus share or stock dividend has been declared as interim dividend.

Board of Directors

At present, AB Board comprises 7 (seven) members including President and Managing Director. The Board has three Committees in operation viz. Audit Committee, Executive Committee and Risk Management Committee in compliance with Bangladesh Bank BRPD circular no: 11 dated October 27, 2013 on Formation and Responsibilities of Board of Directors of a Bank Company. These Committees are operating according to their TOR set by the Board or Bangladesh Bank as the case may be.

Present composition of the Board is as below:

1. Mr. Muhammad A. (Rume) Ali, Chairman, nominated by Pacific Traders Limited
2. Mr. Feroz Ahmed, Director
3. Mr. Shajir Ahmed, Director, nominated by Hexagon Chemical Complex Limited
4. Mr. Khairul Alam Choudhury, Director, nominated by Pacific Industries Limited
5. Mr. Shafiqul Alam, Independent Director
6. Mr. Md. Maqsubul Huq Khan, Director, nominated by Emkay Holdings Limited
7. Mr. Tarique Afzal, President and Managing Director

Board Meeting/Committees Meeting and Attendance

Board Meeting

23 (twenty three) Board Meeting held during the year 2021. Below is the table of Directors' attendance in the meeting based on their tenure (appointment, retirement and resignation):

Name of Directors	Designation	Attendance in Board Meeting of the Bank	
		Number of meeting held during the year	Number of meeting attended during the year
Mr. Muhammad A. (Rume) Ali	Chairman	23	23
Mr. Feroz Ahmed	Director	23	22
Mr. Shajir Ahmed	Director	23	21
Mr. Khairul Alam Choudhury	Director	23	23
Mr. Shafiqul Alam	Independent Director	23	23
Mr. Md. Maqsubul Huq Khan*	Director	22	20
Mr. Kaiser A. Chowdhury**	Ex-Independent Director	01	01
Mr. Tarique Afzal***	President and Managing Director	21	21

Total number of Board Meeting held = 23 (twenty three)

* Mr. Md. Maqsubul Huq Khan was re-appointed as Director in 702nd Board Meeting held on January 18, 2021.

** Mr. Kaiser A. Chowdhury, Independent Director submitted his resignation in 702nd Board Meeting held on January 18, 2021.

*** Mr. Tarique Afzal, President and Managing Director was in Medical leave during the 713th and 714th Board Meeting. Mr. Sajjad Hussain, Ex-Additional Managing Director attended those meetings as President and Managing Director (Current Charge)

Audit Committee Meeting

08 (Eight) Meeting of the Audit Committee were held during the year 2021. Details:

Name of Directors	Status	Number of Meeting	
		Held	Attended
Mr. Shafiqul Alam	Chairman	08	08
Mr. Shajir Ahmed	Member	08	07
Mr. Md. Maqsubul Huq Khan*	Member	07	07

Total number of Audit Committee Meeting held = 08 (Eight)

* Mr. Md. Maqsubul Huq Khan was elected as Member of the Committee in 703rd Board Meeting held on January 28, 2021

Risk Management Committee Meeting

08 (Eight) Meeting of the Risk Management Committee were held during the year 2021. Details:

Name of Directors	Status	Number of Meeting	
		Held	Attended
Mr. Shafiqul Alam	Chairman	08	08
Mr. Feroz Ahmed	Member	08	07
Mr. Md. Maqsubul Huq Khan*	Member	07	07

Total number of Audit Committee Meeting held = 08 (Eight)

*Mr. Md. Maqsubul Huq Khan was elected as Member of the Committee in 703rd Board Meeting held on January 28, 2021

Remuneration paid to Directors

During the year 2021, total remuneration paid to the Directors including Independent Director was Tk. 1,589,600 (Taka fifteen lakh eighty nine thousand six hundred).

Election of Directors

According to the Articles of Association of the Bank and regulation 79 of Schedule-I of the Companies Act, 1994; at each Annual General Meeting, at least one third of the Directors other than the President and Managing Director has to retire. Mr. Muhammad A. (Rumee) Ali, Chairman of the Bank, nominated by Pacific Traders Limited and Mr. Shajir Ahmed nominated by Hexagon Chemical Complex Limited will retire in the following 40th Annual General Meeting and eligible for re-appointment.

Protection to Minority Shareholders

AB Bank operates in accordance with the Articles of Association of the Bank and all applicable laws and regulations of the land to ensure the best interest of all shareholders including minor shareholders. Bank is committed to ensure sound governance practices based on integrity, openness, fairness, professionalism and accountability in building confidence among stakeholders. The Bank strongly believes in equitable treatment of every shareholder. Any complaint received at the AGM or through the year from any shareholder is resolved on a priority basis, even as we are committed to address grievances/queries within the timeframe.

Related Party Transaction Disclosure

A party is related to the company if:

- 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;
 - the party is an associate;
 - the party is a joint venture;
 - the party is a member of the key management personnel of the Company or its parent;
 - the party is a close member of the family of any individual referred to in (i) or (iv);
 - 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
 - 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.
- a) 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 Mohakhali and Savar Branch of AB	Pacific Industries Ltd	Mr. Khairul Alam Choudhury	Nominated Director of Pacific Industries Ltd. In ABBL Board

b) Related party transactions:

Name of related party	Relationship	Nature of transaction	Amount in BDT
Pacific Industries Ltd.	Common Director	Office Rent	13,938,302

c) Loans/placement given to subsidiary of the Bank:

Sl.	Name of the party	Connection with party	Nature of transaction	Amount in BDT
01	AB Investment Limited	99.99% owned Subsidiary	Loans and advances	756,465,516
02	AB Securities Limited	99.91% owned Subsidiary	Loans and advances	157,548,501
03	AB International Finance Limited	Fully owned (100%) Subsidiary	Placement through OBU	1,256,541,000
Total loans/placement to subsidiary				2,170,555,017

Credit Rating

Surveillance Rating (2021)	Long Term	Short Term
	AA-	ST-2
Rating Agency	ARGUS Credit Rating Services Limited (ACRSL)	
Date of Rating	December 28, 2021	
Date of Validity	December 27, 2022	

Long Term: Commercial Banks rated 'AA-' have very High Credit Quality and minimal expectation of credit risk. It indicates the obligor has very strong capacity to meet its financial obligations and is unlikely to be impacted adversely by foreseeable events.

Short Term: Commercial Banks rated ST-2 category are considered to have high certainty of timely payment. Liquidity factors are strong and supported by good fundamental protection factors. Risk factors are very small.

40th Annual General Meeting

Shareholders whose names appeared in the Register of Members of the Bank or the Depository System on the Record Date i.e. May 24, 2022, Tuesday, are eligible to attend the AGM and entitled to receive the Dividend.

The 40th Annual General Meeting will be held on July 06, 2022 (Wednesday) through Digital Platform at 12:30 p.m.

A Member entitled to attend and vote at the Annual General Meeting can appoint a proxy to attend and on a poll to vote on it/his/her behalf. Proxy Form duly stamped must be deposited at the Bank's Registered Office or through email at cs@abbl.com at least forty-eight hours before the time fixed for the meeting otherwise Proxy Form will not be treated as valid.

Country Outlook

In March 2022, Moody's credit rating agency affirmed Bangladesh's credit rating at 'Ba3' with a stable outlook noting healthy export growth and the strong macroeconomic stability provided by remittances throughout the pandemic.

The Economist Intelligence Unit (EIU) predicts that Bangladesh economy will continue to recover, but anticipated slowdowns in economic activities in Europe and the US (Bangladesh's leading export markets) will exert a mild drag on GDP growth in FY21-22 compared to the previous year.

Gratitude

It is the privilege of the Members of the Board of Directors of the Bank to express appreciation and gratitude to all the valued Shareholders, Clients, Patrons and well-wishers for their unwavering support and co-operation extended over the years. The Board is also indebted to the Government of Bangladesh, Bangladesh Bank, BSEC, DSE, CSE, Registrar of Joint Stock Companies and Firms and other related entities for their continued guidance and support. The Board also takes this opportunity to recognize and appreciate the effort and dedication of the frontlines including bankers who risked their lives for a greater cause during the pandemic.

AB Bank will remain committed to its vision and towards the creation of Shareholders' value. The Bank will also continue its efforts to improve the lot of the people of Bangladesh and to contribute towards the sustainable and inclusive socio-economic development of the country.



Muhammad A. (Rume) Ali
Chairman

MANAGEMENT DISCUSSION AND ANALYSIS

Economic perspective

Global economy was recovering from the COVID-19 outbreak in 2021. According to Global Economic Prospect report of the World Bank, the economic growth was 5.7 percent in 2021 and the growth rate forecast is 2.9 percent and 3.0 percent for 2022 and 2023 respectively. According to Asian Development Bank, solid exports and strong domestic demand will keep the Developing Asia's growth strong at 5.2% in 2022 and 5.3% in 2023. In 2021, like the other part of the world, Bangladesh has also suffered with Omicron variant of Covid-19. Fortunately, Omicron has had a milder impact than other variants in the country.

According to Bangladesh Bureau of Statistics (BBS) Bangladesh managed to register 6.94 percent GDP growth, where the size of the GDP stood at \$416 billion in FY21. Meanwhile, the per capita income increased to \$2,591 in the last fiscal year. According to BB estimates, in December 2021 inflation rate stood 6.05 percent on point to point basis. Although continuous efforts of the government was to keep up the food supply chain uninterrupted during COVID-19 pandemic worked well and helped to keep the inflation under control, Russian invasion of Ukraine has heightened another uncertainty.

Performance of the Bank - Comparative analysis

Business Position

BDT in crore

Particulars	2021	2020	2019	2018	2017
Loans and Advances	29,046	27,483	25,651	24,107	22,965
Deposits	29,837	29,072	27,946	23,544	23,595
Export	5,559	4,680	5,511	7,345	7,511
Import	4,862	3,265	4,737	8,963	10,492
Remittance (USD)	38	29	27	33	30

Financial and operational performance

BDT in crore

Particulars	2021	2020	2019	2018	2017
Interest Income/profit on investment	2,038	2,429	2,672	1,947	1,757
Interest paid/profit on deposit and borrowings etc	1,582	2,013	1,885	1,756	1,490
Net interest income	456	416	787	267	284
Other income	728	799	502	674	768
Operating expenses	571	568	643	557	587
Operating profit	613	647	645	448	502
Provisions for loans and others	433	514	514	252	463
Profit before Taxation	181	132	131	56	(16)
Provision for Tax	116	93	114	54	(19)
Profit after Tax	64	39	17	2	3
Earnings per share (Tk.)	0.77	0.47	0.20	0.02	0.04

Equity Position

BDT in crore

Particulars	2021	2020	2019	2018	2017
Paid-up Capital	836	796	758	758	758
Retained Earnings	481	569	582	591	601
Statutory Reserve	748	714	687	662	655
Other Reserves	365	370	257	254	263
Total	2,431	2,449	2,284	2,265	2,277

Cash Flow Movement

BDT in crore

Particulars	2021	2020	2019	2018	2017
Net cash flow from operating activities	300.75	(382.93)	2,870.27	(681.26)	(918.36)
Net cash flow from investing activities	59.03	(194.24)	(1,846.35)	226.47	166.69
Net cash flow from financing activities	354.94	366.02	(139.92)	264.90	(61.61)
Net operating cash flow per share (NOCFPS)	3.60	(4.58)	34.34	(8.15)	(10.99)

Key Ratios

BDT in crore

Particulars	2021	2020	2019	2018	2017
Capital to Risk Weighted Assets Ratio	10.74%	10.84%	10.12%	10.03%	10.80%
Loan Deposit Ratio	86.27%	85.26%	84.28%	91.09%	86.24%
Cost Income Ratio	48.22%	46.71%	41.35%	64.44%	56.74%
Return on Investment (ROI)	8.47%	10.34%	6.07%	9.58%	10.18%
Return on Asset (ROA)	0.16%	0.10%	0.05%	0.01%	0.01%
Return on Equity (ROE)	2.63%	1.65%	0.74%	0.08%	0.13%
Assets Utilization Ratio	79.82%	78.62%	77.80%	66.61%	85.86%

a) Accounting policies and estimation for preparation of financial statements

The consolidated and separate financial statements of the Bank have been prepared for the year ended December 31, 2021 in accordance with the measurement and recognition requirements of International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) which have replaced Bangladesh Accounting Standards (BAS) and Bangladesh Financial Reporting Standards (BFRS) vide circular no. 1/1/ICAB-2017 of the Institute of Chartered Accountants of Bangladesh, the accounting standard setting body for Bangladesh, dated 14 December 2017 for due period begins on or after 1 January 2018.

The financial statements cover a full set of financial statements which comprise of consolidated and separate Balance Sheets, Profit or Loss Accounts, cash flow statements, statements of changes in equity, liability statements and relevant notes and disclosures.

The financial statements have been prepared under historical cost convention, except investments categorized under treasury securities in accordance with Bank Company Act, 1991 (amendment up to 2018); BRPD circular no. 14 dated 25 June 2003, the Companies Act, 1994; the Securities and Exchange Ordinance 1969, Securities and Exchange Rules 1987 and other laws and rules applicable for the Bank.

b) Changes in Accounting policies and Estimation:

There is no change in accounting policies and estimates during the year

c) Issues related to the financial statements

In compliance with Bangladesh Securities and Exchange Commission (BSEC) notification BSEC/CMRRCD/2006-158/207/Admin/80 dated June 03, 2018; Chief Financial Officer and the President and Managing Director of the Bank has given their declaration to the Board regarding the authenticity of the Financial Statements.

In 188th meeting of the Board Audit Committee, financial statements have been analyzed. After reviewing the financials, Board Audit Committee recommended the Board for their approval. Accordingly, Financials Statements has been approved by the Board of Director in its 732nd meeting.

d) KEY RISKS IMPACTING THE BANK'S BUSINESS

The Covid-19 pandemic impacted several countries including Bangladesh since the beginning of 2021. Different countries announcing lockdowns and quarantine measures that sharply stalled economic activity. The Bangladesh Government declared a nation-wide lockdown in different phases. Several countries took unprecedented fiscal and monetary actions to help alleviate the impact of the crisis. The Bangladesh Bank (BB) has announced several measures to ease stress in the financial system, including enhancing system liquidity, moratorium on loan repayments for borrowers, asset classification standstill benefit to overdue accounts where a moratorium has been granted and relaxation in liquidity coverage requirement, among others. The banking system is expected to be impacted by lower lending opportunities and revenues in the short to medium term and an increase in credit costs. The impact of the Covid-19 pandemic on Bank's results remains uncertain and dependent on the spread of Covid-19, further steps taken by the government and the central bank to mitigate the economic impact, steps taken by the Bank and the time it takes for economic activities to resume at normal levels.

Risk	Mitigations
Credit Risk The Bank's core business is lending which exposes it to various types of credit risks, especially failure in repayments and increase in non-performing loans.	The credit portfolio of the Bank has been operating by the Bangladesh Bank guidelines and board approved policy. The Bank measures, monitors and manages credit risks at an individual borrower level and at the portfolio level. Bank has maintained required provision in its books. Bank has also taken various steps to minimize the NPL at a reasonable level.
Capital Risk According to BASEL-III requirement, Banks have to maintain its capital adequacy @ 12.50% including capital conservation buffer. In this respect, Bank maintained CRAR @ 10.74% and 11.42% on solo and consolidated basis respectively.	In addition to internal capital generation, Bank issued Perpetual Bonds of BDT 600 crore and in December 2021 BDT 441 crore subscribed. Rest of the amount of Bonds will be subscribed within stipulated time. Besides, we are trying to maintain RWA at optimum level.
Interest Rate Risk Interest rate risk in the banking book (IRRBB) refers to the current or prospective risk to the bank's capital and earnings arising from adverse movements in interest rates that affect the bank's banking book positions. When interest rates change, the present value and timing of future cash flow change. This in turn changes the underlying value of a bank's assets, liabilities and off-balance sheet items and hence its economic value. Changes in interest rates also affect a bank's earnings by altering interest rate-sensitive income and expenses, affecting its net interest income (NII).	Bangladesh Bank's capping for lending rates at single digit which ultimately adversely impacted Net Interest Income of the Bank. For mitigating this interest rate risk, bank is trying to manage its deposit and borrowing books in line with lending portfolio.

e) Financial performance and financial position as well as cash flows with the peer industry scenario:

Bank regularly analyzed its performance with peer bank and the major indicators of the performance with peer bank is given below:

Financial Position

BDT in Crore

Particulars	AB (Conso)	Peer Banks
Total Loans and Advances	29,904	27,609
Total Assets	41,336	40,584
Total Deposits	29,808	29,327
Total Equity	2,556	2,887
Total Off-Balance Sheet Items	4,232	14,189

Financial Performance

BDT in Crore

Particulars	AB (Conso)	Peer Banks
Net Interest Income	477	818
Total Operating Income	1,253	1,737
Operating Expenses	591	858
Profit before Provision	662	885
Net Profit after Tax	72	362

Cash Flow

BDT in Crore

Particulars	AB (Conso)	Peer Banks
Net cash flow from operating activities	254	945
Net cash flow/(used in) from investing activities	75	(640)
Net cash flow from Financing activities	355	132
Net cash flow	684	437



Tarique Afzal

President and Managing Director

STATEMENT FROM PRESIDENT AND MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER

April 23, 2022

The Board of Directors

AB Bank Limited

SUB: CEO AND CFO's DECLARATION ON FINANCIAL STATEMENTS TO THE BOARD OF DIRECTORS OF THE BANK

Pursuant to the condition No. 1(5)(xxvi) imposed vide the Commission's Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June 2018 under section 2CC of the Securities and Exchange Ordinance, 1969, we do hereby declare that:

1. The Financial Statements of AB Bank Limited for the year ended on December 31, 2021 have been prepared in compliance with International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in the Bangladesh and any departure there from has been adequately disclosed;
2. The estimates and judgments related to the financial statements were made on a prudent and reasonable basis, in order for the financial statements to reveal a true and fair view;
3. The form and substance of transactions and the Bank's state of affairs have been reasonably and fairly presented in its financial statements;
4. To ensure above, the Bank has taken proper and adequate care in installing a system of internal control and maintenance of accounting records;
5. Our internal auditors have conducted periodic audits to provide reasonable assurance that the established policies and procedures of the Bank were consistently followed; and
6. The management's use of the going concern basis of accounting in preparing the financial statements is appropriate and there exists no material uncertainty related to events or conditions that may cast significant doubt on the Bank's ability to continue as a going concern.

In this regard, we also certify that:

- I. We have reviewed the financial statements for the year ended on December 31, 2021 and that to the best of our knowledge and belief:
 - a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - b) these statements collectively present true and fair view of the Bank's affairs and are in compliance with existing accounting standards and applicable laws.
- II. There are, to the best of knowledge and belief, no transactions entered into by the Bank during the year which are fraudulent, illegal or in violation of the code of conduct for the Bank's Board of Directors or its members.

This is placed for kind perusal of the Board.



K.M. Mohiuddin Ahmed

Chief Financial Officer



Tarique Afzal

President and Managing Director

AUDITOR'S REPORT AND AUDITED CONSOLIDATED & SEPARATE FINANCIAL STATEMENTS



Independent Auditor's Report

To the Shareholders of AB Bank Limited

Report on the Audit of the Consolidated and Separate Financial Statements

Opinion

We have audited the consolidated financial statements of AB Bank Limited and its subsidiaries (the "Group") as well as the separate financial statements of AB Bank Limited (the "Bank"), which comprise the consolidated and separate balance sheets as at 31 December 2021 and the consolidated and separate profit and loss accounts, consolidated and separate statements of changes in equity and consolidated and separate cash flows statements for the year then ended, and notes to the consolidated and separate financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying consolidated financial statements of the Group and separate financial statements of the Bank give a true and fair view of the consolidated financial position of the Group and the separate financial position of the Bank as at 31 December 2021, and of its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs), as explained in note 1.2.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements section of our report. We are independent of the Group and the Bank in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), and the guidelines issued by Bangladesh Securities and Exchange Commission (BSEC) and Bangladesh Bank, and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code and the Institute of Chartered Accountants of Bangladesh (ICAB) Bye Laws. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Our assessed key audit matters and how we addressed them are outlined below:

Measurement of provision for loans and advances

The process for estimating the provision for loans and advances associated with credit risk is significant and complex. For the individual analysis, these provisions consider the estimates of future business performance and the market value of collateral provided for credit transactions. For the collective analysis, these provisions are manually processed that deals with voluminous databases, assumptions and calculations for the provision estimates of complex design and implementation. At year end the Group reported total gross loans and advances of BDT 299,043 million (2020: BDT 282,901 million) and provision for loans and advances of BDT 28,712 million (2020: BDT 21,311 million). Refer to the note nos. 7(a), 8(a), 15 and 15(a) to the consolidated financial statements.

We tested the design and operating effectiveness of key controls focusing on the provisioning process and identification of loss events including early warning indicator. Our substantive procedures in relation to the provision for loans and advances were reviewing the adequacy of the provision requirement, assessing the methodology on which the provision amounts are based, recalculating the provisions and tested the completeness and accuracy of the underlying information and finally assessing the appropriateness and presentation of disclosure against relevant accounting standards and Bangladesh Bank's guidelines.

Valuation of treasury bills and treasury bonds

The classification and measurement of treasury bills (T-Bills) and treasury bonds (T-Bonds) require judgment and complex estimates. In the absence of a quoted price in an active market, the fair value of T-Bills and T-Bonds is determined using complex valuation techniques which may take into consideration direct or indirect unobservable market data and complex pricing models which require an elevated level of judgment. Refer to the note no. 6.1 to the financial statements.

We assessed the processes and controls put in place by the Bank to identify and confirm the existence of treasury bills and treasury bonds. We obtained an understanding, evaluated the design and tested the operating effectiveness of the key controls over the treasury bills and treasury bonds valuation processes, including controls over market data inputs into valuation models, model governance, and valuation adjustments. We tested a sample of the valuation models and the inputs used in those models, using a variety of techniques, including comparing inputs to available market data. Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards and Bangladesh Bank's guidelines.

Impairment assessment of unquoted investments

In the absence of a quoted price in an active market, the fair value of unquoted shares and bonds, especially any impairment is calculated using valuation techniques which may take into consideration direct or indirect unobservable market data and hence require an elevated level of judgment. Refer to the note no. 6.2.1 to the financial statements.

We have assessed the processes and controls put in place by the Bank to ensure all major investment decisions are undertaken through a proper due diligence process. We tested a sample of investments valuation as at 31 December 2021 and compared our results to the recorded value. Finally, we assessed the appropriateness and presentation of disclosures against relevant accounting standards and Bangladesh Bank's guidelines.

Measurement of deferred tax assets

The Bank reports net deferred tax assets totaling to BDT 4,105 million (2020: 3,271 million) as at 31 December 2021. Significant judgment is required in relation to measurement of deferred tax assets as their recoverability is dependent on forecasts of future profitability over a number of years. Refer to the note no. 10.1 to the financial statements.

We obtained an understanding, evaluated the design and tested the operational effectiveness of the Bank's key controls over the recognition and measurement of deferred tax assets and assumptions used in estimating Bank's future taxable income. We assessed the completeness and accuracy of the data used for estimation of future taxable income. We also assessed the instruction given by Bangladesh Bank related to the deferred tax assets and checked it accordingly which was properly complied and reflected in the financial statements of the Bank. Finally, we assessed the appropriateness and presentation of disclosures against IAS 12 – Income Taxes.

Measurement of assets revaluation reserve

The Bank reported assets revaluation reserve of BDT 758 million (2020: 1,295 million) as at 31 December 2021. During the year, the Bank has revalued some properties which includes land and building. The properties were transferred from fixed assets to assets held for sale as per International Financial Reporting Standard (IFRS) 5-Non-current Assets Held for Sale and Discontinued Operations. The valuation and its measurement & recognition requires significant judgement and intuition to arrive fair market value at the measurement date. The bank also has transferred required portion of assets revaluation reserve to retained earnings for the properties sold out during the year after revaluation. Refer to the note no. 18.2 & 9.1 to the financial statements.

We have obtained necessary understanding of the process that the bank followed to reclassify and revaluation of the properties. We have checked the required documents regarding the reclassification, revaluation, measurement and its recognition of the properties to the financial statements. The Bank obtained Independent Valuer's report for the properties held for sale and recognized the surplus to the assets revaluation reserve. We reviewed revaluation report of the independent valuer along with relevant documents and applied our judgment to see whether the fair value is still relevant. We have assessed the adequacy and sufficiency of the disclosures that given in the financial statements.

IT systems and controls

Our audit procedures have a focus on IT systems and controls due to the pervasive nature and complexity of the IT environment, the large volume of transactions processed in numerous locations daily and the reliance on automated and IT dependent manual controls. Our areas of audit focus included user access management, developer access to the production environment and changes to the IT environment. These are key to ensuring IT dependent and application based controls are operating effectively.

We tested the design and operating effectiveness of the Bank's IT access controls over the information systems that are critical to financial reporting. We tested IT general controls (logical access, changes management and aspects of IT operational controls). This included testing that requests for access to systems were appropriately reviewed and authorized. We tested the Bank's periodic review of access rights and reviewed requests of changes to systems for appropriate approval and authorization. We considered the control environment relating to various interfaces, configuration and other application layer controls identified as key to our audit.

Legal and regulatory matters

We focused on this area because the Bank and its subsidiaries (the "Group") operate in a legal and regulatory environment that is exposed to significant litigation and similar risks arising from disputes and regulatory proceedings. Such matters are subject to many uncertainties and the outcome may be difficult to predict. These uncertainties inherently affect the amount and timing of potential outflows with respect to the provisions which have been established as other contingent liabilities. Overall, the legal provision represents the Group's and the Bank's best estimate for existing legal matters that have a probable and estimable impact on the Group's financial position.

We obtained an understanding, evaluated the design and tested the operational effectiveness of the Group's key controls over the legal provision and contingencies process. We enquired to those charged with governance to obtain their view on the status of all significant litigation and regulatory matters. We enquired of the Bank's internal legal counsel for all significant litigation

and regulatory matters and inspected internal notes and reports. We assessed the methodologies on which the provision amounts are based, recalculated the provisions, and tested the completeness and accuracy of the underlying information. We also assessed the Bank's provisions and contingent liabilities disclosure.

Carrying value of investments in subsidiaries by the Bank

The Bank has invested in equity shares of its five subsidiaries, namely AB Investment Limited, AB Securities Limited, Cashlink Bangladesh Limited, AB International Finance Limited, Hong Kong and Arab Bangladesh Bank Foundation. As at 31 December 2021 the carrying value of these investments is BDT 6,249 million. At the time of conducting our audit of the separate financial statements of the Bank we have considered the recoverable value of the Bank's investments in the above subsidiaries stated at cost. Management has conducted impairment assessment and calculated recoverable value of its subsidiaries in accordance with IAS 36. Refer to note no. 10 to the financial statements.

We have reviewed management's analysis of impairment assessment and recoverable value calculation of subsidiaries in accordance with IAS 36. In particular, our discussions with the management were focused on the continued appropriateness of the value in use model, the key assumptions used in the model, the reasonably possible alternative assumptions, particularly where they had the most impact on the value in use calculation. We also checked mathematical accuracy of the model, recalculated discount rate used within the model, inputs used in the determination of assumptions within the model were challenged and corroborating information was obtained with reference to external market information, third-party sources.

Impact of COVID-19 on financial reporting

The effects of the COVID-19 pandemic have significant global implications for economies, markets and businesses, including volatility and possible material uncertainties. The operations of the Bank itself have been affected due to the restrictions brought about by the COVID-19 pandemic by the government and Bangladesh Bank. There is an increasing probability that assertions and estimates related to reporting may be materially impacted due to loan repayment flexibility to borrowers as ordered by Bangladesh Bank, financial market volatility, deteriorating credit or liquidity concerns, government interventions, and disruptions in production and supply chain, among other matters.

Detailed substantive tests were conducted in order to mitigate the additional risks of material misstatements due to the impact of COVID-19. Testing the Bank's and Group's ability to function as a going concern by reviewing profitability, liquidity and operations, we performed detailed analytical procedures on the financial statements of the Bank, including but not limited to variance and common size analysis of balances. We have evaluated the appropriateness and sufficiency of the Management's explanations for the deviations amongst balances and ratios of current year to that of the comparative. We analyzed the disclosures provided by the Bank to rationalize the impact of COVID-19 on financial statements, and checked their appropriateness and sufficiency. We also checked that all COVID-19 impacts are accurately reflected in the financial statements, and disclosed in their entirety of magnitude to the financial statements as a whole; and scrutinize that the impacts of events after the reporting period, and ensure their true and fair reflection and disclosure in the financial statements. Our testing did not identify any issues with regards to impact of COVID-19 on financial reporting.

Other information

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated and separate financial statements and our auditor's report thereon. The annual report is expected to be made available for our review after the date of this auditor's report.

Our opinion on the consolidated and separate financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, we will consider whether the other information is materially inconsistent with the consolidated and separate financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

Responsibilities of management and those charged with governance for the consolidated and separate financial statements and internal controls

Management is responsible for the preparation and fair presentation of the consolidated financial statements of the Group and also separate financial statements of the Bank that give a true and fair view in accordance with IFRSs as explained in note 1.2, and for such internal controls as management determines is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error. The Bank Company Act, 1991 (as amended upto date) and the Bangladesh Bank's Regulations require the management to ensure effective internal audit, internal control and risk management functions of the Bank. The management is also required to make a self-assessment on the effectiveness of anti-fraud internal controls and report to Bangladesh Bank on instances of fraud and forgeries.

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

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

Auditor's responsibilities for the audit of the consolidated and separate financial statements

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

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

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

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

In accordance with the Companies Act, 1994, the Securities and Exchange Rules, 2020, the Bank Company Act, 1991 (as amended upto date) and the rules and regulations issued by Bangladesh Bank, we also report that:

- i. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- ii. to the extent noted during the course of our audit work performed on the basis stated under the Auditor's Responsibilities section in forming the above opinion on the consolidated financial statements of the group and separate financial statements of the Bank and considering the reports of the management to Bangladesh Bank on anti-fraud internal controls and instances of fraud and forgeries as stated under the Management's Responsibility for the consolidated and separate financial statements and internal control;
 - (a) internal audit, internal control and risk management arrangements of the Group and the Bank as disclosed in the financial statements appeared to be materially adequate;
 - (b) nothing has come to our attention regarding material instances of forgery or irregularity or administrative error and exception or anything detrimental committed by employees of the Group and the Bank;

- iii. consolidated financial statements of the Bank include five subsidiaries, namely AB Investment Limited, AB Securities Limited, Cashlink Bangladesh Limited, AB International Finance Limited, Hong Kong and Arab Bangladesh Bank Foundation reflect total assets of BDT 9,003 million, BDT 1,597 million, BDT 88 million, BDT 1,532 million and BDT 550 million respectively as at 31 December 2021 and total revenue of BDT 449 million, BDT 164 million, BDT 0 million, BDT 163 million and BDT 21 million respectively for the year ended 31 December 2021. The financial statements of the Bank's subsidiaries have been audited by other component auditors who have expressed unmodified audit opinion. The results of the subsidiaries have been properly reflected in the Group's consolidated financial statements;
- iv. in our opinion, proper books of account as required by law have been kept by the Group and the Bank so far as it appeared from our examination of those books;
- v. the records and statements submitted by the branches have been properly maintained and consolidated in the financial statements;
- vi. the consolidated balance sheet and consolidated profit and loss account together with the annexed notes dealt with by the report are in agreement with the books of account and returns;
- vii. the expenditures incurred were for the purpose of the Group's and the Bank's business for the year;
- viii. the consolidated financial statements of the Group and separate financial statements of the Bank have been drawn up in conformity with prevailing rules, regulations and accounting standards as explained in the notes 1.11 and 1.13 as well as related guidance issued by Bangladesh Bank;
- ix. adequate provisions as allowed by Bangladesh Bank against the requirement as explained in note no 15.1, have been made for loans and advances and other assets which are in our opinion, doubtful of recovery and Bangladesh Bank's instructions in this regard have been followed properly;
- x. the information and explanations required by us have been received and found satisfactory;
- xi. we have reviewed over 80% of the risk weighted assets of the Bank and spent over 6,548 person hours; and
- xii. Capital to Risk-weighted Asset Ratio (CRAR) has been maintained adequately during the year based on provision allowed by Bangladesh Bank against the requirement as explained in notes 15.1 and 16.6.

Dhaka,
26 April 2022

Signed for & on behalf of
ACNABIN
Chartered Accountants



Md. Moniruzzaman, FCA
Partner
ICAB Enrollment No. 787
DVC:2204270787AS831679

AB Bank Limited & Its Subsidiaries
Consolidated Balance Sheet
As at 31 December 2021

	Notes	31.12.2021 Taka	31.12.2020 Taka
PROPERTY AND ASSETS			
Cash	3(a)	22,779,626,496	20,930,795,104
In hand (including foreign currencies)	3.1(a)	1,289,979,089	1,010,038,871
Balance with Bangladesh Bank and its agent bank(s) (including foreign currencies)	3.2(a)	21,489,647,407	19,920,756,233
Balance with other banks and financial institutions	4(a)	8,317,340,674	4,857,240,927
In Bangladesh	4.1(a)	1,123,970,264	1,690,034,988
Outside Bangladesh	4.2(a)	7,193,370,410	3,167,205,939
Money at call and on short notice	5(a)	3,094,606,108	1,535,077,827
Investments	6(a)	65,704,665,106	64,416,787,591
Government	6.1(a)	52,770,903,951	53,824,738,002
Others	6.2(a)	12,933,761,155	10,592,049,589
Loans, advances and lease/investments		299,043,372,049	282,900,906,689
Loans, cash credits, overdrafts, etc./Investments	7(a)	296,947,226,466	281,211,180,652
Bills purchased and discounted	8(a)	2,096,145,583	1,689,726,038
Fixed assets including premises, furniture and fixtures	9(a)	4,153,439,656	5,032,485,136
Other assets	10(a)	9,930,538,296	8,886,511,119
Non-banking assets	11	334,171,836	334,171,836
Total Assets		413,357,760,224	388,893,976,230
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from other banks, financial institutions and agents	12(a)	29,832,208,485	19,107,866,247
Bond	13	11,810,000,000	9,350,000,000
Deposits and other accounts	14(a)	298,078,995,964	290,547,160,441
Current account and other accounts		30,921,208,319	28,628,792,668
Bills payable		10,973,625,337	6,423,928,975
Savings bank deposits		41,190,067,103	35,246,391,164
Fixed deposits		138,759,330,196	121,516,359,127
Other deposits		76,234,765,008	98,731,688,508
Other liabilities	15(a)	48,060,125,289	44,199,803,394
Total liabilities		387,781,329,736	363,204,830,083
Capital/Shareholders' equity			
Equity attributable to equity holders of the parent company		25,564,304,856	25,677,210,495
Paid-up capital	16	8,358,386,710	7,960,368,300
Statutory reserve	17	7,484,909,773	7,144,204,404
Other reserve	18(a)	3,814,574,816	3,866,859,865
Retained earnings	19(a)	5,906,433,556	6,705,777,925
Non- controlling interest	19(b)	12,125,636	11,935,655
Total equity		25,576,430,492	25,689,146,150
Total Liabilities and Shareholders' Equity		413,357,760,224	388,893,976,230

AB Bank Limited & Its Subsidiaries

Consolidated Balance Sheet

As at 31 December 2021


	Notes	31.12.2021 Taka	31.12.2020 Taka
Off-Balance Sheet Items			
Contingent liabilities	20	42,322,775,528	59,191,446,731
Acceptances and endorsements		9,164,910,843	8,043,330,855
Letters of guarantee	20.1	14,218,055,620	12,837,291,873
Irrevocable letters of credit		9,365,430,608	6,094,462,753
Bills for collection		9,360,524,214	32,213,798,567
Other contingent liabilities		213,854,243	2,562,682
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 off-balance sheet items		42,322,775,528	59,191,446,731

The annexed notes from 1 to 49 form an integral part of these consolidated financial statements.



Tarique Afzal

President & Managing Director



Khairul Alam Choudhury

Director



Shafiqul Alam

Independent Director



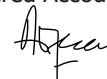
Muhammad A. (Rume) Ali

Chairman

This is the Consolidated Balance Sheet referred to in our separate report of even date.

Dhaka,
26 April 2022

Signed for & on behalf of
ACNABIN
Chartered Accountants



Md Moniruzzaman FCA
Partner
ICAB Enrollment No. 787
DVC:2204270787AS831679

AB Bank Limited and Its Subsidiaries
Consolidated Profit and Loss Account
For the year ended 31 December 2021

	Notes	2021 Taka	2020 Taka
OPERATING INCOME			
Interest income/profit on investments	22(a)	20,597,240,974	24,426,913,281
Interest/profit paid on deposits and borrowings, etc.	23(a)	(15,830,035,663)	(20,171,603,415)
Net interest income		4,767,205,311	4,255,309,865
Investment income	24(a)	5,599,175,296	6,491,860,999
Commission, exchange and brokerage	25(a)	1,949,838,243	1,440,094,270
Other operating income	26(a)	217,873,572	327,089,387
		7,766,887,110	8,259,044,657
Total operating income (a)		12,534,092,422	12,514,354,523
OPERATING EXPENSES			
Salary and allowances	27(a)	3,148,233,710	2,807,245,751
Rent, taxes, insurance, electricity, etc.	28(a)	617,254,604	607,753,336
Legal expenses	29(a)	10,203,815	13,884,020
Postage, stamps, telecommunication, etc.	30(a)	104,683,114	98,178,164
Stationery, printing, advertisement, etc.	31(a)	117,047,038	95,661,222
Chief executive's salary and fees	27.1	16,341,129	12,890,968
Directors' fees	32(a)	3,338,419	1,999,238
Auditors' fees	33(a)	4,658,568	3,256,296
Depreciation and repairs of Bank's assets	34(a)	691,863,995	729,314,539
Other expenses	35(a)	1,200,286,054	1,491,959,291
Total operating expenses (b)		5,913,910,446	5,862,142,825
Profit before provision (c = (a-b))		6,620,181,975	6,652,211,697
Provision against loans and advances	36(a)	4,114,845,179	5,100,057,853
Provision for investments	37(a)	456,481,754	140,000,000
Other provisions	38(a)	85,815,033	79,842,723
Total provision (d)		4,657,141,965	5,319,900,576
Profit before tax (c-d)		1,963,040,010	1,332,311,121
Provision for taxation		1,246,241,915	937,982,865
Current tax		2,213,720,051	1,700,309,391
Deferred tax		(967,478,136)	(762,326,526)
Net profit after tax		716,798,095	394,328,256
Appropriations			
Statutory reserve		341,379,078	281,750,388
Start-up Fund		6,413,845	-
Dividends, etc.		-	-
		347,792,924	281,750,388
Retained surplus		369,005,171	112,577,868
Non- controlling interest		189,980	247,638
Net Profit/(Loss) attributable to the shareholders of parent company		368,815,191	112,330,230
Consolidated Basic Earnings Per Share (EPS)	40(a)	0.86	0.47

The annexed notes from 1 to 49 form an integral part of these consolidated financial statements.



Tarique Afzal
President & Managing Director



Khairul Alam Choudhury
Director



Shafiqul Alam
Independent Director



Muhammad A. (Rume) Ali
Chairman

This is the Consolidated Profit and Loss Account referred to in our separate report of even date.

Dhaka,
26 April 2022

Signed for & on behalf of
ACNABIN
Chartered Accountants


Md Moniruzzaman FCA
Partner
ICAB Enrollment No. 787
DVC:2204270787AS831679

AB Bank Limited and Its Subsidiaries
Consolidated Cash Flow Statement
For the year ended 31 December 2021

Cash Flows from Operating Activities

Interest receipts
Interest payments
Dividend receipts
Fee and commission receipts
Recoveries on loans previously written off
Payments to employees
Payments to suppliers
Income taxes paid
Receipts from other operating activities
Payments for other operating activities
Operating profit before changes in operating assets & liabilities

Increase/decrease in operating assets and liabilities

Loans and advances to customers
Other assets
Deposits from other banks
Deposits from customers
Trading liabilities (short-term borrowings)
Other liabilities

Net cash flow from/(used in) operating activities (a)

Cash Flows from Investing Activities

Sale/(Purchase) of government securities
(Purchase)/Sale of trading securities, shares, bonds, etc.
Sale/(Purchase) of fixed assets including premises, furniture and fixtures

Net cash flow from/(used in) investing activities (b)

Cash Flows from Financing Activities

Increase of long-term borrowings
Dividend paid

Net cash flow from Financing activities (c)

Net increase/(decrease) in cash (a+b+c)
Effects of exchange rate changes on cash and cash equivalents

Cash and cash equivalents at beginning of the year

Cash and cash equivalents at end of the year (*)

(*) Cash and cash equivalents:

Cash
Prize bonds
Money at call and on short notice
Balance with Bangladesh Bank and its agent bank(s)
Balance with other banks and financial institutions

Net Operating Cash Flow Per Share (NOCFPS)

2021 Taka	2020 Taka
13,195,626,836	13,885,091,531
(16,154,331,195)	(21,692,853,673)
174,151,756	82,108,288
1,540,829,204	1,111,430,603
56,589,943	172,931,675
(3,164,574,839)	(2,820,136,719)
(117,047,038)	(95,661,222)
(1,855,243,190)	(2,402,738,880)
6,051,906,150	7,065,505,766
(2,433,006,641)	(2,732,083,753)
(2,705,099,013)	(7,426,406,384)
(8,986,169,113)	(7,974,083,532)
(43,735,071)	(1,681,357,381)
842,550,394	2,828,027,511
7,013,580,661	9,845,641,171
9,634,498,137	2,577,354,858
(3,213,227,824)	(1,841,075,812)
5,247,497,184	3,754,506,815
2,542,398,171	(3,671,899,568)
997,491,616	(2,505,380,069)
(2,341,711,566)	876,780,945
2,092,113,733	(159,374,075)
747,893,783	(1,787,973,199)
3,549,844,100	3,660,329,947
(480,587)	(159,676)
3,549,363,513	3,660,170,271
6,839,655,467	(1,799,702,496)
29,322,754	7,693,939
27,324,499,158	29,116,507,715
34,193,477,378	27,324,499,158
1,289,979,089	1,010,038,871
1,904,100	1,385,300
3,094,606,108	1,535,077,827
21,489,647,407	19,920,756,233
8,317,340,674	4,857,240,927
34,193,477,378	27,324,499,158
3.04	(4.39)



Tarique Afzal
President & Managing Director



Khairul Alam Choudhury
Director



Shafiqul Alam
Independent Director



Muhammad A. (Rume) Ali
Chairman

This is the Consolidated Cash Flow Statement referred to in our separate report of even date.

Dhaka,
26 April 2022

AB Bank Limited and Its Subsidiaries

Consolidated Statement of Changes in Equity

For the year ended 31 December 2021

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 Equity
Balance at 01 January 2021	7,960,368,300	7,144,204,404	2,384,878,054	1,294,532,425	2,530,706	184,918,680	11,935,655	6,705,777,925	25,689,146,150
5.00% Stock Dividend for 2020	398,018,410	-	-	-	-	-	-	(398,018,410)	-
Net profit after taxation for the year	-	-	-	-	-	-	189,980	716,608,115	716,798,095
Addition/(Adjustment) made during the year	-	341,379,078	550,000,000	(536,361,389)	-	(56,861,236)	-	(1,117,023,629)	(818,867,175)
Foreign exchange rate fluctuation	-	(673,710)	405,957	-	(9,468,381)	-	-	(910,444)	(10,646,578)
Balance at 31 December 2021	8,358,386,710	7,484,909,773	2,935,284,011	758,171,036	(6,937,675)	128,057,444	12,125,636	5,906,433,556	25,576,430,492

For the year ended 31 December 2020

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 Equity
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
5% Stock Dividend for 2019	379,065,150	-	-	-	-	-	-	(379,065,150)	-
Net profit after taxation for the year	-	-	-	-	-	-	247,638	394,080,618	394,328,256
Addition/(Adjustment) made during the year	-	281,750,388	1,080,000,000	(2,158,304)	-	47,932,916	-	(131,882,192)	1,275,642,808
Foreign exchange rate fluctuation	-	(9,598,312)	228,187	-	820,116	-	-	(12,325,784)	(20,875,793)
Balance at 31 December 2020	7,960,368,300	7,144,204,404	2,384,878,054	1,294,532,425	2,530,706	184,918,680	11,935,655	6,705,777,925	25,689,146,150

The annexed notes from 1 to 49 form an integral part of these consolidated financial statements.



Tarique Afzal

President & Managing Director



Shafiqul Alam

Independent Director



Muhammad A. (Rumee) Ali

Chairman

Dhaka,

26 April 2022



AB Bank Limited
Balance Sheet
As at 31 December 2021

PROPERTY AND ASSETS

	Notes	31.12.2021 Taka	31.12.2020 Taka
Cash	3	22,779,458,339	20,930,650,119
In hand (including foreign currencies)	3.1	1,289,810,932	1,009,893,886
Balance with Bangladesh Bank and its agent bank(s) (including foreign currencies)	3.2	21,489,647,407	19,920,756,233
Balance with other banks and financial institutions	4	7,839,527,106	4,363,793,449
In Bangladesh		649,801,976	1,212,295,681
Outside Bangladesh		7,189,725,129	3,151,497,768
Money at call and on short notice	5	4,351,147,108	2,499,682,377
Investments	6	65,214,572,370	63,761,469,742
Government	6.1	52,770,903,951	53,824,738,002
Others	6.2	12,443,668,419	9,936,731,739
Loans, advances and lease/investments	7	290,459,816,948	274,829,861,346
Loans, cash credits, overdrafts, etc./Investments		289,832,803,054	274,258,221,380
Bills purchased and discounted	8	627,013,894	571,639,966
Fixed assets including premises, furniture and fixtures	9	3,632,187,959	4,488,991,390
Other assets	10	15,705,825,113	14,877,104,936
Non-banking assets	11	334,171,836	334,171,836
Total Assets		410,316,706,779	386,085,725,196

LIABILITIES AND CAPITAL

Liabilities			
Borrowings from other banks, financial institutions and agents	12	29,832,208,485	19,107,865,842
Bond	13	11,810,000,000	9,350,000,000
Deposits and other accounts	14	298,372,561,654	290,719,342,438
Current accounts and other accounts		30,921,676,210	28,639,222,340
Bills payable		10,973,625,337	6,423,928,975
Savings bank deposits		41,190,067,103	35,246,391,164
Fixed deposits		138,796,924,187	121,537,588,967
Other deposits		76,490,268,817	98,872,210,992
Other liabilities	15	45,994,533,144	42,421,578,681
Total liabilities		386,009,303,282	361,598,786,961
Capital/Shareholders' equity			
Shareholders' equity		24,307,403,496	24,486,938,234
Paid-up capital	16	8,358,386,710	7,960,368,300
Statutory reserve	17	7,484,909,773	7,144,204,404
Other reserve	18	3,652,517,157	3,695,739,782
Retained earnings	19	4,811,589,856	5,686,625,747
Total Liabilities and Shareholders' Equity		410,316,706,779	386,085,725,196

AB Bank Limited
Balance Sheet
As at 31 December 2021

Off-Balance Sheet Items

Contingent liabilities

Acceptances and endorsements

Letters of guarantee

Irrevocable letters of credit

Bills for collection

Other contingent liabilities

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 off-balance sheet items

Notes	31.12.2021 Taka	31.12.2020 Taka
20	42,322,775,528	59,191,446,731
20.1	9,164,910,843	8,043,330,855
	14,218,055,620	12,837,291,873
	9,365,430,608	6,094,462,753
	9,360,524,214	32,213,798,567
	213,854,243	2,562,682
	-	-
	-	-
	-	-
	-	-
	-	-
	42,322,775,528	59,191,446,731

The annexed notes from 1 to 49 form an integral part of these consolidated financial statements.



Tarique Afzal

President & Managing Director



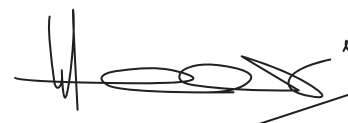
Khairul Alam Choudhury

Director



Shafiqul Alam

Independent Director




Muhammad A. (Rume) Ali

Chairman

This is the Balance Sheet referred to in our separate report of even date.

Dhaka,
26 April 2022

Signed for & on behalf of
ACNABIN
Chartered Accountants



Md Moniruzzaman FCA

Partner

ICAB Enrollment No. 787

DVC:2204270787AS831679

AB Bank Limited
Profit and Loss Account
For the year ended 31 December 2021

OPERATING INCOME

Interest income/profit on investments
Interest paid/profit on deposits and borrowings, etc.
Net interest income

Investment income
Commission, exchange and brokerage
Other operating income

Total operating income (a)

OPERATING EXPENSES

Salary and allowances
Rent, taxes, insurance, electricity, etc.
Legal expenses
Postage, stamps, telecommunication, etc.
Stationery, printing, advertisement, etc.
Chief executive's salary and fees
Directors' fees
Auditors' fees
Depreciation and repairs of Bank's assets
Other expenses

Total operating expenses (b)

Profit before provision (c = (a-b))

Provision against loans and advances
Provision for investments
Other provisions

Total provision (d)

Profit before taxation (c-d)

Provision for taxation
Current tax
Deferred tax

Net profit after taxation

Appropriations

Statutory reserve
Start-up Fund
Dividends, etc.

Retained surplus

Earnings Per Share (EPS)

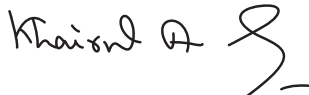
Notes	2021 Taka	2020 Taka
22	20,384,114,425	24,291,453,339
23	(15,821,971,753)	(20,134,646,639)
	4,562,142,671	4,156,806,700
24	5,463,219,963	6,464,470,219
25	1,666,143,721	1,259,012,038
26	152,017,959	266,019,048
	7,281,381,643	7,989,501,305
	11,843,524,315	12,146,308,005
27	3,048,690,830	2,727,898,981
28	612,620,578	603,021,052
29	10,102,950	13,232,598
30	91,831,750	87,203,322
31	115,197,027	94,329,907
27.1	16,341,129	12,890,968
32	1,995,463	1,109,890
33	3,806,081	2,338,550
34	664,598,158	702,031,345
35	1,145,481,825	1,435,273,997
	5,710,665,792	5,679,330,610
	6,132,858,523	6,466,977,395
36	3,790,345,179	4,925,057,853
37	450,398,805	140,000,000
38	85,815,033	79,842,723
	4,326,559,017	5,144,900,576
	1,806,299,506	1,322,076,819
	1,164,914,966	930,660,427
	2,079,036,895	1,642,402,204
	(914,121,930)	(711,741,777)
	641,384,540	391,416,392
	341,379,078	281,750,388
	6,413,845	-
	-	-
	347,792,924	281,750,388
	293,591,616	109,666,004
40	0.77	0.47

The annexed notes from 1 to 49 form an integral part of these consolidated financial statements.



Tarique Afzal

President & Managing Director



Khairul Alam Choudhury

Director



Shafiqul Alam

Independent Director



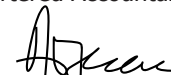
Muhammad A. (Rumeen) Ali

Chairman

This is the Profit and Loss Account referred to in our separate report of even date.

Dhaka,
26 April 2022

Signed for & on behalf of
ACNABIN
Chartered Accountants



Md Moniruzzaman FCA
Partner

ICAB Enrollment No. 787
DVC:2204270787AS831679

AB Bank Limited
Cash Flow Statement

For the year ended 31 December 2021

Cash flows from Operating Activities

	Notes	2021 Taka	2020 Taka
Interest receipts		12,982,500,286	13,749,631,590
Interest payments		(16,146,267,285)	(21,655,896,896)
Dividend receipts		229,179,842	137,581,947
Fees and commission receipts		1,258,302,852	929,742,512
Recoveries on loans previously written off		56,589,943	172,931,675
Payments to employees		(3,065,031,959)	(2,740,789,949)
Payments to suppliers		(115,197,027)	(94,329,907)
Income taxes paid		(1,814,495,333)	(2,329,156,442)
Receipts from other operating activities	41	5,707,986,253	6,741,551,232
Payments for other operating activities	42	(2,310,184,832)	(2,550,630,827)

Operating profit before changes in operating assets & liabilities
Increase/decrease in operating assets and liabilities

Loans and advances to customers		(8,473,659,356)	(7,775,562,957)
Other assets	43	110,905,981	(1,695,382,143)
Deposits from other banks		842,550,394	2,828,027,511
Deposits from customers		7,134,964,354	9,954,971,886
Trading liabilities (short-term borrowings)		9,634,498,543	2,577,496,154
Other liabilities	44	(3,025,134,699)	(2,079,503,473)

Net cash flow from/(used in) operating activities (a)
Cash Flows from Investing Activities

Sale/(Purchase) of government securities		997,491,616	(2,505,380,069)
(Purchase)/sale of trading securities, shares, bonds, etc.		(2,506,936,680)	694,264,375
Sale/(Purchase) of fixed assets incl. premises, furniture and fixtures		2,099,776,246	(131,253,641)

Net cash flow from/(used in) investing activities (b)
Cash Flows from Financing Activities

Increase of long-term borrowings		3,549,844,100	3,660,329,947
Dividend paid		(480,587)	(159,676)

Net cash flow from Financing activities (c)
Net increase/(decrease) in cash (a+b+c)

Effects of exchange rate changes on cash and cash equivalents		29,322,754	7,693,939
Cash and cash equivalents at beginning of the year		27,795,511,245	29,899,334,457

Cash and cash equivalents at end of the Year (*)

(*) Cash and cash equivalents:			
Cash		1,289,810,932	1,009,893,886
Prize bonds		1,904,100	1,385,300
Money at call and on short notice		4,351,147,108	2,499,682,377
Balance with Bangladesh Bank and its agent bank(s)		21,489,647,407	19,920,756,233
Balance with other banks and financial institutions		7,839,527,106	4,363,793,449

Net Operating Cash Flow Per Share (NOCFPS)

45

3.60
(4.58)

The annexed notes from 1 to 49 form an integral part of these consolidated financial statements.


Tarique Afzal

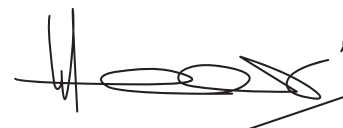
President & Managing Director


Khairul Alam Choudhury

Director


Shafiqul Alam

Independent Director


Muhammad A. (Rume) Ali

Chairman

 Dhaka,
26 April 2022

AB Bank Limited
Statement of Changes in Equity

For the year ended 31 December 2021

Particulars	Paid-up capital	Statutory reserve	General reserve	Assets revaluation reserve	Investment revaluation reserve	Retained earnings	Total Equity
Balance at 01 January 2021	7,960,368,300	7,144,204,404	2,302,199,200	1,294,532,425	99,008,157	5,686,625,747	24,486,938,234
5% Stock Dividend for 2020	398,018,410	-	-	-	-	(398,018,410)	-
Net profit after taxation for the year	-	-	-	-	-	641,384,540	641,384,540
Addition/(Adjustment) made during the year	-	341,379,078	550,000,000	(536,361,389)	(56,861,236)	(1,116,686,258)	(818,529,804)
Foreign exchange rate fluctuation	-	(673,710)	-	-	-	(1,715,763)	(2,389,473)
Balance at 31 December 2021	8,358,386,710	7,484,909,773	2,852,199,200	758,171,036	42,146,921	4,811,589,856	24,307,403,496

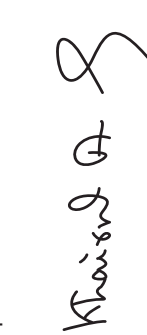
For the year ended 31 December 2020

Particulars	Paid-up capital	Statutory reserve	General reserve	Assets revaluation reserve	Investment revaluation reserve	Retained earnings	Total Equity
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
5% Stock Dividend for 2019	379,065,150	-	-	-	-	(379,065,150)	-
Net profit after taxation for the year	-	-	-	-	-	391,416,392	391,416,392
Addition/(Adjustment) made during the year	-	281,750,388	1,080,000,000	(2,158,304)	47,932,916	(131,882,192)	1,275,642,808
Foreign exchange rate fluctuation	-	(9,598,312)	-	-	-	(11,004,177)	(20,602,490)
Balance at 31 December 2020	7,960,368,300	7,144,204,404	2,302,199,200	1,294,532,425	99,008,157	5,686,625,747	24,486,938,234

The annexed notes from 1 to 49 form an integral part of these consolidated financial statements.


Tarique Afzal


President & Managing Director


Khairul Alam Choudhury

Director


Shafiqul Alam

Independent Director


Muhammad A. (Rumee) Ali

Chairman

Dhaka,

26 April 2022

AB Bank Limited
Liquidity Statement

Analysis of Maturity of Assets and Liabilities

As at 31 December 2021


Particulars	(Amount in Taka)				
	Up to 1 month's maturity	1-3 months' maturity	3-12 months' maturity	1-5 years' maturity	More than 5 years' maturity
Assets					
Cash in hand and with banks	11,362,956,423	-	-	-	11,416,501,916
Balance with other banks and financial institutions	2,000,458,224	468,793,653	5,370,275,229	-	7,839,527,106
Money at call and on short notice	3,309,725,000	816,816,000	224,606,108	-	4,351,147,108
Investments	6,847,147,394	4,901,794,529	10,521,863,640	20,158,488,834	65,214,572,370
Loans, advances and lease/investments	31,063,396,788	79,838,959,422	129,607,866,407	35,271,426,300	290,459,816,948
Fixed assets including premises, furniture and fixtures	-	-	-	-	3,632,187,959
Other assets	1,551,117,966	1,555,503,479	4,916,418,646	5,328,074,063	15,705,825,113
Non-banking assets	-	-	-	334,171,836	334,171,836
Total Assets	56,134,801,795	87,581,867,083	150,641,030,030	61,092,161,033	54,867,205,999
Liabilities					
Borrowing from Bangladesh Bank, other banks, financial institutions and agents	20,102,202,769	5,749,358,575	3,897,702,750	4,232,944,391	41,642,208,485
Deposit and other accounts	32,826,404,387	79,577,672,366	138,546,263,058	44,620,197,206	298,372,561,654
Provision and other liabilities	1,550,631,107	1,001,084,612	1,117,031,110	6,583,962,319	45,994,533,144
Total Liabilities	54,479,238,263	86,328,115,554	143,560,996,918	55,437,103,916	386,009,303,282
Net liquidity excess/(shortage)	1,655,563,532	1,253,751,529	7,080,033,112	5,655,057,118	24,307,403,496



Tarique Afzal
President & Managing Director



Shafiqul Alam
Independent Director



Muhammad A. (Rumee) Ali
Chairman

Dhaka,
26 April 2022

AB Bank Limited

Notes to the Financial Statements

For the year ended 31 December 2021

1.1 The Bank and its activities

AB Bank Limited (the Bank) is one of the first generation Private Commercial Banks (PCBs) incorporated in Bangladesh on 31 December 1981 as a public limited company under the Companies Act 1913, subsequently replaced by the Companies Act 1994, and is governed by the Bank Company Act, 1991 (amendment up to date). The Bank went for public issue of its shares on 28 December 1983 and its shares are listed with Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited. AB Bank Limited has 105 Branches including one (1) Islami Banking Branch and one (1) Overseas Branch in Mumbai, India. The Bank has five subsidiary companies namely AB Investment Limited, AB Securities Limited, Cashlink Bangladesh Limited, Arab Bangladesh Bank Foundation all incorporated in Bangladesh and AB International Finance Limited, incorporated in Hong Kong.

AB Investment Limited (ABIL) and AB Securities Limited (ABSL) were incorporated as subsidiary companies after obtaining the approvals from Bangladesh Bank following guidelines of the Bangladesh Securities and Exchange Commission (BSEC). These two subsidiaries are being put into operations to cater the merchant banking and brokerage business which were previously carried out by the Bank itself.

The Bank through its Branches and non-banking subsidiaries provides a diverse range of financial services and products in Bangladesh and in certain international markets. The Bank has expanded its capital market oriented service horizon to its customers through AB Investment Limited. The Bank obtained permission from BSEC to embark upon merchant banking vide its certificate no. MB-1.02/2001-30 dated 15 May 2001 under the Securities and Exchange Commission Act 1993. Subsequently, the Bank has formed a subsidiary company named AB Investment Limited in accordance with the approval of Bangladesh Bank vide letter no. BRPD(R-1)717/2009-538 dated 09 December 2009 and the Bangladesh Securities and Exchange Commission vide letter no. Sec/Reg/MB-79/2010/73 dated 10 March 2010 for dealing the Merchant Banking business.

AB Bank Limited started its Islami Banking operation through its Dilkusha Islami Banking Branch, Dhaka on 23 December 2004 following the permission of Bangladesh Bank vide letter no. BRPD (P) 745 (12)/2004-2702 dated 08 July 2004. Subsequently, the Branch was shifted to Kakrail, Dhaka on 18 October 2006.

The Bank obtained permission to work as a security custodian from the Bangladesh Securities and Exchange Commission vide its certificate no. SC-05/2007 dated 22 January 2007 under the Securities and Exchange Commission (Securities Custodian Service) Rules 2003.

In the year 2009, the Bank obtained permission to operate Off Shore Banking Unit (OBU) vide letter # BRPD (P-3)744/(106)/2009-4486 dated 06 December 2009 of Bangladesh Bank. OBU operation has been carried out from 28 April 2010 through the Bank's EPZ Branch, Chittagong.

1.2 Significant accounting policies and basis of preparation of the financial statements

Presentation of the financial statements

The consolidated and separate financial statements of the Bank have been prepared for the year ended December 31, 2021 in accordance with the measurement and recognition requirements of International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs) which have replaced Bangladesh Accounting Standards (BASs) and Bangladesh Financial Reporting Standards (BFRSs) vide circular no. 1/1/ICAB-2017 of the Institute of Chartered Accountants of Bangladesh, the accounting standard setting body for Bangladesh, dated 14 December 2017 for due period begins on or after 1 January 2018.

The financial statements cover a full set of financial statements which comprise of consolidated and separate Balance Sheets, Profit or Loss Accounts, Cash Flow Statements, Statements of Changes in Equity, Liquidity Statement and relevant notes and disclosures.

The financial statements have been prepared under historical cost convention, except investments categorised under treasury securities in accordance with Bank Company Act, 1991 (amendment up to date); BRPD circular no. 14 dated 25 June 2003, the Companies Act, 1994; the Securities and Exchange Ordinance 1969, Securities and Exchange Rules 2020 and other laws and rules applicable for the Bank.

Basis of consolidation

Separate set of records for consolidating the financial statements of the Branches including Mumbai Branch, India, AB Investment Limited, AB Securities Limited, Cashlink Bangladesh Limited and AB International Finance Limited, Hong Kong are maintained at the Head Office of the Bank, based on which these financial statements have been prepared. The consolidated financial statements have been prepared in accordance with the IFRS 10 "Consolidated Financial Statements". The Consolidated Financial Statements have been prepared to a common reporting period ended on 31 December 2021.

AB Bank Limited
Notes to the Financial Statements
For the year ended 31 December 2021

Mumbai branch, India

The assets and liabilities of Mumbai Branch, India have been incorporated in the accounts at year end exchange rate. Income and expenditures have been incorporated in the accounts by each line item. The Balance Sheet and Profit and Loss Account of the Mumbai Branch have been shown separately in **Annexure-E**.

Islami Banking branch

Islami Banking Branch has been maintaining separate set of books and records for its operations following Bangladesh Bank guidelines. All assets-liabilities and income-expenses of this Branch have been incorporated in similar heads of account of the Bank's financial statements. Balance Sheet and Profit and Loss Account of Islami Banking Branch is shown separately in **Annexure-F** as per Bangladesh Bank BRPD Circular No. 15 dated 09 November 2009. Distribution of profit under Islamic Banking Operation and fixation of final rate for the year 2021 has also been disclosed separately in **Annexure-G**.

Custodian Wing

Financial statements of Custodian Wing have been separately audited by the auditor of the Bank. Income-expenditures of Custodian Wing have been incorporated in similar heads of account of the Bank's Profit and Loss Account. Profit and Loss Account of Custodian Wing has been shown separately in **Annexure-H**.

Off-Shore Banking Unit (OBU)

This particular unit of the Bank started its operation in the year 2010. Assets-liabilities and income-expenditures of Off- Shore Banking Unit are incorporated in similar heads of account of the Bank's Balance Sheet and Profit and Loss Account. The Balance Sheet and Profit and Loss Account of the Off-Shore Banking Unit (OBU) have been shown separately in **Annexure-I**.

Yangon Representative Office, Myanmar

AB Bank Limited, Yangon Representative Office (YRO), Myanmar, has been established primarily for encouraging and procuring Business under Border Trade Agreement between the Government of the Peoples' Republic of Bangladesh and the Republic of Union of Myanmar. YRO is also maintaining liaison with the Regulatory Bodies and Business Agencies of Myanmar. Statement of Receipts and Payments of the representative office has been shown separately in **Annexure-J**.

Investment in Amana Bank Limited

The Bank invested in Amana Bank Limited, Srilanka which is a licensed commercial bank and established under the Banking Act No. 30 of 1988 (Srilankan Banking Act) and amendments thereto. Amana Bank is a public limited liability company incorporated on 05 February 2009 and the registered office of the Bank is located at No. 480, Galle Road, Colombo 3. The Bank commenced commercial banking operations on 01 August 2011. Amana Bank is also a listed company under the Colombo Stock Exchange. AB has invested 7.22% in the shares of Amana Bank Limited.

Subsidiaries operation

The financial statements of subsidiaries (except Arab Bangladesh Bank Foundation-ABBF) have been consolidated following IFRS 10 "Consolidated Financial Statements". ABBF operated only for philanthropic purpose and its profit is not distributable to the shareholders. Thus, for ensuring the fair presentation of the Financial Statements of the Parent Company (the Bank), the Financial Statements of ABBF has not been consolidated.

AB Investment Limited (ABIL)

AB Investment Limited (ABIL) started its operation from 10 March 2010 for Merchant Banking Operation. AB Bank Limited holds 99.99% shares in ABIL. The Statement of Financial Position and Statement of Profit or Loss and Other Comprehensive Income of ABIL have been shown separately in **Annexure-K**.

AB Securities Limited (ABSL)

Brokerage business of Arab Bangladesh Bank Foundation has been transferred to AB Securities Limited (ABSL) vide Bangladesh Bank approval letter BRPD(R-1)717/2009-493 dated 08 November 2009. AB Bank Limited at present holds 99.91% shares in ABSL.

The Statement of Financial Position and Statement of Profit or Loss and Other Comprehensive Income of ABSL have been shown separately in **Annexure-L**.

AB Bank Limited
Notes to the Financial Statements
For the year ended 31 December 2021

Cashlink Bangladesh Limited (CBL)

Cashlink Bangladesh Limited (CBL) was incorporated on 24 September 2008 with an authorised capital of Taka 1,000,000,000 divided into 100,000,000 ordinary shares of Taka 10 each. The Bank at present holds 90% shares in CBL.

The Statement of Financial Position and Statement of Profit or Loss and Other Comprehensive Income of the CBL have been shown separately in **Annexure-M**.

AB International Finance Limited (ABIFL)

AB International Finance Limited (ABIFL) is a company incorporated in Hong Kong. Its registered office and principal place of business is situated at Room 1608, 16th Floor, Tower 1, Silvercord, 30 Canton Road, Tsim Sha Tsui, Hong Kong. It is a fully owned (100%) Subsidiary of AB Bank Limited. Statement of Financial Position and Statement of Income and Retained Earnings of ABIFL have been shown separately in **Annexure-N**.

Arab Bangladesh Bank Foundation (ABBF)

Arab Bangladesh Bank Foundation (ABBF) has maintained separate set of books and records for its operation. The Statement of Financial Position and Statement of Profit or Loss and Other Comprehensive Income of ABBF have been shown separately in **Annexure -O**.

Use of estimates and judgments

The preparation of consolidated financial statements and financial statements of the Bank required management to make judgments, estimates and assumptions that affected the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions have been reviewed considering business realities. Revisions of accounting estimates have been recognised in the period in which the estimates have been revised and in the future periods affected, if applicable.

All intergroup balances, transactions, income and expenses are fully eliminated while preparing the consolidated financial statements.

Materiality, aggregation and offsetting

The Bank aggregates each material class of similar items and separately which are dissimilar in nature or function unless those are immaterial. The Bank did not offset assets and liabilities or income and expense, unless required or permitted by IAS/ IFRS.

Foreign currency transactions

Functional and presentational currency

Financial statements of the Bank have been presented in Taka/BDT, which is the Bank's functional and presentational currency.

Foreign currency translation

Foreign currency transactions have been converted into equivalent Taka currency at the ruling exchange rates on the respective date of such transactions as per IAS 21 "The Effects of Changes in Foreign Exchange Rates".

Assets and liabilities in foreign currencies as at 31 December 2021 have been converted into Taka currency at the average of the prevailing buying and selling rates of the relevant foreign currencies at that date except "balances with other banks and financial institutions" which have been converted as per directives of Bangladesh Bank vide its circular no. BRPD (R) 717/2004-959 dated 21 November 2004.

Differences arising through buying and selling transactions of foreign currencies on different dates of the year have been adjusted by debiting /crediting exchange gain or loss account.

Commitment

Commitments for outstanding forward foreign exchange contracts disclosed in the consolidated financial statements and financial statements of the Bank have been translated at contracted rates. Contingent liabilities/commitments for letter of credit, letter of guarantee and acceptance denominated in foreign currencies have been expressed in Taka terms at the rates of exchange ruling on the balance sheet date.

Translation gain and losses

Gains or losses arising out of translation of foreign exchange have been included in the Profit and Loss Account, except those arising on the translation of net investment in foreign branch and subsidiaries.

Foreign operations

The results of financial statements of the Bank whose functional currency is not Bangladesh Taka are translated into Bangladesh Taka as follows:

- assets and liabilities for each items of Balance Sheet have been translated at the closing rate on the date of Balance sheet.
- income and expenses for Profit and Loss (P & L) Account have been translated at an monthly average rate of the year; and
- all resulting exchange differences have been recognized in the P&L or as a separate components of equity, where appropriate.

Cash flow statement

Cash Flow Statement is prepared principally in accordance with IAS 7 "Statement of Cash Flows" under direct method as per the guidelines of BRPD circular no. 14 dated 25 June 2003. The Statement of Cash Flows show the structure of and changes in cash and cash equivalents during the period. Cash Flows during the year have been classified as operating activities, investing activities and financing activities.

Statement of changes in equity

Statement of Changes in Equity has been prepared in accordance with IAS 1 "Presentation of Financial Statements" and following the guidelines of Bangladesh Bank BRPD circular no.14 dated 25 June 2003.

Liquidity statement

The basis of the liquidity statement of assets and liabilities as on the reporting date is given below:

Particulars	Basis used
Balance with other banks and financial institutions	Maturity term
Investments	Respective maturity terms
Loans and advances	Repayment schedule basis
Fixed assets	Useful life
Other assets	Realization/ amortization basis
Borrowing from other banks, financial institutions and agents	Maturity/ repayments terms
Deposits and others accounts	Maturity term/ Previous trend
Other liabilities	Payments/ adjustments schedule basis

1.3 Assets and basis of their valuation**Cash and cash equivalents**

Cash comprises cash in hand and demand deposits in the banks.

Cash equivalents are short term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

Loans and advances

- Loans and advances/investments in Islamic Banking Branch are stated at gross amounts at 31 December 2021.
- Interest/profit is calculated on a daily basis but charged and accounted on accrual basis. Interest/profit on classified loans and advances/ investment is kept in suspense account as per Bangladesh Bank instructions and such interest/ profit is not accounted for income until realized from borrowers. Interest/profit is not charged on bad and loss loans/ investments as per guideline of Bangladesh Bank.
- Commission on bills purchased and discounting are recognised at the time of realisation.

AB Bank Limited
Notes to the Financial Statements
For the year ended 31 December 2021

- iv. Provision for loans and advances is made on the basis of quarter-end review by the management and as per instructions contained in BRPD circular no. 14 dated 23 September 2012, BRPD circular no. 05 dated 29 May 2013, BRPD Circular No. 04 dated 29 January 2015, BRPD Circular No. 08 dated 02 August 2015, BRPD Circular No. 12 dated 20 August 2017, BRPD Circular No. 15 dated 27 September 2017, BRPD Circular No. 01/2018 dated 20 February 2018, BRPD Circular No. 07 dated 21 June 2018, BRPD Circular # 13 dated 18.10.2018, BRPD Circular No. 03 dated 21 April 2019, BRPD Circular # 16 dated 21.07.2020, BRPD Circular # 17 dated 28.09.2020, BRPD Circular letter # 52 dated 20.10.2020 and BRPD Circular letter # 56 dated 10.12.2020, BRPD Circular # 19 dated 26.08.2021 and BRPD Circular letter # 53 dated 30.12.2021 and other applicable circular(s). The rates for provisions are stated below:

Particulars		Short Term Agri Credit	Consumer Financing				SMEF	Loans to BHs/MBs/SDs	All Other Credit	Off Balance Sheet Exposures
			Other than HF, LP	HF	LP	Credit Card				
UC	Standard	1%	2%	1%	2%	2%	0.25%	2%	1%	1%
	SMA	-	2%	1%	2%	2%	0.25%	2%	1%	
Classified	SS	5%	20%	20%	20%	20%	5%, 20%	20%	20%	
	DF	5%	50%	50%	50%	50%	20%, 50%	50%	50%	
	BL	100%	100%	100%	100%	100%	100%	100%	100%	

2% Special General Provision for COVID-19 has been kept as per BRPD circular letter no. 56 dated 10 December 2020 and BRPD circular letter no. 50 dated 14 December 2021 respectively.

Investment

Investments have been initially recognised at cost, including acquisition charges associated with the investment. Premium has been amortised and discount accredited, using the effective or historical yield method. Government Treasury Bills and Bonds (categorized as HFT or/and HTM) are accounted for as per Bangladesh Bank DOS circular letter no. 05 dated 26 May 2008 and DOS circular no. 05 dated 28 January 2009.

The valuation methods of investment used are:

Government securities

Held to Maturity (HTM)

Investments which are intended to be held to maturity are classified as "Held to Maturity". These are measured at amortised cost at each year end by taking into account any discount or premium in acquisition. Amortised amount of such premium are booked into Profit and Loss Account or discount is booked to reserve until maturity/disposal.

Held for Trading (HFT)

Investment primarily held for selling or trading is classified in this category. After initial recognition, investments are valued on the basis of marked to market on weekly basis. Decrease in the book value is recognised in the Profit and Loss Account and any increase is transferred to revaluation reserve account.

Value of investments has been enumerated as follows:

Investment class	Initial recognition	Measurement after initial recognition	Recording of changes
Treasury Bill / Bond (HFT)	Cost	Market value	Loss to Profit and Loss Account (P&L), gain to revaluation reserve
Treasury Bill / Bond (HTM)	Cost	Amortised value	Increase in value to equity and decrease in value to P&L
Debenture	Face value	None	None
Prize bond	Cost	None	None
Shares	Cost	Lower of cost and market value	Realised gain or loss, recognised in P&L Unrealized gain is not recognized in accounts. Provision is maintained for unrealized loss, if any

AB Bank Limited
Notes to the Financial Statements
For the year ended 31 December 2021

Investment in listed securities

These securities are brought and held primarily for the purpose of selling them in future or held for dividend income. These are reported at cost. Unrealised gains are not recognised in the Profit and Loss Account.

In Accordance with BRPD Circular no. 14 dated 25 June 2003, provisions should be made for any loss arising from the diminution in value of investments. Subsequently, as per DOS Circular No.04 dated 24 November 2011, provisions may be made for any loss arising from the diminution in value of investments after netting of gain. Provision against Mutual Fund should be maintained in accordance with DOS circular letter no. 10 dated June 28, 2015.

Investment in unlisted securities

Investment in unlisted securities is reported at cost under cost method.

Investment in subsidiaries

Investment in subsidiaries is accounted for under the cost method of accounting in the Bank's financial statements in accordance with the IAS 27 "Separate Financial Statements".

Fixed assets

- i) All fixed assets are stated at cost less accumulated depreciation as per IAS 16 "Property, Plant and Equipment". The cost is the amount of cash or cash equivalents paid or the fair value of the other consideration given to acquire an asset at the time of its acquisition or construction or, where applicable, the amount attributed to that asset when initially recognised in accordance with the specific requirements of the IFRS.
- ii) The cost of an item of property, plant and equipment is recognised as an asset if-
it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably.
- iii) Depreciation on fixed assets is charged over the estimated useful life of the assets using reducing balance method except motor vehicles, computers & computer equipments, core banking hardware and photocopiers for which straight-line method is used. The rates of depreciation are as follows:

<u>Category of asset</u>	<u>Rate of depreciation</u>
Land	Nil
Building	2.5%
Furniture and fixtures	10%
Electrical appliances	20%
Motor vehicles	20%
Core banking hardware	12.5%

- iv) Depreciation on fixed assets is charged when the respective asset is ready to use.
- v) The cost and accumulated depreciation of disposed assets are eliminated from the fixed assets schedule and gain or loss on such disposal is reflected in the Profit and Loss Account.
- vi) Useful lives and method of depreciation of fixed assets are reviewed periodically. If useful lives of assets do not differ significantly as these were previously estimated, revaluation of assets does not consider to be done.
- vii) Bank capitalised items value of which is over Taka 50,000 and the items below Taka 50,000 were booked as non-capitalised items under the broader head of other expenses with effect from 01 March 2009 in accordance with the relevant policy of the Bank.
- viii) Bank also follows a policy for amortisation of expenditure considering the durability and useful lives of items. These are treated as intangible assets and are booked under the head "Fixed Assets" and amortised over their estimated useful lives by charging under the broad head "Depreciation".
- ix) Bank accounted for its required assets under non-current assets held for sale in applicable cases as per IFRS 5 Non-current Assets Held for Sale and Discontinued Operations. In general terms, assets (or disposal groups) held for sale are not depreciated; measured at the lower of carrying amount and fair value less costs to sell, and are presented separately in the statement of financial position.

AB Bank Limited
Notes to the Financial Statements
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Intangible assets

An intangible asset is recognised if-

- a. It is probable that the expected future economic benefits that are attributable to the assets will flow to the entity; and
- b. The cost of the assets can be measured reliably.

Other assets

Other assets include all balance sheet items not covered specifically in other areas.

Lease

Bank recognised a contract as (or contains) a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Bank applied IFRS 16 Lease since 2019.

i) **Right-of-use assets**

The Bank recognises right-of-use assets at the date of initial application of IFRS 16. The cost of the right of use assets comprises present value of lease payments less incentive plus initial direct payment and dismantling cost etc.

ii) **Lease liabilities**

At the commencement date of the lease, the Bank recognises lease liabilities measured at the present value of lease payments to be made over the lease term using incremental borrowing rate at the date of initial application. Lease liability is measured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments, and re-measuring the carrying amount to reflect any reassessment or lease modifications. Interest on the lease liability in each period during the lease term shall be the amount that produces a constant periodic rate of interest on the remaining balance of the lease liability. The Bank recognised lease liabilities which are present value of lease payments to be made over the lease term from the date of commencement or 01 January 2019. The lease payment has been discounted using Treasury bill/bond rate supporting lease tenor 1-10 years as implicit borrowing rate.

iii) **Short-term leases and leases of low value assets**

The Bank has elected not to recognise right-of-use assets and lease liabilities for leases of low value assets and short term leases, i.e. for which the lease term ends within 12 months of the date of initial application. The Bank recognises lease payments associated with these leases as an expense. The contracts for premises with all branches, head office, regional offices, data centres and disaster recovery centres are considered for lease calculation.

The Bank as lessee on lease-by-lease basis, elected a single threshold less than BDT 1 crore to consider low value asset on the basis of materiality (less than 1%) of Bank's Total capital BDT 3,540 crore. Hence, any payment made by the Bank under contract for use of any rental premises or assets for a period not exceeding twelve months, and or, falls as low value asset and substantially risks and benefits of ownership of those rental premises/assets do not transfer to the Bank, are recognised as expense.

iv) **Depreciation of Right-of-Use Assets**

The right of use assets are depreciated using a straight line method from the lease recognition date to the end of the lease term.

Stock of stationery

Stock of stationery has been shown under other assets and is valued at cost.

1.4 Capital, reserve, liabilities and provision and basis of their valuation

Share capital

Ordinary shares are classified as equity when there is no contractual obligation to transfer cash or other financial assets.

Statutory reserve

As per Section 24 of the Bank Company Act, 1991 (amendment up to date), 20% of current year's profit of the Bank is required to be transferred to Statutory Reserve until such reserve together with share premium account equals to its paid up capital.

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Notes to the Financial Statements
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Revaluation reserve

When an asset's carrying amount is increased as a result of revaluation, the increased amount should be credited directly to equity under the head revaluation surplus/ reserve as per IAS 16 "Property, Plant and Equipment".

Deposits and other accounts

Deposits are recognised when the Bank enters into contractual arrangements with the counterparties, which are generally on trade date and initially measured at the amount of consideration received.

Borrowing

Borrowed funds include call money, term borrowings and re-finance from different commercial banks, non-banking financial institutions and central bank.

Provision for taxation

Income tax represents the sum of the current tax and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Bank's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Provision for current income tax has been made @ 37.50% on the accounting profit made by the Bank after considering taxable allowances and disallowances as per income tax laws applicable for the Bank.

Deferred tax

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and are accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences, unused tax losses or unused tax credits can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates, and interests in joint ventures, except where the Bank is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised, based on tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax is charged or credited to the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the company intends to settle its current tax assets and liabilities on a net basis.

The impact on the account of changes in the deferred tax assets and liabilities has also been recognized in the Profit and Loss Account as per IAS-12 "Income Taxes" (note 10.1).

Retirement benefits to the employees

The retirement benefits accrued for the employees of the Bank as on the reporting date have been accounted for in accordance with the provision of IAS 19 "Employee Benefits". Bases of enumerating the retirement benefits schemes operated by the Bank are outlined below:

AB Bank Limited
Notes to the Financial Statements
For the year ended 31 December 2021

Provident fund

There is a provident fund scheme under the defined contribution plan. The fund is operated by a separate board of trustees approved by the National Board of Revenue as per Income Tax Ordinance, 1984. All eligible employees contribute 10% of their basic pay to the fund. The Bank also contributes equal of employee's contribution to the fund. These contributions are invested separately. Benefits from the fund are given to eligible employees at the time of retirement/resignation as per approved rules of the fund.

Staff gratuity

The Bank has a separate Board of Trustees for operating the staff gratuity fund approved by the National Board of Revenue. Employees of the Bank, who served the Bank for ten years or above are entitled to get gratuity benefit at rates determined by the Service Rules of the Bank.

Superannuation fund

The Bank operates a Superannuation Fund as death-cum-retirement benefit for its employees. The fund is operated by a separate Board of Trustees.

Provision for liabilities

A provision is recognised in the balance sheet when the Bank has a legal or constructive obligation as a result of past event and it is probable that an outflow of economic benefit will be required to settle the obligations, in accordance with IAS 37 "Provisions, Contingent Liabilities and Contingent Assets".

No provision is recognised for any possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Bank, or any present obligation that arises from past events and it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or a reliable estimates of the amount of obligation cannot be made.

However, certain provisions on assets and liabilities are maintained in accordance with relevant Bangladesh Bank Circulars issued from time to time.

Provision for nostro accounts

Provision for nostro accounts is required to be maintained as per circular letter no. FEPD(FEMO)/01/2005-677 dated 13 September 2005 issued by Foreign Exchange Policy Department of Bangladesh Bank.

Non- controlling Interest

Non- Controlling Interest is the equity in a subsidiary not attributable, directly or indirectly, to the parent.

As per IFRS 10 'Consolidated Financial Statements' Bank presents non- controlling interest separately in financial statements.

Profit or loss and each component of other shareholders equity are attributed to the owners of the parent and to the non-controlling interest. Total shareholders equity is attributed to the owners of the parent and to the non-controlling interest even if this result in the non- controlling interest having a deficit balance.

1.5 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) and Doubtful (DF) 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.

Profit on investment (Islami Banking branch)

Profit on investment is taken into income account from profit receivable account. Overdue charges/ compensation on classified investment is transferred to profit suspense/ compensation receivable account instead of income account.

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.

Fees and commission income

Fees and commission income on services provided by the Bank are recognised as and when the services are rendered. Commission charged to customers on letters of credit and letters of guarantee are credited to income at the time of affecting the transactions.

Dividend income on shares

Dividend income from investment in shares is recognised when the Bank's right to receive dividend is established. It recognised when:

- a. It is probable that the economic benefits associated with the transaction will flow to the entity; and
- b. the amount of the revenue can be measured reliably.

Interest paid on deposits and borrowings

Interest paid on deposits, borrowings, etc. is accounted for on accrual basis according to the IAS 1 "Presentation of Financial Statements".

Other operating expenses

All other operating expenses are provided for in the books of the account on accrual basis according to the IAS 1 "Presentation of Financial Statements".

1.6 Reconciliation of books of account

Books of account with regard to inter-bank (in Bangladesh and outside Bangladesh) and inter-branch transactions are reconciled.

1.7 Earnings Per Share (EPS)

Basic earnings per share

Basic earnings per share have been calculated in accordance with IAS 33 "Earnings per Share" which has been shown in the face of the Profit and Loss Account. This has been calculated by dividing the profit attributable to the ordinary shareholders by the numbers of ordinary shares.

Diluted earnings per share

Diluted earnings per share is to be calculated by adjusting profit or loss attributable to ordinary equity holders of the parent entity, and weighted average number of shares outstanding, for the effects of all dilutive potential ordinary shares.

Potential ordinary shares shall be treated as dilutive when, and only when, their conversion to ordinary shares would decrease earnings per share or increase loss per share from continuing operations.

1.8 Off-balance sheet items

Off-Balance Sheet items have been disclosed under contingent liabilities and other commitments as per Bangladesh Bank's guidelines.

In accordance with BRPD circular no.14 dated 23 September 2012 and BRPD circular no. 07 dated 21 June 2018, general provision for Off-Balance Sheet exposure of the Bank as at 31 December 2021 has been considered. Provision is made on the total exposure and amount of cash margin or value of eligible collateral is not deducted while computing Off-Balance sheet exposure.

1.9 Memorandum items

Memorandum items are maintained for those items for which the Bank has only a business responsibility and no legal commitment.

1.10 Segment Reporting

The Bank reports its operations under the following two business segments as per International Financial Reporting Standards (IFRS)-8 "Operating Segment".

By geographical location and segment business

Particulars	AB Bank Limited							Subsidiaries				(Amount in Crore)
	Inside Bangladesh				Mumbai Branch, India	Total	Inside Bangladesh			AB Int. Finance Ltd. (Hong Kong)		
	Conventional Banking	Islamic Banking	Investment Banking	Off- Shore Banking Unit			AB Investment Limited	AB Securities Limited	Cash Link Bangladesh Ltd. (CBL)			
Profit and loss account												
Interest income	2,010.97	49.27	-	14.45	2.97	2,038.41	14.35	2.54	0.31	5.75	2,059.72	
Int. paid on deposits & borrowings, etc.	1,539.37	46.72	23.64	10.67	0.90	1,582.20	-	1.16	-	1.29	1,583.00	
Net interest income	471.59	2.55	(23.64)	3.79	2.07	456.21	14.35	1.39	0.31	4.46	476.72	
Investment income	505.88	0.82	36.66	-	2.96	546.32	21.41	1.61	-	-	559.92	
Commission, exchange and brokerage	133.60	0.10	-	(0.01)	32.92	166.61	8.12	14.54	-	5.82	194.98	
Other operating income	15.05	0.02	-	-	0.13	15.20	1.01	0.43	-	6.06	21.79	
Total operating income	1,126.12	3.50	13.02	3.78	38.08	1,184.35	44.89	17.96	0.31	16.34	1,253.41	
Operating Expenses												
Salary and allowances	302.26	2.14	-	0.30	1.81	306.50	2.98	3.82	0.01	3.14	316.46	
Rent, taxes, insurance, electricity, etc.	58.82	0.13	0.00	0.00	2.31	61.26	0.25	0.27	-	0.86	61.73	
Legal expenses	1.01	-	-	-	-	1.01	-	-	0.00	0.01	1.02	
Postage, stamps, telecom., etc.	8.69	0.03	-	0.00	0.46	9.18	0.09	0.17	-	1.02	10.47	
Stationery, printing, advertisement, etc.	11.34	0.04	-	0.01	0.14	11.52	0.03	0.11	-	0.04	11.70	
Directors' fees	0.19	0.01	-	-	-	0.20	0.04	0.05	0.02	0.02	0.33	
Auditors' fees	0.26	-	-	-	0.12	0.38	0.02	0.02	0.00	0.05	0.47	
Depreciation & repairs of Bank's assets	65.84	0.09	-	0.00	0.53	66.46	1.83	0.85	-	0.04	69.19	
Other expenses	98.31	0.67	1.18	0.03	14.36	114.55	2.02	3.48	0.01	0.07	120.03	
Total operating expenses	546.71	3.10	1.18	0.34	19.73	571.07	7.27	8.77	0.04	5.26	591.39	
Profit before provision	579.41	0.40	11.83	3.44	18.35	613.29	37.62	9.19	0.26	11.08	662.02	
Provision against loans and advances						379.03					411.48	
Provision for investments						45.04					45.65	
Other provisions						8.58					8.58	
Total provision						432.66					465.71	
Profit before taxation						180.63					196.30	
Provision for taxation						116.49					124.62	
Net profit after taxation						64.14					71.68	

AB Bank Limited
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By geographical location and segment business (cont.)

Balance Sheet

Particulars	AB Bank Limited						Subsidiaries					(Amount in Crore)
	Inside Bangladesh			Mumbai Branch, India	Total	Inside Bangladesh			AB Int. Finance Ltd. (Hong Kong)			
	Conventional Banking	Islamic Banking	Investment Banking			OBU	AB Investment Limited	AB Securities Limited		Cash Link Bangladesh Ltd. (CBL)		
PROPERTY AND ASSETS												
Cash	2,251.25	26.29	-	-	0.40	2,277.95	0.00	0.00	0.00	0.01	2,277.96	
Balance with other banks & fin.institution	522.13	58.30	-	25.31	195.43	783.95	17.98	53.85	4.72	0.40	831.73	
Money at call and on short notice	1,245.35	-	-	125.65	2.30	435.11	-	-	-	-	309.46	
Investments	5,921.73	51.52	329.58	165.72	53.09	6,521.46	37.96	11.05	-	-	6,570.47	
Loans and advances	27,708.96	680.41	-	600.20	58.73	29,045.98	726.32	76.52	-	146.91	29,904.34	
Fixed assets	362.15	0.65	-	-	0.42	363.22	51.11	1.01	-	0.00	415.34	
Other assets	2,501.15	12.44	56.37	0.01	22.30	1,570.58	47.17	8.84	3.15	4.74	993.05	
Non-banking assets	33.42	-	-	-	-	33.42	-	-	-	-	33.42	
Total Assets	40,546.16	829.60	385.94	916.90	332.66	41,031.67	880.54	151.28	7.88	152.07	41,335.78	

LIABILITIES AND CAPITAL

Liabilities

Borrowings from other banks, financial institutions and agents	4,557.14	-	-	938.50	-	-	4,164.22	75.65	15.75	-	124.69	4,164.22
Deposits and other accounts	28,834.63	790.87	0.00	1.34	227.14	-	29,837.26	-	-	-	-	29,807.90
Other liabilities	4,071.49	38.74	381.57	19.30	13.06	-	4,599.45	123.83	83.45	0.00	7.88	4,806.01
Total Liabilities	37,463.26	829.60	381.57	959.13	240.20	38,600.93	199.47	99.20	0.00	132.58	38,778.13	
Total Shareholders' Equity	3,082.09	-	4.37	(42.23)	92.47	2,430.74	681.07	52.07	7.87	-	19.49	2,556.43
Non-controlling interest	-	-	-	-	-	-	-	-	-	-	-	1.21
Total Liabilities & Shareholders' Equity	40,545.34	829.60	385.94	916.90	332.66	41,031.67	880.54	151.28	7.88	152.07	41,335.78	

1.11 Compliance of International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs)

While preparing the financial statements, Bank applied most of the International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs) as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB) as applicable to the Bank:

SI no.	Name of IAS	No. of IAS	Status
1	Presentation of Financial Statements	1	Complied
2	Inventories	2	Complied
3	Statement of Cash Flows	7	*
4	Accounting Policies, Changes in Accounting Estimates and Errors	8	Complied
5	Events after the Reporting Period	10	Complied
6	Income Taxes	12	Complied
7	Property, Plant and Equipment	16	Complied
8	Employee Benefits	19	Complied
9	Accounting for Govt. Grants and Disclosure of Govt. Assistance	20	N/A
10	The Effects of Changes in Foreign Exchange Rates	21	Complied
11	Borrowing Costs	23	Complied
12	Related Party Disclosures	24	Complied
13	Accounting and Reporting by Retirement Benefit Plans	26	Complied
14	Separate Financial Statements	27	Complied
15	Investments in Associates and Joint Ventures	28	Complied
16	Financial Reporting in Hyperinflationary Economics	29	N/A
17	Interests in Joint Ventures	31	N/A
18	Financial Instruments: Presentation	32	*
19	Earnings Per Share	33	Complied
20	Interim Financial Reporting	34	Complied
21	Impairment of Assets	36	Complied
22	Provisions, Contingent Liabilities and Contingent Assets	37	Complied
23	Intangible Assets	38	Complied
24	Investment Property	40	Complied
25	Agriculture	41	N/A

SI no.	Name of IFRS	No. of IFRS	Status
1	First-time Adoption of International Financial Reporting Standards	1	N/A
2	Share-Based Payment	2	N/A
3	Business Combinations	3	N/A
4	Insurance Contracts	4	N/A
5	Non-Current Assets Held for Sale and Discontinued Operations	5	Complied
6	Exploration for and Evaluation of Mineral Resources	6	N/A
7	Financial Instruments: Disclosures	7	*
8	Operating Segments	8	Complied
9	Financial Instruments	9	*
10	Consolidated Financial statements	10	Complied
11	Joint Arrangements	11	N/A
12	Disclosure of interests in other Entities	12	Complied
13	Fair Value Measurement	13	Complied
14	Regulatory Deferral Accounts	14	N/A
15	Revenue from Contracts with Customers	15	Complied
16	Leases	16	Complied

* Relevant disclosures are made according to the requirement of Bangladesh Bank.

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Notes to the Financial Statements
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1.12 Compliance of Bangladesh Bank regulations over IAS/IFRS

In the following cases Bank followed Bangladesh Bank regulations over IFRS/IAS:

Sl no.	Issues	IAS/IFRS	Bangladesh Bank
1	Presentation	As per IAS 1 Other Comprehensive Income is a component of financial statements or the elements of Other Comprehensive Income are to be included in a single Comprehensive income statement and there is no requirement to show appropriation of profit in the face of statement of comprehensive income. Again, Intangible assets must be identified, recognised, presented in the face of the balance sheet and the disclosures to be given as per IAS 38.	In accordance with BRPD Circular no. 14 dated 25 June 2003 financial statements do not require to include the statement of Other Comprehensive Income and appropriation of profit is provided in the face of Profit and Loss Account. Intangible assets are provided under the head Fixed Assets.
2	Cash and cash equivalents	As per IAS 7 cash comprises cash in hand & demand deposits and Cash equivalents recognises the short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Therefore, some items like- Balance with Bangladesh Bank on account of CRR/ SLR are not part of cash and cash equivalents as those are not readily available.	Balance with Bangladesh Bank is treated as cash and cash equivalents as per BRPD Circular no. 14 dated 25 June 2003.
3	Investment in shares and securities	As per requirements of IFRS 9, classification and measurement of investment in shares and securities will depend on how these are managed (the entity's business model) and their contractual cash flow characteristics. Based on these factors the investment in shares and securities generally falls either under at "fair value through profit and loss account (FVTPL)" or at "fair value through other comprehensive income (FVOCI)" where any change in the fair value of securities measured under FVTPL is taken to the profit and loss account and any changes in the fair value of securities measured under FVOCI is transferred to equity through other comprehensive income.	As per BRPD Circular no. 14 dated 25 June 2003, provisions should be made for any loss arising from the diminution in value of investments. But, as per DOS Circular No.04 dated 24 November 2011, provisions can be made for any loss arising from the diminution in value of investments after netting of gain.
4	Revaluation gains/losses on Government securities	As per requirement of IFRS 9, an entity shall classify financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss. For securities like treasury bills and treasury bonds designated as "held for trading" measured at fair value, gains and losses are recognised entirely in profit or loss (fair value through profit or loss, FVTPL). T-bills and T-Bonds designated as "held to maturity" are measured at amortized cost method and interest income is recognized through the profit and loss account.	As per Bangladesh Bank DOS circular letter no. 05 dated 26 May 2008 and DOS circular no. 05 dated 28 January 2009. HTM measured at amortised cost at each year end by taking into account any discount or premium in acquisition. Amortised amount of such premium are booked into Profit and Loss Account or discount is booked to reserve until maturity/disposal. In case of HFT after initial recognition, investments are revalued at mark to market on weekly basis. Decrease in the book value is recognised in the Profit and Loss Account and any increase is transferred to revaluation reserve account.
5	Non-banking asset	No indication of Non-banking asset is found in any IFRS.	As per BRPD circular No. 14 dated 25 June 2003 and BRPD circular No. 22 dated 20 September 2021 respectively there must exist a face item named Non-banking asset.

6	Repo and reverse repo transactions	As per IFRS 9 when an entity sells a financial asset and simultaneously enters into an agreement to repurchase the asset (or a similar asset) at a fixed price on a future date (repo), the arrangement is treated as a loan and the underlying asset continues to be recognized at amortised cost in the entity's financial statements. The difference between selling price and repurchase price will be treated as interest expense. The same rule applies to the opposite side of the transaction (reverse repo).	As per Bangladesh bank Circulars / guidelines, when a Bank sells a financial asset and simultaneously enters into an agreement to repurchase the asset (or a similar asset) at a fixed price on future date (REPO), the arrangement is accounted for as a normal sales transactions and the financial assets should be derecognized in the seller's book and recognized in the buyer's book.
7	Provision on loans and advances/ investments	As per IFRS 9, an entity shall recognise an impairment allowance on loans and advances based on expected credit losses. Expected credit losses are required to be measured through a loss allowance at an amount equal to: (i) the 12-month expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or (ii) full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument). For loans & Advances whose credit risk increased significantly since initial recognition, a loss allowance for full lifetime expected credit losses is required. For loans & advances whose credit risk didn't increased significantly, a loss allowance equal to the 12-month expected credit losses is required.	As per BRPD circular No.14 (23 September 2012), BRPD circular No. 19 (27 December 2012), BRPD circular No. 05 (29 May 2013), BRPD Circular No. 12 (20 August 2017) and BRPD Circular No. 15 (27 September 2017), a general provision at 0.25% to 5% under different categories of unclassified loans (good/ standard loans) has to be maintained regardless of objective evidence of impairment. Also provision for sub-standard loans, doubtful loans and bad losses has to be provided at 20%, 50% and 100% respectively for loans and advances depending on the duration of overdue. Again as per BRPD circular no. 10 dated 18 September 2007 and BRPD circular no. 14 dated 23 September 2012, a general provision at 1% is required to be provided for all off-balance sheet exposures. The bank has to maintain provisions based on the circulars issued by Bangladesh Bank from time to time. Such provision policies are not specifically in line with those prescribed by IFRS 9. Also for disclosure such provision shall be shown as liability as opposed to netting of against loans and advances.
8	Recognition of interest in suspense	Loans and advances to customers are generally classified at amortised cost as per IFRS 9 and interest income is recognised by using the effective interest rate method to the gross carrying amount over the term of the loan. Once a loan subsequently become credit- impaired, interest income is recognized in profit and loss account on the same basis based on revised carrying amount.	As per BRPD circular no. 14 dated 23 September 2012, once a loan is classified; interest on such loans are not allowed to be recognised as income, rather the corresponding amount needs to be credited to interest suspense account, which is presented as liability in the balance sheet.
9	Cash flow statement	The cash flow statement can be prepared using either the direct method or the indirect method as per IAS 7. The presentation is selected to present these cash flows in a manner that is most appropriate for the business or industry. The method selected is applied consistently.	As per BRPD circular No. 14, dated 25 June 2003 cash flow is the mixture of direct and indirect methods.

AB Bank Limited**Notes to the Financial Statements**

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10	Financial guarantee	As per IFRS 9, financial guarantees are contracts that require the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument. Financial guarantee liabilities are recognised initially at their fair value plus transaction costs that are directly attributable to the issue of the financial liabilities. The financial guarantee liability is subsequently measured at the higher of the amount of loss allowance for expected credit losses as per impairment requirement and the amount initially recognised less, income recognised in accordance with the principles of IFRS 15. Financial guarantees are included within other liabilities.	As per BRPD Circular no. 14 dated 25 June 2003, financial guarantees such as Letter of Credit, Letter of Guarantee, Acceptance and Endorsement, etc. will be treated as off balance sheet items.
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1.13 Regulatory and legal compliance

The Bank complied with the requirements of the following Act, regulations and guidelines:

- i. The Bank Company Act, 1991 (amendment up to date)
- ii. The Companies Act, 1994
- iii. Rules, regulations and circulars issued by the Bangladesh Bank from time to time
- iv. The Securities and Exchange Rules, 2020
- v. The Securities and Exchange Ordinance, 1969
- vi. The Securities and Exchange Commission Act, 1993
- vii. The Securities and Exchange Commission (Public Issues) Rules, 2015
- viii. The Income Tax Ordinance and Rules, 1984
- ix. The Value Added Tax and Supplementary Duty Act, 2012
- x. The Value Added Tax and Supplementary Duty Rules, 2016
- xi. The Financial Reporting Act 2015 and other regulations of Financial Reporting Council, Bangladesh
- xii. Dhaka Stock Exchange (DSE) and Chittagong Stock Exchange (CSE) Listing Regulations, 2015
- xiii. Central Depository Bangladesh Limited (CDBL) rules and regulations
- xiv. Financial Reporting Disclosure (as per BSEC Notification No. BSEC/CMRRCD/2006-158/208/Admin/81 dated, 20 June 2018)
- xv. Other applicable laws and regulations

1.14 Reporting period

Sl no.	Name of the entity/segment	Reporting period
1	AB Bank Limited	01 January 2021 to 31 December 2021
2	Off Shore Banking Unit	01 January 2021 to 31 December 2021
3	Mumbai Branch, India	01 January 2021 to 31 December 2021
4	AB Investment Limited	01 January 2021 to 31 December 2021
5	AB Securities Limited	01 January 2021 to 31 December 2021
6	Cashlink Bangladesh Limited	01 January 2021 to 31 December 2021
7	AB International Finance Limited	01 January 2021 to 31 December 2021
8	Arab Bangladesh Bank Foundation	01 January 2021 to 31 December 2021

AB Bank Limited
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For the year ended 31 December 2021

1.15 Risk management

As a financial intermediary, the Bank is exposed to various types of risks. Risk is defined as uncertainties resulting in adverse variation of profitability or in losses, financial or otherwise. The risk management of the Bank covers core risk areas of banking as defined by Bangladesh Bank and Pillar-2 risk as well. The core risks are credit risk, asset liability risks, money laundering risks, internal control and compliance risks, information technology risks and foreign exchange risks. Some other risks those also affect banking business are liquidity risk, market risk interest rate risk, equity risk, operational risk, reputation risk, strategic risks, credit concentration risks, environmental and climate change risks, etc.

The objective of the risk management framework at the bank is that the Bank understands, evaluates and takes well calculative risks and thereby safeguarding the Bank's capital, its financial resources and profitability from various business risks through its own measures, policies and procedures established to address these risks and also implementing Bangladesh Bank's guidelines and following some of the best practices as under:

Credit risk

It arises mainly from lending, trade finance and treasury businesses. This can be described as potential loss arising from the failure of a counter party to perform as per contractual agreement with the Bank. The failure may result from unwillingness of the counter party or decline in his/ her financial condition. Therefore, the Bank's credit risk management activities have been designed to address all these issues.

The Bank has segregated duties of the officers / executives involved in credit related activities. A separate Department at Head Office is entrusted with the duties of maintaining effective relationship with the customers, marketing of credit products, exploring new business opportunities, etc. Moreover, credit approval, administration, monitoring and recovery functions have been segregated.

Credit Risk Management Division is entrusted with the duties of maintaining asset quality, assessing risk in lending to a particular customer, sanctioning credit, formulating policy / strategy for lending operation, etc. Adequate provision has been made on classified loans / investments. A thorough assessment is done before sanction of any credit facility at Credit Risk Management Division. The risk assessment includes borrower risk analysis, financial analysis, industry analysis, historical performance of the customer, security of the proposed credit facility, etc. The assessment process starts at respective business wing by the relationship manager / officer and ends at Credit Risk Management Division when it is approved / declined by the competent authority. In determining single borrower / large loan limit, the instructions of Bangladesh Bank are strictly followed. Internal audit is conducted at periodical intervals to ensure compliance of Bank's and Regulatory policies. Loans are classified as per Bangladesh Bank's guidelines.

Market risk

Market risk arises from potential losses of the exposures of a bank from on-balance sheet and off-balance sheet items, i.e adverse movements in market rates/interest rates, foreign exchange rates, equity prices, credit spreads and/or commodity prices.

Operational risk

Operational risk address the risk associated with fraud, forgery, unauthorized activities, error, omission, system failure and external events among others. Bank is managing these risks through written procedures, regular training and awareness programs. Departmental Control Function Checklist (DCFCL), Quarterly Operations Report, Loan Documentation Checklist etc. are in place covering all probable risks associated with bank's business and operations. Surprise inspections are also made on a regular basis to make sure that all control tools are functioning properly.

Foreign exchange risk

Foreign exchange risk is defined as the potential change in earnings due to change in market prices. The foreign exchange risk of the Bank is minimal as all the transactions are carried out on behalf of the customers against underlying L/C commitments and other remittance requirements. Financial Institution and Treasury (FIT) Division independently conducted the foreign exchange transactions and the Mid office and the Back office of Treasury is responsible for verification of the deals and passing of their entries in the books of account. All foreign exchange transactions are revalued at Market rate as determined by Bangladesh Bank at the month end. All nostro accounts are reconciled on a monthly basis and outstanding entry is reviewed by the management for its settlement. The position maintained by the Bank at the end of day was within the stipulated limit prescribed by the Bangladesh Bank.

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Interest rate risk

Interest rate risk may arise from trading portfolio and non- trading portfolio. The trading portfolio of the bank consists of government treasury bills, bond, etc. The short term movement in interest rate is negligible or nil. Interest rate risk of non-trading business arises from mismatches between the future yield of an asset and its funding cost. Asset Liability Committee (ALCO) monitors the interest rate movement on a regular basis.

Equity risk

Equity risk arises from movement in market value of equities held. The risks are monitored by the Investment Banking Division under a well-designed policy framework. Adequate provision was maintained by the Bank for diminution of market value of Investments.

Liquidity risk

The objective of liquidity risk management is to ensure that all foreseeable funding commitments and deposit withdrawals can be met when due. To this end, the Bank is maintaining a diversified and stable funding base comprising of core retail and corporate deposits and institutional balance. Management of liquidity and funding is carried out by Financial Institution and Treasury (FIT) Division under approved guidelines. FIT front office is supported by a very structured Mid Office and Back Office. The liquidity management is monitored by Asset Liability Committee (ALCO) on a regular basis. A written contingency plan is in place to manage extreme situation.

Risk arising from money laundering

AB Bank Limited considers prevention of money laundering risk not only as a compliance requirement imposed by the law of the country but also as one of its core business values. The board of directors and senior management are firmly committed to combat money laundering. Every year, a message from the President and Managing Director's office goes to all employees' of the Bank reiterating the importance of the issue. There is a high profile Central Compliance Unit (CCU) in place to oversee the anti-money laundering activities. The president and managing director himself supervise the function of CCU's. Operation has separated and dedicated headcount for surveillance of the anti-money laundering functions across the bank. Training and awareness programs are regularly held to make all employees' aware of the issue. Bank has also undertaken campaign against money laundering in electronic media.

Internal control and compliance risk

Internal Control and Compliance Division (ICCD) of the bank performs three core functions - Internal Audit, Monitoring and Compliance in order to mitigate the internal control and compliance risk. ICCD conducts Risk Based Audit and Annual Audit of the Branches. Audit of Head Office Divisions also come under ICCD. ICCD monitors compliance of Internal as well as Bangladesh Bank Audit Reports including Bangladesh Bank Special Audit Reports on Core Risks. Besides, Special Audit on some specific issues like year-end Cash Position, Security Stock verification etc. are also done by ICCD.

Information and communication technology (ICT) security risk

The Bank follows the Bangladesh Bank ICT Policies along with other leading industry compliances such as PCI DSS. AB Bank IT Infrastructure has built on Microsoft Active Directory along with Microsoft Exchange Email System with enhanced cloud security. Bank has Next Generation Firewall (NGF) in our core and perimeter zone to protect the organization from external threats. NGF runs only a few services on board and reserves the majority of resources for ingress-egress traffic. For endpoint security Bank has advanced persistent threat (APT) malware protection and Anti Bot protection which are components of Next Generation Firewall.

Bank has introduced Multi-Factor Authentication (MFA), Mobile Protection, Remote Access, and Virtual Private Networks (VPN). AB Core Infrastructure have High Availability and Disaster Recovery Site (DRS) with near real time synchronization which ensure the highest level of uptime round the year. End User Security Awareness Training is one of focus area to ensure the total security of the bank. Bank regularly arrange Security Awareness training for the employees as per the regulations of Bangladesh Bank.

1.16 Environment Risk Management (ERM)

Bangladesh Bank issued Guidelines on Environment Risk Management (ERM) to streamline solutions for managing the environmental risks in the financial sector – Ref: BRPD Circular No.01/2011 dated 30 January 2011 and BRPD Circular no.02 dated 27 February 2011 respectively. Bank accordingly introduced the Guideline on Environment Risk Management on 15 June 2011. These ERM guidelines are an attempt to incorporate the environmental impact of a business into the lending process, so that the environment gets due consideration in the appraisal process.

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Environmental risk is a facilitating element of credit risk arising from such environmental issues. These can be due to environmental impacts caused by and / or due to the prevailing environmental conditions. These increase risks as they bring an element of uncertainty or possibility of loss in the context of a financing transaction.

The Bank is complying with Bangladesh Bank Guidelines to the above effect from time to time and reporting activities on ERM and Green Banking every quarter.

1.17 Credit rating of the Bank

Year	Date of Rating	Long term	Short term
Year 2020 & Jan-Sep 2021	December 28, 2021	AA-	ST-2
Year 2019 & Jan-Sep 2020	December 19, 2020	AA-	ST-2
Year 2018 & Jan-Sep 2019	December 19, 2019	A+	ST-2
Jan to Sept 2018	January 10, 2019	A2	ST-2
Jan to Dec 2017	June 4, 2018	A1	ST-2
Jan to Dec 2016	May 28, 2017	A1	ST-2

1.18 Events after the reporting period

As per IAS -10 "Events after the Reporting Period" events after the reporting period are those events, favorable and unfavorable, that occur between the end of the reporting period and the date when the financial statements are authorised for issue. Two types of events can be identified:

- those that provide evidence of conditions that existed at the end of the reporting period (adjusting events after the reporting period); and
- those that are indicative of conditions that arose after the reporting period (non-adjusting events after the reporting period).

Except the pandemic issue, there was no material event occurred after the reporting period which could affect the values stated in the financial statements.

1.19 Related party disclosures

A party is related to the company if:

- 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;
 - the party is an associate;
 - the party is a joint venture;
 - the party is a member of the key management personnel of the Company or its parent;
 - the party is a close member of the family of any individual referred to in (i) or (iv);
 - 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
 - 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.
- a) 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 Mohakhali and Saver Branch of ABBL	Pacific Industries Ltd.	Mr. Khairul Alam Choudhury	Nominated Director of Pacific Industries Ltd. In ABBL Board

AB Bank Limited**Notes to the Financial Statements**

For the year ended 31 December 2021

b) Related party transactions:

Name of related party	Relationship	Nature of transaction	Amount in BDT
Pacific Industries Ltd.	Common Director	Office Rent	13,938,302

c) 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	756,465,516
02	AB Securities Limited	99.91% owned Subsidiary	Loans and advances	157,548,501
03	AB International Finance Limited	Fully owned (100%) Subsidiary	Placement through OBU	1,256,541,000
Total loans/placement to subsidiary				2,170,555,017

d) **Key Management personnel compensation**

Transactions with Key Management personnel of the Bank for the period January – December 2021 is given below:

Particulars	Amount Tk
Short-term employee benefit	139,753,004
Post-employment benefits	-
Other long-term employee benefits	-
Termination benefits	-

Key Management personnel includes President and Managing Director, Additional Managing Director, 02 nos. Deputy Managing Director, 13 nos Senior Executive Vice President, Company Secretary, Head of Internal Control & Compliance Division and Chief Financial Officer.

Key management personnel get provident fund, gratuity and superannuation fund benefits are provided as per service rule if eligible.

1.20 Audit Committee of the Board of Directors**i) Particulars of Audit Committee**

The Audit Committee of the Board was constituted by the Board of Directors of the Bank in accordance with the BRPD Circular No. 11 dated 27 October 2013 issued by Bangladesh Bank. Composition of the Audit Committee as on 31 December 2021 is as below:

Sl. no.	Name	Status with Bank	Status with Committee	Duration	Educational/ professional qualification
1	Mr. Shafiqul Alam	Independent Director	Chairman	Since January 28, 2021	M.SC
2	Mr. Shajir Ahmed	Director	Member	Since January 28, 2021	Graduate
3	Mr. Md. Maqsubul Huq Khan	Director	Member	Since January 28, 2021	MBA

The Company Secretary acts as the Secretary of the Audit Committee of the Board.

ii) Meeting held with Audit Committee

During the year 2021, the Audit Committee conducted 08 (eight) meeting in which, among others, focused on the following activities (not an exhaustive test):

- Reviewed Internal Audit Plan for the year 2021
- Reviewed Draft Financial Statements and after discussing with the External Auditors recommended it to the Board for their considerations.
- Reviewed the Management Letter issued by the External Auditors, Management responses, thereto and corrective measures taken by the Bank to avoid recurrence of the lapses mentioned therein.

AB Bank Limited**Notes to the Financial Statements**

For the year ended 31 December 2021

- Reviews quarterly and half-yearly Financial Statements 2021 of the Bank.
- Reviewed significant internal Audit findings and advised corrective actions.
- Reviewed Comprehensive Inspection Report of Bangladesh Bank including status of compliance thereof.
- Reviewed branch inspection reports and Head Office functions conducted by the Department of Internal Control & Compliance (DICC)

iii) Steps taken for implementation on effective internal control procedure of the Bank

The Committee placed its report regularly to the Board of Directors of the Bank mentioning its review results and recommendations on internal control system compliance of rule and regulations and establishment of good governance within the organization.

1.21 Shariah Council

Members of AB Bank Shariah Supervisory Committee are as under:

SI no.	Name	Status with the Committee	Educational/ Professional Qualification
1	Jb. Justice Siddiquir Rahman Miah	Chairman	L.L.B, Dhaka University. President of Governingbody, Islamic Foundation Bangladesh. Fomer Justice (Appellate Division) Bangladesh Suprime Court and Chairman,DSE.
2	Jb. Tarique Afzal, President & Managing Director, ABBL	Vice-Chairman	Masters of Business Administration - MBA (Major: Finance & Marketing), Victoria University, Melbourne, Australia
3	Jb. Kaiser A. Chowdhury, Director, AB Bank Ltd.	Member	Masters of Arts (Economics), Dhaka University
4	Jb. Feroz Ahmed, Director, AB Bank Ltd.	Member	B.Com (Hons.) Accounting, Chittagoang University
5	Jb. Najmul Ehsan, Chief of Credit Review and Process Management, AB Bank Ltd.	Member	MBA, Institute of Business Administration, Dhaka University
6	Jb. Iftekhhar Enam Awal, Head of Buseness	Member	M. Com.(Finance),Dhaka University
7	Jb. Moulana Muhammad Musa	Member-Secretary	Prominent author and rechearch Scholar of Quran & Hadith. Kamil, Madrasah Edu. Board, B.Com (Hons) M.Com, Rajshahi University,

During the year 2021, AB Bank Shariah Supervisory Committee met twice and reviewed different operational issues, including those referred to it by the Management of the Bank and gave opinion & decisions related to Islamic Shariah.

The important issues attended by the Shariah Supervisory Committee during the year 2021, are:

- Reviewing the Yearly Shariah Audit Report (January-December, 2020) of Islami Banking Branch and its observations.
- Approving the Final Accounts, 2020 of Islami Banking Branch.
- Approving the Annual Report of Shariah Supervisory Committee for the year 2020 on Islamic banking operation of the Bank.
- Approved the Branding for AB Bank Islamic Banking Operation in the name as "Ahlan"

AB Bank Limited
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For the year ended 31 December 2021

1.22 Auditors of Subsidiaries

Name of the Company	Relationship	Name of the Auditors
AB Investment Limited (ABIL)	Subsidiary	Ahmed Khan & co. Chartered Accountants
AB Securities Limited (ABSL)	Subsidiary	Ahmed Khan & co. Chartered Accountants
Cashlink Bangladesh Limited (CBL)	Subsidiary	Razzaque & CO. Chartered Accountants
AB International Finance Limited (ABIFL)	Subsidiary	Gloabal Vision CPA Limited Certified Public Accountants
Arab Bangladesh Bank Foundation (ABBF)	Subsidiary	S.R. Bose & Co. Chartered Accountants

1.23 Verification of financial statements through Document Verification System (DVS)

As per BRPD circular letter no. 4 dated 04 January 2021 Banks are required to preserve the updated statutory audit report of the clients in loan file during approval/renewal of the facilities and as per BRPD circular letter no. 35 dated 06 July 2021, the statutory audit report and Financial Statements needs to be verified through the Document Verification System (DVS) developed by the Institute of Chartered Accountants of Bangladesh (ICAB). Financial Reporting Council (FRC) vide its letter no 178/FRC/APR/2021/27(23) dated 7 December 2021 has instructed to disclose the percentage (%) of the loan file covered under the compliance of these BRPD Circular in the financial statements of the Bank. The bank is trying to get the master access on the DVS which is under process. After getting the master access the bank will start to implement the compliance accordingly.

1.24 Going Concern

The Financial Statements have been prepared on a going concern principle which is the assumption that an entity will remain in business for the foreseeable future. Conversely, the Bank has neither any intention nor any legal or regulatory compulsion to halt operations and liquidate its assets in the near term at what may be very low fire-sale prices. Key financial parameters (including liquidity, profitability, asset quality and credit rating) of the Bank continued to demonstrate a healthy trend for a couple of years. The management is not aware of any material uncertainties that may cause to believe that significant doubt upon the Bank's ability to continue as a going concern.

1.25 Worker's Profit Participation Fund (WPPF)

In consistent with widely accepted industry practice and in line section 11(1) of the Banking Companies Act, 1991 (As amended up to date) and subsequent clarification given by Bank & Financial Institutions Division (BFID), Ministry of Finance, no provision has been made by the Bank in the reporting period against Workers' Profit Participation Fund (WPPF)."

1.26 Authorization of Financial Statements

The Financial Statements of the Bank for the year ended 31 December 2021 has been authorized by the Board of Directors as on 26 April 2022.

2. General

- 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.

The bank has re-measured the investment in Amana Bank in gross basis rather net basis from 2021. Hence, the amount of investment and the required provision is restated in the financial statement of prior year
- Figures in these notes and in the annexed financial statements have been rounded off to the nearest Taka.
- These notes form an integral part of the annexed financial statements and accordingly are to be read in conjunction therewith.

AB Bank Limited

Notes to the Financial Statements

For the year ended 31 December 2021

		31.12.2021 Taka	31.12.2020 Taka
3. Cash			
Cash in hand	(Note 3.1)	1,289,810,932	1,009,893,886
Balance with Bangladesh Bank and its agent bank(s)	(Note 3.2)	21,489,647,407	19,920,756,233
		22,779,458,339	20,930,650,119
3(a) Consolidated Cash			
AB Bank Limited		22,779,458,339	20,930,650,119
AB Investments Limited		25,000	25,000
AB International Finance Limited		120,042	28,096
AB Securities Limited		17,096	35,000
Cashlink Bangladesh Limited (CBL)		6,019	56,889
		22,779,626,496	20,930,795,104
3.1 Cash in hand			
In local currency		1,255,130,723	967,306,177
In foreign currency		34,680,209	42,587,709
		1,289,810,932	1,009,893,886
3.1(a) Consolidated Cash in hand			
AB Bank Limited		1,289,810,932	1,009,893,886
AB Investments Limited		25,000	25,000
AB International Finance Limited		120,042	28,096
AB Securities Limited		17,096	35,000
Cashlink Bangladesh Limited (CBL)		6,019	56,889
		1,289,979,089	1,010,038,871
3.2 Balance with Bangladesh Bank and its agent bank(s)			
Balance with Bangladesh Bank			
In local currency		17,879,065,521	12,333,756,678
In foreign currency		3,254,015,241	7,185,461,249
		21,133,080,763	19,519,217,927
Sonali Bank Limited		356,566,644	401,538,306
(as an agent bank of Bangladesh Bank) - local currency		21,489,647,407	19,920,756,233
3.2.1 Balance with Bangladesh Bank- local currency			
Balance as per Bank Ledger		17,879,065,521	12,333,756,678
Unresponded debit entries		22,766,388	3,962,064
Bangladesh Bank statement		22,467,440	3,503,071
AB Bank's ledger		298,948	458,993
Unresponded credit entries		4,613,915	215,464,260
Bangladesh Bank statement		4,613,915	206,630,001
AB Bank's ledger		-	8,834,259
Balance as per Bangladesh Bank Statement		17,860,913,048	12,545,258,875

Bangladesh Bank Account represents outstanding transactions (net) originated but yet to be responded at the Balance Sheet date. However, the status of unresponded entries as of 31 December 2021 is given below:

Year of Unreconciliation	Number of unresponded entry		Unresponded BDT	
	Debit	Credit	Debit	Credit
Less than 3 months	8	4	22,163,788	4,613,915
3 months to less than 6 months	1	-	2,600	-
6 months to less than 12 months	1	-	600,000	-
12 months and more	-	-	-	-
Total	10	4	22,766,388	4,613,915

AB Bank Limited

Notes to the Financial Statements

For the year ended 31 December 2021

3.2.2 Balance with Bangladesh Bank-foreign currency

	31.12.2021 Taka	31.12.2020 Taka
Balance as per Bank Ledger	3,254,015,241	7,185,461,249
Unresponded debit entries	-	5,340,200
Bangladesh Bank statement	-	-
AB Bank's ledger	-	5,340,200
Unresponded credit entries	73,763,840	37,565,433
Bangladesh Bank statement	71,759,717	21,210,223
AB Bank's ledger	2,004,122	16,355,210
Balance as per Bangladesh Bank Statement	3,327,779,081	7,217,686,482

Bangladesh Bank Account represents outstanding transactions (net) originated but yet to be responded at the Balance sheet date. However the status of unresponded entries as of 31 December 2021 is given below:

Period of unreconciliation	Number of unresponded entry		Unresponded BDT	
	Debit	Credit	Debit	Credit
Less than 3 months	-	41	-	73,763,840
3 months to less than 6 months	-	-	-	-
6 months to less than 12 months	-	-	-	-
12 months and more	-	-	-	-
Total	-	41	-	73,763,840

3.2(a) Consolidated Balance with Bangladesh Bank and its agent bank(s)

AB Bank Limited	21,489,647,407	19,920,756,233
AB Investments Limited	-	-
AB International Finance Limited	-	-
AB Securities Limited	-	-
Cashlink Bangladesh Limited (CBL)	-	-
	21,489,647,407	19,920,756,233

3.3 Statutory deposits

Conventional Banking (inside Bangladesh)

Cash Reserve Requirement and Statutory Liquidity Ratio

Cash reserve requirement and statutory liquidity ratio have been calculated and maintained in accordance with section 33 of the Bank Company Act 1991 (amendment up to date), Bangladesh Bank's DOS circular no. 01 dated 19 January 2014 and MPD Circular No. 03 dated 09 April 2020.

The statutory cash reserve requirement is on the Bank's time and demand liabilities at the rate 4.00% and has been calculated and maintained with Bangladesh Bank in current account while statutory liquidity ratio of 13.00% is required, on the same liabilities is also maintained in the form of Government Securities and other regulatory components which supported to SLR. Both the reserves are maintained by the Bank in excess of the statutory requirements, as shown below:

(a) Cash Reserve Requirement (CRR)

As per Bangladesh Bank MPD Circular No.-03 dated 09 April 2020, Bank has to maintain CRR @ 4.00% on fortnightly cumulative average basis and minimum CRR @ 3.50% on daily basis.

i. Daily position as on the reporting date

Required reserve	11,158,289,055	10,729,742,384
Actual reserve maintained	17,589,309,366	12,270,941,451
Surplus	6,431,020,311	1,541,199,067

As per Bank ledger, balance with Bangladesh Bank (local currency) is BDT 17,620,852,660 while as per Bangladesh Bank Statements balance is BDT 17,589,309,366. Difference between the balance as per Bank Ledger and as per the Bangladesh Bank Statement is properly reconciled and adjusted accordingly.

AB Bank Limited

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For the year ended 31 December 2021

	31.12.2021 Taka	31.12.2020 Taka
ii. Fortnightly cumulative position		
As per Bangladesh Bank MPD Circular No. 03 dated 09 April 2020, Bank has to maintain CRR @ 4.00% on fortnightly cumulative average basis.		
Required reserve (4.00% of total time & demand liabilities)	189,690,913,935	182,405,620,528
Actual reserve maintained	204,566,811,328	186,988,926,189
Surplus	14,875,897,393	4,583,305,661
(b) Statutory Liquidity Ratio (SLR)		
Required reserve (13% of total time & demand liabilities)	36,265,447,270	34,874,383,466
Actual reserve maintained	60,323,920,093	56,369,820,548
Total surplus	24,058,472,823	21,495,437,082
As per Bangladesh Bank MPD Circular No. 03 dated 09 April 2020, all scheduled Banks have to maintain CRR and SLR @ 4.00% and @ 13.00% respectively of their total time and demand liabilities on bi-weekly average basis, where the Bank maintained @ 6.31% and @ 21.62% respectively at the year end.		
(c) Components of Statutory Liquidity Ratio (SLR)		
Cash in hand	1,281,111,166	1,001,530,477
Balance with Sonali Bank	356,566,644	401,538,306
HTM Securities	37,086,534,652	36,434,249,577
HFT Securities	15,013,377,320	16,991,303,121
Other Eligible Securities	155,310,000	-
Excess Reserve of CRR	6,431,020,311	1,541,199,067
	60,323,920,093	56,369,820,548

Islamic Banking

Cash Reserve Requirement and Statutory Liquidity Ratio

Cash Reserve Requirement (CRR) and Statutory Liquidity Ratio (SLR) have been calculated and maintained in accordance with section 33 of the Banking Companies Act, 1991 (amendment up to date) and subsequent Bangladesh Bank's DOS circular no. 01 dated 19 January 2020 and MPD Circular No. 03 dated 09 April 2020.

The Statutory Cash Reserve is required on the Bank's Time and Demand Liabilities at the rate of 4.00 % which has been calculated and maintained with Bangladesh Bank in Al-Wadeeah Current Account while Statutory Liquidity Ratio of 5.50% is required including excess amount of CRR on the same liabilities. The required amount maintained in the form of Bangladesh Government Islami Investment Bond (BGIIB), Bangladesh Government Investment Sukuk (BGIS) Cash Balance in the Vault and Foreign Currency (FC) Balance with Bangladesh Bank. Both the reserves (CRR & SLR) are maintained in excess, as shown below:

(a) Cash Reserve Requirement (CRR)		
Required reserve	257,903,000	251,615,000
Actual reserve maintained	260,603,682	263,317,424
Surplus	2,700,682	11,702,424
(b) Statutory Liquidity Ratio (SLR)		
Total required reserve	354,617,000	345,970,000
Total actual reserve held	522,588,000	414,435,550
Total surplus	167,971,000	68,465,550

Mumbai branch

Cash reserve ratio and statutory liquidity ratio

Cash reserve ratio and statutory liquidity ratio have been calculated and maintained in accordance with Section 24 of the Banking Companies Act 1949, Section 42 (2) of the RBI Act 1934 and RBI circular nos. DBOD. No.Ret. BC.24/12.01.001/2015-16.

AB Bank Limited

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	31.12.2021	31.12.2020
	Taka	Taka
The statutory cash reserve ratio is required on the Bank's time and demand liabilities at the rate of 4.00 % for 31.12.2020 & for 31.12.2021 and has been calculated and maintained with RBI in current account while statutory liquidity ratio of 18.00% for 31.12.2020 & 18.00% for 31.12.2021 is required, on the same liabilities is also maintained in the form of treasury bills, and bonds including foreign currency balance with RBI. Both the reserves are maintained by the Bank in excess of the statutory requirements, as shown below:		
(a) Cash Reserve Ratio (CRR)		
Required reserve	7,597,390	7,627,095
Actual reserve maintained	78,260,139	53,180,972
Surplus	70,662,749	45,553,877
(b) Statutory Liquidity Ratio (SLR)		
Required reserve	381,067,488	307,637,695
Actual reserve maintained	880,892,166	757,522,153
Surplus	499,824,678	449,884,458
Total required reserve	388,664,878	315,264,790
Total actual reserve held	959,152,305	810,703,125
Surplus	570,487,427	495,438,335
4. Balance with other banks and financial institutions		
In Bangladesh (Note: 4.1)	649,801,976	1,212,295,681
Outside Bangladesh (Note: 4.2)	7,189,725,129	3,151,497,768
	7,839,527,106	4,363,793,449
4(a) Consolidated balance with other banks and financial institutions		
In Bangladesh (Note: 4.1.a)	1,123,970,264	1,690,034,988
Outside Bangladesh (Nostro Accounts) (Note: 4.2.a)	7,193,370,410	3,167,205,939
	8,317,340,674	4,857,240,927
4.1 In Bangladesh		
Current Deposits		
Standard Chartered Bank, Dhaka City Centre Branch	44,274,408	26,675,395
Agrani Bank Ltd., Local Office, Dhaka	24,885	24,885
Islami Bank Bangladesh Ltd., Local Office	17,277	17,277
Agrani Bank Ltd., Bhairab Bazar Branch	534	534
Janata Bank Ltd., Jashore Branch	2,535	43,225
Agrani Bank Ltd., Mymensingh Branch	6,310	10,000
Trust Bank Ltd., Mymensingh Branch	30,786	5,046,476
Janata Bank Ltd., Corporate Branch, Bogura	4,201	4,891
Rupali Bank Ltd., Bogura Branch	5,260	5,605
Agrani Bank Ltd., Thana Road Branch, Bogura	58,242	6,058,242
RAKUB, Bogura Branch	6,029	6,834
Agrani Bank Ltd., Shaheb Bazar Branch, Rajshahi	5,000	5,000
Janata Bank Ltd., Rajshahi Branch	5,000	5,575
Rupali Bank Ltd., Rajshahi Branch	11,310	9,425
Janata Bank Ltd., Rangpur Branch	25,868,457	6,848,369
Rupali Bank Ltd., Rangpur Branch	324,865	400,395
Janata Bank Ltd., Chapai Nawabganj Branch	5,341	21,251
Janata Bank Ltd., Sirajgonj Branch	487	1,177
	70,650,924	45,184,553

AB Bank Limited

Notes to the Financial Statements

For the year ended 31 December 2021

Special Notice Deposits

Agrani Bank Ltd., Rangpur Branch	304,634	270,016
Agrani Bank Ltd., Saidpur Branch	-	20,003,505
Agrani Bank Ltd., VIP Road Branch, Sylhet	4,887	4,734
Agrani Bank Ltd., Bogura Branch	7,530	7,530
Agrani Bank Ltd., Pabna Branch	1,000	1,000
Janata Bank Ltd., Pabna Branch	1,000	1,000
Agrani Bank Ltd., Jhikargachha Branch	18,098,360	36,686,585
Agrani Bank Ltd., Sirajgonj Branch	3,585,402	492,936
RAKUB, Sirajgonj Branch	-	770
Agrani Bank Ltd., Sir Iqbal Road Branch, Khulna Br.	21,644	37,794
Agrani Bank Ltd., Naogaon Branch	3,524,612	2,024,612
Agrani Bank Ltd., Jashore Branch	34,606	3,106
Agrani Bank Ltd., Moulvi Bazar Branch	561,118	965,268
Agrani Bank Ltd., Satkhira Branch	2,929,818	6,568
Agrani Bank Ltd., Principal Branch, Dhaka	3,224,202	1,510,098
Agrani Bank Ltd., Barisal Branch	77,895	82,046
Bangladesh Krishi Bank, Barisal Branch	6,729	5,623
Janata Bank Ltd., Barisal Branch	78,752	76,323
Standard Chartered Bank, Dhaka City Centre Branch	1,038,033	1,038,033
Islami Bank Bangladesh Ltd., HO Complex Corp Br.	594,788	580,873
Bank Asia Ltd., Islami Banking Window, Shantinagar Br.	39,699	40,030
First Security Islami Bank Ltd, Dilkusha Br.	469,878	446,244
Al-Arafah Islami Bank Ltd, Dilkusha Branch	2,557,218	2,503,216
Shahjalal Islami Bank Ltd, Dhaka Main Branch	12,485	12,309
The City Bank Ltd, Islamic Banking Br, Paltan, Dhaka	353,772	350,446
Bank Alfalah Ltd, Main Branch, Dhaka	16,378	17,031
Southeast Bank Ltd., Islami Banking Br, Motijheel	53,353	54,184
Agrani Bank Ltd., Islami Banking Windo, Amin Court Corp. Br.	316,501	5,087
Jamuna Bank Ltd., Islami Banking Br, Nayabazar	7,130	7,957
Union Bank Ltd., Dilkusha Branch	193,926	6,437,941
Premier Bank Ltd., Islami Banking Br, Mohakhali	708,282	696,705
Pubali Bank Ltd., Islamic Branch, Dilkusha, Dhaka	33,009	33,486
EXIM Bank Ltd, Motijheel Branch	214,402	251,328

31.12.2021

Taka

31.12.2020

Taka

39,071,043

74,654,385

Savings Deposits

Social Islamic Bank Ltd. Principal Branch	51,683	12,452,188
ICB Islamic Bank Ltd., Principal Br, Motijheel	4,326	4,556

56,009

12,456,744

Fixed Deposits

Hajj Finance Company Ltd.	35,014,000	50,000,000
Phoenix Finance and Investment Ltd.	230,000,000	230,000,000
Exim Bank Ltd.	-	250,000,000
Union Capital Ltd.	125,010,000	150,000,000
IIDFC	-	100,000,000
IPDC Finance Ltd.	-	150,000,000
Islami Finance Ltd.	150,000,000	150,000,000

540,024,000

1,080,000,000

649,801,976

1,212,295,681

AB Bank Limited

Notes to the Financial Statements

For the year ended 31 December 2021

4.1.a Consolidated In Bangladesh

AB Bank Limited
AB Investment Limited
AB International Finance Limited
AB Securities Limited
Cashlink Bangladesh Limited (CBL)

Less: Inter company transaction

4.2 Outside Bangladesh

Current Deposits

The Bank of Tokyo Mitsubishi Limited
MFT, Yangon
JP Morgan Chase Bank
Sonali Bank (Kolkata)
Myanmar Economic Bank
Citibank NA
Hatton National Bank Limited
Commerz Bank AG
MCB Bank Ltd
Mashreq Bank Psc
Nepal Bangladesh Bank Limited
Bank of Bhutan
Habib America Bank
Commerz Bank AG
Habib Metro Bank
Commerz Bank CAD
Commerz Bank CHF
JPMC NY
Commerz Bank ®
Reserve Bank of India
HDFC Bank CSDL
HDFC Bank Limited
Kotak Mahindra Bank
Habib American Bank Limited
JP CHASE ACU
Standard Chartered Bank, NY, USA
Standard Chartered Bank, Singapore
Standard Chartered Bank, UK, GBP

(Details are given in **Annexure - A**)

	31.12.2021 Taka	31.12.2020 Taka
	649,801,976	1,212,295,681
	179,791,111	136,001,739
	-	-
	538,521,369	456,707,020
	47,239,890	45,305,051
	1,415,354,346	1,850,309,491
	291,384,083	160,274,503
	1,123,970,264	1,690,034,988
	2,532,815	445,548
	85,800	84,800
	1,533,804,047	823,199,273
	4,168,721	6,030,102
	35,178	34,768
	260,404,066	136,782,639
	3,777,748	57,711,947
	2,153,873	28,800,706
	3,906,193	3,860,685
	3,042,966,241	128,271,243
	2,823,657	4,099,951
	-	623,285
	93,648,589	97,311,321
	3,458,743	82,490,389
	8,560,438	5,325,350
	940,232	965,642
	3,211,627	4,120,869
	303,950,826	91,182,868
	1,378,039	1,478,988
	78,259,965	53,180,886
	4,917,674	5,297,196
	269,578,238	223,688,896
	16,511,321	13,542,368
	968,126	890,080
	1,536,826,908	1,371,313,144
	8,049,967	7,956,182
	16,381	140,773
	2,789,715	2,667,866
	7,189,725,129	3,151,497,768

AB Bank Limited

Notes to the Financial Statements

For the year ended 31 December 2021

		31.12.2021 Taka	31.12.2020 Taka
4.2.a Consolidated Outside Bangladesh (Nostro Accounts)			
AB Bank Limited		7,189,725,129	3,151,497,768
AB Investment Limited		-	-
AB International Finance Limited		4,037,054	26,029,982
AB Securities Limited		-	-
Cashlink Bangladesh Limited (CBL)		-	-
		7,193,762,184	3,177,527,750
Less: Inter company transactions		391,774	10,321,811
		7,193,370,410	3,167,205,939
4.3 Account-wise/grouping of balance with other banks and FIs			
Current deposits		7,260,376,054	3,196,682,320
Savings deposits		56,009	12,456,744
Short-Notice Deposits		39,071,043	74,654,385
Fixed deposits		540,024,000	1,080,000,000
		7,839,527,106	4,363,793,449
4.4 Maturity grouping of balance with other banks			
Repayable – on demand		7,260,376,054	3,274,315,029
– up to 3 months		579,151,052	1,089,478,421
– over 3 months but below 1 year		-	-
– over 1 year but below 5 years		-	-
– over 5 years		-	-
		7,839,527,106	4,363,793,449
5. Money at call and on short notice		4,351,147,108	2,499,682,377
In Bangladesh	(Note 5.1)	2,870,000,000	1,120,000,000
Outside Bangladesh	(Note 5.2)	1,481,147,108	1,379,682,377
		4,351,147,108	2,499,682,377
5.1 In Bangladesh			
<u>With banking companies</u>			
Local Currency:			
IFIC Bank Limited		1,000,000,000	-
NRB Commercial Bank Limited		650,000,000	-
Modhumoti Bank Limited		-	250,000,000
South Bangla Agriculture & Commerce Bank Limited		530,000,000	-
National Bank Limited		-	300,000,000
The City Bank Limited		490,000,000	-
Community Bank Bangladesh Limited		200,000,000	-
Jamuna Bank Limited		-	570,000,000
		2,870,000,000	1,120,000,000
Foreign Currency:		-	-
<u>With non-banking financial institutions</u>		-	-
		2,870,000,000	1,120,000,000

AB Bank Limited

Notes to the Financial Statements

For the year ended 31 December 2021

	31.12.2021 Taka	31.12.2020 Taka
At short notice	-	-
On calls and placements		
IFIC Bank Limited	1,000,000,000	-
NRB Commercial Bank Limited	650,000,000	-
Modhumoti Bank Limited	-	250,000,000
South Bangla Agriculture & Commerce Bank Limited	530,000,000	-
National Bank Limited	-	300,000,000
The City Bank Limited	490,000,000	-
Community Bank Bangladesh Limited	200,000,000	-
Jamuna Bank Limited	-	570,000,000
	2,870,000,000	1,120,000,000
5.2 Outside Bangladesh		
AB International Finance Limited	1,256,541,000	964,604,550
Commerz Bank, AG	23,371,893	-
Commerzbank AG CHF	178,222,280	-
HDFC Bank Limited	23,011,935	415,077,827
	1,481,147,108	1,379,682,377
5(a) Consolidated money at call and on short notice		
AB Bank Limited	4,351,147,108	2,499,682,377
AB Investment Limited	-	-
AB International Finance Limited	-	-
AB Securities Limited	-	-
Cashlink Bangladesh Limited (CBL)	-	-
	4,351,147,108	2,499,682,377
Less: Inter-group transaction	(1,256,541,000)	(964,604,550)
	3,094,606,108	1,535,077,827
6. Investments	65,214,572,370	63,761,469,742
Nature wise (Bangladesh operation)		
Held for Trading	15,013,377,320	16,991,303,125
Held to Maturity	37,085,122,531	36,434,249,577
Other Eligible Securities	155,310,000	-
Others	12,429,878,737	9,869,905,739
	64,683,688,588	63,295,458,442
Nature wise (Mumbai branch)		
Held for Trading/Available for Sale	242,111,296	175,650,675
Held to Maturity	288,772,486	290,360,625
Others	-	-
	530,883,782	466,011,300
Claim wise		
Government securities (Note 6.1)	52,770,903,951	53,824,738,002
Other investments (Note 6.2)	12,443,668,419	9,936,731,739
	65,214,572,370	63,761,469,742

AB Bank Limited

Notes to the Financial Statements

For the year ended 31 December 2021

		31.12.2021 Taka	31.12.2020 Taka
6 (a) Consolidated investments			
AB Bank Limited		65,214,572,370	63,761,469,742
AB International Finance Limited		-	-
AB Investment Limited		379,619,416	551,741,963
AB Securities Limited		110,473,320	103,575,886
Cashlink Bangladesh Limited (CBL)		-	-
		65,704,665,106	64,416,787,591
6.1 Government securities			
T.Bill-Local-RE.REPO		737,244,750	2,773,230,075
T.Bill		3,687,334,698	3,832,710,742
Treasury bonds		47,673,920,403	46,819,611,886
Bangladesh Government Investment Sukuk		155,310,000	-
Bangladesh Bank Islami Investment bonds		515,190,000	397,800,000
Prize bonds		1,904,100	1,385,300
		52,770,903,951	53,824,738,002
6.1.1 Maturity wise Treasury Bonds			
(a) 30 Days Bangladesh Bank Bill		-	-
(b) Treasury Bill			
(i) 91 Days Treasury Bill		-	1,249,621,250
(ii) 182 Days Treasury Bill		949,756,799	749,876,250
(iii) 364 Days Treasury Bill		2,737,577,899	1,833,213,240
Total Treasury Bill		3,687,334,698	3,832,710,740
Treasury Bond			
(i) 02 Years Treasury Bond		4,747,677,036	4,040,822,394
(ii) 05 Years Treasury Bond		8,101,761,078	10,012,437,402
(iii) 10 Years Treasury Bond		18,620,257,343	18,808,231,975
(iv) 15 Years Treasury Bond		9,126,090,975	7,478,868,393
(v) 20 Years Treasury Bond		7,078,133,971	6,479,251,719
Total Treasury Bond		47,673,920,403	46,819,611,886
6.1(a) Consolidated Government securities			
AB Bank Limited		52,770,903,951	53,824,738,002
AB Investment Limited		-	-
AB International Finance Limited		-	-
AB Securities Limited		-	-
Cashlink Bangladesh Limited (CBL)		-	-
		52,770,903,951	53,824,738,002
6.2 Other investments			
Shares	(Note 6.2.1)	5,355,554,205	3,832,797,321
Bond	(Note 6.2.2)	4,900,000,000	4,000,000,000
Pinnacle Global Fund Pte Limited	(Note 6.2.3)	1,657,230,432	1,637,923,118
		11,912,784,637	9,470,720,439
Investments -ABBL, Mumbai branch			
Treasury bills		530,883,782	466,011,300
		530,883,782	466,011,300
		12,443,668,419	9,936,731,739

AB Bank Limited

Notes to the Financial Statements

For the year ended 31 December 2021

	31.12.2021 Taka	31.12.2020 Taka
6.2 (a) Consolidated other investments		
AB Bank Limited	12,443,668,419	9,936,731,739
AB Investment Limited	379,619,416	551,741,963
AB International Finance Limited	-	-
AB Securities Limited	110,473,320	103,575,886
Cashlink Bangladesh Limited (CBL)	-	-
	12,933,761,155	10,592,049,589
6.2.1 Investments in shares		
Quoted (Publicly traded)	4,506,702,160	2,978,945,276
Unquoted (including strategic investment)	848,852,045	853,852,045
	5,355,554,205	3,832,797,321
6.2.2 Investment in Bonds		
Investment in subordinated bonds	3,200,000,000	4,000,000,000
Investment in perpetual bonds	1,700,000,000	-
	4,900,000,000	4,000,000,000
6.2.2.1 Investment in subordinated bonds		
United Commercial Bank Ltd.	2,200,000,000	2,750,000,000
National Bank Ltd.	1,000,000,000	1,250,000,000
	3,200,000,000	4,000,000,000
6.2.2.2 Investment in Perpetual bonds		
ONE Bank Limited	1,700,000,000	-
6.2.3 Pinnacle Global Fund Pte Limited	1,657,230,432	1,637,923,118
Investment in Pinnacle Global Fund Pte Limited has been increased due to Foreign Currency Rate fluctuation.		
6.3 Maturity grouping of Investment		
Repayable – on demand	-	-
– upto 3 months	11,748,941,924	8,381,784,389
– over 3 months but below 1 year	10,521,863,640	9,264,322,735
– over 1 year but below 5 years	20,158,488,834	25,607,579,032
– over 5 years	22,785,277,971	20,507,783,585
	65,214,572,370	63,761,469,742

6.4 Disclosure of uniform accounting procedures for REPO transactions under DOS circular no 06 dated July 15, 2010 is given below:

a.(i) Disclosure regarding outstanding Repo as on 31 December 2021:

Counter party name	Agreement date	Reversal date	Amount (1 st leg cash consideration)
NIL			

(ii) Disclosure regarding outstanding Reverse Repo as on 31 December 2021:

	Counter party name	Agreement date	Reversal date	1 st leg cash consideration
1	Trust Bank Limited	29-Dec-21	02-Jan-22	737,244,750

b. Disclosure regarding overall transaction of Repo and Reverse Repo:

Particulars	Minimum outstanding during the year/period	Maximum outstanding during the year/period	Daily average outstanding during the year/period
Securities sold under repo:			
i) with Bangladesh Bank	-	-	-
ii) with other banks & FIS	-	19,304,100,000	7,767,514,855
Securities purchased under reverse repo:			
i) from Bangladesh Bank	-	-	-
ii) from other banks & FIS	-	2,773,230,075	32,638,611

AB Bank Limited

Notes to the Financial Statements

For the year ended 31 December 2021

	31.12.2021 Taka	31.12.2020 Taka
7. Loans, advances and lease/investments	290,459,816,948	274,829,861,346
7.1 Maturity grouping		
Repayable – on demand	1,875,233,294	4,744,672,744
– upto 3 months	109,027,122,915	94,150,468,018
– over 3 months but below 1 year	129,607,866,407	128,215,097,684
– over 1 year but below 5 years	35,271,426,300	31,719,521,979
– over 5 years	14,678,168,032	16,000,100,920
	290,459,816,948	274,829,861,346
7.2 Broad category-wise breakup excluding bills purchased and discounted		
In Bangladesh		
Loans	271,332,345,258	255,617,832,404
Overdrafts	18,463,492,041	18,606,517,253
Cash credits	-	-
	289,795,837,299	274,224,349,658
Outside Bangladesh: ABBL, Mumbai branch		
Loans	433,367	705,896
Overdrafts	-	-
Cash credits	36,532,387	33,165,826
	36,965,755	33,871,722
	289,832,803,054	274,258,221,380
7.3 Product wise loans and advances		
Overdraft	18,463,492,041	18,600,377,953
Cash Credit	36,532,387	33,165,826
Time loan	46,018,716,208	45,728,905,658
Term loan	201,230,679,277	186,322,303,029
Forced loan	9,502,031,859	12,956,187,214
Bills under LC	159,841,103	36,160,169
Trust Receipt	6,509,169,095	6,222,152,680
Packing credit	84,345,637	95,704,310
Loan against accepted bills	67,217,235	46,492,698
Loan-EDF	3,959,972,733	1,548,410,272
Consumer Loan	2,513,840,193	1,361,563,536
Staff loan	1,286,965,284	1,306,798,037
Bills purchased & discounted	627,013,894	571,639,966
	290,459,816,948	274,829,861,346
7.4 Net loans, advances and lease/investments		
Gross loans and advances	290,459,816,948	274,829,861,346
<u>Less:</u>		
Interest suspense	13,171,406,144	16,114,355,797
Provision for loans and advances	27,300,595,344	20,224,381,003
	40,472,001,489	36,338,736,801
	249,987,815,460	238,491,124,546

AB Bank Limited

Notes to the Financial Statements

For the year ended 31 December 2021

7.5 Significant concentration

Advances to industries
Advances to customer groups
Advances to allied concerns of Directors
Advances to Chief Executive

31.12.2021

Taka

31.12.2020

Taka

172,526,938,821	162,625,517,198
108,565,033,686	102,971,788,159
9,367,654,391	9,231,828,714
190,050	727,276
290,459,816,948	274,829,861,346

7.6 Advances to customers for more than 10% of Bank's total capital Total capital of the Bank

35,395,189,374

36,965,972,064

Number of clients
Amount of outstanding advances
Amount of classified advances

25
145,833,500,000
13,228,183,325

25
132,359,600,000
13,431,139,259

Measures taken for recovery*

*Rescheduling/amicable settlement/legal action is under process for recovery/
reduction of classified loans.

7.7 Industry-wise loans, advances and lease/investments

Agriculture
Large and medium scale industry
Working capital
Export
Commercial lending
Small and cottage industry
Others

4,277,151,869	4,861,801,894
98,946,375,201	84,212,134,265
67,578,838,524	57,010,075,866
1,653,738,274	1,540,950,961
59,867,690,218	51,867,690,218
6,324,412,820	4,492,946,279
51,811,610,042	70,844,261,863
290,459,816,948	274,829,861,346

7.8 Geographical location-wise (division) distribution

In Bangladesh

Urban branches

Dhaka
Chattagram
Khulna
Sylhet
Barishal
Rajshahi
Rangpur
Mymensingh

214,369,570,586	180,226,670,090
42,712,260,227	54,086,938,844
13,948,377,342	13,687,644,566
1,214,378,431	2,176,330,866
402,455,835	412,351,525
4,624,973,198	8,789,106,635
5,684,054,408	8,146,725,396
4,541,457,932	4,902,308,681
287,497,527,959	272,428,076,604

Rural branches

Dhaka
Chattagram
Sylhet
Rajshahi
Rangpur
Mymensingh

1,609,008,234	1,053,670,312
603,530,193	650,319,802
112,787,007	109,735,922
19,451	19,942
590,698	591,198
49,052,111	47,852,010
2,374,987,696	1,862,189,187

Outside Bangladesh

ABBL, Mumbai branch

587,301,293	539,595,555
290,459,816,948	274,829,861,346

AB Bank Limited

Notes to the Financial Statements

For the year ended 31 December 2021

7.9 Classification of loans, advances and lease/investments In Bangladesh

Unclassified

Standard

Special Mention Account

Classified

Sub-Standard

Doubtful

Bad/Loss

Outside Bangladesh-Mumbai Branch

Unclassified Loan

Classified Loan

	31.12.2021 Taka	31.12.2020 Taka
	241,217,931,079	211,499,306,154
	7,545,178,084	16,636,366,950
	248,763,109,163	228,135,673,104
	519,098,584	2,345,665,401
	3,138,789,132	3,096,787,235
	37,451,518,777	40,712,140,051
	41,109,406,493	46,154,592,688
	289,872,515,655	274,290,265,791
	587,301,293	539,595,555
	-	-
	587,301,293	539,595,555
	290,459,816,948	274,829,861,346

Classification of Loans and advances have been made as per Bangladesh Bank Letter no. DBI-3/101/2022-397 dated 15 March 2022.

7.10 Particulars of loans, advances and lease/investments

- (i) Loans considered good in respect of which the Bank is fully secured
- (ii) Loans considered good against which the Bank holds no security other than the debtors' personal guarantee
- (iii) Loans considered good and secured by the personal undertaking of one or more parties in addition to the personal guarantee of the debtors
- (iv) Loans adversely classified but provision not maintained there against

251,184,772,569	237,668,028,697
-	-
39,275,044,378	37,161,832,649
-	-
290,459,816,948	274,829,861,346

(v) Loans due by directors or officers of the Bank or any of them either separately or jointly with any other persons

(vi) Loans due from companies or firms in which the directors of the Bank are interested as directors, partners or managing agents or, in case of private companies, as members

(vii) Maximum total amount of advances, including temporary advances made at any time during the year to directors or managers or officers of the Bank or any of them either separately or jointly with any other persons [note 7.10 (a)]

(viii) Maximum total amount of advances, including temporary advances granted during the year to the companies or firms in which the directors of the Bank are interested as directors, partners or managing agents or, in the case of private companies, as members

(ix) Due from other banking companies

(x) Amount of classified loans on which interest has not been charged:

(a) Increase/(decrease) of provision (specific)

(b) Amount of loan written off

(c) Amount realised against loan previously written off

(d) Provision kept against loans classified as bad /loss on the date of preparing the balance sheet

(e) Interest creditable to interest suspense account

1,286,965,284	1,306,798,037
-	-
1,322,333,367	1,408,719,698
-	-
-	-
-	-
12,681,390,945	1,984,888,448
245,317,892	-
56,589,943	172,931,675
19,907,964,423	7,440,688,448
87,847,328	103,308,393

AB Bank Limited

Notes to the Financial Statements

For the year ended 31 December 2021

	31.12.2021 Taka	31.12.2020 Taka
(xi) Written off loan:		
Opening written off loan	16,960,853,604	16,960,853,604
Add: Written off during the year	245,317,892	-
Cumulative Written off loans	17,206,171,496	16,960,853,604
Less: Adjustments/ recoveries/ Settlement up to the period	3,802,546,864	3,698,852,518
Closing Balance of Written off loan	13,403,624,633	13,262,001,086
The amount of written off loans for which lawsuits have been filed for its recovery	13,211,585,913	13,071,240,801

7.10 (a) The amount represents loans Tk. 1,322,333,367 due by the employees of the Bank.

7.11 Securities wise loans, advances and lease/investments

Nature of security

Collateral of movable/immovable assets	237,985,858,438	233,413,751,391
Cash collateral	5,611,484,583	12,584,902,761
Banks and financial institutions guarantee	-	-
Personal guarantee	12,628,608,719	12,665,038,466
Corporate guarantee	9,302,817,351	6,847,773,600
Other securities	24,931,047,857	9,318,395,128
	290,459,816,948	274,829,861,346

7.12 Large Loan Restructuring

Bank has restructured some loans and advances by complying with the Bangladesh Bank, BRPD Circular No. 04, dated January 29, 2015. Restructured loan details of the Bank has given below:

Name of the Client	Loan Type	Expiry Date	Amount in BDT
Abdul Monem Sugar	Term Loan	22 Dec 2021	38,017,190
Beximco Ltd.	Term Loan	29 Mar 2028	1,135,823,751
Beximco Ltd.	Term Loan	29 Jun 2022	128,510,099
International Knitwear & Apparels Ltd.	Term Loan	29 Jun 2028	869,744,651
Beximco Ltd.	Term Loan	29 Jun 2022	604,230,901
New Dacca Industries Ltd.	Term Loan	29 Jun 2022	3,031,420,942
New Dacca Industries Ltd.	Term Loan	29 Jun 2028	933,386,943
			6,741,134,476

7(a) Consolidated loans, advances and lease/investments excl. Bills purchased

AB Bank Limited	289,832,803,054	274,258,221,380
AB Investment Limited	7,263,220,175	6,957,399,993
AB International Finance Limited	-	-
AB Securities Limited	765,217,254	919,006,263
Cashlink Bangladesh Limited (CBL)	-	-
	297,861,240,483	282,134,627,636
Less: Inter company transaction	914,014,017	923,446,984
	296,947,226,466	281,211,180,652

8 Bills purchased and discounted

In Bangladesh	76,678,356	65,916,133
Outside Bangladesh - ABBL, Mumbai Branch	550,335,538	505,723,833
	627,013,894	571,639,966

AB Bank Limited

Notes to the Financial Statements

For the year ended 31 December 2021

8 (a) Consolidated Bills purchased and discounted

AB Bank Limited
AB Investment Limited
AB International Finance Limited
AB Securities Limited
Cashlink Bangladesh Limited (CBL)

8.1 Maturity grouping of Bills Purchased and discounted

Repayable – within 1 month
– over 1 month but within 3 months
– over 3 months but within 6 months
– over 6 months

9. Fixed assets including premises, furniture and fixtures

Cost:

Land and Building
Furniture and fixtures
Office appliances
Electrical appliances
Motor vehicles
Intangible Assets
Right of Use Assets

Less: Accumulated depreciation and amortization

9.1 Non-Current Assets Held For Sale

Opeing Balance
Add: Addition during the year
From Carrying Amount of Land and Building
From Revaluation of Land and Building
Less: Disposal during the year
Closing balance

9(a) Consolidated Fixed assets including premises, furniture and fixtures

Cost:

AB Bank Limited
AB Investments Limited
AB International Finance Limited
AB Securities Limited
Cashlink Bangladesh Limited (CBL)

Accumulated depreciation:

AB Bank Limited
AB Investments Limited
AB International Finance Limited
AB Securities Limited
Cashlink Bangladesh Limited (CBL)

	31.12.2021 Taka	31.12.2020 Taka
8 (a) Consolidated Bills purchased and discounted		
AB Bank Limited	627,013,894	571,639,966
AB Investment Limited	-	-
AB International Finance Limited	1,469,131,688	1,118,086,071
AB Securities Limited	-	-
Cashlink Bangladesh Limited (CBL)	-	-
	2,096,145,583	1,689,726,038
8.1 Maturity grouping of Bills Purchased and discounted		
Repayable – within 1 month	101,545,688	118,013,770
– over 1 month but within 3 months	244,815,229	179,342,439
– over 3 months but within 6 months	280,652,978	274,283,756
– over 6 months	-	-
	627,013,894	571,639,966
9. Fixed assets including premises, furniture and fixtures		
Cost:		
Land and Building	2,271,171,345	2,962,553,953
Furniture and fixtures	346,946,966	252,394,773
Office appliances	65,810,464	65,411,271
Electrical appliances	2,087,453,267	1,933,469,202
Motor vehicles	323,725,176	838,058,314
Intangible Assets	910,541,640	783,812,337
Right of Use Assets	1,329,421,828	1,329,421,828
	7,335,070,686	8,165,121,677
Less: Accumulated depreciation and amortization	3,702,882,726	3,676,130,287
	3,632,187,959	4,488,991,390
9.1 Non-Current Assets Held For Sale		
Opeing Balance	-	-
Add: Addition during the year	2,397,444,609	-
From Carrying Amount of Land and Building	689,111,538	-
From Revaluation of Land and Building	1,708,333,071	-
Less: Disposal during the year	2,397,444,609	-
Closing balance	-	-
9(a) Consolidated Fixed assets including premises, furniture and fixtures		
Cost:		
AB Bank Limited	7,335,070,686	8,165,121,677
AB Investments Limited	687,498,447	688,571,092
AB International Finance Limited	4,798,753	4,731,583
AB Securities Limited	60,255,084	56,999,872
Cashlink Bangladesh Limited (CBL)	81,471,369	81,471,369
	8,169,094,339	8,996,895,593
Accumulated depreciation:		
AB Bank Limited	3,702,882,726	3,676,130,287
AB Investments Limited	176,393,213	159,634,894
AB International Finance Limited	4,751,960	4,601,076
AB Securities Limited	50,155,415	42,572,830
Cashlink Bangladesh Limited (CBL)	81,471,369	81,471,369
	4,015,654,684	3,964,410,457
	4,153,439,656	5,032,485,136

AB Bank Limited

Notes to the Financial Statements

For the year ended 31 December 2021

10 Other Assets: Income generating-Equity Investment

In Bangladesh:

AB Investment Limited

(99.99% owned subsidiary company of ABBL)

AB Securities Limited

(99.91% owned subsidiary company of ABBL)

Cashlink Bangladesh Limited (CBL)

(90% owned subsidiary company of ABBL)

Outside Bangladesh:

AB International Finance Ltd., Hong Kong

(wholly owned subsidiary company of ABBL)

Non-income generating

Arab Bangladesh Bank Foundation

(99.60% owned subsidiary company of ABBL)

Net deferred tax assets

(Note 10.1)

Accounts receivable

Preliminary, formation, organisational, renovation, development, prepaid expenses and others

Exchange for clearing

Interest accrued on investment but not collected, commission and brokerage receivable on shares and debentures, and other income receivables

Security deposits

Advance rent and advertisement

(Note 10.2)

Stationery, stamps, printing materials, etc.

31.12.2021

Taka

31.12.2020

Taka

5,811,431,750	5,811,431,750
199,898,000	199,898,000
212,581,228	212,581,228
6,223,910,978	6,223,910,978
5,203,944	5,203,944
5,203,944	5,203,944
6,229,114,922	6,229,114,922
19,920,000	19,920,000
4,104,604,016	3,270,784,720
1,298,999,895	1,586,836,210
597,885,133	757,841,435
1,433,998,879	1,580,837,111
1,710,681,112	1,221,859,948
70,201,100	73,046,316
164,267,806	103,540,859
76,152,250	33,323,414
9,476,710,190	8,647,990,013
15,705,825,113	14,877,104,936
15,705,825,113	14,877,104,936
471,682,959	237,079,608
47,403,357	47,698,127
88,430,631	98,164,731
31,529,515	31,571,199
16,344,871,575	15,291,618,600
6,414,333,269	6,405,107,481
9,930,538,296	8,886,511,119

10(a) Consolidated Other assets

AB Bank Limited

AB Investment Limited

AB International Finance Limited

AB Securities Limited

Cashlink Bangladesh Limited (CBL)

Less: Inter-group transaction

AB Bank Limited

Notes to the Financial Statements

For the year ended 31 December 2021

	31.12.2021 Taka	31.12.2020 Taka
10.1 Deferred tax assets		
a) Deferred tax assets for specific provisions of loans and advances		
Opening Deferred Tax Assets	3,359,092,484	2,622,704,984
Add: Deferred Tax Income during the year	918,750,000	736,387,500
Less: Write-Off adjustment	80,297,446	-
Closing deferred tax assets	4,197,545,038	3,359,092,484
b) Deferred tax liabilities against property, plant & equipment		
Balance at 01 January	88,307,764	63,579,718
Add: Provision made during the year	4,628,070	24,645,723
Add/(Less): Adjustment for Rate Fluctuation during the year	5,189	82,324
Closing deferred tax liabilities	92,941,021	88,307,764
Net Deferred Tax Assets (a-b)	4,104,604,016	3,270,784,720
Net Deferred Tax Income during the year	914,121,930	711,741,777
Deferred tax liabilities against Property, Plant & Equipment		
Accounting base of Property, Plant & Equipment	2,974,556,147	3,556,621,763
Tax base of Property, Plant & Equipment	2,720,418,850	3,314,479,078
Difference	254,137,297	242,142,685
(Deductible)/Taxable Temporary Difference	254,137,297	242,142,685
Effective Tax Rate	37.50%	37.50%
Deferred Tax (Assets)/Liabilities	95,301,486	90,803,507
Deferred Tax (Assets)/Liabilities of Mumbai Branch	(2,360,465)	(2,495,745)
Closing Deferred Tax Liabilities	92,941,021	88,307,764
10.1.1 Consolidated deferred tax liabilities		
AB Bank Limited	92,941,021	88,307,764
AB Investment Limited	-	-
	92,941,021	88,307,764
10.1.2 Consolidated deferred tax assets		
AB Bank Limited	4,197,545,038	3,359,092,484
AB Securities Limited	1,789,327	1,979,667
AB Investment Limited	92,979,358	39,432,812
	4,292,313,723	3,400,504,963
10.2 Advance rent and advertisement		
Advance rent BDT 69,885,278 as on 31 December 2021 is included with Right of Use (ROU) assets as per IFRS 16 Leases.		
11 Non-Banking Assets	334,171,836	334,171,836

The Bank has obtained absolute ownership of eleven mortgaged properties consisting land and building according to the verdict of the Honorable Court under section 33 (7) of Artha Rin Adalat Ain, 2003. These have been recorded as non-banking assets in accordance with Bank Company Act, 1991 (amendment up to date), BRPD circular no. 14 of 2003 and BRPD circular no. 22 of 2021. All of these assets are non-income generating. Details are given below:

SL No.	Type	Non-Banking Assets			
		Income Generating		Non-Income Generating	
		No.	Value	No.	Value
1	Land	-	-	11	271,599,253
2	Building	-	-	5	62,572,583
Total				16	334,171,836

AB Bank Limited

Notes to the Financial Statements

For the year ended 31 December 2021

	31.12.2021	31.12.2020
	Taka	Taka
12. Borrowings from other banks, financial institutions and agents		
In Bangladesh (Note 12:1)	29,832,208,485	19,107,865,842
Outside Bangladesh	-	-
	29,832,208,485	19,107,865,842
12.1 In Bangladesh:		
12.1.1 Bangladesh Bank		
Export Development Fund	3,524,187,185	1,537,686,974
Islamic Investment Bond	-	816,485,540
Refinance against IPFF	207,807,237	246,135,320
Refinance against Women Entr., Small Enterprise, ETP, Covid 19 & Others	3,021,938,847	1,893,766,663
	6,753,933,268	4,494,074,497
12.1.2 Call & Term Borrowing from		
NCC Bank Limited	1,000,000,000	500,000,000
Basic Bank Limited	1,543,200,000	-
Agrani Bank Limited	5,800,000,000	9,496,008,000
Sonali Bank Limited	1,700,000,000	848,004,000
Janata Bank Limited	1,000,000,000	-
Simanto Bank Limited	-	400,000,000
Uttara Bank Limited	1,900,000,000	1,924,002,000
Bank Asia Limited	5,000,000,000	-
Rupali Bank Limited	3,000,000,000	924,002,000
National Bank Limited	128,700,000	296,801,400
Southeast Bank Limited	-	169,600,800
Community Bank Limited	140,000,000	-
Dhaka Bank Limited	500,000,000	-
One Bank Limited	500,000,000	-
NRB Bank Limited	300,000,000	-
The Premier Bank Limited	300,000,000	-
Prime Bank Limited	85,800,000	-
Bangladesh Development Bank Limited	128,700,000	-
Accrued interest	51,875,217	55,373,145
	23,078,275,217	14,613,791,345
Total in Bangladesh	29,832,208,485	19,107,865,842
12.2 Analysis by security		
Secured (assets pledge as security for liabilities)	-	-
Unsecured	29,832,208,485	19,107,865,842
	29,832,208,485	19,107,865,842
12.3 Repayment pattern		
Repayable on demand	1,900,000,000	-
Repayable on maturity (Note 12.3.1)	27,932,208,485	19,107,865,842
	29,832,208,485	19,107,865,842
12.3.1 Repayable on maturity		
<u>Bangladesh Bank:</u>		
Export Development Fund	3,524,187,185	1,537,686,974
Islamic Investment Bond	-	816,485,540
Refinance against IPFF	207,807,237	246,135,320
Refinance against Women Entr., Small Ent., ETP & Others	3,021,938,847	1,893,766,663
	6,753,933,268	4,494,074,497

AB Bank Limited

Notes to the Financial Statements

For the year ended 31 December 2021

	31.12.2021 Taka	31.12.2020 Taka
<u>Term borrowings:</u>		
Agrani Bank Limited	5,800,000,000	9,496,008,000
NCC Bank Limited	1,000,000,000	500,000,000
Uttara Bank Limited	1,700,000,000	1,924,002,000
Bank Asia Limited	5,000,000,000	-
Rupali Bank Limited	3,000,000,000	924,002,000
Shimanto Bank Limited	-	400,000,000
Prime Bank Limited	85,800,000	848,004,000
Dhaka Bank Limited	500,000,000	-
Basic Bank Limited	1,543,200,000	-
NRB Bank Limited	300,000,000	-
Janata Bank Limited	1,000,000,000	-
National Bank Limited	128,700,000	296,801,400
Community Bank Bangladesh Limited	140,000,000	-
Southeast Bank Limited	-	169,600,800
Bangladesh Development Bank Limited	128,700,000	-
One Bank Limited	500,000,000	-
The Premier Bank Limited	300,000,000	-
Accrued interest	51,875,217	55,373,145
	21,178,275,217	14,613,791,345
	27,932,208,485	19,107,865,842
12(a) Consolidated Borrowings from other banks, financial institutions and agents		
AB Bank Limited	29,832,208,485	19,107,865,842
AB Investment Limited	756,465,516	755,898,828
AB International Finance Limited	1,246,944,704	962,746,929
AB Securities Limited	157,548,501	167,548,561
Cashlink Bangladesh Limited (CBL)	-	-
	31,993,167,207	20,994,060,160
<u>Less: Intercompany transactions</u>	2,160,958,722	1,886,193,913
	29,832,208,485	19,107,866,247
13 Bond		
Tier-II subordinated bond (note-13.1)	7,400,000,000	9,350,000,000
Perpetual bond - additional Tier-I capital (note-13.2)	4,410,000,000	-
	11,810,000,000	9,350,000,000
13.1 Tier-II subordinated bond		
AB Bank Subordinated Bond-I	-	500,000,000
AB Bank Subordinated Bond-II	800,000,000	1,600,000,000
AB Bank Subordinated Bond-III	3,350,000,000	4,000,000,000
AB Bank Subordinated Bond-IV	3,250,000,000	3,250,000,000
	7,400,000,000	9,350,000,000

Bank has issued 7 years Sub-Ordinated bonds in four phases, namely- AB Bank Subordinated Bond-I for BDT 250 crore in August 2014 which has been fully adjusted, AB Bank Subordinated Bond-II for BDT 400 crore in September 2015, AB Bank Subordinated Bond-III for BDT 400 crore in May 2018 and AB Bank Subordinated Bond-IV for BDT 325 crore in December 2020 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 year ended 31 December 2021

Subscriber wise subordinated bonds are:

Jamuna Bank Limited
Sonali Bank Limited
National Credit & Commerce Bank Limited
Janata Bank Limited
Agrani Bank Limited
Rupali Bank Limited
BRAC
BRAC Bank Limited
NRB Commercial Bank Limited
Uttara Bank Limited
Midland Bank Limited
National Life Insurance Co. Limited
Mutual Trust Bank Limited
Grameen Capital Management Limited

31.12.2021	31.12.2020
Taka	Taka
2,300,000,000	2,300,000,000
1,700,000,000	2,000,000,000
1,050,000,000	1,700,000,000
1,100,000,000	1,200,000,000
850,000,000	1,050,000,000
200,000,000	400,000,000
-	200,000,000
60,000,000	140,000,000
60,000,000	140,000,000
60,000,000	120,000,000
-	40,000,000
20,000,000	40,000,000
-	16,000,000
-	4,000,000
7,400,000,000	9,350,000,000

13.2 Perpetual bond - additional Tier-I capital

The Bank has successfully launched subscription of the Perpetual Bond as additional Tier-1 capital. The bank has obtained necessary approvals from the regulators duly and raised subscription of BDT 441 crore out of BDT 540 crore through private placement in 2021. The total issue size Bond is BDT 600 crore including public offer of BDT 60 crore. Basic features of the perpetual bonds are;

Coupon rate: Reference rate Plus Coupon margin

Here, reference rate is the latest available 20 years treasury bond rate as published by Debt Management, Department of Bangladesh Bank on the quotation day and coupon margin is 2%.

Coupon range: 6.0% to 10.0%

Contingent Convertible feature: This bonds are contingent convertible and this conversion will only be executed if banks's consolidated common equity Tier-I (CET-I) falls below 4.5% and the conversion amount will be to the extent of shortfall amount for reaching CET-I @ 4.5%.

Subscriber wise perpetual bonds are:

The Premier Bank Limited
IFIC Bank Limited
NCC Bank Limited
Subscribers other than Banks

1,050,000,000	-
1,000,000,000	-
650,000,000	-
1,710,000,000	-
4,410,000,000	-

14. Deposit and other accounts

Inter-bank deposits
Other deposits

6,034,070,510	5,191,520,116
292,338,491,144	285,527,822,321
298,372,561,654	290,719,342,438

14(a) Consolidated Deposit and other accounts

AB Bank Limited
AB Investment Limited
AB International Finance Limited
AB Securities Limited
Cashlink Bangladesh Limited (CBL)

298,372,561,654	290,719,342,438
-	-
-	-
-	-
-	-
298,372,561,654	290,719,342,438
293,565,690	172,181,996
298,078,995,964	290,547,160,441

Less: Inter-group transaction

AB Bank Limited

Notes to the Financial Statements

For the year ended 31 December 2021

14.1 Maturity analysis of inter-bank deposits

Repayable – on demand
– within 1 month
– over 1 month but within 3 months
– over 3 months but within 1 year
– over 1 period but within 5 years
– over 5 periods but within 10 years
– over 10 years

31.12.2021

Taka

31.12.2020

Taka

1,957,009,483	1,726,356,465
2,863,401,060	2,601,623,560
972,052,249	336,309,536
241,607,718	527,230,556
-	-
-	-
-	-
6,034,070,510	5,191,520,116

14.2 Maturity analysis of other deposits

Repayable – on demand
– within 1 month
– over 1 month but within 3 months
– over 3 months but within 1 year
– over 1 year but within 5 years
– over 5 years

3,453,924,187	3,382,104,377
24,552,069,657	28,219,742,148
78,605,620,117	72,380,237,274
138,304,655,340	128,651,601,082
44,620,197,206	46,613,421,773
2,802,024,636	6,280,715,668
292,338,491,144	285,527,822,321

14.3 Demand and time deposits

a) Demand Deposits

Current accounts and other accounts
Savings Deposits (9%)
Bills Payable

45,602,407,586	38,235,326,520
30,921,676,210	28,639,222,340
3,707,106,039	3,172,175,205
10,973,625,337	6,423,928,975

b) Time Deposits

Savings Deposits (91%)
Short Notice Deposits
Fixed Deposits
Other Deposits

252,770,154,068	252,484,015,917
37,482,961,064	32,074,215,959
30,873,599,074	47,144,703,134
138,796,924,187	121,537,588,967
45,616,669,743	51,727,507,857

Total Demand and Time Deposits

298,372,561,654	290,719,342,438
------------------------	------------------------

14.4 Sector-wise break up of deposits and other accounts

Government
Deposit money Banks
Autonomous & Semi-Autonomous Bodies
Public Non-Financial Organisation
Other Public
Foreign Currency
Private

2,302,755,443	1,890,797,992
6,034,070,510	5,191,520,116
7,145,574,126	5,305,444,172
55,101,099,817	64,957,043,101
3,441,150,572	2,666,271,479
16,164,007,473	13,690,452,844
208,183,903,712	197,017,812,733
298,372,561,654	290,719,342,438

15. Other liabilities

Accumulated provision against loans and advances	(Note 15.1)
Inter-branch adjustment	
Provision for current tax (net of advance tax)	(Note 15.2)
Interest suspense account	
Provision against other assets	(Note 15.4)
Accounts payable - Bangladesh Bank	
Accrued expenses	
Lease Liabilities	(Note 15.5)
Provision for off balance sheet items	(Note 15.6)
Provision against investments	(Note 15.7)
Start-up Fund *	
Unclaimed Dividend Account	
Others **	

27,300,595,344	20,224,381,003
484,281	145,930
1,537,622,211	1,649,440,346
13,171,406,144	16,114,355,797
374,459,106	348,873,106
31,762,059	69,049,890
88,551,502	133,009,666
508,571,819	688,375,584
330,000,000	270,000,000
1,854,724,984	2,013,677,944
10,328,009	64,669,774
218,819	453,686
785,808,868	845,145,957
45,994,533,144	42,421,578,681

AB Bank Limited

Notes to the Financial Statements

For the year ended 31 December 2021

* Start-up Fund has been maintained as per Bangladesh Bank SMESPD circular no. 04 and 05 dated 29 March 2021 and 26 April 2021 respectively. In prior year the fund was created based on operating profit but as per latest circular, base for the fund was changed to net profit during the year. Bank created the fund by debiting the Profit and Loss account in 2020 and retained earnings from 2021 respectively.

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

		31.12.2021	31.12.2020
		Taka	Taka
15.1	Accumulated provision against loans and advances		
<u>The movement in specific provision for bad and doubtful debts</u>			
Opening Balance		8,957,579,956	6,993,879,956
Fully provided debts written off during the period	(-)	(214,126,523)	-
Transferred from general provisions	(+)	6,260,000,000	-
Transferred from retained earnings	(+)	3,500,000,000	-
Specific provision made during the period	(+)	2,450,000,000	1,963,700,000
		11,995,873,477	1,963,700,000
Closing Balance		20,953,453,433	8,957,579,956
Provision made by ABBL, Mumbai Branch		-	-
Total provision on classified loans and advances		20,953,453,433	8,957,579,956
<u>On unclassified loans</u>			
Opening Balance		11,264,725,658	8,282,733,658
Transferred from Investment provisions	(+)	-	20,000,000
Transfer to specific provisions	(-)	(6,260,000,000)	-
General provision made during the period	(+)	1,340,000,000	2,961,992,000
		(4,920,000,000)	2,981,992,000
Closing Balance		6,344,725,658	11,264,725,658
Provision made by ABBL, Mumbai Branch		2,416,253	2,075,389
Total provision on un-classified loans and advances		6,347,141,911	11,266,801,047
Total provision on loans and advances		27,300,595,344	20,224,381,003
		31.12.2021	
Provision for	Required	Maintained	Excess
Un-classified loans and advances	6,338,216,253	6,347,141,911	8,925,658
Classified loans and advances	20,950,000,000	20,953,453,433	3,453,433
	27,288,216,253	27,300,595,344	12,379,091

Provision against loans and advances has been maintained as per Bangladesh Bank letter no. DBI-3/101/2022-397 dated 15 March 2022 and DOS(CAMS)1157-41(Dividend)/2022-2004 dated 13 April 2022 respectively. According to those letters, there is a provision shortfall of Tk. 5,116.85 crore (Tk. 4,632.03 crore for unclassified loans including rescheduled loans and Tk. 484.82 crore for Classified loans) against loans and advances which requires to be kept in 8 years equally from 2022-2029.

15.1.1 Special General Provision -Covid-19

Special General Provision-COVID-19 has been kept as per Bangladesh Bank, BRPD circular no. 56 dated 10 December 2020 and BRPD circular no. 19, 52 and 53 dated 26 August 2021, 29 and 30 December 2021 respectively. This amount is included with the total provision on un-classified loans and advances under note-15.1.

AB Bank Limited

Notes to the Financial Statements

For the year ended 31 December 2021

15.1.2 Details of provision for loans and advances

General Provision

Standard

Special Mention Account

Specific Provision

Substandard

Doubtful

Bad/Loss

Excess provision maintained at 31 December 2021

31.12.2021	
Required	Maintained
6,338,216,253	6,347,141,911
6,125,928,570	6,134,854,227
212,287,684	212,287,684
20,950,000,000	20,953,453,433
48,609,547	48,609,547
996,879,464	996,879,464
19,904,510,989	19,907,964,423
	12,379,091

15.2 Provision for current tax (net of advance tax)

Current Tax (note 15.2.1)

Advance Income Tax (note 15.2.2)

Provision for current tax (net of advance tax)

31.12.2021	31.12.2020
Taka	Taka
7,264,807,866	5,604,721,360
5,727,185,656	3,955,281,014
1,537,622,211	1,649,440,346
5,561,731,999	3,895,988,647
2,008,128,199	1,665,743,353
(309,353,437)	-
(80,297,446)	-
7,180,209,315	5,561,731,999
84,598,550	42,989,360
7,264,807,866	5,604,721,360

15.2.1 Provision for current tax

Opening Balance

Add: Provision made during the year

Less: Adjustment/transferred during the year

Less: Write-off adjustment

Closing Balance

Provision held by ABBL, Mumbai Branch

Corporate income tax assessment of the Bank is completed up to the income year ended 31 December 2020 (Assessment Year 2021-22). Corporate income tax return for the year 2020 submitted under section 82BB corresponding to Assessment Years 2021-22. 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.

15.2.1a Reconciliation of Provision for Current Tax made during the year (Bangladesh Operation)

Income tax @ 37.50% on estimated taxable Business Profit

Income tax @ 20.00% on Dividend Income

Income tax @ 10% on Capital Gain on Sale of Shares

Estimated Total Provision Required

Effective Tax Rate on Profit before Provision

1,821,839,979	1,638,240,554
26,982,124	27,502,800
95,325,043	-
1,944,147,146	1,665,743,353
31.70%	25.84%

15.2.2 Advance corporate income tax

In Bangladesh:

Opening Balance

Add: Paid during the year

Less: Transfer/Adjustment during the year

Closing balance (Bangladesh operations)

Advance tax of ABBL, Mumbai Branch

3,866,952,852	1,584,282,901
1,735,345,980	2,282,669,951
-	-
5,602,298,832	3,866,952,852
124,886,824	88,328,162
5,727,185,656	3,955,281,014

AB Bank Limited

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For the year ended 31 December 2021

15.3 Interest suspense account

Balance at 01 January
Add. Transferred during the the year
Less: Recovery/adjustment during the year
Less: Waiver during the year
Less: Written off during the year
Balance at 31 December

31.12.2021

Taka

31.12.2020

Taka

16,114,355,797	18,134,825,637
87,847,328	103,308,393
(2,996,534,572)	(2,004,941,382)
(3,071,040)	(118,836,850)
(31,191,369)	-
13,171,406,144	16,114,355,797
160,616,000	136,030,000
74,355,678	73,355,678
139,487,428	139,487,428
374,459,106	348,873,106

15.4 Provision against other assets

Provision for

Prepaid legal expenses
Protested bills
Others

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

15.4.1 Calculation of Provision against other assets

	Outstanding amount	Base for Provision	Rate	Provisions Requirement	Provisions Maintained
Prepaid legal exp.	153,027,862	153,027,862	50%	76,513,931	160,616,000
Protested bills	73,868,895	73,868,895	100%	73,868,895	74,355,678
Others	94,936,380	94,936,380	100%	94,936,380	139,487,428
Required provision for other assets				245,319,206	374,459,106
Total provision requirement					245,319,206
Total provision maintained					374,459,106
Excess provision maintained at the reporting date					129,139,900

15.5 Leasehold Liabilities

Opening balance of present value of lease liability
Finance Cost @ 8%
Rental payment during the year

688,375,584	842,847,290
46,777,916	67,427,783
226,581,681	221,899,489
508,571,819	688,375,584

Closing balance of lease liability

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 modification.

15.6 Provision for off balance sheet items

Opening balance
Add. Addition during the year
Less: Transferred to general reserve

270,000,000	710,000,000
60,000,000	-
-	(440,000,000)
330,000,000	270,000,000

15.6.1 Particulars of required provision for Off-Balance Sheet Items

	Base for Provision	Rate (%)	31 Dec 2021	31 Dec 2020
Acceptances and endorsement	9,018,877,735	1%	90,188,777	78,441,893
Letters of guarantee	14,216,345,027	1%	142,163,450	128,307,653
Irrevocable letters of credit	9,365,430,608	1%	93,654,306	60,944,628
Others	213,854,243	1%	2,138,542	25,627
Total Off Balance Sheet Items & required provision	32,814,507,613		328,145,076	267,719,801
Total provision maintained			330,000,000	270,000,000
Excess provision at the reporting date			1,854,924	2,280,199

Provision is not required against Off Balance Sheet items of Mumbai Branch BDT 6,623,896,364.32 as per Reserve Bank of India (RBI) guidelines.

AB Bank Limited

Notes to the Financial Statements

For the year ended 31 December 2021

15.7 Provision against investments

Provision against quoted shares:

Opening balance

Less: Transferred to General Reserve during the year

Add: Provision made at the end of the year

Total provision maintained for Investment

Total provision requirement for Investment

Excess provision

Provision for Pinnacle Global Fund Pte Limited:

Opening balance

Add: Provision made during the year

Provision for Pinnacle Global Fund Pte Limited of BDT 100.80 crore has been deferred as per Bangladesh Bank letters no. DBI-3/101/2022-397 dated 15 March 2022 and DOS(CAMS)1157-41(Dividend)/2022-2004 dated 13 April 2022 respectively for 8 years from 2022-2029.

Provision for Amana Bank Limited, Srilanka:

Total Provision maintained against investment:

Provision against quoted shares

Provision for Pinnacle Global Fund Pte Limited

Provision for Amana Bank Limited, Srilanka

15(a) Consolidated Other liabilities

AB Bank Limited

AB Investment Limited

AB International Finance Limited

AB Securities Limited

Cashlink Bangladesh Limited (CBL)

Less: Inter-group transaction

16. Share Capital

16.1 Authorised Capital

1,500,000,000 ordinary shares of BDT 10 each

16.2 Issued, Subscribed and Paid-up Capital

10,000,000 ordinary shares of BDT 10 each issued for cash

5,000,000 ordinary shares of BDT 10 each issued for rights

820,838,671 ordinary shares of BDT 10 each issued as bonus shares

16.3 Percentage of shareholding

Sponsors and public

Govt.

31.12.2021

Taka

31.12.2020

Taka

1,170,353,000	1,830,353,000
(550,000,000)	(660,000,000)
320,000,000	-
940,353,000	1,170,353,000
940,353,000	1,170,353,000
940,228,743	1,169,528,839
124,257	824,161
519,250,000	379,250,000
130,000,000	140,000,000
649,250,000	519,250,000
265,121,984	324,074,944
940,353,000	1,170,353,000
649,250,000	519,250,000
265,121,984	324,074,944
1,854,724,984	2,013,677,944
45,994,533,144	42,421,578,681
1,238,270,282	911,761,681
78,849,666	54,610,986
834,479,098	910,021,973
28,750	28,750
48,146,160,940	44,298,002,071
86,035,651	98,198,677
48,060,125,289	44,199,803,394
8,358,386,710	7,960,368,300
15,000,000,000	15,000,000,000
100,000,000	100,000,000
50,000,000	50,000,000
8,208,386,710	7,810,368,300
8,358,386,710	7,960,368,300

As at 31 December 2021		As at 31 December 2020	
No. of shares	%	No. of shares	%
831,047,563	99.43	791,473,869	99.43
4,791,108	0.57	4,562,961	0.57
835,838,671	100.00	796,036,830	100.00

AB Bank Limited

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For the year ended 31 December 2021

16.4 Classification of shareholders by holding

Holding	No. of holders		% of total holding	
	31 Dec 2021	31 Dec 2020	31 Dec 2021	31 Dec 2020
Upto 500	27,087	28,708	43.27	48.16
501 to 5,000	25,777	22,734	41.18	38.14
5,001 to 10,000	4,358	3,626	6.96	6.08
10,001 to 20,000	2,585	2,214	4.13	3.71
20,001 to 30,000	929	742	1.48	1.24
30,001 to 40,000	466	379	0.74	0.64
40,001 to 50,000	341	230	0.54	0.39
50,001 to 100,000	557	472	0.89	0.79
100,001 to 1,000,000	439	443	0.70	0.74
Over 1,000,000	61	61	0.10	0.10
	62,600	59,609	100	100

16.5 Names of the Directors and their shareholding as at 31 December 2021

Name of the Director	Status	No. of Shareholding including nominating institution/individual	
		31 Dec 2021	31 Dec 2020
Mr. Muhammad A. (Rumee) Ali Nominated by Pacific Traders Limited	Chairman	83,454,592	79,480,564
Mr. Feroz Ahmed	Director	17,342,538	16,516,704
Mr. Shajir Ahmed Nominated by Hexagon Chemical Complex Ltd.	Director	22,894,393	21,804,184
Mr. Khairul Alam Choudhury Nominated by Pacific Industries Limited	Director	81,758,976	77,865,692
Mr. Md. Maqsoodul Huq Khan Nominated by Emkay Holdings Limited	Director	17,088,750	16,275,000
Mr. Shafiqul Alam	Independent Director	-	-
Mr. Tarique Afzal	President & Managing Director	-	-

16.6 Capital to Risk Weighted Assets Ratio (CRAR) - As per BASEL III

Consolidated - Capital Adequacy Ratio

In terms of section 13(2) of the Bank Company Act, 1991 (Amendment up to date) and Bangladesh Bank BRPD Circular no. 18 dated 21 December 2014, required capital of the Bank on Consolidated basis at the close of business on December 31, 2021 is Taka 41,672,410,106 as against available Total Tier-I Capital of Taka 24,724,128,199 and Total Tier-2 Capital available of Taka 13,335,171,234 that is, a total of Taka 38,059,299,433 thereby showing a deficit capital of Taka 3,613,110,674 at that date. Details are shown below:

Tier I Capital (Going-Concern Capital)

Common Equity Tier-I Capital

Fully Paid-up Capital/Capital Deposited with BB
Statutory Reserve
Non-repayable share premium account
General Reserve
Retained earnings
Minority interest in Subsidiaries
Non-Cumulative irredeemable Preference shares
Dividend Equalization Account

31.12.2021

Taka

8,358,386,710	7,960,368,300
7,484,909,773	7,144,204,404
-	-
3,021,270,601	2,384,878,054
5,906,433,556	6,705,777,925
12,125,635	11,935,655
-	-
-	-
24,783,126,275	24,207,164,338

31.12.2020

Taka

AB Bank Limited

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Regulatory adjustment:

Goodwill and all other Intangible Assets	
Shortfall in provisions required against Non Performing Loans (NPLs)	
Shortfall in provisions required against investment in shares	
Remaining deficit on account of revaluation of investments in securities after netting off from any other surplus on the securities	
Deferred Tax Assets (DTA)	
Defined benefit pension fund assets	
Gain on sale related to securitization transactions	
Investment in own CET-1 Instruments/Shares	
Reciprocal crossholdings in the CET-1 capital of Banking, Financial and Insurance Entities	
Any investment exceeding the approved limit under section 26(2) of Bank Company Act, 1991	
Investments in subsidiaries which are not consolidated- 50% of Investment	
Other if any	

Total Common Equity Tier-I Capital

Additional Tier-I Capital

Perpetual bond

Total Tier-1 Capital

Tier-2 Capital (Gone concern Capital)

General Provision/General loan-loss reserve	
All other preference shares	
Subordinated debt/Instruments issued by the banks that meet the qualifying criteria for Tier 2 capital (as per Annex 4 of Basel III Guidelines)	
Minority Interest	
HO borrowings in foreign currency received that meet the criteria of Tier 2 debt capital	
Revaluation Reserves as on 31 December, 2014 (50% of Fixed Assets and Securities & 10% of Equities)	
Other (if any item approved by Bangladesh Bank)	

Sub-Total

Regulatory Adjustments:

Revaluation Reserves for Fixed Assets, Securities & Equity Securities	
Investment in own T-2 Instruments/Shares	
Reciprocal crossholdings in the T-2 capital of Banking, Financial and Insurance Entities	
Any investment exceeding the approved limit under section 26(2) of Bank Company Act, 1991. (50% of Investment)	
Investments in subsidiaries which are not consolidated- 50% of Investment	
Other (if any)	

Total Tier-2 Capital Available

Maximum limit of Tier-2 Capital (Considering para 3.2 (v) including foot note no. 9 of RBCA Guidelines)	
Excess amount over maximum limit of Tier-2 Capital	

Total admissible Tier 2 Capital

Total Eligible Capital

31.12.2021 Taka	31.12.2020 Taka
196,904,870	125,974,104
-	-
-	-
-	-
4,197,545,038	3,359,092,484
-	-
-	-
-	-
64,588,169	38,225,677
-	-
9,960,000	9,960,000
-	-
4,468,998,077	3,533,252,265
20,314,128,199	20,673,912,073
4,410,000,000	-
24,724,128,199	20,673,912,073
8,088,386,926	12,623,546,062
-	-
5,260,000,000	7,990,000,000
-	-
-	-
-	-
-	-
-	-
13,348,386,926	20,613,546,062
-	-
-	-
-	-
-	-
9,960,000	9,960,000
-	-
13,338,426,926	20,603,586,062
13,335,171,251	18,377,040,442
3,255,676	-
13,335,171,251	18,377,040,442
38,059,299,449	39,050,952,515

AB Bank Limited

Notes to the Financial Statements

For the year ended 31 December 2021

	31.12.2021	31.12.2020
	Taka	Taka
Total assets including off-Balance Sheet items	455,680,535,752	447,761,348,022
Total risk-weighted assets (RWA)	333,379,281,265	344,617,096,606
B. Total required capital (12.50% of Total RWA)	41,672,410,158	43,077,137,076
Capital Surplus / (Shortfall) [A-B]	(3,613,110,709)	(4,026,184,561)
Capital to Risk Weighted Assets Ratio (CRAR)	11.42%	11.33%

Solo - Capital to Risk Weighted Assets Ratio (CRAR)

In terms of section 13(2) of the Bank Company Act, 1991 (Amendment up to date) and Bangladesh Bank BRPD Circular no. 18 dated 21 December 2014, required capital of the Bank on Solo basis at the close of business on 31 December 2021 is BDT 41,208,255,991 as against available Common Equity Tier-I capital of BDT 23,458,047,463 and Total Tier-2 Capital Available capital of BDT 11,937,141,911 that is, a total of BDT 35,395,189,374 thereby showing a deficit capital of BDT 5,813,066,617 at that date. Details are shown below:

Tier I Capital (going-concern capital)

Common Equity Tier-I Capital

Fully Paid-up Capital/Capital Deposited with BB	8,358,386,710	7,960,368,300
Statutory Reserve	7,484,909,773	7,144,204,404
Non-repayable share premium account	-	-
General Reserve	2,852,199,200	2,302,199,200
Retained earnings	4,811,589,856	5,686,625,747
Minority interest in Subsidiaries	-	-
Non-Cumulative irredeemable Preferences shares	-	-
Dividend Equalization Account	-	-
	23,507,085,539	23,093,397,651

Regulatory adjustment:

Goodwill and all other Intangible Assets	196,904,870	125,974,104
Shortfall in provisions required against Non Performing Loans (NPLs)	-	-
Shortfall in provisions required against investment in shares	-	-
Remaining deficit on account of revaluation of investments in securities after netting off from any other surplus on the securities	-	-
Deferred Tax Assets (DTA)	4,197,545,038	3,359,092,484
Defined benefit pension fund assets	-	-
Gain on sale related to securitization transactions	-	-
Investment in own CET-1 Instruments/Shares	-	-
Reciprocal crossholdings in the CET-1 capital of Banking, Financial and Insurance Entities	64,588,169	38,225,677
Any investment exceeding the approved limit under section 26(2) of Bank Company Act, 1991	-	-
Investments in subsidiaries which are not consolidated- 50% of Investment	-	-
Other if any	-	-
	4,459,038,077	3,523,292,265

Total Common Equity Tier-I Capital

Additional Tier-I Capital

Perpetual bond	4,410,000,000	-
Total Tier-1 Capital	23,458,047,463	19,570,105,386

Tier-2 Capital (Gone concern Capital)

General Provision/General loan-loss reserve	6,677,141,911	11,536,801,047
All other preference shares	-	-
Subordinated debt/Instruments issued by the banks that meet the qualifying criteria for Tier 2 capital (as per Annex 4 of Basel III Guidelines)	5,260,000,000	7,990,000,000
Non-controlling interest	-	-
HO borrowings in foreign currency received that meet the criteria of Tier 2 debt capital	-	-
Revaluation Reserves as on 31 December, 2014(50% of Fixed Assets and Securities & 10% of Equities)	-	-
Other (if any item approved by Bangladesh Bank)	-	-
Sub-Total	11,937,141,911	19,526,801,047

AB Bank Limited

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For the year ended 31 December 2021

	31.12.2021 Taka	31.12.2020 Taka
Regulatory adjustments:		
Revaluation Reserves for Fixed Assets, Securities & Equity Securities	-	-
Investment in own T-2 Instruments/Shares	-	-
Reciprocal crossholdings in the T-2 capital of Banking, Financial and Insurance Entities	-	-
Any investment exceeding the approved limit under section 26(2) of Bank Company Act, 1991. (50% of Investment)	-	-
Investments in subsidiaries which are not consolidated- 50% of Investment	-	-
Other (if any)	-	-
Total Tier-2 Capital Available	11,937,141,911	19,526,801,047
Maximum limit of Tier-2 Capital (Considering para 3.2 (v) including foot note no. 9 of RBCA Guidelines)	13,186,641,917	17,395,866,678
Excess amount over maximum limit of Tier 2 Capital	-	-
Total admissible Tier 2 Capital	11,937,141,911	17,395,866,678
Total Eligible Capital	35,395,189,374	36,965,972,064
Total assets including off-Balance Sheet items	452,639,482,307	444,953,096,983
Total risk-weighted assets (RWA)	329,666,047,926	341,056,687,284
B. Total required capital (12.50% of Total RWA)	41,208,255,991	42,632,085,911
Capital Surplus / (Shortfall) [A-B]	(5,813,066,617)	(5,666,113,847)
Capital to Risk Weighted Assets Ratio (CRAR)	10.74%	10.84%
17. Statutory reserve		
In Bangladesh		
Opening balance	6,820,167,867	6,547,756,164
Add: Addition during the year	319,194,220	272,411,703
	7,139,362,087	6,820,167,867
Outside Bangladesh - ABBL, Mumbai Branch		
Opening balance	324,036,537	324,296,165
Add: Addition during the year	22,184,858	9,338,685
Add/(Less): Adjustment for Foreign Exchange Rate Fluctuation	(673,710)	(9,598,312)
	345,547,686	324,036,537
	7,484,909,773	7,144,204,404
18. Other reserve		
General reserve (Note 18.1)	2,852,199,200	2,302,199,200
Assets revaluation reserve	758,171,036	1,294,532,425
Investment revaluation reserve	42,146,921	99,008,157
	3,652,517,157	3,695,739,782
18.1 General reserve	2,852,199,200	2,302,199,200
Opening balance	2,302,199,200	1,222,199,200
Addition during the year	550,000,000	1,080,000,000
	2,852,199,200	2,302,199,200
18.2 Assets revaluation reserve		
Opening balance	1,294,532,425	1,296,690,729
Add: Addition/(adjustment) during the year*	1,708,333,071	-
Less: Transferred to retained earnings	(2,244,694,460)	(2,158,304)
	758,171,036	1,294,532,425

During the year two properties of the Bank (Including Land and Building) were classified as assets held for sale under IFRS 5. Accordingly, those properties were revalued by independent valuer. Based on the valuations, revalued amount is accounted for and those properties were disposed off during the year.

AB Bank Limited

Notes to the Financial Statements

For the year ended 31 December 2021

		31.12.2021	31.12.2020
		Taka	Taka
18.3 Investment revaluation reserve (T.Bills & T.Bonds)			
<u>In Bangladesh</u>			
Revaluation Reserve for:			
Held to Maturity (HTM)	Note (18.3.1)	3,622,914	5,601,811
Held for Trading (HFT)	Note (18.3.2)	33,681,782	88,953,608
		37,304,696	94,555,419
<u>Outside Bangladesh</u>			
ABBL, Mumbai Branch		4,842,225	4,452,738
		42,146,921	99,008,157
18.3.1 Revaluation Reserve for Held to Maturity (HTM)			
Opening balance		5,601,811	38,000,145
Add: Addition during the year		1,032,895	1,281,174
		6,634,706	39,281,319
Less: Adjustment during the year		3,011,792	33,679,508
		3,622,914	5,601,811
18.3.2 Revaluation Reserve for Held for Trading (HFT)			
Opening balance		88,953,608	13,075,096
Add: Addition during the year		14,615,585	1,067,382,545
		103,569,193	1,080,457,641
Less: Adjustment during the year		69,887,411	991,504,033
		33,681,782	88,953,608
18(a) Consolidated Other reserve			
AB Bank Limited		3,652,517,157	3,695,739,782
AB International Finance Limited		76,147,136	85,209,560
AB Securities Limited		85,910,523	85,910,523
		3,814,574,816	3,866,859,865
19. Retained earnings			
Opening balance		5,686,625,747	5,817,160,874
Add: Post-tax profit for the period		641,384,540	391,416,392
Less: Transfer to statutory reserve		(341,379,078)	(281,750,388)
Bonus Share Issued		(398,018,410)	(379,065,150)
Start-up Fund		(6,413,845)	-
		5,582,198,953	5,547,761,728
Add: Transferred from Assets Revaluation Reserve		2,244,694,460	2,158,304
Add: Adjustment made during the year		486,412,206	147,709,892
Less: Transfer to Specific Provision as per Bangladesh Bank Instruction		(3,500,000,000)	-
Less: Foreign Exchange Translation loss		(1,715,763)	(11,004,177)
		4,811,589,856	5,686,625,747
19(a) Consolidated Retained earnings			
AB Bank Limited		4,811,589,856	5,686,625,747
AB Investment Limited		353,808,287	286,624,182
AB International Finance Limited		100,872,547	81,002,494
AB Securities Limited		162,703,269	156,316,938
Cashlink Bangladesh Limited (CBL)		(163,453,326)	(165,295,612)
		5,265,520,632	6,045,273,749
Add/(Less): Adjustment made during the year		624,712,061	644,113,334
Non-controlling Interest		16,200,863	16,390,843
		5,906,433,556	6,705,777,925

AB Bank Limited

Notes to the Financial Statements

For the year ended 31 December 2021

	31.12.2021 Taka	31.12.2020 Taka
19(b) Non-controlling interest		
AB Investment Limited	10,305	10,204
AB Securities Limited	460,662	455,012
Cashlink Bangladesh Limited	11,654,667	11,470,439
	12,125,636	11,935,655
20. Contingent liabilities	42,322,775,528	59,191,446,731
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	28,678,127	99,230,755
Others	14,189,377,493	12,738,061,119
	14,218,055,620	12,837,291,873
	2021 Taka	2020 Taka
21. Profit and loss account		
<u>Income:</u>		
Interest, discount and similar income	24,585,793,960	28,616,217,021
Dividend income	229,179,842	137,581,947
Fee, commission and brokerage	1,258,302,852	929,742,512
Gains less losses arising from investment securities	476,266,053	(55,232,043)
Gains less losses arising from dealing in foreign currencies	407,840,869	329,269,526
Other operating income	152,017,959	266,019,048
Gains less losses arising from dealing securities	556,094,533	2,057,356,633
	27,665,496,068	32,280,954,644
<u>Expenses:</u>		
Interest, fee and commission	15,821,971,753	20,134,646,639
Administrative expenses	4,059,545,132	3,730,865,808
Other operating expenses	1,145,481,825	1,435,273,997
Depreciation and amortization on banking assets	505,638,835	513,190,806
Loss on loans and advances	-	-
	21,532,637,545	25,813,977,249
	6,132,858,523	6,466,977,395
22. Interest income/profit on investments		
Interest on loans and advances:		
Loans and advances	20,262,012,128	24,035,731,283
Bills purchased and discounted	22,829,613	45,320,107
	20,284,841,741	24,081,051,390
Interest on:		
Calls and placements	90,035,449	160,283,848
Balance with foreign banks	1,090,327	6,343,029
Reverse Repo	421,601	9,547,178
Balance with Bangladesh Bank	7,725,307	34,227,893
	99,272,684	210,401,949
	20,384,114,425	24,291,453,339

AB Bank Limited

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For the year ended 31 December 2021

	2021 Taka	2020 Taka
22(a). Consolidated Interest income/profit on investments		
AB Bank Limited	20,384,114,425	24,291,453,339
AB International Finance Limited	57,530,226	44,383,765
AB Investment Limited	143,495,686	59,982,280
AB Securities Limited	25,414,390	35,743,715
Cashlink Bangladesh Limited (CBL)	3,073,970	4,031,392
	20,613,628,697	24,435,594,491
<u>Less: Intercompany transactions</u>	16,387,722	8,681,210
	20,597,240,974	24,426,913,281
23. Interest/profit paid on deposits, borrowings, etc.		
Interest on deposits:		
Fixed deposits	7,376,925,144	9,186,586,325
Savings deposits	1,070,435,629	1,083,050,201
Special notice deposits	1,501,648,798	2,423,408,692
Other deposits	4,348,332,724	4,775,278,315
	14,297,342,295	17,468,323,533
Interest on borrowings:		
Local banks, financial institutions including BB	806,360,076	1,965,685,706
Subordinated Bond	718,269,383	700,637,399
	15,821,971,753	20,134,646,639
23(a). Consolidated Interest/profit paid on deposits, borrowings, etc.		
AB Bank Limited	15,821,971,753	20,134,646,639
AB Investment Limited	-	-
AB International Finance Limited	12,889,132	6,323,019
AB Securities Limited	11,562,500	39,314,968
Cashlink Bangladesh Limited (CBL)	-	-
	15,846,423,385	20,180,284,626
<u>Less: Intercompany transactions</u>	16,387,722	8,681,210
	15,830,035,663	20,171,603,415
24. Investment income		
Capital gain on sale of shares	476,266,053	(55,232,043)
Interest on treasury bills	37,448,014	113,159,438
Dividend on shares	229,179,842	137,581,947
Interest on treasury bonds	3,888,729,383	3,826,008,638
Gain/(Loss) on treasury bills and treasury bonds	556,094,533	2,057,356,633
Interest on other bonds & others	275,502,138	385,595,606
	5,463,219,963	6,464,470,219
24(a). Consolidated Investment income		
AB Bank Limited	5,463,219,963	6,464,470,219
AB Investment Limited	214,124,354	63,705,087
AB International Finance Limited	-	-
AB Securities Limited	16,100,199	38,553,642
Cashlink Bangladesh Limited (CBL)	-	-
	5,693,444,517	6,566,728,948
<u>Less: Intercompany transactions*</u>	94,269,221	74,867,949
	5,599,175,296	6,491,860,999

(*) Inter-company transactions includes dividend income from AB International Finance Limited.

AB Bank Limited

Notes to the Financial Statements

For the year ended 31 December 2021

	2021 Taka	2020 Taka
25. Commission, exchange and brokerage		
Other fees, commission and service charges	740,329,428	545,014,241
Commission on letters of credit	426,042,108	301,177,301
Commission on letters of guarantee	91,931,316	83,550,969
Exchange gains less losses arising from dealings in foreign currencies	407,840,869	329,269,526
	1,666,143,721	1,259,012,038
25(a). Consolidated Commission, exchange and brokerage		
AB Bank Limited	1,666,143,721	1,259,012,038
AB Investment Limited	81,182,692	41,426,241
AB International Finance Limited	58,165,460	42,142,542
AB Securities Limited	145,391,462	99,649,888
Cashlink Bangladesh Limited (CBL)	-	-
	1,950,883,335	1,442,230,709
<u>Less: Intercompany transactions</u>	(1,045,092)	(2,136,438)
	1,949,838,243	1,440,094,270
26. Other income		
Locker rent, insurance claim and others	5,888,988	36,328,741
Recoveries on loans previously written off	56,589,943	172,931,675
Recoveries on telex, telephone, fax, etc.	26,914,440	29,673,586
Recoveries on courier, postage, stamp, etc.	5,798,973	5,566,912
Non-operating income (*)	56,825,615	21,518,134
	152,017,959	266,019,048
(*) Non-operating income includes sale of scrap items, Gain on sale of properties etc.		
26(a). Consolidated other income		
AB Bank Limited	152,017,959	266,019,048
AB Investment Limited	10,080,770	10,100,020
AB International Finance Limited	60,608,866	57,196,991
AB Securities Limited	4,282,497	2,889,848
Cashlink Bangladesh Limited (CBL)	-	-
	226,990,092	336,205,907
<u>Less: Inter company transactions</u>	9,116,520	9,116,520
	217,873,572	327,089,387
27. Salary and allowances		
Basic salary, provident fund contribution and all other allowances	2,870,451,265	2,555,271,066
Festival and incentive bonus	178,239,565	172,627,915
	3,048,690,830	2,727,898,981
27.1 Chief executive's salary and fees	16,341,129	12,890,968
27(a). Consolidated salary and allowances		
AB Bank Limited	3,048,690,830	2,727,898,981
AB Investment Limited	29,794,743	17,230,235
AB International Finance Limited	31,429,318	30,674,196
AB Securities Limited	38,169,340	31,165,104
Cashlink Bangladesh Limited (CBL)	149,480	277,234
	3,148,233,710	2,807,245,751

AB Bank Limited

Notes to the Financial Statements

For the year ended 31 December 2021

		2021 Taka	2020 Taka
28. Rent, taxes, insurance, electricity, etc.			
Rent, rates and taxes	(Note 28.1)	312,812,598	320,038,820
Electricity, gas, water, etc.		95,894,930	93,434,082
Insurance		203,913,051	189,548,150
		612,620,578	603,021,052
28.1 Rent, rates and taxes			
Right of Use (ROU) assets has been calculated for the period ended as on 31 December 2021 as per IFRS-16 leases considering monthly rental expenses excluding low value assets.			
28(a). Consolidated Rent, taxes, insurance, electricity, etc.			
AB Bank Limited		612,620,578	603,021,052
AB Investment Limited		2,516,810	2,181,018
AB International Finance Limited		8,559,824	9,431,493
AB Securities Limited		2,673,912	2,236,293
Cashlink Bangladesh Limited (CBL)		-	-
		626,371,124	616,869,856
Less: Inter company transactions		9,116,520	9,116,520
		617,254,604	607,753,336
29. Legal expenses			
Legal expenses		10,102,950	13,232,598
29(a). Consolidated legal expenses			
AB Bank Limited		10,102,950	13,232,598
AB Investment Limited		-	104,550
AB International Finance Limited		100,145	546,872
AB Securities Limited		-	-
Cashlink Bangladesh Limited (CBL)		720	-
		10,203,815	13,884,020
30. Postage, stamp, telecommunication, etc.			
Telex, fax, internet, wireless link, SWIFT, etc.		71,990,967	69,079,154
Telephone		6,164,623	5,585,305
Postage, stamp and shipping		13,676,160	12,538,863
		91,831,750	87,203,322
30(a). Consolidated Postage, stamp, telecommunication, etc.			
AB Bank Limited		91,831,750	87,203,322
AB Investment Limited		907,051	857,518
AB International Finance Limited		10,196,324	8,518,855
AB Securities Limited		1,747,989	1,598,469
Cashlink Bangladesh Limited (CBL)		-	-
		104,683,114	98,178,164
31. Stationery, printing, advertisements, etc.			
Printing and stationery		100,657,149	82,429,377
Publicity, advertisement, etc.		14,539,879	11,900,530
		115,197,027	94,329,907
31(a). Consolidated Stationery, printing, advertisements, etc.			
AB Bank Limited		115,197,027	94,329,907
AB Investment Limited		329,962	186,595
AB International Finance Limited		415,130	303,087
AB Securities Limited		1,104,919	841,633
Cashlink Bangladesh Limited (CBL)		-	-
		117,047,038	95,661,222

AB Bank Limited

Notes to the Financial Statements

For the year ended 31 December 2021

	2021 Taka	2020 Taka
32. Directors' fees		
Directors' fees	1,589,600	866,800
Meeting expenses	405,863	243,090
	1,995,463	1,109,890
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	1,995,463	1,109,890
AB Investment Limited	421,682	366,680
AB International Finance Limited	217,108	-
AB Securities Limited	531,666	476,668
Cashlink Bangladesh Limited (CBL)	172,500	46,000
	3,338,419	1,999,238
33. Auditors' fees		
Statutory	1,376,200	1,394,428
Others	2,429,881	944,122
	3,806,081	2,338,550
33(a). Consolidated Auditors' fees		
AB Bank Limited	3,806,081	2,338,550
AB Investment Limited	162,500	167,500
AB International Finance Limited	492,613	546,872
AB Securities Limited	168,625	174,625
Cashlink Bangladesh Limited (CBL)	28,750	28,750
	4,658,568	3,256,296
34. Depreciation and repairs of Bank's assets		
<u>Depreciation:</u>		
Electrical appliances	123,797,964	115,679,965
Furniture and fixtures	10,841,320	9,694,695
Office appliances	1,716,722	1,823,600
Building	15,170,838	15,615,159
Motor vehicles	40,360,137	74,689,848
	191,886,981	217,503,267
Depreciation of ROU (Right Of Use) assets	257,599,987	257,599,987
<u>Repairs:</u>		
Motor vehicles	13,716,880	25,542,124
Electrical appliances	59,142,483	58,202,864
Office premises and others	79,211,834	99,102,318
Furniture and fixtures	1,378,677	1,162,288
Office appliances	5,509,448	4,830,945
	158,959,323	188,840,540
	608,446,292	663,943,793
Amortization of Intangible Assets	56,151,866	38,087,552
	664,598,158	702,031,345
34(a). Consolidated Depreciation and repairs of Bank's assets		
AB Bank Limited	664,598,158	702,031,345
AB Investment Limited	18,310,431	18,937,439
AB International Finance Limited	449,894	498,034
AB Securities Limited	8,505,512	7,847,721
Cashlink Bangladesh Limited (CBL)	-	-
	691,863,995	729,314,539

AB Bank Limited

Notes to the Financial Statements

For the year ended 31 December 2021

	2021 Taka	2020 Taka
35. Other expenses		
Contractual service	401,356,212	491,530,952
Petrol, oil and lubricant	67,308,965	48,187,703
Software expenses	194,856,243	211,014,944
Entertainment	33,007,202	28,366,072
Travelling	13,312,386	9,601,923
Subscription, membership and sponsorship	15,803,399	40,063,417
Training, seminar and workshop	7,037,044	6,780,480
Local conveyance	13,496,217	8,337,014
Professional charges	75,352,572	65,423,479
Books, newspapers and periodicals	911,542	1,169,721
Finance charge under lease liability	46,777,916	67,427,783
Donation	78,091,098	172,734,854
Bank Charges	13,291,927	10,507,695
Sundry expenses (*)	184,879,103	274,127,959
	1,145,481,825	1,435,273,997
(*) Sundry expenses includes business promotion, rebate to foreign correspondents and dress of support staff etc.		
35(a). Consolidated other expenses		
AB Bank Limited	1,145,481,825	1,435,273,997
AB Investment Limited	20,230,256	35,399,586
AB International Finance Limited	725,817	437,568
AB Securities Limited	34,803,397	22,917,406
Cashlink Bangladesh Limited (CBL)	89,850	67,171
	1,201,331,145	1,494,095,729
Less: Inter company transactions	1,045,092	2,136,438
	1,200,286,054	1,491,959,291
36. Provision against loans and advances		
On un-classified loans	1,340,345,179	2,961,357,853
On classified loans	2,450,000,000	1,963,700,000
	3,790,345,179	4,925,057,853
36(a). Consolidated provision against loans and advances		
AB Bank Limited	3,790,345,179	4,925,057,853
AB Investment Limited	280,000,000	135,000,000
AB International Finance Limited	-	-
AB Securities Limited	44,500,000	40,000,000
Cashlink Bangladesh Limited (CBL)	-	-
	4,114,845,179	5,100,057,853
37. Provisions for investments		
Provision for quoted shares in Bangladesh operations	320,000,000	-
Provision for Pinnacle Global Fund Pte Limited	130,000,000	140,000,000
Provision for Amana Bank Plc	-	-
Provision for investment in treasury Bills by Mumbai Branch	398,805	-
Total provision for investments	450,398,805	140,000,000

AB Bank Limited

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For the year ended 31 December 2021

	2021 Taka	2020 Taka
37(a). Consolidated provisions for diminution in value of investments		
AB Bank Limited	450,398,805	140,000,000
AB Investment Limited	6,082,949	-
AB International Finance Limited	-	-
AB Securities Limited	-	-
Cashlink Bangladesh Limited (CBL)	-	-
	456,481,754	140,000,000
38. Other provision		
Provision for off balance sheet items	60,000,000	-
Provision for Other assets	25,815,033	15,172,949
Start-up Fund*	-	64,669,774
	85,815,033	79,842,723
* Start-up Fund has been maintained as per Bangladesh Bank SMESPD circular no. 04 and 05 dated 29 March 2021 and 26 April 2021 respectively. In prior year the fund was created based on operating profit but as per latest circular, base for the fund was changed to net profit during the year. Bank created the fund by debiting the Profit and Loss account in 2020 and retained earnings from 2021 respectively.		
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	85,815,033	79,842,723
AB Investment Limited	-	-
AB International Finance Limited	-	-
AB Securities Limited	-	-
Cashlink Bangladesh Limited (CBL)	-	-
	85,815,033	79,842,723
39. Appropriations		
Retained earnings - brought forward	5,686,625,747	5,817,160,875
Add: Post-tax profit for the year	641,384,540	391,416,392
	6,328,010,287	6,208,577,266
Less: Dividend-Bonus shares issued	398,018,410	379,065,150
	5,929,991,877	5,829,512,116
Transferred to		
Statutory reserve	341,379,078	281,750,388
Specific Provision	3,500,000,000	-
Start-up Fund	6,413,845	-
	3,847,792,924	281,750,388
Retained earnings	2,082,198,953	5,547,761,728
Add: Transferred from Assets Revaluation Reserve	2,244,694,460	2,158,304
Add/Less: Adjustment during the year	486,412,206	147,709,892
Add: Foreign Exchange translation gain/(Loss)	(1,715,763)	(11,004,177)
	4,811,589,856	5,686,625,747
40 Basic Earnings Per Share (EPS)		
Profit after taxation	641,384,540	391,416,392
Number of ordinary shares outstanding	835,838,671	835,838,671
Basic Earnings Per Share	0.77	0.47

Earnings per share (EPS) increased due to significant increase of commission, exchange and brokerage income, net interest income and decrease of provision against loans and advances during the year.

AB Bank Limited

Notes to the Financial Statements

For the year ended 31 December 2021

	2021 Taka	2020 Taka
40.(a) Consolidated Basic Earnings Per Share		
Net Profit/(Loss) attributable to the shareholders of parent company	716,608,115	394,080,618
Number of ordinary shares outstanding	835,838,671	835,838,671
Consolidated Basic Earnings Per Share	0.86	0.47
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 December 31, 2021.		
41. Receipts from other operating activities		
Interest on treasury bills, bonds, debenture and others	5,234,040,121	6,326,888,272
Exchange earnings	378,518,116	321,575,586
Recoveries on telex, telephone, fax, etc.	26,914,440	29,673,586
Recoveries on courier, postage, stamp, etc.	5,798,973	5,566,912
Non-operating income	56,825,615	21,518,134
Others	5,888,988	36,328,741
	5,707,986,253	6,741,551,232
42. Payments for other operating activities		
Rent, taxes, insurance, electricity, etc.	944,785,355	927,825,057
Postage, stamps, telecommunication, etc.	91,831,750	87,203,322
Repairs of Bank's assets	158,959,323	188,840,540
Legal expenses	10,102,950	13,232,598
Auditor's fees	3,806,081	2,338,550
Directors' fees	1,995,463	1,109,890
Other Expenses	1,098,703,910	1,330,080,871
	2,310,184,832	2,550,630,827
43. Increased/(Decrease) in other assets		
Investment in subsidiaries	6,229,114,922	6,229,114,922
Advance rent and advertisement	234,153,083	279,232,998
Stationery, stamps, printing materials, etc.	76,152,250	33,323,414
Security deposits	70,201,100	73,046,316
Commission and brokerage receivable on shares and debentures, and other income receivables	1,710,681,112	1,221,859,948
Accounts receivable	1,298,999,895	1,586,836,210
Preliminary, formation, organizational, renovation, development and prepaid expenses	597,885,133	757,841,435
Exchange for clearing	1,433,998,879	1,580,837,111
Arab Bangladesh Bank Foundation	19,920,000	19,920,000
	11,671,106,374	11,782,012,355
Net (Decrease)/ Increase	(110,905,981)	1,695,382,143
44. Increase/(decrease) in other liabilities		
Accumulated provision against loans and advances	27,300,595,344	20,224,381,003
Provision for current tax	1,537,622,211	1,649,440,346
Interest suspense account	13,171,406,144	16,114,355,797
Accounts payable - Bangladesh Bank	31,762,059	69,049,890
Provision against other assets	374,459,106	348,873,106
Accrued expenses	88,551,502	133,009,666
Provision against investments	1,854,724,984	1,689,603,000
Provision against off balance sheet items	330,000,000	270,000,000
Others	785,808,868	845,599,643
	45,474,930,218	41,344,312,451
Less: Adjustment for provision and others	32,124,714,975	24,968,962,509
	13,350,215,243	16,375,349,943
Net Increase/(Decrease)	(3,025,134,699)	(2,079,503,473)

AB Bank Limited

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	2021 Taka	2020 Taka
45. Net Operating Cash Flow Per Share (NOCFPS)		
Net Operating Cash Flow	3,007,507,958	(3,829,318,087)
Weighted average number of shares	835,838,671	835,838,671
Net Operating Cash Flow Per Share (NOCFPS)	3.60	(4.58)
Net Operating Cash Flow Per Share (NOCFPS) has been increased to Tk. 3.60 from Tk. (4.58) due to the increase of fees and commission income and short-term borrowing. Decrease of income tax paid and other operating activities also contributed to the improvement of NOCFPS.		
45(a) Consolidated Net Operating Cash Flow Per Share (NOCFPS)		
Net Operating Cash Flow	2,542,398,171	(3,671,899,568)
Weighted average number of shares	835,838,671	835,838,671
Net Operating Cash Flow Per Share (NOCFPS)	3.04	(4.39)
46 Net Asset Value Per Share (NAVPS)		
Net Asset Value	24,307,403,496	24,486,938,234
Number of shares outstanding at the end of the period	835,838,671	835,838,671
Net Asset Value Per Share (NAVPS)	29.08	29.30
Net Asset Value Per Share (NAVPS) has been decreased due to the transfer of retained earnings to specific loan provision as per Bangladesh Bank instruction.		
46(a) Consolidated Net Asset Value Per Share (NAVPS)		
Net Asset Value	25,564,304,856	25,677,210,495
Number of shares outstanding at the end of the period	835,838,671	835,838,671
Net Asset Value Per Share (NAVPS)	30.59	30.72
47. Reconciliation of Net Profit after Taxation & Operating Profit before changes in operating assets & liabilities		
Cash flows from operating activities		
Net Profit after Taxation	641,384,540	391,416,392
Provision for Tax	1,164,914,966	930,660,427
Provision for Loans, Investment and others	4,326,559,017	5,144,900,576
Increase in interest receivable	(7,401,614,138)	(10,541,821,749)
(Decrease)/Increase interest Payable on Deposits	(324,295,532)	(1,521,250,258)
Non cash items, Lease impact and others	220,251,974	293,579,928
Income tax paid	(1,814,495,333)	(2,329,156,442)
Effect of exchange rate changes on cash & cash equivalents	(29,322,754)	(7,693,939)
Operating Profit before changes in operating assets & liabilities	(3,216,617,260)	(7,639,365,065)

48. Conversion Rates

Assets and liabilities as at December 31, 2021 denominated in foreign currencies have been converted to local currency Bangladesh Taka (BDT) at the following exchange rates:

Currency	Abbreviation	Unit	Equivalent to BDT
British Pound Sterling	GBP	1.00	115.7270
European Currency	EURO	1.00	97.3830
Indian Rupee	INR	1.00	1.1506
US Dollar	USD	1.00	85.8000

AB Bank Limited**Notes to the Financial Statements**

For the year ended 31 December 2021

49. Highlights of the overall activities of the Bank**(Amount in Taka)**

Sl no.	Particulars	31 Dec 2021	31 Dec 2020
1	Paid-up capital	8,358,386,710	7,960,368,300
2	Total capital	35,395,189,374	36,965,972,064
3	Capital surplus/(shortfall)	(5,813,066,617)	(5,666,113,847)
4	Total assets	410,316,706,779	386,085,725,196
5	Total deposits	298,372,561,654	290,719,342,438
6	Total loans and advances	290,459,816,948	274,829,861,346
7	Total contingent liabilities and commitments	42,322,775,528	59,191,446,731
8	Credit-deposit ratio*	86.27%	85.26%
9	Ratio of classified loans against total loans and advances	14.15%	16.79%
10	Profit after tax and provision	641,384,540	391,416,392
11	Loans classified during the Year	1,783,520,791	678,221,000
12	Provision kept against classified loans	20,953,453,433	8,957,579,956
13	Provision surplus/ (deficit)	12,379,091	17,305,614
14	Cost of fund	6.76%	8.35%
15	Interest earning assets	327,505,726,943	303,599,690,328
16	Non-interest earning assets	82,810,979,836	82,486,034,868
17	Return on investments (ROI)	8.47%	10.34%
18	Return on assets (ROA)	0.16%	0.10%
19	Income from investments	5,463,219,963	6,464,470,219
20	Earnings per share	0.77	0.47
21	Net Income per share	0.77	0.47
22	Price-earnings ratio (Times)	17.59	22.21

* Credit-deposit ratio calculation has been done as per Bangladesh Bank guidelines.


Tarique Afzal

President & Managing Director


Khairul Alam Choudhury

Director


Shafiqul Alam

Independent Director


Muhammad A. (Rume) Ali

Chairman

AB Bank Limited
Currency wise Balances

Name of the bank	Location	Name of currency	As at 31 December 2021		
			Amounts in foreign currency	Conversion rate	Equivalent amounts in BDT
The Bank of Tokyo Mitsubishi Limited	Tokyo	JPY	3,393,375	0.7464	2,532,815
MFT,Yangon	Myanmar	ACU	1,000	85.8000	85,800
JP Morgan Chase Bank	Newyork	USD	17,876,504	85.8000	1,533,804,047
Sonali Bank (Kolkata)	India	ACU	48,586	85.8000	4,168,721
Myanmar Economic Bank	Myanmar	ACU	410	85.8000	35,178
Citibank, NA	Newyork	USD	3,035,012	85.8000	260,404,066
Hatton National Bank Limited	Colombo	ACU	44,030	85.8000	3,777,748
Commerz Bank AG	Germany	EUR	22,118	97.3830	2,153,873
NIB Bank Limited	Karachi	ACU	45,527	85.8000	3,906,193
Mashreq Bank Psc	Newyork	USD	35,465,807	85.8000	3,042,966,241
Nepal Bangladesh Bank Limited	Nepal	USD	32,910	85.8000	2,823,657
Habib America Bank	Newyork	USD	1,091,475	85.8000	93,648,589
Commerz Bank AG	Germany	USD	40,312	85.8000	3,458,743
Habib Metro Bank	Karachi	ACU	99,772	85.8000	8,560,438
Commerz Bank AG	Germany	CAD	14,016	67.0837	940,232
Commerz Bank AG	Germany	CHF	34,239	93.8012	3,211,627
JP Morgan Chase Bank	Newyork	USD	2,933,551	85.8000	251,698,693
Standard Chartered Bank, NY, USA	Newyork	USD	93,822	85.8000	8,049,967
Standard Chartered Bank, Singapore	Singapur	SGD	258	63.4428	16,381
Standard Chartered Bank, UK,GBP	London	GBP	24,106	115.7270	2,789,715
Reserve Bank of India	Mumbai	ACU	68,016,848	1.1506	78,259,965
Commerz Bank AG	Germany	EUR	14,151	97.3830	1,378,039
HDFC Bank CSGL	India	INR	4,274,020	1.1506	4,917,674
HDFC Bank Limited	India	INR	234,294,279	1.1506	269,578,238
Kotak Mahindra Bank	India	INR	14,350,224	1.1506	16,511,321
JP Morgan Chase	Newyork	USD	608,999	85.8000	52,252,133
Habib American	Newyork	USD	11,284	85.8000	968,126
JP Chase ACU	Newyork	USD	17,911,736	85.8000	1,536,826,908
Total					7,189,725,129

AB Bank Limited

Investment in Shares

As at 31 December 2021

Amount in Taka

Particulars	Number of shares	Market price per share	Total market price	Cost per Share	Total cost
Quoted ordinary share					
IFIC Bank Limited	1,217,950	16.90	20,583,355	17.34	21,122,333
National Bank Limited	5,602,825	7.50	42,021,188	13.51	75,675,365
First Janata Bank Mutual Fund	322,865	6.20	2,001,763	8.30	2,679,780
AB Bank 1st Mutual Fund	37,086,435	5.50	203,975,393	6.27	232,672,073
Green Delta Mutual Fund	3,255,663	7.40	24,091,906	8.18	26,622,003
LR Global Bangladesh Mutual Fund One	10,369,343	6.90	71,548,467	9.64	100,000,001
Popular Life First Mutual Fund	748,479	5.40	4,041,787	5.12	3,829,325
Trust Bank 1st Mutual Fund	1,920,904	5.70	10,949,153	6.45	12,385,876
Dhaka Electric Supply Company Limited	7,023,760	35.50	249,343,480	87.73	616,189,388
Khulna Power Company Limited	345,865	29.90	10,341,364	88.49	30,606,883
Padma Oil Company Limited	347,094	212.50	73,757,475	299.66	104,010,918
Powergrid Company of Bangladesh Limited	5,036,500	59.60	300,175,400	77.25	389,078,095
Active Fine Chemicals Limited	149,714	25.60	3,832,678	29.96	4,485,511
Beximco Pharmaceuticals Limited	894,147	192.70	172,302,127	193.39	172,917,392
Orion Pharma Limited	3,089,294	91.10	281,434,683	95.60	295,334,819
BBS Cables Limited	1,524,922	55.90	85,243,140	87.60	133,584,799
Bangladesh Building Systems Limited	116,054	18.30	2,123,788	25.08	2,910,878
BSRM Steels Limited	2,454,160	71.10	174,490,776	98.32	241,287,030
GPH Ispat Limited	616,566	53.00	32,677,998	64.20	39,586,288
IFAD Autos Limited	1,012,099	47.30	47,872,283	83.47	84,481,704
Mostafa Metal Industries Limited	26,960	10.70	288,472	10.00	269,600
Olympic Industries Limited	138,542	160.60	22,249,845	222.14	30,776,387
Heidelberg Cement Bangladesh Limited	66,720	272.40	18,174,528	555.88	37,088,160
Union Capital Limited	2,440,006	9.90	24,156,059	61.08	149,037,209
Krishibid Feed Limited	86,526	10.00	865,260	10.00	865,260
Master feed Agrotec Ltd.	26,649	9.60	255,830	10.00	266,490
Oryza Agro Industries Ltd.	13,622	10.40	141,669	10.00	136,220
Sonali Life Insurance Company Ltd.	9,308	63.20	588,266	10.00	93,080
SAIF Powertec Limited.	2,556,431	38.30	97,911,307	42.48	108,597,057
Argon Denims Limited	2,077,395	17.50	36,354,413	34.71	72,096,990
Ring Shine Textiles Limited	502	9.60	4,819	7.62	3,814
Shasha Denims Limited	1,935,378	24.50	47,416,761	38.52	74,546,499
Union Insurance Company Limited	4,643	10.00	46,430	10.00	46,430
Total			2,061,261,862		3,063,283,657

Quoted (Under special fund and investment policy as per DOS Circular no.01/2020)

Particulars	Number of shares	Market price per share	Total market price	Cost per Share	Total cost
Premier Bank Limited	1,144,739	14.90	17,056,611	14.56	16,669,832
Grameen One : Scheme 2	3,865,039	15.40	59,521,601	18.29	70,707,495
NLI First Mutual Fund	600,000	13.70	8,220,000	15.81	9,485,212
Beximco Pharmaceuticals Limited	1,380,004	192.70	265,926,771	216.90	299,325,379
Orion Pharma Limited	1,185,948	91.10	108,039,863	94.64	112,237,981
LankaBangla Finance Ltd.	443,055	37.30	16,525,952	40.70	18,033,222
Powergrid Company of Bangladesh Limited	820,891	59.60	48,925,104	63.49	52,115,583
SAIF Powertec Limited	575,468	38.30	22,040,424	41.37	23,809,077
BBS Cables Limited	1,028,048	55.90	57,467,883	59.08	60,740,708
GPH Ispat Limited	1,293,141	53.00	68,536,473	62.09	80,294,014
Beximco Green Sukuk Al Istisna'a	7,000,000	100.00	700,000,000	100.00	700,000,000
			1,372,260,681		1,443,418,503

Shares (unquoted)

Particulars	Number of shares	Cost per Share	Book Value/ Cost
CDBL	5,000,000	2.00	10,000,000
CDBL (Placement)	711,804	8.00	5,694,430
IIDFCL	2,667,923	6.16	16,421,700
Bangladesh Fund	2,000,000	100.00	200,000,000

Total un-quoted shares (b)

232,116,130

Strategic Investment:

Particulars	Number of shares	Cost price	Book Value
Amana Bank Limited PLC, Sri Lanka	187,784,490	616,735,915	351,613,930
Total Strategic Investment (c)	187,784,490	616,735,915	351,613,930
Total investment (a+b+c)			5,090,432,220

AB Bank Limited
Schedule of Fixed Assets
 As of 31 December 2021

Particulars	Land and Building	Furniture and Fixtures	Office Appliances	Electrical Appliances	Motor Vehicles	Intangible Assets	Right of Use Assets	Amount in Taka Total
Cost/ Revaluation								
Balance at 01 January 2021	2,962,553,953	252,394,773	65,411,270	1,933,469,203	838,058,314	783,812,339	1,329,421,828	8,165,121,679
Addition during the year	-	95,442,870	841,897	162,740,098	-	126,731,511	-	385,756,376
Less: Disposal/Adjustment during the year	691,382,608	884,295	432,400	8,708,519	514,326,044	-	-	1,215,733,866
Adjustment for USD/ INR Rate Fluctuation	-	6,381	10,304	47,515	7,094	2,209	-	73,503
At 31 December 2021	2,271,171,345	346,946,966	65,810,463	2,087,453,267	323,725,176	910,541,640	1,329,421,828	7,335,070,686
Accumulated Depreciation								
Balance at 01 January 2021	173,547,733	169,446,916	57,439,787	1,486,573,725	665,706,026	657,838,233	465,577,871	3,676,130,291
Addition during the year	15,170,838	10,841,321	1,716,722	123,797,963	40,360,137	56,151,866	257,599,988	505,638,836
Less: Disposal/Adjustment during the year	2,271,070	798,550	424,296	8,588,803	466,735,917	-	-	478,818,636
Adjustment for USD/ INR Rate Fluctuation	-	5,881	10,030	(307,655)	6,178	353,330	-	67,764
At 31 December 2021	186,447,501	179,483,806	58,722,183	1,602,090,540	239,324,068	713,636,770	723,177,858	3,702,882,726
Net Book Value								
At 31 December 2021	2,084,723,844	167,463,160	7,088,280	485,362,727	84,401,108	196,904,871	606,243,970	3,632,187,959

As of 31 December 2020

Particulars	Land and Building	Furniture and Fixtures	Office Appliances	Electrical Appliances	Motor Vehicles	Intangible Assets	Right of Use Assets	Total
Cost/ Revaluation								
Balance at 01 January 2020	2,968,097,272	250,083,132	64,178,283	1,901,779,739	781,076,228	758,525,505	1,329,421,828	8,053,161,986
Addition during the year	-	2,705,090	1,384,145	46,393,108	59,759,500	25,879,116	-	136,120,959
Less: Disposal/Adjustment during the year	5,543,319	300,000	-	14,004,721	2,574,000	-	-	22,422,040
Adjustment for USD/ INR Rate Fluctuation	-	93,449	151,158	698,923	203,414	592,282	-	1,739,226
At 31 December 2020	2,962,553,953	252,394,773	65,411,271	1,933,469,202	838,058,314	783,812,337	1,329,421,828	8,165,121,677
Accumulated Depreciation								
Balance at 01 January 2020	158,812,694	160,111,385	55,757,837	1,385,607,361	593,728,559	619,956,024	207,977,884	3,181,951,744
Addition during the year	15,615,159	9,694,696	1,823,601	115,689,964	74,689,848	38,077,552	257,599,987	513,190,807
Less: Disposal/Adjustment during the year	880,121	278,330	-	13,822,273	2,573,998	-	-	17,554,722
Adjustment for USD/ INR Rate Fluctuation	-	80,835	141,651	901,327	138,383	195,342	-	1,457,538
At 31 December 2020	173,547,733	169,446,916	57,439,787	1,486,573,725	665,706,026	657,838,233	465,577,871	3,676,130,287
Net Book Value								
At 31 December 2020	2,789,006,220	82,947,857	7,971,484	446,895,477	172,352,288	125,974,104	863,843,957	4,488,991,390

AB Bank Limited
Detailed of Risk Weighted Assets under Basel III
As at 31 December 2021

Annexure-D

Amount in Taka

Risk Weighted Assets (RWA) for	31.12.2021		31.12.2020	
	Exposure	Risk Weighted Asset	Exposure	Risk Weighted Asset
A. Credit Risk				
On- Balance sheet (as shown below)	364,550,391,211	285,780,334,686	354,874,524,692	302,078,775,686
Off-Balance sheet (as shown below)	17,565,290,543	12,305,030,565	14,947,910,227	13,486,261,747
B. Market Risk	-	11,071,010,409	-	7,268,033,562
C. Operational Risk	-	20,509,672,267	-	18,223,616,289
Total RWA (A+B+C)	382,115,681,754	329,666,047,926	369,822,434,920	341,056,687,284

Credit Risk - On Balance Sheet

Sl.	Exposure Type	31.12.2021		31.12.2020	
		Exposure	Risk Weighted Asset	Exposure	Risk Weighted Asset
a)	Cash and Cash Equivalents	1,291,715,032	-	1,011,279,186	-
b)	Claims on Bangladesh Government and Bangladesh Bank	59,701,136,104	-	56,620,510,177	-
c)	Claims on other Sovereigns & Central Banks*	530,883,782	265,441,891	466,011,300	233,005,650
d)	Claims on Bank for International Settlements, International Monetary Fund and European Central Bank	-	-	-	-
e)	Claims on Multilateral Development Banks (MDBs)	-	-	-	-
f)	Claims on Public Sector Entities (other than Government) in Bangladesh	-	-	-	-
g)	Claims on Banks and Non-bank Financial Institution (NBFI)				
	i) Original maturity over 3 months	289,248,649	78,270,949	433,183,756	116,785,116
	ii) Maturity less than 3 months	12,952,223,339	2,590,444,668	7,449,963,040	1,489,992,608
h)	Claims on Corporate (excluding equity exposure)	188,314,821,995	190,703,375,211	163,943,625,193	165,496,078,730
i)	Claims on SME	24,736,655,913	20,355,818,791	24,946,589,167	21,657,669,903
j)	Claims under Credit Risk Mitigation	9,145,269,940	4,016,384,204	8,186,664,702	3,574,453,006
Fixed Risk Weight Groups:					
k)	Claims categorized as retail portfolio (excluding consumer loan)	748,497,036	561,372,777	706,795,517	530,096,638
l)	Consumer Loan	1,917,249,737	1,917,249,737	834,387,519	834,387,519
m)	Claims fully secured by residential property	544,492,671	272,246,335	659,603,576	329,801,788
n)	Claims fully secured by commercial real estate	10,259,091,499	10,259,091,499	6,486,980,000	6,486,980,000
o)	Past Due Claims (Risk weights are to be assigned net of specific provision)	27,646,631,144	30,084,808,194	53,778,531,689	77,093,210,863
p)	Claims fully secured against residential property that are past due for more than 90 days and/or impaired specific provision held there-against is less than 20% of outstanding amount	54,500,000	54,500,000	54,847,992	54,847,992

AB Bank Limited
Detailed of Risk Weighted Assets under Basel III
As at 31 December 2021
Amount in Taka

Sl.	Exposure Type	31.12.2021		31.12.2020	
		Exposure	Risk Weighted Asset	Exposure	Risk Weighted Asset
q)	Investments in venture capital	469,821,302	469,821,302	474,821,302	474,821,302
r)	Claim on Capital Market Exposure	1,265,627,948	1,582,034,935	1,216,107,955	1,520,134,943
s)	Unlisted equity investments and regulatory capital instruments issued by other banks (other than those deducted from capital) held in banking book	10,911,329,750	13,639,162,188	10,011,329,750	12,514,162,188
t)	Investments in premises, plant and equipment and all other fixed assets	2,926,711,270	2,926,711,270	3,674,641,701	3,674,641,701
u)	Claims on all fixed assets under operating lease	-	-	-	-
v)	All other assets	10,844,484,100	6,003,600,737	13,918,651,169	5,997,705,738
Total		364,550,391,211	285,780,334,686	354,874,524,692	302,078,775,686

Credit Risk - Off Balance Sheet

Sl.	Exposure Type	31.12.2021		31.12.2020	
		Exposure	Risk Weighted Asset	Exposure	Risk Weighted Asset
1	2	3	4	5	6
a)	Claims on Bangladesh Government and Bangladesh Bank	-	-	-	-
b)	Claims on other Sovereigns & Central Banks	-	-	-	-
c)	Claims on Bank for International Settlements, International Monetary Fund and European Central Bank	-	-	-	-
d)	Claims on Multilateral Development Banks (MDBs):	-	-	-	-
e)	Claims on Public Sector Entities (other than Government) in Bangladesh	-	-	-	-
f)	Claims on Banks:	-	-	-	-
	i) Maturity over 3 months	-	-	-	-
	ii) Maturity less than 3 months	28,678,127	5,735,625	49,615,377	9,923,075
g)	Claims on Corporate (excluding equity exposure)	13,628,238,244	9,267,878,732	11,679,169,693	10,788,265,650
h)	Against retail portfolio (excluding consumer loan)	124,588,433	93,441,325	160,218,132	120,163,599
hi)	Claims on SME	3,783,785,738	2,937,974,882	3,058,907,024	2,567,909,423
i)	Consumer Loan	-	-	-	-
j)	Claims fully secured by residential property	-	-	-	-
k)	Claims fully secured by commercial real estate	-	-	-	-
l)	Investments in venture capital	-	-	-	-
m)	All other assets	-	-	-	-
Total		17,565,290,543	12,305,030,565	14,947,910,227	13,486,261,747

These disclosures have been made in accordance with the Bangladesh Bank BRPD Circular no. 18 dated 21 December 2014 as to guidelines on 'Risk Based Capital Adequacy for Banks' in line with Basel III.

1. Capital adequacy under Basel-III

To cope with the international best practices and to make the Bank's capital more risk sensitive as well as more shock resilient, 'Guidelines on Risk Based Capital Adequacy (RBCA) for Banks' (revised regulatory capital framework in line with Basel III) have been introduced from 01 January 2015. The guidelines were issued by Bangladesh Bank (BB) under section 13 and section 45 of the Bank Company Act, 1991 (amendment up to date).

Basel III guidelines are structured on the following aspects:

- a) Minimum capital requirements to be maintained by a Bank against credit, market, and operational risks.
- b) Process for assessing the overall capital adequacy aligned with risk profile of a Bank as well as capital growth plan.
- c) Framework of public disclosure on the position of a Bank's risk profiles, capital adequacy, and risk management system.

2. Scope of application

Basel III guidelines apply to all scheduled banks on 'Solo' basis as well as on 'Consolidated' basis where-

- Solo Basis refers to all position of the Bank and its local and overseas branches/offices; and
- Consolidated basis refers to all position of the bank (including its local and overseas branches/offices) and its subsidiary company(ies) engaged in financial (excluding insurance) activities like Merchant banks, Brokerage Firms, Discount Houses, etc. (if any).

AB Bank followed the scope narrated above. Bank has Tier 1 capital (going concern) and Tier 2 capital (gone concern) structure at the moment.

3. Capital base

Regulatory capital has been categorised into following way:

1) Tier 1 capital (going concern capital)

- a) Common equity Tier I
- b) Additional Tier I

2) Tier 2 capital (gone concern)**1. (a) Common Equity Tier 1 Capital**

For the local Banks, Common Equity Tier 1 (CET1) capital shall consist of sum of the following items:

- a) Paid up capital
- b) Non repayable share premium account
- c) Statutory reserve
- d) General reserve
- e) Retained earnings
- f) Dividend equalization reserve
- g) Noncontrolling interest in subsidiaries

Less: Regulatory adjustments applicable on CET1

1. (b) Additional Tier 1 Capital

For the local Banks, Additional Tier 1 (AT1) capital shall consist of the following items:

- a) Instruments issued by the banks that meet the qualifying criteria for AT1
- b) Noncontrolling Interest i.e. AT1 issued by consolidated subsidiaries to third parties (for consolidated reporting only);

Less: Regulatory adjustments applicable on AT1 Capital

2. Tier 2 Capital

Tier 2 capital, also called 'gone-concern capital', represents other elements which fall short of some of the characteristics of the core capital but contribute to the overall strength of a bank. For the local banks, Tier 2 capital shall consist of the following items:

- a) General provisions
- b) Subordinated debt / Instruments issued by the Banks that meet the qualifying criteria for Tier 2 capital;
- c) Noncontrolling Interest i.e. Tier 2 capital issued by consolidated subsidiaries to third parties as specified

Less: Regulatory adjustments applicable on Tier 2 capital;

4. Limits (Minima and Maxima)

These instructions will be adopted in a phased manner starting from the January 2015, with full implementation of capital ratios from the beginning of 2019. Banks will be required to maintain the following ratios on an ongoing basis:

- a) Common equity Tier 1 of at least 4.5% of the total RWA.
- b) Tier 1 capital will be at least 6.0% of the total RWA.
- c) Minimum CRAR of 10% of the total RWA.
- d) Additional Tier 1 capital can be admitted maximum up to 1.5% of the total RWA or 33.33% of CET1, whichever is higher (For the purpose of calculating Tier 1 capital and CRAR, the excess Additional Tier 1 capital and Tier-2 capital can only be recognized if the bank has CET1 ratio in excess of the minimum requirement of 7.0% (i.e. 4.5% plus capital conservation buffer of 2.5%). Further, any excess Additional Tier 1 and Tier 2 capital will be recognized in the same proportion as stipulated above i.e. the recognition of excess Additional Tier 1 (above 1.5%) is limited to the extent of 33.3% (1.5/4.5) of the CET1 in excess of 7.0% requirement. Similarly, the excess Tier 2 capital (above 4.0%) shall be recognized to the extent of 88.89% (4.0/4.5) of the CET1 in excess of 7.0% requirement.)
- e) Tier 2 capital can be admitted maximum up to 4.0% of the total RWA or 88.89% of CET1, whichever is higher
- f) In addition to minimum CRAR, Capital Conservation Buffer (CCB) of 2.5% of the total RWA is being introduced which will be maintained in the form of CET1.

Following is the phase-in arrangement for the implementation of minimum capital requirements

Phase-in arrangement of minimum capital requirements

Particulars	2015	2016	2017	2018	2019
Minimum Common Equity Tier-1 Capital Ratio	4.50%	4.50%	4.50%	4.50%	4.50%
Capital Conservation Buffer	-	0.625%	1.25%	1.875%	2.50%
Minimum CET-1 plus Capital Conservation Buffer	4.50%	5.13%	5.75%	6.38%	7.00%
Minimum T-1 Capital Ratio	5.50%	5.50%	6.00%	6.00%	6.00%
Minimum Total Capital Ratio	10.00%	10.00%	10.00%	10.00%	10.00%
Minimum Total Capital plus Capital Conservation Buffer	10.00%	10.625%	11.25%	11.875%	12.50%

5. Capital conservation buffer

Banks are required to maintain a capital conservation buffer of 2.5%, comprised of Common Equity Tier 1 capital, above the regulatory minimum capital requirement of 10%. Banks should not distribute capital (i.e. pay dividends or bonuses in any form) in case capital level falls within this range. However, they will be able to conduct business as normal when their capital levels fall into the conservation range as they experience losses.

Therefore, the constraints imposed are related to the distributions only and are not related to the operations of banks. The distribution constraints imposed on Banks when their capital levels fall into the range increase as the Banks' capital levels approach the minimum requirements. The table below shows the minimum capital conservation ratios a Bank must meet at various levels of the Common Equity Tier 1 capital ratios.

Bank's minimum capital conservation standards

CET-1 ratio	Minimum capital conservation ratio (expressed as percentage of earnings)
4.5% - 5.125%	100%
>5.125% - 5.75%	80%
>5.75% - 6.375%	60%
>6.375% - 7.0%	40%
>7.0%	0%

6 Regulatory adjustments / deductions

In order to arrive at the eligible regulatory capital for the purpose of calculating CRAR, Banks are required to make the following deductions from CET1/capital:

- Shortfall in provisions against NPLs and investments
- Goodwill and all other intangible assets
- Deferred tax assets (DTA)
- Defined benefit pension fund assets
- Gain on sale related to securitisation transactions
- Investment in own shares
- Investments in the capital of Banking, Financial and Insurance entities
(Reciprocal crossholdings in the Capital of Banking, Financial and Insurance entities)

Transitional arrangements for capital deductions

Currently, 10% of revaluation reserves for equity instruments and 50% of revaluation reserves for fixed assets and securities are eligible for Tier 2 capital. However, Bangladesh Bank, in the light of Basel III proposals, has harmonised deductions from capital which will mostly be applied at the level of Tier 2. The regulatory capital adjustment will start in a phased manner from January 2015 in the following manner:

Transitional Arrangements for Capital Deductions:

Phase-in of deductions from Tier 2	2015	2016	2017	2018	2019
RR for Fixed Assets	20%	40%	60%	80%	100%
RR for Securities	20%	40%	60%	80%	100%
RR for Equity Securities	20%	40%	60%	80%	100%

Bank complied with the conditions as embodied in this respect wherever applicable.

7. Leverage Ratio

A minimum Tier 1 leverage ratio of 3% is being prescribed both at solo and consolidated level

The banks will maintain leverage ratio on quarterly basis. The calculation at the end of each calendar quarter will be submitted to BB showing the average of the month end leverage ratios based on the following definition of capital and total exposure.

$$\text{Leverage Ratio} = \frac{\text{Tier 1 Capital (after related deductions)}}{\text{Total Exposure (after related deductions)}}$$

Transitional arrangements

The parallel run period for leverage ratio will commence from January, 2015 and run until December 31, 2016. During this period, the leverage ratio and its components will be tracked to assess whether the design and calibration of the minimum Tier 1 leverage ratio of 3% is appropriate over a credit cycle and for different types of business models, including its behavior relative to the risk based requirements.

Bank level disclosure of the leverage ratio and its components will start from 01 January 2015. However, Banks should report their Tier 1 leverage ratio to the BB (Department of Off-Site Supervision) along with CRAR report from the quarter ending March, 2015. Based on the results of the parallel run period, any final adjustments to the definition and calibration of the leverage ratio will be made by BB in 2017, with a view to setting the leverage ratio requirements as a separate capital standard from 01 January 2018.

Bank complied with the conditions as embodied in this respect wherever applicable.

8. a) Credit Risk

Credit risk is the potential that a bank borrower or counterparty fails to meet its obligation in accordance with agreed term.

Bank followed the suggested methodology, process as contained in the guidelines.

b) Methodology

Bangladesh Bank adopted Standardised approach for calculating Risk Weighted Assets. The capital requirement for credit risk is based on the risk assessment made by external credit assessment institutions (ECAIs) recognized by BB for capital adequacy purposes. Banks are required to assign a risk weight to all their on balance sheet and off balance sheet exposures. Risk weights are based on external credit rating (solicited) which was mapped with the BB rating grade or a fixed weight that is specified by Bangladesh Bank.

c) Credit risk mitigation

AB Bank uses a number of techniques to reduce its credit risk to which the Bank is exposed. For example, exposures may be collateralised by first priority claims, in whole as in part with cash or securities, a loan exposure may be guaranteed by a third party. Additionally, Bank may agree to net loans owed to them against deposits from the same counterparty.

Bank uses comprehensive approach as adopted by the Central Bank. In this approach when taking collateral, Bank will need to calculate adjusted exposure to a counterparty for capital adequacy purposes in order to take account of the effects of that collateral. Using haircut, Bank is required to adjust both the amount of the exposure to the counterparty and the value of any collateral received in support of that counterparty to take account of possible future fluctuations in the value of either, occasioned by market movements. This will produce volatility adjusted amounts for both exposure and collateral.

9. a) Market Risk

Market risk is defined as the risk of losses in on and off-balance sheet positions arising from movements in market prices. The market risk positions subject to this requirement are:

- i) The risks pertaining to interest rate related instruments and equities in the trading book; and
- ii) Foreign exchange risk and commodities risk throughout the Bank (both in the Banking and in the trading book).

b) Methodology

In Standardized Approach, the capital requirement for various market risks (interest rate risk, equity price risk, commodity price risk, and foreign exchange risk) is determined separately. The total capital requirement in respect of market risk is the sum of capital requirement calculated for each of these market risk sub-categories. The methodology to calculate capital requirement under Standardized Approach for each of these market risk categories is as follows:

- a) Capital Charge for Interest Rate Risk = Capital Charge for Specific Risk + Capital Charge for General Market Risk.
- b) Capital Charge for Equity Position Risk = Capital Charge for Specific Risk + Capital Charge for General Market Risk.
- c) Capital Charge for Foreign Exchange Risk = Capital Charge for General Market Risk
- d) Capital Charge for Commodity Position Risk = Capital Charge for General Market Risk

Bank followed the suggested methodology, process as contained in the Guidelines.

10. a) Operational risk

Operational risk is defined as the risk of losses resulting from inadequate or failed internal processes, people and systems or from external events. This definition includes legal risk, but excludes strategic and reputation risk.

b) Measurement methodology

Banks operating in Bangladesh shall compute the capital requirements for operational risk under the Basic Indicator Approach (BIA). Under BIA, the capital charge for operational risk is a fixed percentage, denoted by (alpha), of average positive annual gross income of the bank over the past three years. Figures for any year in which annual gross income is negative or zero, should be excluded from both the numerator and denominator when calculating the average.

Bank followed the suggested methodology, process as contained in the guidelines.

11. Disclosure under Pillar III

Disclosure given below as specified by RBCA guidelines dated 21 December 2014:

A) Scope of application

Qualitative disclosure

(a)	The name of the top corporate entity in the group to which this guidelines applies.	AB Bank Limited
(b)	An outline of differences in the basis of consolidation for accounting and regulatory purposes, with a brief description of the entities within the group (a) that are fully consolidated; (b) that are given a deduction treatment; and (c) that are neither consolidated nor deducted (e.g. where the investment is risk-weighted).	<p>The consolidated financial statements of the Bank include the financial statements of (a) AB Bank Limited (b) AB Investment Limited (c) AB Securities Limited (d) Cash Link Bangladesh Limited and (e) AB International Finance Limited. A brief description of these are given below:</p> <p>AB Bank Limited (ABBL) AB Bank Limited is one of the first generation private commercial banks (PCBs), incorporated in Bangladesh on 31 December 1981 as a public limited company under the Companies Act 1913, subsequently replaced by the Companies Act 1994, and governed by the Bank Company Act 1991 (amendment up to date) . The Bank went for public issue of its shares on 28 December 1983 and its shares are listed with Dhaka Stock Exchange and Chittagong Stock Exchange respectively. AB Bank Limited has 105 Branches including 1 Islami Banking Branch, 1 Overseas Branch in Mumbai, India. The Bank has five (05) subsidiary companies, AB Investment Limited (ABIL), AB Securities Limited (ABSL), CashLink Bangladesh Limited (CBL), AB International Finance Limited (ABIFL), incorporated in Hong Kong, and Arab Bangladesh Bank Foundation (ABBF).</p>

AB Bank Limited**Disclosures on Risk Based Capital (Basel III)**

Based on 31 December 2021

		AB Investment Limited AB Investment Limited (ABIL), a Subsidiary of AB Bank Limited was incorporated under the Companies Act, 1994 on 24 December 2009 with a view to run and manage the operations of Merchant Banking Wing of AB Bank Limited independently. AB Investment Limited started its operation on 10 March 2010. AB Investment Limited has achieved an unparalleled reputation as a leading Merchant Banker through providing portfolio management services by maintaining a high level of professional expertise and integrity in client relationship. ABIL's Registered Office is located at WW Tower (Level 7), 68 Motijheel C.A., Dhaka. ABIL has two branch offices at Agrabad, Chittagong and Chowhatta, Sylhet.
		AB Securities Limited Brokerage business of Arab Bangladesh Bank Foundation has been transferred to the newly formed AB Securities Limited (ABSL) vide Bangladesh Bank approval letter BRPD(R-1)717/2009-493 dated 08 November 2009. Main objective of the company is to act as a stock broker to buy and sell Securities, Bond, Debenture, etc. on behalf of clients. ABSL also manages its own portfolio under Stock Dealer License. ABSL is a member of both Dhaka Stock Exchange Ltd. and Chittagong Stock Exchange Ltd. ABSL started its operation independently on 02 August 2010, before that it was operated under the ABBF License.
		Cashlink Bangladesh Limited Cashlink Bangladesh Limited (CBL) was incorporated on 24 September 2008 in Bangladesh under the Companies Act 1994 as a private company limited. AB Bank Limited presently holds 90% shares in CBL. The principal activity of the company is to install and operate a switched Automated Teller Machines (ATM) and Point of Sales (POS) network on behalf of a number of local and foreign banks.
		AB International Finance Limited AB International Finance Limited (ABIFL) is a company incorporated and domiciled in Hong Kong and has its registered office and principal place of business at Room 1608, 16th Floor, Tower 1, Silvercord, 30 Canton Road, Tsim Sha Tsui, Hong Kong.

AB Bank Limited**Disclosures on Risk Based Capital (Basel III)**

Based on 31 December 2021

		Arab Bangladesh Bank Foundation Bank also has a Subsidiary (99.60% owned by AB Bank) for philanthropic/ CSR activities known as Arab Bangladesh Bank Foundation (ABBF). This has not been included in the consolidation as ABBF operated only for philanthropic purpose and its profit is not distributable to the shareholders. Thus, for ensuring the fair presentation of the financial statements of the parent company (the Bank), the Financial Statements of ABBF has not been consolidated.
(c)	Any restrictions, or other major impediments, on transfer of funds or regulatory capital within the group	Not Applicable
(d)	The aggregate amount of surplus capital of insurance subsidiaries (whether deducted or subjected to an alternative method) included in the capital of the consolidated group.	Aggregate amount of Capital: BDT. 20,000,000 Name of subsidiary: Arab Bangladesh Bank Foundation (ABBF)

B) Capital structure

Qualitative disclosure

(a)	Summary information on the terms and conditions of the main features of all capital instruments, especially in the case of capital instruments eligible for inclusion in CET 1, Additional Tier 1 or Tier 2.	<p>The terms and conditions of the main features of all capital instruments have been segregated in line with of the eligibility criteria set forth vide BRPD circular no. 18 dated 21 December 2014 and other relevant instructions given by Bangladesh Bank from time to time. The main features of the capital instruments are as follows:</p> <p>Common Equity Tier 1 capital instruments</p> <p>Paid-up share capital: Issued, subscribed and fully paid up share capital of the Bank. It represents Paid up Capital, Right Shares as well as Bonus Shares issued from time to time.</p> <p>Statutory reserve: As per Section 24(1) of the Bank Company Act, 1991 (amendment up to date), an amount equivalent to 20% of the profit before taxes for each year of the Bank has been transferred to the Statutory Reserve Fund.</p> <p>General reserve: General Reserve created for fulfilling any purpose of the Bank.</p> <p>Retained earnings: Amount of profit retained with the banking company after meeting up all expenses, provisions and appropriations.</p> <p>In this respect, Bank is complied.</p>
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		Additional Tier 1 Capital Bank has no any type of Additional Tier I Capital. Tier 2 Capital a) General provisions b) Subordinated debt / instruments issued by the banks that meet the qualifying criteria for Tier 2 capital c) Noncontrolling interest i.e. Tier 2 issued by consolidated subsidiaries to third parties as specified Less: Regulatory adjustments applicable on Tier 2 capital
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		BDT in Crore			
		31.12.2021		31.12.2020	
		Solo	Conso	Solo	Conso
(b) The amount of Regulatory capital, with separate disclosure of: CET 1 Capital	> Paid up Capital	836	836	796	796
	> Non-Repayable Share premium A/C	-	-	-	-
	> Statutory reserve	748	748	714	714
	> General reserve	285	302	230	238
	> Retained earnings	481	591	569	671
	> Non- Controlling Interest	-	1	-	1
	> Non- cumulative irredeemable preference shares	-	-	-	-
	> Dividend equalization account	-	-	-	-
		2,351	2,478	2,309	2,421
Additional Tier 1 Capital		441	441	-	-
Total Tier 1 Capital		2,792	2,919	2,309	2,421
Tier 2 Capital		1,194	1,334	1,740	1,838
(c) Regulatory Adjustments/Deductions from capital		446	447	352	353
(d) Total eligible capital		3,540	3,806	3,697	3,905

C) Capital adequacy
Qualitative Disclosure

(a)	A summary discussion of the Bank's approach to assessing the adequacy of its capital to support current and future activities.	Capital adequacy is the cushion required to be maintained for covering the Credit Risk, Market Risk and Operational Risk so as to protect the depositors and general creditors interest against such losses. In line with BRPD circular no. 18 dated 21 December, 2014, the Bank has adopted standardised approach for credit risk, standardised (rule based) Approach for Market Risk and Basic Indicator Approach for Operational Risk for computing capital adequacy.
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AB Bank Limited
Disclosures on Risk Based Capital (Basel III)

Based on 31 December 2021

	BDT in Crore			
	31.12.2021		31.12.2020	
	Solo	Conso	Solo	Conso
(b) Capital requirement for Credit Risk:	2,980.85	3,004.35	3,155.65	3,175.12
(c) Capital requirement for Market Risk:	110.71	118.20	72.68	83.60
(d) Capital requirement for Operational Risk:	205.10	211.24	182.24	187.45
(e) Total capital, CET 1 capital, Total Tier 1 capital and Tier 2 capital ratio:				
Total minimum capital requirement @10%	3,296.66	3,333.79	3,410.57	3,446.17
Total capital maintained	3,539.52	3,805.93	3,696.60	3,905.10
Minimum Tier 1 capital requirement	6.00%	6.00%	6.00%	6.00%
Common Equity Tier-I capital maintained	5.78%	6.09%	5.74%	6.00%
Additional Tier-I capital maintained	1.34%	1.32%	-	-
Tier 2 capital ratio maintained	3.62%	4.00%	5.10%	5.33%
Min. total capital plus capital conservation buffer requirement	12.50%	12.50%	12.50%	12.50%
Min. total capital plus capital conservation buffer maintained	10.74%	11.42%	10.84%	11.33%
(f) Capital Conservation Buffer				
Capital conservation buffer requirement	2.50%	2.50%	2.50%	2.50%
Capital conservation buffer maintained	-	0.09%	-	-
(g) Available Capital under Pillar 2 requirement	242.86	472.14	286.03	458.92
The shortfall of provision of Tk. 5,217.65 crore has been determined by Bangladesh Bank vide letter no. DOS(CAMS)1157-41(Dividend)/2022-2004 dated 13 April 2022; of which Tk. 4,632.03 crore is against unclassified loans including rescheduled loans, Tk. 484.82 crore is against Classified loans and Tk. 100.80 crore is against Investment in Pinnacle Global Fund Pte Limited. According to the letter, the total shortfall will have to be adjusted proportionately in 8 years i.e 2022-2029.				

D) Credit Risk
Qualitative Disclosure

(a) The general qualitative disclosure requirement with respect to credit risk, including:	Bank classifies loans and advances (loans and bill discount in the nature of an advance) into performing and Non Performing Loans (NPL) in accordance with the Bangladesh Bank guidelines in this respect,
> Definitions of past due and impaired (for accounting purposes)	Any Continuous Loan if not repaid/renewed within the fixed expiry date for repayment or after the demand by the bank will be treated as past due/overdue from the following day of the expiry date. Any Demand Loan if not repaid within the fixed expiry date for repayment or after the demand by the bank will be treated as past due/overdue from the following day of the expiry date. Whereas, In case of any installment(s) or part of installment(s) of a Fixed Term Loan is not repaid within the fixed expiry date, the amount of unpaid installment(s) will be treated as past due/overdue after six months of the expiry date. Classified loan is categorized under following 03 (three) categories: > Sub-standard > Doubtful > Bad/Loss

Disclosures on Risk Based Capital (Basel III)

Based on 31 December 2021

	<p>> A Continuous Loan, Demand Loan, Fixed Term Loan or any installment(s)/part of installment(s) of a Fixed Term Loan which will remain past due/overdue for a period of 03 (three) months or beyond but less than 09 (nine) months, the entire loan will be put into the "Sub-standard (SS)".</p> <p>> "A Continuous Loan, Demand Loan, Fixed Term Loan or any installment(s)/part of installment(s) of a Fixed Term Loan which will remain past due/overdue for a period of 09 (nine) months or beyond but less than 12 (twelve) months, the entire loan will be put into the "Doubtful (DF)".</p> <p>> 'A Continuous loan, Demand loan, Fixed Term Loan or any installment(s)/part of installment(s) of a Fixed Term Loan which will remain past due/overdue for a period of 12 (twelve) months or beyond, the entire loan will be put into the "Bad/Loss (B/L)".</p>																																																															
> Description of approaches followed for specific and general allowances and statistical methods	<p>Provision for loans and advances is made on the basis of quarter-end review by the management and as per instructions contained in BRPD circular no. 14 dated 23 September 2012, BRPD circular no. 05 dated 29 May 2013, BRPD Circular No. 04 dated 29 January 2015, BRPD Circular No. 08 dated 02 August 2015, BRPD Circular No. 12 dated 20 August 2017, BRPD Circular No. 15 dated 27 September 2017, BRPD Circular No. 01/2018 dated 20 February 2018, BRPD Circular No. 07 dated 21 June 2018, BRPD Circular # 13 dated 18.10.2018, BRPD Circular No. 03 dated 21 April 2019, BRPD Circular # 16 dated 21.07.2020, BRPD Circular # 17 dated 28.09.2020, BRPD Circular letter # 52 dated 20.10.2020 and BRPD Circular letter # 56 dated 10.12.2020, BRPD Circular # 19 dated 26.08.2021 and BRPD Circular letter # 53 dated 30.12.2021. The rates for provisions are stated below:</p> <table><tr><th colspan="2" rowspan="2">Particulars</th><th rowspan="2">Short Term Agri Credit</th><th colspan="4">Consumer Financing</th><th rowspan="2">SMEF</th><th rowspan="2">Loans to BHs/ MBs/ SDs</th><th rowspan="2">All Other Credit</th><th rowspan="2">Off Balance Sheet Exposures</th></tr><tr><th>Other than HF, LP</th><th>HF</th><th>LP</th><th>Credit Card</th></tr><tr><td rowspan="2">UC</td><td>Standard</td><td>1%</td><td>2%</td><td>1%</td><td>2%</td><td>2%</td><td>0.25%</td><td>2%</td><td>1%</td><td rowspan="5">1%</td></tr><tr><td>SMA</td><td>-</td><td>2%</td><td>1%</td><td>2%</td><td>2%</td><td>0.25%</td><td>2%</td><td>1%</td></tr><tr><td rowspan="3">Classified</td><td>SS</td><td>5%</td><td>20%</td><td>20%</td><td>20%</td><td>20%</td><td>5%, 20%</td><td>20%</td><td>20%</td></tr><tr><td>DF</td><td>5%</td><td>50%</td><td>50%</td><td>50%</td><td>50%</td><td>20%, 50%</td><td>50%</td><td>50%</td></tr><tr><td>BL</td><td>100%</td><td>100%</td><td>100%</td><td>100%</td><td>100%</td><td>100%</td><td>100%</td><td>100%</td></tr></table> <p>2% Special General Provision for COVID-19 has been kept as per BRPD circular letter no. 56 dated 10 December 2020.</p>	Particulars		Short Term Agri Credit	Consumer Financing				SMEF	Loans to BHs/ MBs/ SDs	All Other Credit	Off Balance Sheet Exposures	Other than HF, LP	HF	LP	Credit Card	UC	Standard	1%	2%	1%	2%	2%	0.25%	2%	1%	1%	SMA	-	2%	1%	2%	2%	0.25%	2%	1%	Classified	SS	5%	20%	20%	20%	20%	5%, 20%	20%	20%	DF	5%	50%	50%	50%	50%	20%, 50%	50%	50%	BL	100%	100%	100%	100%	100%	100%	100%	100%
Particulars					Short Term Agri Credit	Consumer Financing							SMEF	Loans to BHs/ MBs/ SDs	All Other Credit	Off Balance Sheet Exposures																																																
		Other than HF, LP	HF	LP		Credit Card																																																										
UC	Standard	1%	2%	1%	2%	2%	0.25%	2%	1%	1%																																																						
	SMA	-	2%	1%	2%	2%	0.25%	2%	1%																																																							
Classified	SS	5%	20%	20%	20%	20%	5%, 20%	20%	20%																																																							
	DF	5%	50%	50%	50%	50%	20%, 50%	50%	50%																																																							
	BL	100%	100%	100%	100%	100%	100%	100%	100%																																																							
> Discussion of the Bank's credit risk management policy	<p>The Board approves the credit policy keeping in view relevant Bangladesh Bank guidelines to ensure best practice in credit risk management and maintain quality of assets. Authorities are properly delegated in ensuring check and balance in credit operation at every stage i.e. screening, assessing risk, identification, management and mitigation of credit risk as well as monitoring, supervision and recovery of loans with provision for early warning system. There is a separate Credit Risk Management Division for ensuring proper risk management of Loans and Credit Administration Management Division for monitoring and recovery of irregular loans. Internal control and compliance division independently assess quality of loans and compliance status at least once in a year. Adequate provision is maintained against classified loans as per Bangladesh Bank guidelines. Status of loans are regularly reported to the Board/ Board Audit Committee. Besides, credit risk management process involves focus on monitoring of large loans, sectoral exposures etc. among others limit.</p>																																																															

AB Bank Limited
Disclosures on Risk Based Capital (Basel III)

Based on 31 December 2021

		BDT in Crore			
		31.12.2021		31.12.2020	
		In (%)	BDT/Cr.	In (%)	BDT/Cr.
(b) Total gross credit risk exposures broken down by major types of credit exposure	Overdraft	6.36%	1,846	6.77%	1,860
	Cash credit	0.01%	4	0.01%	3
	Time loan	15.84%	4,602	16.64%	4,573
	Term loan	69.28%	20,123	67.80%	18,632
	Forced loan	3.27%	950	4.71%	1,296
	Bills under LC	0.06%	16	0.01%	4
	Trust receipt	2.24%	651	2.26%	622
	Packing credit	0.03%	8	0.03%	10
	Loan against accepted bills	0.02%	7	0.02%	5
	Loan-EDF	1.36%	396	0.56%	155
	Consumer Loan	0.87%	251	0.50%	136
	Staff loan	0.44%	129	0.48%	131
	Bills purchased and discounted	0.22%	63	0.21%	57
	Total	100%	29,046	100%	27,483
(c) Geographical distribution of exposures, broken down in significant areas by major types of credit exposure	<u>Urban branches</u>				
	Dhaka	74.56%	21,437	66.16%	18,023
	Chattogram	14.86%	4,271	19.85%	5,409
	Khulna	4.85%	1,395	5.02%	1,369
	Sylhet	0.42%	121	0.80%	218
	Barishal	0.14%	40	0.15%	41
	Rajshahi	1.61%	462	3.23%	879
	Rangpur	1.98%	568	2.99%	815
	Mymensingh	1.58%	454	1.80%	490
		100%	28,750	100%	27,243
	<u>Rural branches</u>				
	Dhaka	67.75%	161	56.58%	105
	Chittagong	25.41%	60	34.92%	65
	Khulna	0.00%	-	0.00%	-
	Sylhet	4.75%	11	5.89%	11
	Barishal	0.00%	-	0.00%	-
	Rajshahi	0.00%	0.002	0.00%	0
	Rangpur	0.02%	0.06	0.03%	0
	Mymensingh	2.07%	5	2.57%	5
	<u>Outside Bangladesh</u>	100%	237	100%	186
	ABBL, Mumbai branch	0.20%	59	0.20%	54
		100%	29,046	100%	27,483

AB Bank Limited
Disclosures on Risk Based Capital (Basel III)

Based on 31 December 2021

		31.12.2021		31.12.2020	
		In (%)	BDT/Cr.	In (%)	BDT/Cr.
(d) Industry or counterparty type distribution of exposures, broken down by major types of credit exposure.	Agriculture	1.47%	428	1.77%	486
	Large and medium scale indus.	34.07%	9,895	30.64%	8,421
	Working capital	23.27%	6,758	20.74%	5,701
	Export	0.57%	165	0.56%	154
	Commercial lending	20.61%	5,987	18.87%	5,187
	Small and cottage industry	2.18%	632	1.63%	449
	Others	17.84%	5,181	25.78%	7,084
		100%	29,046	100%	27,483
(e) Residual contractual maturity breakdown of the whole portfolio, broken down by major types of credit exposure.	Repayable – on demand	0.65%	188	1.73%	474
	– upto 3 months	37.54%	10,903	34.26%	9,415
	– over 3 months but below 1 year	44.62%	12,961	46.65%	12,822
	– over 1 year but below 5 years	12.14%	3,527	11.54%	3,172
	– over 5 years	5.05%	1,468	5.82%	1,600
		100%	29,046	100%	27,483
(f) By major industry or counterparty type:					
i.	Amount of impaired loans and if available, past due loans, provided separately	14.15%	4,111	16.79%	4,615
ii.	Specific and general provisions	-	2,730	-	2,022
iii.	Charges for specific allowances and charge-offs during the period	-	245	-	196
(g) Gross Non Performing Assets (NPAs) (NPAs) to outstanding Loans & advances				2021	2020
				BDT/Cr.	BDT/Cr.
	Non Performing Assets (NPAs)			4,111	4,615
	NPAs to outstanding loans and advances			14.15%	16.79%
	Movement of NPAs Bangladesh Operations:				
	Opening balance			4,615.46	4,689.05
	Additions			178.35	88.63
	Reductions			682.87	162.22
	Closing balance			4,110.95	4,615.46
	Movement of specific provision for NPAs				
	Opening balance			895.76	699.39
	Provision made during the year			1,221.00	196.37
	Write-off			(21.41)	-
	Closing balance			2,095.35	895.76

E) Equities: Disclosures for Banking book positions

Qualitative Disclosure

(a) The general qualitative disclosure requirement with respect to the equity risk, including: > differentiation between holdings on which capital gains are expected and those taken under other objectives including for relationship and strategic reasons	Investment in equity mainly for capital gain purpose but Bank has some investment for relationship and strategic reasons.
> discussion of important policies covering the valuation and accounting of equity holdings in the Banking book. This includes the accounting techniques and valuation methodologies used, including key assumptions and practices affecting valuation as well as significant changes in these practices	Quoted shares are valued at cost. Necessary provision is maintained if market price fall below the cost price. Unquoted shares are valued at cost.
(b) Value disclosed in the balance sheet of investment, as well as the fair value of those investments; for quoted securities, a comparison to publicly quoted share values where the share price is materially different from fair value.	Not applicable
(c) The cumulative realized gains (losses) arising from sales and liquidations in the reporting period (2021)	BDT in Crore 47.63
(d) > Total unrealized gains (losses)	(107.32)
> Total latent revaluation gains (losses)	Nil
> Any amounts of the above included in Tier 2 capital	Nil

(e) Capital requirements broken down by appropriate equity grouping, consistent with the bank's methodology, as well as the aggregate amounts and the type of equity investments subject to any supervisory provisions regarding regulatory capital requirements	Nil
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F) Interest Rate Risk in the Banking Book (IRRBB)
Qualitative Disclosure

(a) The general qualitative disclosure requirement including the nature of IRRBB and key assumptions, including assumptions regarding loan prepayments and behavior of non-maturity deposits, and frequency of IRRBB measurement.	<p>Interest rate risk is the potential that the value of the On Balance Sheet and the Off Balance Sheet position of the Bank would be negatively effected with the change in the interest rate. The vulnerability of an institution towards the advance movement of the interest rate can be gauged by using duration GAP under Stress Testing Analysis.</p> <p>AB Bank has also been exercising the Stress Testing using the duration GAP for measuring the Interest Rate Risk on its On Balance Sheet exposure for estimating the impact of the net change in the market value of equity on the Capital to Risk Weighted Assets Ratio (CRAR) due to change in interest rates only on its On Balance Sheet position (as the Bank holds no interest bearing Off Balance Sheet positions and or Derivatives). Under the assumption of three different interest rate changes i.e. 1%, 2% and 3%.</p>		
(b) The increase (decline) in earnings or economic value (or relevant measure used by management) for upward and downward rate shocks according to management's method for measuring IRRBB, broken down by currency (as relevant).		BDT in Crore	
		31.12.21	31.12.20
	Market value of assets	41,589	39,268
	Market value of liability	38,902	36,532
	Weighted avg. duration GAP	0.71	0.58
	CRAR after different level of Shocks:		
	Minor level	9.98%	10.27%
	Moderate level	9.21%	9.69%
	Major level	8.43%	9.10%

G) Market Risk
Qualitative Disclosure

(a) > Views of BOD on trading/ investment activities	The Board approves all policies related to market risk, sets limits and reviews compliance on a regular basis. The objective is to provide cost effective funding last year to finance asset growth and trade related transaction.
> Methods used to measure Market risk	Standardised approach has been used to measure the market risk. The total capital requirement in respect of market risk is the aggregate capital requirement calculated for each of the risk sub-categories. For each risk category minimum capital requirement is measured in terms of two separately calculated capital charges for 'specific risk' and 'general market risk'.

AB Bank Limited**Disclosures on Risk Based Capital (Basel III)**

Based on 31 December 2021

> Market risk management system	The Treasury Division manage market risk covering liquidity, interest rate and foreign exchange risks with oversight from Asset-Liability Management Committee (ALCO) comprising senior executives of the Bank. ALCO is chaired by the Managing Director. ALCO meets at least once in a month.														
> Policies and process for mitigating market risk	There are approved limits for Market risk related instruments both on-balance sheet and off-balance sheet items. The limits are monitored and enforced on a regular basis to protect against market risks. The exchange rate committee of the Bank meets on a daily basis to review the prevailing market condition, exchange rate, forex position and transactions to mitigate foreign exchange risks.														
(b) The capital requirements for:															
	<table><tr><th colspan="2">BDT in Crore</th></tr><tr><th>31.12.21</th><th>31.12.20</th></tr><tr><td>Interest rate risk</td><td>26.87 30.15</td></tr><tr><td>Equity position risk</td><td>68.76 35.52</td></tr><tr><td>Foreign exchange risk</td><td>15.08 7.01</td></tr><tr><td>Commodity risk</td><td>- -</td></tr><tr><td></td><td>110.71 72.68</td></tr></table>	BDT in Crore		31.12.21	31.12.20	Interest rate risk	26.87 30.15	Equity position risk	68.76 35.52	Foreign exchange risk	15.08 7.01	Commodity risk	- -		110.71 72.68
BDT in Crore															
31.12.21	31.12.20														
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Equity position risk	68.76 35.52														
Foreign exchange risk	15.08 7.01														
Commodity risk	- -														
	110.71 72.68														

H) Operational Risk**Qualitative Disclosure**

(a) > Views of BOD on system to reduce Operational Risk	The policy for operational risks including internal control and compliance risk is approved by the board taking into account relevant guidelines of Bangladesh Bank. Audit Committee of the Board oversees the activities of Internal Control and Compliance Division (ICCD) to protect against all operational risk.
> Performance gap of executives and staffs	AB has a policy to provide competitive package and best working environment to attract and retain the most talented people available in the industry. AB's strong brand image plays an important role in employee motivation. As a result, there is no significant performance gap.
> Potential external events	No potential external events is expected to expose the Bank to significant operational risk.
> Policies and processes for mitigating operational risk	The policy for operational risks including internal control and compliance risk is approved by the Board taking into account relevant guidelines of Bangladesh Bank. Policy guidelines on Risk Based Internal Audit system is in operation as per RBA branches are rated according to their risk status and branches scoring more on risk status are subjected to more frequent audit by Internal Control and Compliance Division (ICCD). It is the policy of the bank to put all the branches of the bank under any form of audit at least once in a year. ICCD directly reports to Audit Committee of the Board. In addition there is a Vigilance Cell established in 2009 to reinforce operational risk management of the bank. Bank's Anti-Money laundering activities are headed by CAMELCO and their activities are devoted to protect against all money laundering and terrorist finance related activities. Apart from that, there is adequate check & balance at every stage of operation, authorities are properly segregated and there is at least dual control on every transaction to protect against operational risk.
> Approach for calculating capital charge for operational risk	Basic Indicator Approach was used for calculating capital charge for operational risk as of the reporting date.

	BDT in Crore	
	31.12.21	31.12.20
(b) The capital requirements for Operational Risk	205.10	182.24

I) Liquidity Ratio
Qualitative Disclosure

(a) > Views of BOD on system to reduce liquidity Risk	<p>Liquidity risk is the potential for loss to the bank arising from either its inability to meet its obligations of depositors as they fall due or to fund in increased assets as per commitment.</p> <p>To mitigate liquidity risk Bank assesses its risk appetite and manage the risk within a structured frame work. Professional resources are deployed to set the limits and procedures and get them approved by the Board.</p> <p>To reduce the liquidity Risk in a structured way, Bank monitors various indicators like regulatory indicators(CRR, SLR, MTFR, MCO, ADR, LCR, NSFR) and uses internal monitoring tools (WBG, CLP and MAT)</p>
> Methods used to measure Liquidity risk	<p>Liquidity measurement involves forecasting the Bank's cash inflows against its outflows to identify the potential for any net shortfalls going forward. For measuring Bank uses some simple techniques as mentioned below:</p> <p>>Bank prepares Structural Liquidity Profile (SLP) on monthly basis. SLP is used to estimate the Bank's cash inflows and outflows and thus net deficit or surplus (GAP) over a series of specified time periods. Bank focuses on the maturity of its assets and liabilities in different tenors. Excessive longer tenor lending against shorter-term borrowing is monitored as this can put the Bank's balance sheet in a very critical and risky position.</p> <p>> Bank has a Contingency Funding Plan (CFP) in place. Contingency Funding Plan (CFP) is a set of policies and procedures that serves as a blueprint for the Bank to meet its funding needs in a timely manner and at a reasonable cost. Bank maintains sufficient high quality liquid assets to meet the liquidity crisis period.</p> <p>> Bank estimates the funding requirement both in normal and stress conditions arising from on and off balance sheet exposures. Bank monitors its products which are interest rate sensitive. Those are taken care of at the time of interest rate movement in the market based on behavior of clients and other competitors.</p> <p>> Bank monitors liability concentration level. Highly concentrated deposits means bank is relying on too few providers or funding sources. Bank has to be ready for arranging fund if concentrated deposits are withdrawn at a time or Bank place this fund for short term lending.</p> <p>> Bank uses variety of ratios to quantify the liquidity and interpret them taking into account the qualitative factors.</p>
> Liquidity risk management system	<p>The Management of the Bank measures the liquidity risk and manage them under the Board approved guidelines and policies. Bank prepares extensive reports for monitoring the balance sheet movement on daily basis. Bank also monitors the market information of the country and global market. Bank has an Asset Liability Committee (ALCO).</p>

	<p>ALCO is a senior management level committee responsible for supervision and management of liquidity and other risks using different monitoring tools. They monitor the limit for indicators set by Bangladesh Bank as well as Bank's Board.</p> <p>Key elements of an effective liquidity risk management process include an efficient MIS to measure, monitor and control existing as well as future liquidity risks and reporting them to senior management and the Board. Bank is therefore working for continuous improvement of MIS.</p>																
> Policies and processes for mitigating liquidity risk	<p>Bank has set of policies duly approved by the Board for mitigating liquidity risk. These policies are supported by effective procedures to measure, achieve and maintain liquidity. The ALCO recommends the policies for liquidity risk which is reviewed and approved by the Board.</p> <p>Operating liquidity is managed by the Bank for day to day fund requirements. And for managing the crisis period Bank follows the CFP approved by the Board.</p> <p>For regulatory purposes the Bank maintains specific amount of assets classed as "liquid", based on its liabilities. In addition, the Bank has to maintain excess liquid assets as per CFP.</p>																
(b)	<table> <tr> <th></th><th>BDT/Cr.</th></tr> <tr> <th></th><th>31.12.2021</th></tr> <tr> <td>Liquidity Coverage Ratio</td><td>126.83%</td></tr> <tr> <td>Net Stable Funding Ratio (NSFR)</td><td>101.47%</td></tr> <tr> <td>Stock of high quality liquid assets</td><td>7,433.04</td></tr> <tr> <td>Total net cash outflows over the next 30 calendar days</td><td>5,860.61</td></tr> <tr> <td>Available amount of stable funding</td><td>30,841.02</td></tr> <tr> <td>Required amount of stable funding</td><td>30,395.03</td></tr> </table>		BDT/Cr.		31.12.2021	Liquidity Coverage Ratio	126.83%	Net Stable Funding Ratio (NSFR)	101.47%	Stock of high quality liquid assets	7,433.04	Total net cash outflows over the next 30 calendar days	5,860.61	Available amount of stable funding	30,841.02	Required amount of stable funding	30,395.03
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J) Leverage Ratio
Qualitative Disclosure

(a) > Views of BOD on system to reduce excessive leverage	<p>For reducing the leverage up to an optimum level, the Board of Directors of the Bank always keen to focus on the capital strength and the quality of the assets. Board is always concern to maximise the core capital portion and keep the growth of on and off balance sheet exposures at a favourable level.</p> <p>Key initiatives of the Board:</p> <ul style="list-style-type: none"> • Emphasised to keep LD ratio at the optimal level/budgeted level • Stressed to keep the interest rate spread at the optimal level for ensuring the profitability of the Bank • Market competitive Cost of Fund must be maintained • Non-funded business i.e. import, export and bank guarantee to be expedited as per budget • Operational expenses must be reduced at rational level • Decentralisation of portfolio in SME and retail business • Special Mentioned Account (SMA) and classified loans are to be closely monitored for ensuring asset quality, and • Recovery cell must ensure the monitoring of risk assets frequently to maintain the asset quality.
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Disclosures on Risk Based Capital (Basel III)

Based on 31 December 2021

<div>> Policies and processes for managing excessive on and off-balance sheet leverage</div>	<div>Primary principle of the Board is to enhance the core capital of the Bank. To keep the leverage at a reduced level, Board emphasised Management to build strong internal control system specifically in the risk points by putting dual control in each phase. Apart from this, by the instruction of the Board, Management formed different Committees to work under specific Terms of Reference (ToR) and to report to the Board.</div> <div>All these above measures as a whole, helps the Management to keep the exposures at sound level.</div>																																														
<div>> Approach for calculating exposure</div>	<div>The exposure calculation for the leverage ratio is generally followed the accounting measure of exposure. In order to measure the exposure consistently with financial accounts, the following is applied by the bank:</div> <div><div>i. On balance sheet and non-derivative exposures are net of specific provisions and valuation adjustments (e.g. surplus/deficit on Available for sale (AFS)/Held-for-trading (HFT) positions).</div><div>ii. Physical or financial collateral, guarantee or credit risk mitigation purchased is not allowed to reduce on-balance sheet exposure.</div><div>iii. Netting of loans and deposits is not allowed.</div></div> <div>On Balance Sheet Items</div> <div>Bank included items using their accounting balance sheet for the purposes of the leverage ratio. In addition, the exposure measure is included the following treatments for Securities Financing Transactions (e.g. repo, reverse repo etc.)</div> <div>Repurchase agreements and securities financing:</div> <div>Securities Financing Transactions (SFT) are a form of secured funding and therefore an important source of balance sheet leverage that included in the leverage ratio. Therefore Banks calculate SFT for the purposes of leverage ratio by applying:</div> <div><div>• The accounting measure of exposure; and</div><div>• Without netting various long and short positions with the same counterparty</div></div> <div>Off Balance Sheet Items</div> <div>Bank calculates the Off-Balance Sheet (OBS) items specified in Risk based Capital Adequacy Guidelines issued by Bangladesh Bank vide BRPD circular no. 18 dated 21 December 2014. OBS exposures calculation is given below for considering Leverage Ratio of the Bank:</div> <table><tr><th rowspan="2">Exposures Types</th><th rowspan="2">CCF</th><th colspan="2">Notional amount Exposure</th></tr><tr><th>BDT/Cr.</th><th>BDT/Cr.</th></tr><tr><td>Direct credit substitutes</td><td>100%</td><td>926</td><td>926</td></tr><tr><td>Performance related contingencies</td><td>50%</td><td>1,091</td><td>546</td></tr><tr><td>Short-term self-liquidating trade letters of credit</td><td>20%</td><td>864</td><td>173</td></tr><tr><td>Lending of securities or posting of securities as collateral</td><td>100%</td><td>-</td><td>-</td></tr><tr><td>Other commitments with certain drawdown</td><td>100%</td><td>-</td><td>-</td></tr><tr><td>Commitments with original maturity of one year or less</td><td>20%</td><td>561</td><td>112</td></tr><tr><td>Commitments with original maturity of over one year</td><td>50%</td><td>-</td><td>-</td></tr><tr><td>Other commitments that can be unconditionally cancelled by any time</td><td>0%</td><td>1,625</td><td>-</td></tr><tr><td>Market related Off-Balance sheet exposure</td><td>1%</td><td>21.39</td><td>0.214</td></tr><tr><td>Total</td><td></td><td>5,089</td><td>1,757</td></tr></table>	Exposures Types	CCF	Notional amount Exposure		BDT/Cr.	BDT/Cr.	Direct credit substitutes	100%	926	926	Performance related contingencies	50%	1,091	546	Short-term self-liquidating trade letters of credit	20%	864	173	Lending of securities or posting of securities as collateral	100%	-	-	Other commitments with certain drawdown	100%	-	-	Commitments with original maturity of one year or less	20%	561	112	Commitments with original maturity of over one year	50%	-	-	Other commitments that can be unconditionally cancelled by any time	0%	1,625	-	Market related Off-Balance sheet exposure	1%	21.39	0.214	Total		5,089	1,757
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(b)		BDT/Cr. 31.12.2021	
	Leverage Ratio	5.81%	
	On balance sheet exposure	38,936	
	Off balance sheet exposure	1,919	
	Total deduction from On and Off-Balance Sheet Exposure	446	
	Total exposure	40,409	

K) Remuneration
Qualitative Disclosure

(a) Information relating to the bodies that oversees remuneration.		
> Name of the bodies that oversees remuneration	The primary body that currently oversees remuneration practices includes: In charge of remuneration & payroll, Head of HR, and Managing Director of the Bank.	
> Name, composition and mandate of the main body overseeing remuneration.	Board of Directors of the bank is the main body which approves the remuneration proposals/changes as when needed based on the recommendation of the primary body	
> External consultants whose advice has been sought, the body by which they were commissioned, and in what areas of the remuneration process.	Periodically services of external consultants are sought in the process of remuneration update/survey in every 2/3 years to ensure competitive effectiveness of remuneration structure. Survey focuses on gross remuneration package in each job grade i.e. minimum, mid point and maximum in the given scale. Gross salary includes different elements like Basic pay and other admissible emoluments.	
> A description of the scope of the bank's remuneration policy (eg by regions, business lines), including the extent to which it is applicable to foreign subsidiaries and branches.	Key objective of the remuneration policy is to offer competitive remuneration package to employees in each job grade commensurate with job responsibilities irrespective of any location/region. It is done through periodical remuneration survey with local comparators engaging consultant. Similarly, for foreign subsidiaries, it is done in context of specific country remuneration market status to remain competitive in the foreign market that ensures attracting and retention of the best performers.	
> A description of the types of employees considered as material risk takers and as senior managers, including the number of employees in each group.	Divisional Heads, Departmental Heads, Senior Members of Management, Head of Branches/Business Units supported by SMT are the material risk takers in business.	

(b)	Information relating to the design and structure of remuneration processes.	
	<p>> An overview of the key features and objectives of remuneration policy.</p> <p>> Whether the remuneration committee reviewed the firm's remuneration policy during the past year, and if so, an overview of any changes that were made.</p> <p>> A discussion of how the bank ensures that risk and compliance employees are remunerated independently of the businesses they oversee.</p>	<p>A scale of salary structure with a minimum – mid point and maximum package for each job grade is available. The package includes: Basic pay, Housing, Medical, conveyance (when car is not allowed), Utilities, Maintenance, Leave fare assistance, Personal pay (in appropriate cases) etc. Salary progression in the form of annual merit pay linked to individual performance within the scale etc. Service benefits like Provident Fund, Gratuity, Group term insurance, festival bonus, car facilities and related cost as per bank's service rules are components of total compensation. Objective of remuneration policy is to pay competitively within industry norms in order to attract and retain good employees, Pay for performance link to merit measured in terms of delivery of set KPI annually (annual merit pay) Bank's service rules stands as a guide besides instructions and guidance from the Board from time to time</p> <p>Remuneration structure is updated periodically usually in an interval of 2/3 years to remain competitive in the market with the approval of the Board of Directors of the Bank. No major change made in the recent past</p> <p>Risks and compliance employees carry out their job independently as per terms of reference. In respect of remuneration, they are treated equally in line with other regular employees</p>
(c)	Description of the ways in which current and future risks are taken into account in the remuneration processes.	
	<p>> An overview of the key risks that the bank takes into account when implementing remuneration measures.</p>	<p>The business risks including credit/default risk, compliance and reputational risk, financial and liquidity risk are considered while implementing remuneration measures for each employee/group of employees.</p>
	<p>> An overview of the nature and type of the key measures used to take account of these risks, including risks difficult to measure</p>	<p>Different set of measures are in practice based on nature of business lines/segments etc. these measures are primarily focused on the business targets/goals set for each area of operation, branch vis-à-vis actual results achieved as of the reporting date. The most important tools and indicators used for measuring the risks are asset quality (NPL ratio), LD ratio, Net Interest Margin (NIM), provision coverage ratio, cost income ratio, cost of fund, growth of net profit as well as non-financial indicators i.e. compliance status with regulatory norms/instructions, service delivery etc. are brought to all concerned of the bank from time to time.</p>
	<p>> A discussion of the ways in which these measures affect remuneration.</p>	<p>Individual employee's performance standards are set in term of financial and non-financial indicators (KPI) early each year which are expected to be delivered by them individually. Performance evaluation at the end of year results in variation in performance outcome (KPI fully achieved, partially achieved and not achieved) leading to variation in performance reward (annual merit pay) thus affects in remuneration.</p>

	<p>> A discussion of how the nature and type of these measures has changed over the past year and reasons for the change, as well as the impact of changes on remuneration.</p>	<p>Based on differentiating performance outcome employees are rewarded annually. Differentiating reward i.e. good, better and best impact on competitive motivation at work as usual. No material change in remuneration package.</p>
(d)	Description of the ways in which the bank seeks to link performance during a performance measurement period with levels of remuneration.	
	<p>> An overview of main performance metrics for bank, top-level business lines and individuals.</p>	<p>Performance matrix in terms of broad KPI is set by the Board for the Management covering business lines/different segments of businesses each year. The Management in turn develops strategies and set performance KPI for individual employees across functions/business to activate and achieve the set targets/KPI in delivering business results. The most common KPIs are loan deposit ratio, cost of fund, cost income ratio, yield on loan, quality of asset, profit target, provision coverage ration, capital to risk weighted ratio, ROE, ROA, Liquidity position, maintenance of CRR and SLR etc. beside non-financial KPI.</p>
	<p>> A discussion of how amounts of individual remuneration are linked to bank-wide and individual performance.</p>	<p>Annual merit pay i.e. merit increment of employees are linked to performance outcome based on individual performance criteria (KPI). Merit increase is also linked to other elements of remuneration package, so aggregate of all employees has reasonable impact on the remuneration package and not insignificant.</p>
	<p>> A discussion of the measures the bank will in general implement to adjust remuneration in the event that performance metrics are weak</p>	<p>No documented criteria as such is available to adjust remuneration of employees in the event of weak business performance matrix. If profit target is not met in a given year, generally annual merit increment is lower.</p>
(e)	Description of the ways in which the bank seek to adjust remuneration to take account of longer-term performance.	
	<p>> A discussion of the bank's policy on deferral and vesting of variable remuneration and, if the fraction of variable remuneration that is deferred differs across employees or groups of employees, a description of the factors that determine the fraction and their relative importance.</p>	<p>The concept of variable remuneration or for that matter deferred payment system is not in practice. A share of profit in the form of incentive bonus is allowed to employees as approved by the board when profit target is favourably met.</p>

	> A discussion of the bank's policy and criteria for adjusting deferred remuneration before vesting and (if permitted by national law) after vesting through clawback arrangements.	Not applicable
(f)	Description of the different forms of variable remuneration that the bank utilises and the rationale for using these different forms.	
	> An overview of the forms of variable remuneration offered (i.e. cash, shares and share-linked instruments and other forms	Not applicable
	> A discussion of the use of the different forms of variable remuneration and, if the mix of different forms of variable remuneration differs across employees or groups of employees), a description the factors that determine the mix and their relative importance.	Not applicable
(g)	Number of meetings held by the main body overseeing remuneration during the financial year and remuneration paid to its member.	The main body that oversees remunerations organizes meeting as & when needed to discuss issues arising in the process of administration.
	> Number of employees having received a variable remuneration award during the financial year.	Not applicable (Variable remuneration practice is not available)
	> Number and total amount of guaranteed bonuses awarded during the financial year.	Bank has disbursed 02 (two) festival bonus among the employees amounting to taka 179,762,064.67 during the year 2021.
	> Number and total amount of sign-on awards made during the financial year.	Not applicable

AB Bank Limited
Disclosures on Risk Based Capital (Basel III)

Based on 31 December 2021

	> Number and total amount of severance payments made during the financial year	None during the financial year
	> Total amount of outstanding deferred remuneration, split into cash, shares and share-linked instruments and other forms.	Not applicable
	> Total amount of deferred remuneration paid out in the financial year.	Not applicable
(h) Breakdown of amount of remuneration awards for the financial year to show:		
	> Fixed and variable	BDT 306.50 crore (Fixed including annual merit pay)
	> Deferred and non-deferred.	Not applicable
	> Different forms used (cash, shares and share linked instruments, other forms).	Not applicable
Quantitative information about employees' exposure to implicit and explicit adjustments of deferred remuneration and retained remuneration:		
i)	> Total amount of outstanding deferred remuneration and retained remuneration exposed to ex post explicit and/or implicit adjustments.	Not applicable
	> Total amount of reductions during the financial year due to ex post explicit adjustments.	Not applicable
	> Total amount of reductions during the financial year due to ex post implicit adjustments.	Not applicable

AB Bank Limited
Mumbai Branch
Balance Sheet
As at 31 December 2021

Annexure-E

	31.12.2021	31.12.2020
	INR	INR
PROPERTY AND ASSETS		
Cash	71,495,395	49,099,278
In hand (including foreign currencies)	3,478,547	2,975,111
Balance with Reserve Bank India (including foreign currencies)	68,016,848	46,124,167
Balance with other banks and financial institutions	1,630,496,102	1,467,013,519
In India	252,918,523	210,346,687
Outside India	1,377,577,578	1,256,666,832
Money at call and on short notice	20,000,000	360,000,000
Investments	461,398,644	404,174,970
Government	461,398,644	404,174,970
Loans and advances	510,431,904	467,995,126
Loans, cash credits, overdrafts, etc.	32,127,463	29,377,189
Bills purchased and discounted	478,304,442	438,617,937
Fixed assets including premises, furniture and fixtures	3,636,259	4,932,319
Other assets	193,778,146	161,485,475
Total Assets	2,891,236,451	2,914,700,687
LIABILITIES AND CAPITAL		
Liabilities		
Deposits and other accounts	1,974,075,622	1,827,518,908
Current deposits	1,846,034,204	1,657,348,235
Demand deposits	1,286,871	123,609
Bills payable	120,638	110,148
Savings deposits	12,654,663	21,305,255
Fixed deposits	113,979,246	148,631,661
Other liabilities	113,499,059	75,436,396
Total Liabilities	2,087,574,681	1,902,955,303
Capital/Shareholders' Equity		
Total Shareholders' Equity	803,661,770	1,011,745,384
Paid-up capital	369,822,602	369,822,602
Statutory reserve	300,320,407	281,039,231
Other reserve	4,208,447	3,861,892
Retained earnings	129,310,314	357,021,659
Total Liabilities and Shareholders' Equity	2,891,236,451	2,914,700,687
Off-Balance Sheet Items		
Contingent liabilities	6,131,376,369	26,096,215,667
Acceptances and endorsements	236,940,396	172,716,881
Letters of guarantee	11,298,846	5,660,514
Bills for collection	5,883,137,127	25,917,838,272
Other commitments	-	-
Total	6,131,376,369	26,096,215,667

AB Bank Limited
Mumbai Branch
Profit and Loss Account
For the year ended 31 December 2021

Annexure-E-1

Operating Income

Interest income
Interest paid on deposits and borrowings, etc.

Net interest income

Investment income
Commission, exchange and brokerage
Other operating income

Total operating income (a)

Operating Expenses

Salary and allowances
Rent, taxes, insurance, electricity, etc.
Legal expenses
Postage, stamps, telecommunication, etc.
Stationery, printing, advertisement, etc.
Auditors' fees
Depreciation and repairs of Bank's assets
Other expenses

Total operating expenses (b)

Profit before provision (c = a-b)

Provision against loans and advances
Provision for investments
Other provisions

Total provision (d)

Profit before taxation (c-d)

Provision for taxation

Current tax
Deferred tax

Net profit after taxation (PAT)

	2021 INR	2020 INR
Interest income	25,769,542	33,970,764
Interest paid on deposits and borrowings, etc.	(8,725,441)	(11,174,395)
Net interest income	17,044,102	22,796,369
Investment income	25,658,347	23,567,619
Commission, exchange and brokerage	285,547,143	219,673,239
Other operating income	1,145,245	1,070,871
	312,350,735	244,311,729
Total operating income (a)	329,394,837	267,108,098
Salary and allowances	15,540,938	15,680,733
Rent, taxes, insurance, electricity, etc.	20,035,984	21,132,480
Legal expenses	-	7,085
Postage, stamps, telecommunication, etc.	4,029,476	4,054,805
Stationery, printing, advertisement, etc.	1,215,785	1,173,778
Auditors' fees	1,043,880	649,640
Depreciation and repairs of Bank's assets	4,614,048	2,658,334
Other expenses	123,755,900	200,425,551
Total operating expenses (b)	170,236,009	245,782,405
Profit before provision (c = a-b)	159,158,828	21,325,693
Provision against loans and advances	300,000	(550,000)
Provision for investments	346,607	-
Other provisions	199,056	150,000
Total provision (d)	845,663	(400,000)
Profit before taxation (c-d)	158,313,165	21,725,693
Provision for taxation	61,740,820	(19,416,938)
Current tax	61,627,756	(19,593,336)
Deferred tax	113,064	176,397
Net profit after taxation (PAT)	96,572,345	41,142,631

AB Bank Limited
Islami Banking Branch
Balance Sheet
As at 31 December 2021

Annexure-F

	31.12.2021	31.12.2020
	Taka	Taka
PROPERTY AND ASSETS		
Cash in hand	262,910,222	268,250,549
Cash in Hand (Including foreign currencies)	4,697,362	4,933,125
Balance with Bangladesh Bank and its Agent Banks (Incl. FC)	258,212,861	263,317,424
Balance with Other Banks and Financial Institutions	582,958,789	1,348,247,393
In Bangladesh	582,958,789	1,348,247,393
Investment in shares & other financial institutions	515,190,000	397,800,000
Government (BGIIB For SLR)	515,190,000	397,800,000
Investments	6,804,061,967	6,510,299,811
Fixed Assets	6,507,698	6,685,044
Other Assets	124,383,540	99,243,204
	8,296,012,215	8,630,526,001
LIABILITIES AND CAPITAL		
Liabilities		
Placement from Banks (BGIIB)& Other Financial Institutions	-	816,485,540
Deposits and Other Accounts	7,908,658,239	7,436,081,443
Mudaraba Savings Deposits	192,105,833	137,255,111
Mudaraba Term Deposits	6,378,579,166	5,444,950,896
Other Mudaraba Deposits	1,292,505,844	1,804,024,982
Al-Wadeeah Current and Other Deposit Accounts	30,421,074	40,223,141
Bills Payable	15,046,322	9,627,313
Other Liabilities	387,353,977	377,959,018
Total Liabilities	8,296,012,215	8,630,526,001
Off-Balance Sheet Items:		
Contingent Liabilities		
Letter of Guarantee	5,952,727	19,806,054
Irrevocable Letters of Credit (including Back to Back Bills)	2,403,150	58,861,855
	8,355,877	78,667,909
Other commitments	-	-
Total Off-Balance Sheet items Including Contingent Liabilities	8,355,877	78,667,909

AB Bank Limited
Islami Banking Branch
Profit and Loss Account
For the year ended 31 December 2021

Annexure-F-1

	2021	2020
	Taka	Taka
Investment Income	492,730,429	632,085,776
Profit paid on Deposits	467,222,446	610,282,050
Net Investment Income	25,507,983	21,803,726
Income from Investments in Shares/Securities	8,218,200	12,391,069
Commission, Exchange and Brokerage	995,665	2,397,793
Other Operating Income	238,017	223,250
Total Operating Income	34,959,864	36,815,838
Operating Expenses		
Salaries and Allowances	20,466,771	20,787,688
Rent, Taxes, Insurance, Electricity etc.	1,274,473	1,440,142
Postage, Stamps, Telecommunication etc.	252,606	240,570
Stationeries, Printing and Advertisement etc.	391,885	407,504
Shariah Supervisory Committee's Fees & Expenses	117,000	98,320
Depreciation and repair to Bank's Assets	865,105	1,100,186
Other Expenses	7,626,906	6,547,846
Total Operating Expenses	30,994,745	30,622,256
Operating Profit	3,965,119	6,193,583

Profit and loss of Islami Banking Branch is calculated annually as on 31 December in every year. More than 60% of investment income is distributed among the different types of Mudaraba depositors following the weightage system and the remaining portion is retained by the bank to meet administrative expenses and investment loss offsetting reserve. Provisional profit rates are applied to the different types of deposit A/Cs as decided by the Bank from time to time commensurate with weightage taking into consideration of the industry trend and that of the rates of other Islamic banks in the Country.

In the year 2021 final profit has been paid to the depositors as per following weightage and rates:

Types of Deposit	Weightage	"Provisional Profit Rate"	Final Rate
1. Mudaraba Savings Deposits	0.21-0.29	2.50-3.50	2.51-3.51
2. Mudaraba Savings Deposits (School Banking)	0.46-0.67	5.50-8.00	5.51-8.01
3. Mudaraba Special Notice Deposits			
a. General	0.13-0.21	1.50-2.50	1.51-2.51
b. Inter - Bank	0.15-0.46	1.75-5.50	1.75-5.50
4. Mudaraba Term Deposits (Core deposit)			
24 Months	0.52-0.83	6.25-10.00	6.26-10.01
12 Months	0.52-0.83	6.25-10.00	6.26-10.01
9 Months	0.46-0.60	5.50-7.25	5.51-7.26
6 Months	0.42-0.75	5.00-9.00	5.01-9.01
4 Months	0.44-0.63	5.25-7.50	5.26-7.51
3 Months	0.44-0.69	5.25-8.25	5.26-8.26
1 Month	0.21-0.33	2.50-4.00	2.51-4.01
5. Mudaraba Hajj Deposit Scheme	0.54-0.96	6.50-11.50	6.51-11.51
6. Mudaraba Pension Deposit Scheme	0.50-01.00	6.00-12.00	6.01-12.01
7. Mudaraba Monthly Profit Payment Scheme	0.46-0.96	5.50-11.50	5.51-11.51
8. Mudaraba Cash WAQF Deposit	0.52-0.73	6.25-8.75	6.26-8.76

A competent Shariah Supervisory Committee consisting of Islamic scholars, Ulema, Fuqaha and Islamic bankers headed by **Mr. Justice Siddiqur Rahman Miah**, a prominent Islamic scholar guides the Islamic banking operations. Side by side an expert banker who is the divisional head looking after the Kakrail Islami Banking Branch (KIBB). During the year 2021, Shariah Supervisory Committee met in 02 (Two) number of meetings and reviewed different operational issues. The Committee also audited the branch operations through it's Muraqib and reviewed the audit report in it's regular meeting. Shariah Supervisory Committee observed that both the officials and clients of the Branch became more cautious about the compliance of Shariah Principles.

Independent Auditor's Report

To the Shareholders of AB Bank Limited (Custodian Wing)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of AB Bank Limited (Custodian Wing), which comprise the statement of financial position (balance sheet) as at 31 December 2021 and the statement of profit or loss and other comprehensive income (profit and loss account) for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the AB Bank Limited (Custodian Wing) as at 31 December 2021, and of its financial performance for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as explained in note # 3.

Basis for Opinion

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

Other Information

Management is responsible for the other information. The other information comprises all of the information included in the Annual Report other than the financial statements and our auditor's report thereon. The Annual Report of AB Bank Limited which includes the report of AB Bank Limited (Custodian Wing) is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Financial Statements and Internal Controls

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, the Securities and Exchange Commission (Securities Custodian Service) Rules, 2003, Depository (User) Regulations, 2003 and for such internal controls as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing the AB Bank Limited (Custodian Wing)'s financial reporting process.

Auditor's Responsibilities for the Audit of Financial Statements

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

As part of an audit in accordance with ISAs, we exercise professional judgments and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for

one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of AB Bank Limited (Custodian Wing)'s internal Control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the AB Bank Limited (Custodian Wing)'s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the AB Bank Limited, Custodian Wing to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

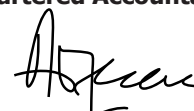
Report on Other Legal and Regulatory Requirements

We also report that:

- a. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;
- b. in our opinion, proper books of account as required by law have been kept by the AB Bank Limited (Custodian Wing) so far as it appeared from our examination of those books; and
- c. the statement of financial position (balance sheet) and the statement of profit or loss and other comprehensive income (profit and loss account) dealt with by the report are in agreement with the books of account and returns.

Dhaka,
26 April 2022

Signed for and on behalf of
ACNABIN
Chartered Accountants



Md. Moniruzzaman, FCA
Partner

ICAB Enrollment No. 787

AB Bank Limited
Custodian Wing
Balance Sheet
As at 31 December 2021

Annexure- H

	31.12.2021	31.12.2020
	Taka	Taka
ASSETS		
Non-Current Assets		
Property, Plant and Equipment	32,198	52,528
Total Non Current Assets	32,198	52,528
Current Assets		
Accounts Receivables	12,494,889	12,494,889
Total Current Assets	12,494,889	12,494,889
Total Assets	12,527,087	12,547,418
LIABILITIES		
Current Liabilities		
Payable to AB Bank	5,385,004	5,405,334
Accounts Payable	7,092,083	7,092,083
Provision for Audit Fees	50,000	50,000
Total Current Liabilities	12,527,087	12,547,418
Total Liabilities	12,527,087	12,547,418

Profit and Loss Account

For the year ended 31 December 2021

Annexure- H-1

Operating Income		
Commission, exchange and brokerage	39,541	16,520
Total Operating Income	39,541	16,520
Operating Expenses		
Rent, taxes and insurance	345,000	11,500
Auditor's fees	50,000	57,500
Depreciation and repair of bank's assets	20,331	8,471
Other expenses	194,260	182,162
Total operating expenses	609,591	259,633
Operating Profit	(570,050)	(243,113)

AB Bank Limited
Off-Shore Banking Unit (OBU)
Balance Sheet
As at 31 December 2021

Annexure- I

	31.12.2021 Taka	31.12.2021 USD	31.12.2020 Taka	31.12.2020 USD
PROPERTY AND ASSETS				
Cash	-	-	-	-
Balance with Other Banks and FIs'	253,116,862	2,950,080	6,640,740	78,310
In Bangladesh	40,130	468	183,351	2,162
Outside Bangladesh	253,076,732	2,949,612	6,457,389	76,148
Money at call and on short notice (Placement)	1,256,541,000	14,644,999	964,604,550	11,375,000
Investment	1,657,230,432	19,315,038	1,637,923,118	19,315,041
Loans and Advances:	5,998,774,096	69,915,775	6,109,181,062	72,041,892
Loans & Advances - Regular	2,699,120,750	31,458,281	2,847,969,831	33,584,392
Loans & Advances - Classified	3,299,653,346	38,457,494	3,261,211,230	38,457,499
Premises and Fixed Assets (WDV)	-	-	-	-
Other Assets:	3,311,992	38,601	813,310	9,591
Accrued Interest	3,224,269	37,579	746,527	8,803
Pre-paid Advances	87,723	1,022	66,784	788
Miscellaneous	-	-	-	-
Total Assets	9,168,974,381	106,864,493	8,719,162,780	102,819,834
LIABILITIES AND CAPITAL				
Liabilities				
Borrowing from Bank & FIs'	9,384,995,139	109,382,217	8,966,465,025	105,736,120
In Bangladesh	9,384,995,139	109,382,217	8,966,465,025	105,736,120
Outside Bangladesh	-	-	-	-
Deposits and Other Accounts	13,357,389	155,681	13,261,591	156,386
Demand Deposits	11,264,777	131,291	11,193,359	131,997
Demand Deposits - Others	2,092,612	24,389	2,068,233	24,389
Other Deposits	-	-	-	-
Other Liabilities	192,957,018	2,248,916	190,709,001	2,248,916
Total Liabilities	9,591,309,546	111,786,813	9,170,435,617	108,141,422
Capital and Shareholders' Equity				
Profit/(Loss)	(422,335,165)	(4,922,321)	(451,272,837)	(5,321,589)
Total Shareholders' Equity	(422,335,165)	(4,922,321)	(451,272,837)	(5,321,589)
Total Liabilities and Shareholders' Equity	9,168,974,381	106,864,493	8,719,162,780	102,819,834

AB Bank Limited
Off-Shore Banking Unit (OBU)
Profit and Loss Account
For the year ended 31 December 2021

Annexure- I-1

	2021 Taka	2021 USD	2020 Taka	2020 USD
Interest income	144,512,369	1,697,380	158,003,805	1,861,820
Interest paid on deposits and borrowing etc.	106,651,734	1,252,685	253,296,559	2,984,692
Net Interest income	37,860,635	444,695	(95,292,754)	(1,122,872)
Commission, exchange and brokerage	(104,887)	(1,232)	125,968	1,484
Total operating income	37,755,748	443,463	(95,166,786)	(1,121,387)
Salaries and allowances	2,969,844	34,883	2,808,354	33,092
Rent, taxes, insurance, electricity etc.	1,891	22	5,559	65
Postage, stamps, telecommunication etc.	38,570	453	41,396	488
Stationeries, printing, advertisement etc.	51,230	602	37,760	445
Depreciation and repair of bank's assets	19,539	230	257,168	3,030
Other expenses	318,904	3,801	331,720	3,964
Total operating expenses	3,399,979	39,990	3,481,957	41,084
Operating Profit/(Loss)	34,355,769	403,473	(98,648,743)	(1,162,472)

AB Bank Limited
Myanmar Representative Office
Statement of Receipts and Payments
For the year ended 31 December 2021

Annexure- J

Receipts	Total		Payments	Total	
	USD	BDT		USD	BDT
Opening Balance	66,423	5,054,986	Bank Charges (Nostro & Others)	26	2,221
Received during the year	21,700	1,860,976	Other Allowances-Officers	7,994	681,416
			Internet	295	25,121
			Repair & Maintenance	49	4,160
			Water and Sewerage	7	596
			Stationery Others	16	1,358
			Mobile Bill	16	1,366
			Local Conveyance	67	5,718
			Other Fees and Taxes	52	4,435
			Other Audit fees	1,300	110,958
			Misc. Contract Service-Tea boys & cleaners	18	1,533
			Postage & Shipping	63	5,379
			Other Professional Service	100	8,480
			Electricity Bill	9	771
			Non Caps Office Appliance	47	4,033
			Advance rent	9,300	797,940
			Stamps Judicial non- Judicial	99	8,446
			Closing Balance	68,665	5,252,031
Total	88,123	6,915,961	Closing Balance	88,123	6,915,961

Independent Auditor's Report

To the Shareholders of AB Investment Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of AB Investment Limited which comprise the Statement of Financial Position as at December 31, 2021, and the Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at December 31, 2021, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report.

We are independent of the Company in accordance with the International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Bangladesh, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

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

Based on our audit for the period, we consider the below mentioned matters as the key audit matters:

1. AB Investment Limited has been enjoying an over draft limit from AB Bank Limited, principal Branch with reference to letter ref No: ABBL/PB/CAM/AZ-506/2015, the OD limit is BDT 80 Crore which is renewed up to 30.10.2022. The pricing of OD is Nil and outstanding Balance stand at BDT 756,465,516 as at December 31, 2021.
2. AB Investment Limited has no written policy/rule for the gratuity & provident fund of their own and follows AB Bank Limited's policy for the purpose of Gratuity & Provident Fund Provision.
3. Provision for diminution in value of margin loans has been maintained as per BSEC circular reference no: SEC/CMRRC/2009-193/181.

Information Other than the Financial Statements and Auditor's Report thereon

Management is responsible for the other information. The information comprises the information included in the director's report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

Responsibilities of Management and Those Charged with the Governance for the Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually

or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

Report on Other Legal and Regulatory Requirements

In accordance with the Companies Act 1994, we also report the following:

- a) we have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appeared from our examination of those books; and
- c) the statement of financial position and statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account.

Dated, Dhaka
March 23, 2022



Haider Ahmed Khan FCA
Ahmed Khan & Co.
Chartered Accountants

Modhumita Building (1st Floor)
160 Motijheel C/A,
Dhaka-1000, Bangladesh.
DVC:2203230576AS274194

AB Investment Limited
(A Subsidiary of AB Bank Limited)
Statement of Financial Position
As at 31 December 2021

Annexure- K

	31.12.2021	31.12.2020
	Taka	Taka
ASSETS		
Non-current assets	604,084,591	568,369,010
Property, Plant and Equipment	208,670,290	216,694,350
Investment Property	302,434,943	312,241,848
Deferred Tax Assets	92,979,358	39,432,812
Current Assets	8,398,608,084	8,052,324,539
Investment in shares	379,619,416	551,741,963
Loan to Clients & Others	7,263,220,175	6,957,399,993
Advances, Deposits and Prepayments	668,000	556,400
Receivable from Brokers	410,552,535	236,523,208
Advance Income Tax	164,731,847	170,076,236
Cash and Cash Equivalents	179,816,111	136,026,739
TOTAL ASSETS	9,002,692,676	8,620,693,549
EQUITY AND LIABILITIES		
Equity	6,810,708,097	6,743,523,992
Share Capital	6,456,899,810	6,456,899,810
Retained Earnings	353,808,287	286,624,182
Liabilities		
Non-current liabilities	17,367,474	15,048,050
Provident Fund and Gratuity Fund	17,367,474	15,048,050
Current liabilities	2,174,617,105	1,862,121,507
Borrowing from Banks	756,465,516	755,898,828
Liabilities for Expenses	7,349,403	834,601
Provision for Taxation	197,248,781	183,159,276
Provision for Diminution Value of Investment	1,190,901,188	904,818,239
Payable to Clients	22,652,217	17,410,563
Total liabilities	2,191,984,579	1,877,169,557
TOTAL EQUITY AND LIABILITIES	9,002,692,676	8,620,693,549

AB Investment Limited
(A Subsidiary of AB Bank Limited)

Statement of Profit or Loss and Other Comprehensive Income

For the year ended 31 December 2021

Annexure- K-1

	2021	2020
	Taka	Taka
Operating Income	448,883,502	175,213,628
Interest Income	143,495,686	59,982,280
Management Fee	5,067,467	4,568,307
Transaction/ Settlement Fee	76,115,225	36,857,934
Investment Income	214,124,354	63,705,087
Other Operating Income	10,080,770	10,100,020
Operating Expenses	72,673,435	75,431,121
Salaries and Allowances	29,779,203	17,182,331
Audit and Consultancy Fees	162,500	272,050
Administrative Expenses	42,562,503	57,881,438
Financial Expenses	169,229	95,302
Profit before Provision and Tax	376,210,067	99,782,507
Provision for margin loans	280,000,000	135,000,000
Provision for investment	6,082,949	-
Net Profit/(Loss) before Tax for the year	90,127,118	(35,217,493)
Income Tax Expenses	22,943,014	(31,375,765)
Current Tax	76,489,560	19,494,887
Deferred Tax	(53,546,546)	(50,870,652)
Net Profit/(Loss) after Tax for the year	67,184,105	(3,841,728)
Other Comprehensive Income	-	-
Total Comprehensive Income	67,184,105	(3,841,728)

Independent Auditor's Report

To the Shareholders of AB Securities Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of AB Securities Limited which comprise the Statement of Financial Position as at December 31, 2021, and the Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at December 31, 2021, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Bangladesh, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

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

Based on our audit for the period, we consider the below mentioned matters as the key audit matters:

1. Provision for diminution in value of margin loans has been maintained as per BSEC circular. Refer to note no. 31 to the financial statements.
2. The company has kept BDT 11,371,198 as interest payable on consolidated customers' account (CCA) as per the directive (Notification no: BSEC/CMRRCD/2009-193/21) issued by the Bangladesh Securities and Exchange Commission dated June 21, 2021. Refer to note no. 19.03 to the financial statements.

Information Other than the Financial Statements and Auditor's Report thereon

Management is responsible for the other information. The information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

Responsibilities of Management and Those Charged with the Governance for the Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a

material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

Report on Other Legal and Regulatory Requirements

In accordance with the Companies Act 1994, we also report the following:

- a) we have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appeared from our examination of those books; and
- c) the statement of financial position and statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account.

Dated, Dhaka
March 23, 2022



Haider Ahmed Khan FCA
Ahmed Khan & Co.
Chartered Accountants

Modhumita Building (1st Floor)
160 Motijheel C/A,
Dhaka-1000, Bangladesh.
DVC: 2203130576AS747465

AB Securities Limited
Statement of Financial Position
As at 31 December 2021

Annexure- L

	31.12.2021	31.12.2020
	Taka	Taka
I Sources of Fund		
A) Shareholders' Equity:	520,731,739	514,345,408
Share Capital	272,041,880	272,041,880
Revaluation Reserve	85,986,590	85,986,590
Retained Earnings	162,703,269	156,316,938
B) Non-Current Liabilities:	181,306,763	210,989,474
Liabilities for Other Finance	160,000,000	190,000,000
Provision for Gratuity	8,001,870	7,930,439
Provision for Provident Fund	11,811,999	11,602,235
Lease liabilities-Long-term	1,492,894	1,456,800
Total Source of Fund (A+B)	702,038,501	725,334,882
II Application of Fund		
A) Non Current Assets:	12,498,514	17,016,225
Property, Plant & Equipment	10,099,669	14,427,041
Security Deposit	609,517	609,517
Deferred Tax Assets	1,789,327	1,979,667
B) Investments:	110,473,320	103,575,886
C) Current Assets:	1,474,415,410	1,516,387,305
Cash and Cash Equivalents	538,538,465	456,742,020
Advance, Deposit & Prepayments	24,437,930	16,767,100
Advance Income Tax	82,838,578	43,083,808
Accounts Receivable	63,383,183	80,788,114
Loans & Advances	765,217,254	919,006,263
D) Current Liabilities and Provisions:	895,348,742	911,644,534
Accounts Payable	392,278,278	494,550,750
Bank Overdraft	157,548,501	167,548,561
Liabilities for Expense	20,990,000	6,548,349
Provision for Income Tax	87,136,616	46,292,599
Other Liabilities	235,918,093	191,418,093
Lease Liabilities- Short-term	1,477,254	5,286,182
E) Net Current Assets (C-D)	579,066,668	604,742,770
Total Application of Fund (A+B+E)	702,038,501	725,334,882

AB Securities Limited**Statement of Profit or Loss and Other Comprehensive Income**

For the Year Ended 31 December 2021

Annexure- L-1

	2021	2020
	Taka	Taka
A) Operating Income	164,412,009	152,376,185
Brokerage Commission	130,177,423	91,988,986
Interest Income	13,898,426	18,943,715
Investment Income	16,100,199	38,553,642
Other Operating Income	4,235,961	2,889,843
B) Operating & Other Expense	72,491,321	82,111,980
Operating Expenses	63,318,458	50,361,435
Other Financial Expenses	1,590,278	24,651,811
Depreciation on Property, Plant & Equipment	7,582,585	7,098,734
C) Profit before Provision (A-B)	91,920,688	70,264,205
D) Provision	44,500,000	40,000,000
For Diminution in Value of Loan	44,500,000	40,000,000
E) Profit before Taxation (C-D)	47,420,687	30,264,205
F) Provision for Taxation	41,034,357	25,948,873
Current Tax	40,844,017	25,662,970
Deferred Tax	190,340	285,903
Net Profit After Taxation (E-F)	6,386,331	4,315,332
Earnings Per Share (EPS)	0.23	0.16

Independent Auditor's Report

To the Shareholders of Cashlink Bangladesh Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the Financial Statements of Cashlink Bangladesh Limited ("the Company"), which comprise the Statement of financial position as at 31 December 2021 and the Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended and notes to the Financial Statements including a summary of significant accounting policies.

In our opinion, the accompanying Financial Statements give a true and fair view of the Financial Position of the Company as at 31 December 2021 and of its financial performance and its Cash Flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs), the Companies Act 1994 and other applicable laws and regulations.

Basis for Opinion

We conducted our audit in accordance with international Standards on auditing (ISAs). Our responsibilities under those standards are further described in the Author's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the company in accordance with the International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (IESBA Code) and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code and the Institute of Chartered Accountants of Bangladesh (ICAB) Bye Laws. We believe that the audit evidence we have obtained is sufficient and appropriate to provide basis for our opinion.

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

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with IFRSs and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Report on Other Legal and Regulatory Requirements

In accordance with the Companies Act, 1994 we also report the following:

- a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;
- b) In our opinion, proper books of account as required by law have been kept by the company so far as it appeared from our examination of those books; and
- c) The company's financial position and statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows dealt with by the report are in agreement with the books of account.

Dated: 23 April 2022
Place: Dhaka



Razzaque & Co
Chartered Accountants
Enrollment Number: 422
DVC: 2204230422AS485207

Cashlink Bangladesh Limited
Statement of Financial Position

As at 31 December 2021

Annexure- M

	31.12.2021	31.12.2020
	Taka	Taka
ASSETS		
Non Current Assets		
Property, Plant and Equipment	-	3
	-	3
Current Assets		
Cash & Bank Balances	285,869	1,242,062
Investment in Fixed Deposits	46,959,040	44,118,875
Investment in Shares	1,000	1,000
Advance, Deposit & Prepayment	39,242,063	38,248,978
Other Receivable	1,784,994	2,030,210
	88,272,966	85,641,125
Total Assets	88,272,966	85,641,128
EQUITY AND LIABILITIES		
Equity		
Share Capital	238,000,000	238,000,000
Share Money Deposit	4,200,000	4,200,000
Retained Earnings	(163,453,325)	(165,295,612)
Total Equity	78,746,675	76,904,388
Liabilities		
Current Liabilities		
Accrued Expenses	28,750	28,750
Provision for Taxation	9,497,541	8,707,990
	9,526,291	8,736,740
Total Liabilities	9,526,291	8,736,740
Total Equity and Liabilities	88,272,966	85,641,128

Statement of Profit or Loss and Other Comprehensive Income

For the year ended 31 December 2021

Annexure- M-1

	2021	2020
	Taka	Taka
Revenue	-	-
Less: General and Administrative Expenses	441,300	419,155
Operating Loss	(441,300)	(419,155)
Add: Other Income	3,073,139	4,031,392
Profit Before Provision & Tax	2,631,838	3,612,237
Provision for taxation	789,552	1,173,977
Net Profit After Tax	1,842,287	2,438,260
Other Comprehensive Income	-	-
Total Comprehensive Income	1,842,287	2,438,260
Earnings Per Share (EPS)	0.08	0.10

Independent Auditor's Report

To the Member of AB International Finance Limited

(incorporated in Hong Kong with limited liability)

Opinion

We have audited the financial statements of AB International Finance Limited (the "Company") set out on pages 6 to 18, which comprise the statement of financial position as at 31 December 2021, and the statement of comprehensive income and retained earnings, the statement of change in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements give a true and fair view of the financial position of the Company as at 31 December 2021, and of its financial performance and its cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standard for Private Entities ("HKFRS for Private Entities") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the Hong Kong Companies Ordinance.

Basis for Opinion

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAs") issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the HKICPA's Code of Ethics for Professional Accountants ("the Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other matter

The financial statements of the Company for the year ended 31 December 2020 were audited by another auditor who expressed an unmodified opinion on those statements on 25 March 2021.

Other Information

The directors of the Company are responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

Responsibilities of the Directors for the Financial Statements

The directors of the Company are responsible for the preparation of the financial statements that give a true and fair view in accordance with HKFRS for Private Entities issued by the HKICPA and the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

The directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion solely to you, as a body, in accordance with section 405 of the Hong Kong Companies Ordinance, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

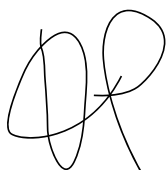
As part of an audit in accordance with HKSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to

provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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



Global Vision CPA Limited
Certified Public Accountants

Woo Yuen Fai
Practising Certificate Number: P06337

Hong Kong
Date: 24 March 2022

AB International Finance Limited
Statement of Financial Position
As at 31 December 2021

Annexure-N

	31.12.2021	31.12.2020
	HK\$	HK\$
NON-CURRENT ASSETS		
Property, plant and equipment	4,259	11,936
CURRENT ASSETS		
Discounted bills receivable	133,712,940	102,262,201
Deposits, prepayments and other receivable	4,314,414	4,362,558
Tax refundable	-	734,081
Cash and bank balances	378,358	2,383,320
	138,405,712	109,742,160
CURRENT LIABILITIES		
Accrued liabilities and other payables	5,666,162	4,667,123
Deferred interest income	941,395	837,511
Provision for long service payments	415,189	350,117
Amount due to ultimate holding company	113,205,850	87,928,750
Income tax payable	438,507	-
	120,667,103	93,783,501
NET CURRENT ASSETS	17,738,609	15,958,659
NET ASSETS	17,742,868	15,970,595
EQUITY		
Share capital	1,000,000	1,000,000
Retained earnings	563,904	563,904
Proposed final dividend	8,617,005	6,844,732
Capital Reserve	7,561,960	7,561,960
	17,742,868	15,970,595

Statement of Comprehensive Income and Retained Earnings

For the year ended 31 December 2021

Annexure-N-1

	2021	2020
	HK\$	HK\$
Interest income	5,255,367	3,602,766
Interest expenses	(1,177,418)	(578,108)
Net interest income	4,077,949	3,024,658
Other income	10,849,995	9,590,478
Administrative expenses	(4,803,729)	(4,711,701)
Profit before tax	10,124,215	7,903,435
Income tax expense	(1,507,210)	(1,058,703)
Profit for the year	8,617,005	6,844,732
Retained earnings at the beginning of the year	563,904	563,904
Dividend	(8,617,005)	(6,844,732)
Retained earnings at the end of the year	563,904	563,904

Independent Auditor's Report

To The Shareholders of Arab Bangladesh Bank Foundation

Opinion

We have audited the Financial Statement of ARAB BANGLADESH BANK FOUNDATION which comprises the Statement of Financial Position as at 31 December, 2021 and Statement of comprehensive Income, Statement of Changes in Equity and Statement of Cash Flow for the period ended 31 December, 2021 and a summary of significant accounting policies and other explanatory notes.

In our opinion, the accompanying Financial Statements give a true and fair view of the Financial Position as at 31 December, 2021 and its financial performance and its Cash Flows for the period then ended in accordance with the Private Limited Company format as required by The company Act, 1994 and International Financial Reporting Standards (IFRSs) and comply with other applicable laws and regulation.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those Standards are further described in the Auditors Responsibilities for the audit of the Financial Statements section of our reports. We are independent of the company in accordance with the International Ethics standards Board for Accountants, Code of Ethics for Professional Accountants (IESBA Code) and we have fulfilled our ethical responsibilities in accordance with the IESBA Code and The Institute of Chartered Accountants of Bangladesh (ICAB) bye Laws. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the Basis for Qualified Opinion section we have determined the matter described below to be the key audit matters to be communicated in our report:

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation of the financial statements that give a true and fair view in accordance with the Private Limited Company financial reporting format as required by The Company Act, 1994 and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation of financial Statement that are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the company or to ceases operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the audit of the financial Reports

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

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

- Identify and assess the risk of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risk, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk are not detecting a material misstatement resulting from fraud, is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omission, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the

Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention to our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transaction and events in a manner that achieves fair presentation.
- We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

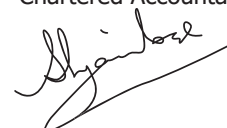
Report on other legal and regulatory requirements:

- a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- b) In our opinion, proper books of accounts as required by law have been kept by the Company so far as it appeared from our examination of those books; and
- c) The statement of financial position and statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account.

Dhaka: Bangladesh
Dated: 20 April 2022

Signed for & on behalf of

S. R. Bose & CO.
Chartered Accountants



Shishir Ranjan Bose, FCA
Managing Partner
ICAB Enrollment no. 390
DVC: 2204200390AS385135

Arab Bangladesh Bank Foundation (ABBF)

Statement of Financial Position

As at 31 December 2021

Annexure- Q

	31.12.2021	31.12.2020
	Taka	Taka
ASSETS		
Non Current Assets	37,284,808	37,893,534
Property, Plant & Equipment	37,283,808	37,892,534
Investment in share	1,000	1,000
Current Assets	513,169,323	492,324,968
Loan to ABSL	160,000,000	190,000,000
Investment in FDR	110,844,005	105,915,271
Accrued Income	75,338	75,338
Advance Tax	31,084,912	23,405,346
Cash and Cash Equivalents	211,165,068	172,929,013
TOTAL ASSETS	550,454,132	530,218,502
EQUITY AND LIABILITIES		
Shareholders' Equity	513,386,477	499,290,836
Share Capital	20,000,000	20,000,000
Retained Earnings	493,386,477	479,290,836
Non-Current Liabilities	-	-
Current Liabilities	37,067,655	30,927,666
Provision for Income Tax	36,852,655	30,811,666
Provision for Expenses	215,000	116,000
TOTAL EQUITY AND LIABILITIES	550,454,132	530,218,502

Statement of Profit or Loss and Other Comprehensive Income

For the year ended 31 December 2021

Annexure- O-1

	2021	2020
	Taka	Taka
Income		
Operating Income	21,317,505	29,376,192
Interest Income	20,413,453	28,472,140
Rental Income	904,052	904,052
Less : Operating & Other Expenses	1,180,876	2,812,484
Operating expenses	1,180,876	1,212,484
Other expenses	-	1,600,000
Profit before Tax	20,136,629	26,563,708
Less: Provision for Tax	6,040,989	8,633,205
Profit carried forward	14,095,640	17,930,503

Name of the Directors and entities in which had interest as on December 31, 2021

Sl. No.	Name	Status	Name of Firms/Companies in which interested as proprietor/partner/director/managing agent/guarantor/employees etc.
1	Mr. Muhammad A. (Rume) Ali	Chairman	1. Finnova Technologies Limited, Chairman
			2. Finaction Bangladesh Limited, Chairman
			3. Finnovation Limited, Director
			4. Bangladesh International Arbitration Centre (BIAC), Chief Executive Officer
			5. Banglalink Digital Communications Limited, Director
			6. Eastland Insurance Company Limited, Independent Director
			7. Friendship Bangladesh, Vice Chairman
			8. AB International Finance Ltd, Hong Kong, Chairman, Nominated by AB Bank Limited
			9. Cashlink Bangladesh Limited, Chairman, Nominated by AB Bank Limited
2	Mr. Feroz Ahmed	Director	1. Hexagon Chemical Complex Ltd; Chairman
			2. Elite Paint & Chemical Ind. Ltd; Chairman
			3. Elite International Ltd; Managing Director
			4. FDN Energy Ltd; Managing Director
			5. Ahmed Securities Services Ltd; Managing Director
			6. Bangladesh General Insurance Company Ltd; Shareholder
			7. FM Trading & Travels, Proprietor
			8. AB Bank Foundation, Chairman, Nominated by AB Bank Limited
3	Mr. Khairul Alam Choudhury	Director	1. Cashlink Bangladesh Ltd, Director, Nominated by AB Bank Limited
			2. AB Securities Ltd, Director, Nominated by AB Bank Limited
			3. AB Investment Ltd, Director, Nominated by AB Bank Limited
4	Mr. Shajir Ahmed	Director	1. Elite Paint & Chemical Industries Limited, Director
			2. Super Refinery (Pvt.) Limited, Director
			3. Super Silica Bangladesh Limited, Director
			4. Super Share & Securities Limited, Director
			5. Elite Super Plastic Ind. (Pvt.) Limited, Director
			6. Super Sea Fish (Pvt.) Limited, Director
			7. Super Tel Limited, Director
			8. Elite Properties Management Ltd., Director
			9. Aurora Décor Limited, Director
			10. Broast Foods Ind (Pvt) Limited, Director
			11. Elite Food Industries Limited, Director
5	Mr. Shafiqul Alam	Independent Director	1. AB Investment Ltd, Director, Nominated by AB Bank Limited
			2. AB Securities Ltd, Director, Nominated by AB Bank Limited
			3. AB International Finance Ltd, Hong Kong, Director, Nominated by AB Bank Limited
6	Mr. Maqsoodul Huq Khan	Director	Nil
7	Mr. Tarique Afzal	President & Managing Director	1. AB Investment Ltd, Director, Nominated by AB Bank Limited
			2. AB Securities Ltd, Director, Nominated by AB Bank Limited
			3. AB International Finance Ltd, Hong Kong. Director, Nominated by AB Bank Limited
			4. Cashlink Bangladesh Limited, Director, Nominated by AB Bank Limited
			5. AB Bank Foundation, Member, Nominated by AB Bank Limited



CITIZEN CHARTER



CORPORATE SOCIAL RESPONSIBILITY

AB Bank's CSR activities reflect the Bank's mission, vision and values. Corporate Social Responsibility (CSR) initiatives are an integral part of our strategic commitment, and we are always guided by strong ethical values to operate responsibly within broader social and economic context. AB strongly believes that a strong CSR engagement helps the organization to be socially accountable—to itself, its stakeholders, and to the public. It is an essential element in fulfilling social commitment of all the business enterprises which contributes towards the improvement of quality of the lives of people. AB feels that by practicing corporate social responsibility, an organization can be conscious of the kind of impact it is having on all aspects of society, including economic, social, and environmental. It is also one of the ways to contribute to the society as a form of giving back to the community.

It was the dream of the Father of the Nation Bangabandhu Sheikh Mujibur Rahman that every individual Bangladeshi should be free from hunger, malnutrition and should have basic necessities and be entitled to affordable education, healthcare facilities equal opportunities in an enabling environment thereby resulting in reduction of social and economic disparity. Towards this larger goal, Corporates as major players in the economic development are also required to share this Social Responsibility, and AB Bank contributes its share to this worthy cause.

The global COVID-19 pandemic has been an unprecedented crisis for all of humanity. With the emergence of COVID 19, the importance of CSR has become even more critical in helping the people and the society at large. AB Bank stepped up and continued its focus more than ever before on CSR initiatives in the areas of education, health, disaster management and sports.

Education: CSR for communities is a key for success in any society for any education institution. Quality education is a basic need for everyone and is the best way to raise aspiration in the society and therefore, AB Bank redirected its CSR focus more in the field by providing financial assistance to a number of educational institutions to support the studies of poor and meritorious students. AB Bank provided financial assistance for nursing training courses which helped to build up the frontline health-workers during this COVID pandemic. The Bank also made significant donations to the Society for the Welfare of Autistic Children (SWAC), an organization, directly works for specialized children in the field of education and training.

Health: Responding to the evolving needs of the society, and making a meaningful impact on the quality of their lives are central to AB Bank's CSR philosophy. During the year, our priority was to understand the challenges faced

by people at the grass root level in managing the impacts of the pandemic and thereby sustainable recovery measures and financial support to enable them to bounce-back stronger and more confident in their future.

We commit to contributing to sustainable social development and consequently, the Bank supported to provide medical facilities to the underprivileged so that they can live their lives and function properly in the society. In line with that AB Bank donated to Prime Minister's Relief and Welfare Fund during COVID 19 pandemic. The Bank donated towards TMSS Medical College and Rafatullah Community Hospital under special CSR initiatives of the Bank. AB Bank also donated money to Motherland Foundation and SUNMAR Initiative Bangladesh so that they may be able to support better health and nutrition for the people. AB Bank also gave away face masks and sanitizer for underprivileged people and customers of rural for safety measures during Covid-19 pandemic.

Disaster Management: Standing by the nation in any national emergency is a call of duty and AB Bank as a corporate citizen has always responded during such times. AB Bank has remained fully committed to fighting the national crisis, in all possible ways. In response to crisis, this year for flood affected people AB made significant donations to Prime Minister's relief fund. During the winter AB distributed blankets through Prime Minister's relief fund for the people of cold affected region in the country. The Bank has also provided food support to poor people who have come under major food safety related threat due to ongoing coronavirus situation.

Sports Arena: AB always contributes in the development of sports, be it cricket, football or golf. The President Cup Golf at Bhatia, Chittagong is a trademark event sponsored by AB for the last 30 years. AB Bank was also involved in sponsoring "Bangladesh Olympic Association" for Bangabandhu 9th Bangladesh Game. As a part of the Cricket frenzy nation AB has also made significant contribution in the development of School Cricket.

CSR activities of an organization have an impact on its brand, its stakeholders, its employees and above all on its customers. As socially conscious and responsible corporate body AB Bank is committed to the improvement of the society as a whole. People loves to be associated in giving back something to the society for its development and we at AB Bank pledge to all the people around us that we will continue to strive to give back more to the society in the days to come.

CORPORATE SOCIAL RESPONSIBILITY



Handing over blankets to Prime Minister's Relief & Welfare Fund as part of AB Bank's CSR initiatives



Distributing food and relief materials among 1500 distressed families at Bogura through TMSS

CORPORATE SOCIAL RESPONSIBILITY



The Bank handed over a cheque to the spouse of lost member of AB, during Covid period



The Bank handed over a cheque as donation for the victims of fire incident in Chattogram's Sitakunda

GREEN BANKING ACTIVITIES

AB Bank adopted comprehensive Green Banking Policy in line with global norms and BRPD Circular no. 02 Dated February 27, 2011 on "Policy Guidelines for Green Banking" (as approved by Board of Director's 488th Meeting held on 19.12.2011). As per Bangladesh Bank SFD Circular No.02 dated December 01, 2016, the Bank has formed (upon due approval from Board of Director's 624th meeting held on March 08, 2017):

- A separate Sustainable Finance Unit (SFU) having the responsibility of designing, evaluating and administering related Green Banking issues of the bank, comprising Senior and mid-level Officials.
- Sustainable Finance Committee (SFC) comprising the Senior Officials of the Bank.

Policy Formulation and Governance

Incorporation of ESRM in CRM

Eco friendly business activities and energy efficient industries are encouraged in financing by the Bank. Environmental infrastructure in businesses such as wastewater treatment plant, bio-gas plant, bio-fertilizer plants etc. are financed by the Bank.

Besides, projects having such installations are also encouraged. Bank has incorporated Environment, Social and Climate Change Risk as part of the existing credit risk methodology and introduced 'Environmental and Social Risk Assessment (ESRA) - Generic Checklist' to assess existing as well as a prospective borrower (Credit Circular No.02/2017 on November 19, 2017).

Before introducing ESRA, Bank had been conducting Environmental Risk Rating (EnvRR) since July 2011.

In - House Environment Management

ABBL introduced and practicing Green Office Guide (Green Tips) to better manage In-House Environment. Following are some of the key practices under Green Office Guide:

- Prepare & maintain inventory of the consumption of water, paper, electricity, energy etc. in its offices and branches in different places.
- Saving electricity and reduce water and paper consumption.
- Extensive use of Online communication.
- Use of Energy efficient electronic equipment's and energy saving LED Bulbs as much as possible. Every ton of paper saves around 17 trees. Therefore Bank emphasize using recycled paper, print on reusable sheets, double side and print on both sides, print only the pages that are required, increase margin width of the documents, lower the default font (preferably to 10 point) which would shrink the document by about 10%, use email statements through which we save an enormous quantity of paper, we call or email our customers for service reasons wherever possible rather than writing letters, low use of Cheque Book or

paying in book (withdrawal & payment through Card), installed solar ATM's, switch off the ACs after 7 pm (or earlier specially when not required), and maintaining the temperature of the AC over 22° Celsius, switch off the lights of the common area after banking hour, switch off the electronic gadgets e.g. computer/printer, when not in use.

Green Monitor

To Ensure Optimum consumption of Electricity and Water, Head Office and all Branches of the Bank is set to control and reduce electricity consumption.

To this effect, One Official for each ABBL Floor (at Head Office as well as at each Branch) has been nominated as 'Green Monitor' who ensure that:

- Air Cooler Temperature is maintained preferably at 24° Celsius during office hours.
- Air Coolers are put off after 7:00 p.m. and unnecessary lights are put off when not required.
- There is no wastage of water (in kitchen, gardens, car wash and rest rooms especially due to faulty tap).
- Switch off Air Coolers inside ATM Booths every night from 12:00 Midnight to 6:00 a.m.

Earth Hour

Introduction of Earth Hour in every Branch and at Head Office to save electricity and to promote the environmental cause effectively, redundant lights and air coolers are switched off during working hours.

Climate Risk Fund

Bank to allocate Climate Risk Fund for CSR activities for the people affected by climate change like flood, severe winters which we have seen in last few years. AB Bank has stood by the side of the people affected by the above mentioned calamities caused due to climate change.

Green marketing

To promote Green marketing Bank is arranging Training & Capacity Building among its employees.

Online Banking

- ABBL is a fully real-time online Bank and encourage customers to use internet banking (AB Direct etc.) for transactions including online Bill payment, Challan submission, Fund transfers etc.
- It gives more emphasis to make the easiest way to help environment by eliminating paper waste, saving gas and carbon emission, reducing printing costs and postage expenses.

Disclosure and reporting of Green banking

Such disclosure has been done in our Annual Report, Bank's periodicals while our website also speaks of our Green Products & initiatives.

AB NETWORK



BRANCH LOCATION



DHAKA DIVISION		
Austagram Mustari Bhaban, Jamtoli, Austagram Sadar Kishoreganj	Islami Banking Branch 82, Kakrail, Ramna, Dhaka	Narayanganj 109 B.B. Road Narayanganj
Banani S. R. R Commercial Tower, House No. 50 Road No. 11, Block-C, Banani, Dhaka	Jatrabari Tony Tower 33 Shaheed Faruque Road Jatrabari, Dhaka	Nawabpur Road 198-202, Nawabpur Road (Nawabpur Tower) Nawabpur, Dhaka 1100
Bandura Bandura Govt. Super Market (1st floor) Hasnabad, Nawabgonj, Dhaka	Jinjira Hazi Karim Market, Purba Aganagar, Gudara Ghat Road, Keranigonj, Dhaka	New Elephant Road Novera Square House 05, Road 02 Dhanmondi, Dhaka 1205
Bashundhara Green Coronet, Plot No. 07, Block-A Bashundhara Main Road, Dhaka 1229	Joypara Joypara, Dohar, Dhaka	North South Road 9/1 North South Road (Bangshal) Dhaka 1100
Bhairab Bazar 248(W) Tin Potty, Bhairab Bazar, Bhairab Kishoregonj	Kakrail 81, VIP Road, Dhaka 1000	Pagla Al-haj, Afsar Karim Bhaban DN Road, Pagla, Narayanganj
Bhulta Haji Shopping Complex, Bhulta, Golakandail Rupgonj, Narayanganj	Kalampur Kalampur, Dhamrai, Dhaka	Paril Paril Noadha, Boldhara, Singair, Manikganj
Board Bazar Ward No. 35, Gachha, Zone 02, Joydebpur Thana, Gazipur City Corporation, Gazipur 1704	Kalatiya Sufiya Zaman Complex, Kalatiya Bazar Road Shamsherpur, Kalatiya, Keraniganj, Dhaka	Principal 30-31, Dilkusha C/A, Dhaka
Chandra Alhaj Khabiruddin Super Market (1st floor) Kaliakoir Bazar, Poura Shava, Kaliakair Gazipur	Kamrangirchar Al-Madina Super Market 1201 West Rosulpur Kamrangirchar, Dhaka	Progati Sharani N.R. Tower, 72 Progati Sharani Block: J, Baridhara, Dhaka
Dhanmondi Plot: 45 (new) 286/B (old), Road: 16 (new) 27 (old), Dhanmondi R/A, Dhaka 1209	Karwan Bazar BSEC Bhaban 102 Kazi Nazrul Islam Avenue, Dhaka 1215	Rokeya Sharani 923, Shewrapara Rokeya Sharani Mirpur, Dhaka
Faridpur Faridpur A.R. City Center, 29 Haji Shariatullah Bazar Road, Kotwali, Faridpur	Madhabdi Parkashipur, Madhabdi Bazar Narsingdi	Savar Palash Bari, Baipal, Savar, Dhaka
Garib-E-Newaz Avenue House of veritas, 8 Garib-E-Newaz Avenue Sector -13, Uttara West, Dhaka	Malibagh Advanced Melinda (Level-1), 72 Malibagh Dhaka 1219	Shyamoli Shyamoli Square, Holding # 24/1 & 24/2 Khilzi Road, Ward#45, Mohammadpur Dhaka 1207
Gulshan Ventura Avenue (1st & 2nd floor), Plot No. CWN(C)-8/B, Road No. 34, Gulshan Model Town, Dhaka 1212	Mirpur 5/A, 5/B, Darus Salam Main Road (1st floor) Section 1, Mirpur, Dhaka	Tangail 702 Sabur Khan Tower, Kalibari Road Tangail Sadar, Tangail
Imamganj 40, Imamganj, Dhaka 1211	Mohakhali Pacific Centre (1st floor), 14 Mohakhali C/A Dhaka 1212	Tongi Senakalayan Commercial Complex Plot No- 9, Tongi, Gazipur
Islampur 38-39, Islampur, Dhaka	Motijheel BSB Building, 08, DIT Avenue, Dhaka	Uttara House 11, Road 14D, Sector 4 Uttara, Dhaka
MYMENSINGH DIVISION		
Mymensingh Alam Tower, 29, Congress Jubilee Road Mymensingh	Seed Store Bazar Al-Madina Shopping Complex, Seed Store Bazar, Bhaluka, Mymensingh	

BRANCH LOCATION

CHATTOGRAM DIVISION		
Agrabad BCIC Sadan 26, Agrabad C/A, Chattogram	Chaturi Al Amin Super Market, Union: Chaturi, Police Station: Anowara Chattogram	Lohagara "Mostafa City", Amirabad, Lohagara Chattogram
Ashuganj Kashem Plaza, Ashuganj Sadar Brahmanbaria	Chakaria M. Rahman Complex (1st Floor), Ward 4 Chakaria, Cox's Bazar	Momin Road Equity Central, 42-43, Momin Road, Jamal Khan, Chattogram
Anderkilla Universal Chamber (1st Floor) 7 Laldighi East, Anderkilla, Chattogram	Cumilla Moghultoli Super Market (1st floor) Moghultoli Road, Cumilla	Nazu Meah Hat Burischar, Kaptai Road, Hathazari Chattogram 4337
Bahaddarhat 4543, Bahaddarhat, Medina Hotel (1st floor) Chandgaon, Chattogram	Cox's Bazar Digonta Complex (New Market), Bazar Ghata, Cox's Bazar	Pahartoli Abdur Rahim Tower (1st Floor) Hold: 972/1043, D.T. Road, Ward: 098, A. K. Khan Gate, North Pahartoli, Chattogram
Brahmanbaria 1090/128, Court Road Brahmanbaria	Dewanhat 315, Dewan Chamber, Dewanhat Doublemuring, Chattogram	Patherhat Khayez Shopping Center (2nd Floor) Patherrhat, Noyapara, Chattogram
Banshkhali Mohammed Meah Plaza Ramdas Munshirhat, Kokdandi Kalipur Union, Banshkhali, Chattogram	Export Processing Zone (EPZ) Bay Shopping Centre, P.O. South EPZ Halishahar, Chattogram 4223	Port Connecting Road 5, Port Connecting Road, Block G, Barapole Halishahar, Chattogram
Boalkhali TCCA Complex, Gomdandi (East), Boalkhali Chattogram	Feni Haque Plaza (1st floor) 193, SSK Road, Feni	Sandwip Sandwip City Centre, Anam Nahar, Plot No: 22370 & 22371, Union: Haramiah, Sandwip Chattogram
CDA Avenue BMA Bhaban (Ground Floor), 1367 CDA Avenue, East Nasirabad, Chattogram	Hathazari Hajee Siddique Market (1st floor), Hathazari Bus Stand, Hathazari, Chattogram	Sitakunda Aziz Shopping Complex, Mohadevpur Chattogram
Chawk Bazar Moti Tower, 67/68 College Road Chawkbazar, Chattogram	Jubilee Road 175, Jubilee Road, Enayet Bazar Chattogram	Station Road "Equity Anitri", 32, H.S.S. Road, Kotwali Chattogram
Chandpur 123/115 Kalibari Pouro New Market Chandpur Sadar, Chandpur	Khatunganj 395, Khatunganj, Chattogram	Teknaf Teknaf Main Road, Teknaf, Cox's Bazar
Chaumuhani Holding # 886, Feni Road, Chaumuhani Begumganj, Noakhali	Khulshi Khulshi House, Bungalow No. 2, B-2, Road No. 1, P.S.: Khulshi Chattogram	
KHULNA DIVISION		
Benapole Hotel Haque International 607, Local Bus Stand, Benapole, Jashore	Jhikargacha Hanef Super Market, Holding No. 567, Word No. 3, Jashore Benapole Road Jhikargacha Pourashava, Jashore	Satkhira 884/810, Abul Kashem Road Satkhira
Jashore Municipal Road, Kotwali, Jashore	Khulna Mollick Shopping Complex Limited, 99 Jashore Road, Khulna	
Jhenaidah Branch Pushpo prangon 249 Sher-E-Bangla Road Jhenaidah Sadar Jhenaidah	Kushtia 12-14 Nawab Serajuddowla Road, Boro Bazar, Kushtia	

BRANCH LOCATION

RAJSHAHI DIVISION		
Bogura 324, Kazi Nazrul Islam Sarak Jhawtala, Bogura	Naogaon Mozaffer Hossain Marketing Complex, Main Road, Naogaon	Sirajganj Friends Plaza (1st Floor), S S Road, Ward 1 Sirajganj
Chapai Nawabganj 16 Godagari Road Chapai Nawabganj	Pabna Biswash Commercial Complex, 0790-001 Abdul Hamid Road, Pabna	Rajshahi 102-103 Shaheb Bazar, Rajshahi
SYLHET DIVISION		
Boroikandi Rongdhonu Biponi Bitan, 1st Floor, Central Bus Terminal Road, Verthokhola, Sylhet	Habiganj Shaistanagar, Habiganj-Shaistaganj Main Road, Habiganj 3300	Tajpur Haji Keramat Ali Super Market, Kadamtala Tajpur, Sylhet
Chhatak Madaris Mansion, Bagbari, Chattak Sunamganj	Madhabpur Munshi Tower (1st Floor), Ward 7 Madhabpur, Habiganj	VIP Road Surma Tower, V.I.P. Road, Taltala, P.S. Kotwali, Sylhet
Dargahgate Raj Manjil, Dargahgate, Sylhet	Moulvibazar Shamsher Nagar Road, Choumuhana Moulvibazar	
Garden Tower Bishwa Road, Shahjalal Uposhohor Point Sylhet 3100	Sreemongal Aziz Super Market, Moulvibazar Road Sreemongal, Moulvibazar	
RANGPUR DIVISION		
Dinajpur 189 Zated Super Market Bahadur Bazar, Dinajpur	Rangpur 91-92, Central Road Kotowali, Rangpur	
Lalmonirhat 5/32 S, Puran Bazar, Ward No. 05 Lalmonirhat Sadar, Lalmonirhat	Saidpur 24, Nur Plaza (1st & 2nd floor), Ward 12 Shaheed Dr. Zikrul Haque Road, Saidpur Nilphamari	
BARISHAL DIVISION		
Barishal Monsur Mansion, 101 Sadar Road, Barishal		
OVERSEAS BRANCH		
Mumbai, India Mumbai, India Liberty Building, 41-42 Sir Vithaldas Thackersey Marg, New Marine Lines, Mumbai 400020, India		

ATM BOOTH

SL	ATM Locations	Address	Attached Branch
1	Bashundhara	Green Coronet Plot No-07, Block-A, Bashundhara Main Road	Bashundhara Branch
2	Mirpur-1	5-B Darus Slam Road, Section 01, Mirpur Dhaka	Mirpur
3	Police Plaza Concord ATM	Shop No-105, " Police Plaza Concord", Road No-2, Gulshan, Dhaka	Gulshan
4	Gareeb-E-Newaz ATM	Plot No-8, Gareeb-E-Newaz Avenue, Sector-13, Uttara, Dhaka	Gareeb-E-Newaz
5	WW Tower ATM	WW Tower, 68, Motijheel Commercial Area, Dhaka	Principal
6	Jurain ATM	302/1, Jurain, Dhaka.	North South Road
7	Chatterjee Lane ATM	6/3, Shashi Bhushan Chatterjee Lane, Dhupkhola, Gandaria, Dhaka	Islampur
8	Banani	House No-34, Road-10, Block-D, Banani, Dhaka	Banani
9	Eye Hospital ATM	Bangladesh Eye Hospital ATM Booth at Bangladesh Eye Hospital Ltd. 78, Sat Masjid Road Dhanmondi, Dhaka.	Dhanmondi
10	Ramna Bhaban ATM	Shop No-13, Ramna Bhaban, Dhaka	Motijheel
11	Jigatola Main Road	21/3, Jigatola Main Road, Dhaka-1209	New Elephant Road
12	Green road	148, Green Road, Dhaka	New Elephant Road
13	Gulshan-Sub Branch	Corporate Office, The Skymark, 18, Gulshan Avenue, Dhaka	Gulshan (Gulshan Sub- Branch)
14	Gulshan-Sub Branch	Corporate Office, The Skymark, 18, Gulshan Avenue, Dhaka	Gulshan (Gulshan Sub- Branch)
15	Sonargoan ATM	Pan Pacific Sonargaon Dhaka Hotel Lobby, ATM	Karwan Bazar
16	Gulshan Club Limited	Gulshan Club Limited, House NWJ-2/A, Bir Uttom Sultan Mahmud Road (Old 50), Gulshan 2, Dhaka 1212	Gulshan
17	Motijheel Branch	Motijheel Branch, BDBL Building, 08, DIT Avenue, Dhaka	Motijheel
18	Gulshan	155 Gulshan Avenue, Road No 54 Dhaka	Gulshan
19	Siddeswari Road ATM	Total Camelia, 49, Siddeswari Road, Dhaka.	Malibag
20	Gulshan-1 ATM	Shop No.15,50, South Gulshan, Dhaka	Gulshan
21	Mohakhali	G-37, Wireless Gate, Dhaka	Mohakhali
22	Rayer Bazar	15, Sultangonj, Rayer Bazar , Dhaka	Dhanmondi
23	Middle Badda	Gha-131/1, Middle Badda, Dhaka	Progoti Sharani
24	Banasree Main Road	B/4, Block-B, Main Road, Banasree, Dhaka	Malibag
25	Asad Avenue	Mohammadpur Housing Estate Plot No. 71/C, Block No. D, Mohammadpur, Dhaka	Shyamoli
26	West Panthapath (Shomorita Hospital)	89/2, West Panthapath, Dhaka 1215 (Beside Shomorita Hospital)	Karwan Bazar
27	Satmosjid Road	Block-E, Plot No. Gha/13, Mohammadpur Housing Estate Mohammadpur, Dhaka	Dhanmondi
28	Malibagh Chowdhury Para	577, Malibagh Chowdhury Para, Dhaka	Malibag
29	Training Academy	719 (old) Satmasjid Road, Dhanmondi R/A, Dhaka 85/A (New) M R Akhter Mukul Sarak, Dhanmondi R/A, Dhaka	New Elephant Road
30	PC Culture Housing Society	H - 23, Road - 10, Block-Kha, PC Culture Housing Society Mohammadpur, Dhaka	Shyamoli
31	NICVD	NICVD, Sher-E-Bangla Nagar, Dhaka	Shyamoli
32	Lucas More	115 West Nakhalpara, Tejgaon, Dhaka	Karwan Bazar
33	Lake Drive Road	Plot No.19, Lake Drive Road, Sector -0 7 Uttara, Dhaka	Gareeb-E-Newaz
34	Shahjahanpur	714/1, Uttar Shahjahanpur, Dhaka.	Motijheel
35	South Basabo	445, South Bashbo, Sabujbagh, Dhaka	Motijheel
36	Sony Cinema	Crescent Homes, 150/1 Shah Ali bag Mirpur-1, Dhaka	Mirpur



SL	ATM Locations	Address	Attached Branch
37	Tejture bazar (Science College)	37 East Tejture Bazar, Farmgate, Dhaka-1215	Karwan Bazar
38	Nazim Uddin Road	1/2 Nazim Uddin Road, Dhaka	Imamganj
39	Gopibagh	1/A Gopibagh, 1st Lane, Dhaka-1203	Principal
40	Nikunja-2	Plot No.06, Road No.01, Nikunja-02, Dhaka	Progoti Sharani
41	Simanta Square	Simanta Square Market Premises, Pilkhana, Dhaka	New Elephant Road
42	Banani	House#50, Road#11, Block-C, Banani, Dhaka	Banani
43	Adabar Bazar	H-32/1/A North Adabar, Mohammadpur, Dhaka	Shyamoli
44	Darus Salam Station	59/D, Darus Salam, Mirpur Road, Dhaka	Shyamoli
45	Ring Road	KPBL Chayapath, House No.16/A/6, Ring Road, Near By Japan Garden City/ Suchona Community Center, Mohammadpur, Dhaka	Shyamoli
46	Gulshan	Block B, H-50, Road -3 Avenue Road-1, Niketan , Gulshan-1	Mohakhali
47	Jatrabari	Holding No. 102/1, Sahid Faruk Road, South Jatrabari, Dhaka	Principal
48	Lalmatia	House# B/20, Block- E, Zakir Hossain Road, Lalmatia, Dhaka	Dhanmondi
49	Rupnagar	House#57, Road#22, Rupnagar R/A, Mirpur, Dhaka	Mirpur
50	Gulshan Link	TA-137/1, Gulshan Link Road, Dhaka	Gulshan
51	Rampura	City Corporation Holding No. 1, East Rampura, Dhaka	Kakrail
52	Tongi	Sena Kalyan Commercial Complex, Plot No. 9/F, Tongi, Gazipur	Tongi
53	Dhanmondi Takwa Masjid	Block-C, Plot No. 251/F, Road No. 22, at present Plot No. 60/A Road No. 12/A, Dhanmondi R/A., Dhaka	Dhanmondi
54	Segunbagicha	42/1Kha, Segunbagicha, Ramna, Dhaka	Kakrail
55	Kalachandpur	Ka/12, Kalachandpur, Baridhara, Gulshan, Dhaka	Progoti Sharani
56	Uttara	Plot No. 05, Rana Bhola Road, Sector-10, Uttara, Dhaka	Uttara
57	Brac Shoping	Shop No-111, Brac Shopping Centre, Faidabad, Azampur, Uttara, Dhaka	Uttara
58	Uttara#7	Plot-89, Road-28, Sector-07, Uttara, Dhaka	Uttara
59	Mirpur #12/Kalshi ATM	Plot No. 17, Road No. 02, Block No. E, Section No. 12, Rupnagar R/A Mirpur Housing Estate, Mirpur, Dhaka	Mirpur
60	Mukda Para	111/C, North Mukda Para, Sabujbagh, Dhaka	Malibag
61	Khilkhet	Concord Lake city, Holding No. Kha-94/3, Khilkhet, Dhaka	Progoti Sharani
62	Ashkuna	Hazi Supper Market, Holding No. 2522, Ashkuna, Uttara, Dhaka	Uttara
63	Kochukhet	234/6, Kochukhet, Mirpur	Rokeya Sharani
64	Polton Tower	Shop No-11, Box Kalbart Road, 87 Purna Polton Road Polton Tower, Polton, Dhaka	Motijheel
65	Boro Moghbazar	625 Boro Moghbazar (Nayatola) (Opposite Red Cr. Society)	Malibag
66	Kaderabad Housing Society	41/A, Kaderabad Housing Society, Katasur, Mohammadpur, Dhaka	Dhanmondi
67	Lalbag	15, Lalbag Road, Lalbag Kella, Dhaka	New Elephant Road
68	Monipuripara ATM-2	Lion's Shopping, Old Airport Road, Monipuripara, Dhaka	Karwan Bazar
69	Gabtolli ATM	86, 1st Colony, Mazar Road, Near of Cement House. Gabtolli, Mirpur, Dhaka	Shyamoli
70	Zigatola ATM	House-43/3/2, Zigatola, Dhanmondi, Dhaka	New Elephant Road
71	Bokshi Bazar ATM	Bokshi Bazar, City Corpration Market, Dhaka Medical College , Dhaka	North South Road
72	Baridhara ATM-1	Baridhara Parishad Office, Baridhara DOHS, Road#5, Opposite to CSD, Dhaka	Gulshan
73	Baridhara ATM-2	Baridhara Parishad Office, Baridhara DOHS, Road#5, Opposite to CSD Dhaka	Gulshan
74	Gowsul Azam ATM	Gowsul Azam Avenue, House#57, Sec#14, Uttara, Dhaka 1230	Gareeb-E-Newaz

ATM BOOTH

SL	ATM Locations	Address	Attached Branch
75	Concord Arcadia ATM	Dhanmondi (Concord Arcadia), Plot#122, Road#4, Dhanmondi, Dhaka	New Elephant Road
76	Khilgoan ATM	425/C, Khilgaon, Dhaka	Malibag
77	Bijoy Sharani ATM	Bijoy Sharani Link Road, Tejgaon, Dhaka	Karwan Bazar
78	Prince Plaza ATM	4/2, Prince Plaza, Sobhanbag, Mirpur Road, Dhaka	Dhanmondi
79	Monipuripara ATM	20/1, Monipuripara (Sangshad Avenue) Dhaka	Rokeya Sharani
80	Saidabad ATM	17/A, North Saidabad Jatrabari Dhaka	Principal
81	Patuatoli ATM	28, Patuatuli, Hazi Nur Mohammad Road, Old Town Dhaka	Islampur
82	Shi'ah Mosque ATM	Shi'ah Mosque - House: 16, Road: 1, Mohammadpur, Dhaka-1207	Shyamoli
83	Shewrapara ATM	820, West Shewrapara, Rokeya Sharani Road, Dhaka	Rokeya Sharani
84	Uttara-3 ATM	House: 37, Road: 7, Sector: 3, Uttara, Dhaka-1230	Uttara
85	Farmgate ATM	71-75, Kazi Nazrul Islam Avenue, Farmgate, Dhaka 1215	Karwan Bazar
86	New Eskaton ATM	94, New Eskaton Road, Romna, Dhaka-1000	Karwan Bazar
87	Malibag Branch ATM	Advanced Melinda (Level-1), 72 Malibag, Dhaka 1219	Malibag
88	Shyamoli Branch ATM	Shymoli Square, 23/8 - B & C, Block: B Khilji Road, Dhaka-1207	Shyamoli
89	Naya Bazar ATM	Nawab Yousuf Super Market, Naya Bazar-Old Town Dhaka	Islampur
90	Wari ATM	216, Nawab Street, Wari Dhaka	Nawabpur
91	Sabujbagh ATM	78(O), 25(N), Sabujbagh, Biswa Road Dhaka	Principal
92	Mirpur # 1 ATM	House. 2, Road. 6, Block. F, Muktijoddah market- Mirpur, Dhaka	Mirpur
93	Proshika More ATM	Plot. 33, Lane. 1, Block. B, Section-6, Mirpur Dhaka	Mirpur
94	Malibag ATM	480, D.I.T Road, Malibag Dhaka	Kakrail
95	Tajmahal Rd. ATM	3/4, Block - C, Taj Mahal Road, Mohammadpur Dhaka 1207	Dhanmondi
96	Fakirapool ATM	1/A Fokirapool D.I.T Ext. Road, Dhaka	Motijheel
97	Shantinagar ATM	Eastern Point, 8-9 Shantinagar, Dhaka	Kakrail
98	Dhanmondi Branch ATM	Plot: 45 (new) 286/B (old), Road: 16 (new) 27 (old) Dhanmondi R/A, Dhaka 1209	Dhanmondi
99	Imamgonj ATM	40, Imamganj, Dhaka 1211	Imamganj
100	Midtown Shopping Mall ATM	Plot 22, Main Road 03, Section-7, Pallabi, Mirpur, Dhaka 1216	Mirpur
101	Progoti Sharani Br ATM	N.R. Tower, 72 Progoti Sharani, Block: J, Baridhara Dhaka	Progoti Sharani
102	Mohakhali Branch ATM	Pacific Centre, 14 Mohakhali C/A, Dhaka 1212	Mohakhali
103	Kawran Bazar ATM	BSEC Bhaban, 102 Kazi Nazrul Islam Avenue, Dhaka 1215	Karwan Bazar
104	Kakrail Branch ATM	81, VIP Road, Kakrail, Dhaka -1000	Kakrail
105	Elephant Road ATM	Novera Square, House 05, Road 02, Dhanmondi, Dhaka 1205	New Elephant Road
106	Uttara Branch ATM	House 11, Road 14D, Sector 4, Uttara, Dhaka-1230	Uttara
107	Principal Branch ATM	BCIC Bhaban, 30-31, Dilkusha C/A, Dhaka 1000	Principal
108	Kakrail (Islami Br.) ATM	82, V.I.P Road, Kakrail, Dhaka -1000	Kakrail
109	Gulshan Branch ATM	Ventura Avenue, Plot No. CWN(C)-8, Road No. 34 Gulshan Model Town, Gulshan Dhaka	Gulshan
110	AGB Colony ATM	Shop No-13, Baitul Aman Jame Mosjeed Market, AGB Colony, Dhaka.	Principal
111	Pirerbagh ATM	348/4, Pirerbagh, Mirpur, Dhaka	Shyamoli
112	Laila Tower ATM	Laila Tower, 8, Gulshan Avenue, Dhaka	Gulshan
113	Matikata ATM	134/3, Matikata, Dhaka Cantonment, Dhaka.	Bashundhara Branch
114	North South Road ATM	7/2, North South Road, Bangshal, Dhaka.	North South Road



SL	ATM Locations	Address	Attached Branch
115	Islamic University ATM	Islamic University of Technology (IUT) Board Bazar, Gazipur	Board Bazar
116	Kalampur ATM	Kalampur Branch On-site ATM, Kalampur, Dhamrai, Dhaka	Kalampur
117	Paril ATM	Paril Branch ATM Booth at Paril Bazar, Singair, Manikgonj	Paril
118	Board Bazar ATM	Union: Gacha, PO: National University PS: Gazipur Sadar, Gazipur-1704	Board Bazar
119	Board Bazar Branch-2 ATM	Union: Gacha, PO: National University, PS: Gazipur Sadar, Gazipur-1704	Board Bazar
120	Bhulta Branch ATM	Haji Shopping Complex, Bhulta, Rupgonj, Narayanganj	Bhulta
121	Austagram Branch ATM	Mustari Bhaban, Jamtoli, Austagram Sadar, Kishoreganj	Austagram Branch
122	Umme Salma Tower	Umme Salma Tower, Kaliakor, Gazipur	Chandra
123	Kalatiya	Nur Pur, Chourangi Bridge, Kalatiya Bazar, Keraniganj, Dhaka	Kalatiya
124	Pran RFL ATM	Rangpur Metal Industries Ltd, Murapara, Rupgonj, Narayanganj	Madhabdi
125	Pran RFL ATM - 2	Rangpur Metal Industries Ltd, Murapara, Rupgonj, Narayanganj	Madhabdi
126	Nawabgonj	Kashimpur, Nawabganj, Bandura, (Nearer to Upazila Parisad), Dhaka	Bandura
127	BRRI	Krishi Gobesona Institute, 58/1 58/2 Laksmipura, Chandra, Gazipur	Board Bazar
128	Kaliakair Super Market	Kaliakair Super Market, Kaliakair Bazar Bus Stand, P.O: Kaliakair Bazar P.S: Kaliakoir Dist: Gazipur	Chandra
129	Konabari Bus Stand	Konabari Bus Stand, Gazipur, Plot No A-146 & A-147(p) Block Chemical BSCIC, Konabari, Gazipur	Chandra
130	Pagla Branch ATM	DN Road Pagla, Fatullah, Narayanganj	Pagla
131	Bandura Branch ATM	Bandura Government Super Market, Nawabgonj, Dhaka	Bandura
132	Narayanganj Branch ATM	109, B.B Road, Narayanganj	Narayanganj
133	Bhairab Bazar ATM	248(W) Tin Potty, Bhairab Bazar, Bhairab, Kishoregonj 2350	Bhairab Bazar
134	Madhabdi Branch ATM	Parkashipur, Madhabdi Bazar, Narsingdi 1604	Madhabdi
135	Joypara Branch ATM	Joypara, Dohar, Dhaka-1300	Joypara
136	Sataish Road ATM	10/11, Sataish Road, Gazipura, Gazipur.	Board Bazar
137	Kaliganj ATM	RFL Industrial Park, Mulagaon, Kaliganj, Gazipur.	Madhabdi Branch
138	Kamrangir Char ATM	Al-Madina Super Market, 1201 Rasulpur, Kamrangir Char, Dhaka.	Kamrangir Char Branch
139	Jinjira ATM	Shop No-06, Nupur Market, Keraniganj, Jinjira, Dhaka	Jinjira
140	Signboard Bus Stand ATM	251, Signboard Bus Stand, Board Bazar, Gazipur	Board Bazar
141	Faridpur ATM	Holding No-29, Faridpur AR City Center Haji Shariatullah Bazar Road, Faridpur	Faridpur
142	Tangail ATM	702 Sabur Khan Tower, Kalibari Road, Tangail Sadar, Tangail 1900	Tangail
143	Seed Store Bazar ATM	Al-Madina Shopping Complex, Seed Store Bazar, Bhaluka, Mymensing	Bhaluka
144	SSS Bhaban ATM	Holding No-4475, SSS Bhaban, Mymensingh-Tangail Road, Tangail	Tangail Branch
145	Bandar ATM	RSA Complex, South Halishahar, BS Plot No. 8098, Bandar, Chattogram	C-EPZ
146	MDC Square ATM	MDC Square, Chawkbazar	Chawk Bazar
147	Jublee Road	175, Jubilee Road, Enayet Bazar, Chattogram	Jublee Road
148	Foy's Lake ATM	Concord Amusement World, Foy's Lake, Khulshi, Chattogram	Khulshi
149	Dewanbazar ATM	82, Nawab Sirajuddowla Road, Chawkbazar, Chattogram	Chawk Bazar
150	Arakan Road ATM	957/1553, Arakan Road, Bahadarhaat	Bahaddarhat
151	Khulshi ATM	Khulshi House, Bungalow No. 2, B-2, Road 1, P.S.: Khulshi Chattogram 4000	Khulshi

ATM BOOTH

SL	ATM Locations	Address	Attached Branch
152	Pahartoli ATM	825,Zakir Hossain Road, Amader Bari, Chattogram	Pahartoli
153	O.R. Nizam Road ATM	862/A, O.R. Nizam Road Goal Pahar Circle, Chattogram 4000	CDA
154	Khatunganj ATM	395, Khatunganj, Chattogram 4000	Khatunganj
155	Bahaddarhat ATM	Bismillah Complex, Arakan Road, Bahaddarhat, Chattogram 4323	Bahaddarhat
156	CDA Avenue ATM	BMA Bhaban, 1367 CDA Avenue, East Nasirabad, Chattogram 4000	CDA
157	CDA Avenue ATM - 2	BMA Bhaban, 1367 CDA Avenue, East Nasirabad, Chattogram 4000	CDA
158	Agrabad Branch ATM	BCIC Sadan, 26, Agrabad C/A, Chattogram 4100	Agrabad
159	Agrabad Branch ATM - 2	BCIC Sadan, 26, Agrabad C/A, Chattogram 4100	Agrabad
160	C-EPZ Branch ATM	Bay Shopping Centre, P.O: EPZ, South Hali Shahar P.S. Bandar, Chattogram 4100	C-EPZ
161	C-EPZ Branch ATM - 2	Bay Shopping Centre, P.O: EPZ, South Hali Shahar P.S. Bandar, Chattogram 4100	C-EPZ
162	Station Road ATM	Equity Anitri, 32, H.S.S Road, under AB Bank Station Road Branch, Chattogram	Station Road
163	World Bank Biswa Colony	Plot No.239, Block-C, Road No.01, Koibulladam Residential Area, World Bank Biswa Colony, Chattogram	Pahartoli
164	J.C Guha Road	15, J.C Guha Road, Nandankanon, Chattogram	Anderkilla
165	BSCIC Industrial Area	Fabian Group Corporate Office, Plot: B-18 (part), Block: A, BSCIC Industrial Area, Sagorika Road, Chattogram	PCR
166	PCR Road ATM	Shah Amanat Shopping Complex, Plot No. 12/A, Block-G, Road No#1, Len-2 Hali Shahar Housing Estate, Holding No. 2113/A, Rampur, Chattogram	PCR
167	VIP Tower	VIP Tower, Kazir Dewri, Chattogram	Jublee Road
168	Cox's Bazar	Digonta Complex (New Market), Bazar Ghata, Cox's Bazar	Cox's Bazar
169	Sandwip	Sandwip City Centre, Haramia, Sandwip, District-Chattogram	Sandwip
170	Grand Huq Tower	457-458, Grand Huq Tower, Mizan Road, Feni	Feni
171	Ashuganj ATM	SA Plot# 10&12, Main Road, Ashuganj City	Ashuganj
172	Mojumdar Merket ATM	Mojumdar Merket, Sadar Hospital Road, Feni	Feni
173	Sitakunda ATM	Aziz Shopping Complex, Sitakunda, Chattogram	Sitakunda
174	Feni Branch ATM	Haque Plaza(1st Floor), 193 SSK Road, Feni	Feni
175	Boalkhali Branch ATM	TCCA Complex, Gomdandi (East), Boalkhali, Chattogram 4366	Boalkhali
176	Teknaf Branch ATM	Teknaf Main Road, Teknaf, Cox's Bazar 4760	Teknaf
177	Lohagora Branch ATM	Sicho Shopping Complex, Padua, Lohagara, Chattogram 4397	Lohagara
178	Chandpur ATM	123/115 Kalibari Pouro New Market, Chandpur Sadar, Chandpur 3600	Chandpur
179	Brahmanbaria ATM	1090/128, Court Road, Brahmanbaria 3400	Brahmanbaria
180	Nazumeah Hat Branch ATM	Burishar, Kaptai Road, Hatazari, Chattogram 4330	Nazumeah Hat
181	Patherhat Branch ATM	Khayez Shopping Center, Patherhat, Noyapara, Chattogram	Patherhat
182	Chaturi ATM	Shop No-3, Alam Plaza, Chaturi, Anowara, Chattogram	Chaturi
183	Kaptai Link Road ATM	Kaptai Link Road, Mohara, Chandgaon, Chattogram	Nazumeah Hat
184	Banshkhali ATM	Mohammed Meah Plaza, Ramdas Munshir Hat,Banshkhali, Chattogram	Banshkhali Branch
185	Chaturi-2	Ittadi Shopping Complex, Bandar Community Center, Mohalkhan Bazer PO-Mohalkhan Bazer, PS-Karnafully, Chattogram	ChatUri Branch
186	Jamal Khan Road	42, Jamal Khan Road, Chattogram	Momin Road
187	Brahmanbaria Medical College Hospital	Brahmanbaria Medical College Hospital Ltd, Ghatara, Brahmanbaria	Brahmanbaria
188	Azim Group Kalurghat	SAVAR SWATTERS, AZIM GROUP, KALURGHAT	Motijheel
189	New Chakaria ATM	Hossen Market, Chiringa, Chakaria, Cox's Bazar	Chakaria
190	Kalurghat	Global Shirts 49 (NP) Kalurghat Heavy Industrial Area, Chattogram	Bahaddarhat



SL	ATM Locations	Address	Attached Branch
191	Amirabad	Best Chowdhury Plaza, Amirabad, Lohagara, Chattogram	Lohagara
192	Chaumuhani	Feni Road, Chaumuhani, Noakhali	Chaumuhani
193	Cumilla	333, Jhawtala, Cumilla	Cumilla
194	Cumilla	SA Plot No. 634, Shashangacha, Badsha Miar Bazar, Kowtali, Cumilla	Cumilla
195	Cumilla ATM	Mogholtooly Super Market, Mogholtooly Road, Cumilla 3500	Cumilla
196	East Dargahgate	5222, East Dargahgate, Sylhet	Dargahgate
197	Hobigonj Branch ATM	Sayestagonj Main Road, Hobigonj	Hobigonj
198	Tajpur ATM	Kazi Mansion, Dhaka-Sylhet High Way, Kadamtola, Po-Tajpur Ps-Osmaninagar, Sylhet	Tajpur
199	Subid Bazar ATM	Indiana Height, Subid Bazar, Sylhet	Dargahgate
200	Lama Bazar ATM	VIP Road, Lama Bazar, Sylhet	VIP Road
201	Zinda Bazar ATM	Blue Water Shopping Complex, Zinda Bazaar, Sylhet	VIP Road
202	Madhabpur Branch ATM	Munshi Tower (1st Floor), Ward 7, Madhabpur, Habiganj	Madhabpur
203	Chowhatta ATM	Firoj Tower, Chawhatta Sylhet	Dargahgate
204	Station Road ATM	Kutum Bari, Station Road, Sreemongol	Sreemongol
205	Boroikandi ATM	Rongdhonu Biponi Bitan, 1st Floor, Central Bus Terminal Road Verthokhola, Sylhet 3100	Boroikandi
206	Sreemongol ATM	Aziz Super Market, Moulvibazar Road, Sreemongol, Moulvibazar 3210	Sreemongol
207	Moulovi Bazar Branch ATM	Shamsher Nagar Road, Choumuhana, Moulovibazar 3200	Moulovi Bazar
208	Chattak Branch ATM	Madaris Mansion, Bagbari, Chattak, Sunamganj 08723	Chattak
209	Dargahgate ATM	Raj Manjil, Dargahgate, Sylhet 3100	Dargahgate
210	Garden Tower ATM	Bishwa Road, Shahjalal Uposhohor Point, Sylhet 3100	Garden Tower
211	V.I.P Road Branch ATM	Surma Tower, Plot - 6006(old), 27640(new), Ward 13, V.I.P. Road, Taltala P.S.: Kotwali, Sylhet City Corporation, Sylhet 4112	VIP Road
212	Sylhet Station Club ATM	Sylhet Station Club Limited, Shahjalal Road, Sylhet	VIP Road
213	Raynagar (East Mirabazar) ATM	Raynagar, Sonapara (East Mirabazar), Sylhet	Garden Tower
214	Doylar More	Municipal Holding No. 1952, Chawk Enayet, Naogaon	Naogaon
215	Pabna ATM	AR Plaza, (Ground Fl.) Abdul Hamid Road, Pabna	Pabna
216	Chapai Nawabganj ATM	Chapai Nawabganj Branch, Chapai Nawabganj	Chapai Nawabganj
217	Rajshahi Branch ATM	102-103 Shaheb Bazar, Rajshahi 6000	Rajshahi
218	Sirajganj Branch ATM	Friends Plaza, S S Road, Ward 1, Sirajganj 6700	Sirajganj
219	Naogaon ATM	Mozaffer Hossain Marketing Complex, Main Road, Naogaon 6500	Naogaon
220	Bougra Branch ATM	324, Kazi Nazrul Islam Sarak, Jhawtala, Bougra 5800	Bougra
221	Jaleswaritola ATM	Shahid Abdul Jabber Road, Jaleswaritola, Bougra	Bougra
222	Thengamara Medical College ATM	Thengamara Medical College (TMSS) ATM, Thengamara, Bougra	Bougra
223	Lalmonirhat ATM	5/32-S, Puran Bazar, Lalmonirhat	Lalmonirhat
224	Collectorate School & College	Sirajgonj Collectorate School & College, Sirajgonj	Sirajganj
225	Navaron ATM	Navaron Bazar, Sharsha, District - Jashore	Benapole
226	Al-Hasan Hotel	144, Sir Iqbal Raod, Khulna	Khulna
227	United Tower	4 KDA, Khulna	Khulna
228	Bar House ATM	District Judge Court Bar Associatio (Bhaban No-1), Near Jashore Municipal Eid Ghah Moidan), Mudjib Sarak, Jashore	Jashore

ATM BOOTH

SL	ATM Locations	Address	Attached Branch
229	Jhikargacha Branch ATM	Hanif Super Market, Jhikargacha	Jhikargacha
230	Rina Monjil ATM	69, Central Jail Road, Jashore	Jashore
231	Jhinaidah ATM	Jhinaidah Road, M. A Razzaq Kushtia	Kushtia
232	Royal More ATM	Royal More, Khulna	Khulna
233	Amtola ATM	Amtola, Satkhira	Satkhira
234	Kushtia Branch ATM	Serajuddowla Road, Al Amin Super Market, Kushtia	Kushtia
235	Jashore Branch ATM	38 M. K. Road, Jashore 7400	Jashore
236	Satkhira Branch ATM	884/810, Abul Kashem Road, Satkhira 7431	Satkhira
237	Benapole Branch ATM	607 Benapole, Local Bus Stand, Benapole, Jashore 7431	Benapole
238	Khulna ATM	Mollick Shopping Complex Limited, 99 Khan A Sabur Road, Khulna 9100	Khulna
239	Jhenaidah ATM	Pospo Prangan, Holding No-249, Sher-e-Bangla Road, Jhenaidah	Jhenaidah Branch
240	Sadar Road	45, Sadar Road, Barishal	Barishal
241	Nathullabad ATM	Nathullabad Bus Stand, Barishal	Barishal
242	Launch Ghat ATM	Barishal Launch Ghat, Barishal	Barishal
243	Rangpur	Shop No:01, Muktijoddha Complex Bhaban, Station Road, Rangpur	Rangpur
244	New Senpara Road ATM	House no- 5543, Road No-1, New Senpara Road, Grand Hotel More, Rangpur	Rangpur
245	Dinajpur Branch ATM	189 Zaved Super Market, Bahadur Bazar, Dinajpur	Dinajpur
246	Modern More ATM	Modern More, Ganeshtala, Dinajpur	Dinajpur
247	Rangpur ATM	91-92, Central Road, Kotowali, Rangpur (Opposite of Rangpur Bangladesh Bank)	Rangpur
248	Saidpur Branch ATM	24, Nur Plaza, Ward 12, Shaheed Dr. Zikrul Haque Road, Saidpur, Nilphamari 5310	Saidpur
249	Lalkhuti ATM	House No-187, Road No-01, Lalkhuti, Rangpur.	Rangpur
250	Nilphamari ATM	Entrance of Uttara EPZ, Nilphamari, Saidpur.	Saidpur Branch
251	Central Road	Baitus Sayed Super Market, 91-92 Central Road, Rangpur.	Rangpur
252	Notun Bazar	25, Kali Sankar Guha Road, Notun Bazar, Mymensingh	Mymensingh
253	Mymensingh Branch ATM	52 Dr. Bipin Sen Road, Choto Bazar, Kotowali, Mymensingh - 2201	Mymensingh

AGENT BANKING OUTLET



SL	Outlet Name	Outlet Address	Owener Name	Mobile No
1	Mridha Traders	Kartikpur Bazar, Kusumhati, Dohar, Dhaka.	Arif	01716102596
2	H.R. Trade International	Konabari, Gazipur City Corporation, Gazipur Sadar, Gazipur	Md. Kader Reja	01711934152
3	Atm Enterprise	Time Bazar, Kalipur, Banshkhali, Chattogram	Atm Kamal Uddin	01818441997
4	Bhai Bhai Traders	Montola Bazar, Bohora, Madhabpur, Habiganj	Nd, Abdul Malek	01713802341
5	M/S. Purbachal Traders	Amtoli Bazar, Chandura, Bijoy Nagar	Md Afzal Hossain	01714312871
6	M/S. L R Traders	Ukhiya Bazar, Rajapalong, Ukhiya Upazilla, Cox's Bazar	Md. Lutfor Rahman	01824923268
7	Zahir Enterprise	Kuliarchar Bazar, Kuliarchar Pauroshava, Kishorganj	Zahirul Islam	01783362992
8	Labony Decorator	Sadapur Bazar, Bandura, Nawabganj, Dhaka	A.K.M. Selim	01943998390
9	M/S. Khan Construction	Islampur Bazar, Budhonti, Bijoy Nagar, Brahmanbaria	Md. Jashim Uddin Khan	01711667863
10	Parmisha Traders	Prashika Mour, Mirpur, Dhaka-1216	Md. Fajlul Haq	01675561372
11	M/S Arafat Enterprise	Gudam Quarter Road, Feni Sadar, Feni	Yeasin Arafat Mojumder	01712035096
12	Shotorupa Enterprise	Pauro Super Market, Kazipur Paurosova, Sirajganj	Md. Aktarul Amin	01716065548
13	Oyan Thai Aluminium & Glass House	South Jamsha Bazar, Singair, Manikganj	Md. Amanullah Aman	01714238493
14	M/S. Tangail Traders	Adabari Bazar, Mohera, Mirzapur, Tangail	S.M. Mozammel Hoque Talukder	01718691538
15	Nishat Commercial Center	Chakhar Bazar, Banaripara, Barishal	Md. Khairul Islam	01721676711
16	Akota Traders	Bolirhat, Chandgaon Thana, Chattogram City Corporation, Chattagram	Mohammad Nazim Uddin	01754336633
17	Vai Vai Traders	Gorpara Bazar, Nizampur, Sharsha, Jashore	Firoz Ahammad	01735659639
18	Shahi Shipping & Trading	Uttar Sonaichari, Kumira, Sitakund, Chattogram	Shah Newaz Md. Ali Chowdhury	01811466703
19	Jewel Digital Studio & Telecom	Shyamol Bazar, Mannargao, Doara Bazar, Sunamganj	Md. Mizanur Rahman	01714726020
20	M/S Alhaz Ibrahim & Sons	Dohalia Bazar, Doara Bazar, Sunamganj	Md. Abdul Hakim	01711382278
21	Srot Enterprise	Jewel Plaza, Court Road, Rajnagar Bazar, Moulvibazar	Md. Aktar Hossen Sagar	01715405104
22	Friends Enterprise	Chanchra Bazar, Chanchra, Jashore Sadar, Jashore	Md. Abdul Quaium	01716698192
23	Bondhu Mahal Sarbik Gram Unnayan Somobay Samitee Ltd	Dhakuriya Bazar, Monirampur, Jashore	Arun Kumar Kund & Anisur Rahman	01740965249
24	Zara & Zaif Dairy Farm	Paris Road Mour, Mirpur-11, Dhaka	Hosne Ara	01980237695
25	Rudra Enterprise	Nandanpur Bazar, Halimanagar, Sadar Dakkhin, Cumilla	Ayasha Siddika	01711386338
26	Super Speed Shipping Lines	Meghula Bazar, Narisha, Dohar, Dhaka	Md. Arifuzzaman Khan	01839809599
27	Afia Medical House	Harinarayanpur Bazar Hall Mour, Kushtia Sadar, Kushtia	Md. Daud Hossain	01716513190
28	M/S. Shan-A Garangia Enterprise	Matarbari, Moheshkhali, Cox's Bazar	Sawkat Iqbal Murad	01740802699
29	Prochesta Enterprise	Dogachi Bazar, Dogachi Union, Pabna Sadar, Pabna	Fazlul Karim Nayan	01713635653
30	Shankar Mistanna Vander	Sreepur Bazar, Sreepur Pauroshava, Gazipur	Moushumi Bishwas	01724020491
31	Icc Communication	Vatoibazar, Dudhsor, Shoilkupa, Jhenaidah	Sk. Bulbul Ahmed	01974010610
32	Swapno Traders	Daudpur Bazar, Shikaripara, Nawabganj, Dhaka	Md. Suzan Khan	01840000193
33	A.M. Corporation	Shikaripara Bazar, Nawabganj, Dhaka	Mohammed Imdadul Haque	01739262456

AGENT BANKING OUTLET

SL	Outlet Name	Outlet Address	Owener Name	Mobile No
34	A.K. Enterprise	Baliakandi Haat, Upz: Baliakandi, Dist: Rajbari	Md. Abul Kalam Azad	01717251969
35	Ayan Trading	Bakra Bazar, Jhikargacha, Jashore	Md. Shahinur Rashid	01863228502
36	Erfan Pharmacy	Komlapur, Bagulat, Kumarkhali, Kushtia	Firozul Alam	01712141479
37	Vai Bon Garments & Bastralay	Rajganj Bazar, Jhampa, Monirampur, Jashore	Md. Rakibul Hosen	01911296514
38	Aspirant Development Ltd	Shibganj Bazar, Shibganj Pauroshava, Chapai Nawabganj	Md. Ahsanul Huq & Md. Ebrahim	01771836575
39	Jony Enterprise	Debpara Bazar, Nabiganj, Habiganj	Shah Shahnaz Ali	01715136884
40	M/S Tamanna Enterprise	Kalinagar Bazar, Sundarpur, Chapai Nawabganj Sadar, Chapai Nawabganj	Md. Ashraful Haque	01761584956
41	Shamlapur Ideal Academy	Shamlapur, Vakurta, Savar, Dhaka	Md. Altaf Hossain	01819743595
42	Syma Enterprise	Debhata Bazar, Debhata	Md. Anarul Islam	01615141000
43	M/S Mohammad Wazir Hasan Khan	Chatihati Bazar, Paikora, Kalihati, Tangail	Mohammad Wazir Hasan Khan	01713803435
44	M/S Allar Dan Poultry & Fish Feed	Bhaluka Chandpur Bazar, Dhulihar, Satkhira Sadar, Satkhira	Md. Mehedi Hasan	01725457227
45	Rowshan Enterprise	Pouro Bazar, New Market, Majdee Court, Noakhali Sadar, Noakhali, Chattogram	Kaisar Hamid	01833916176
46	Lopa Enterprise	Zalmoliya Bazar, Jeopara, Puthia, Rajshahi	Mir Md. Zahrul Islam Lipu	01723390307
47	Mm Enterprise	Hospital Road, Bheramara Pauroshava, Kushtia	Mst Moshumi	01612301516
48	S B S Enterprise	Baliyashisha Bazar, Chitalia, Mirpur, Kushtia	Mst. Biuty Khatun	01765505030
49	Maisha Mahi Enterprise	Hatas Haripur Bazar, Hatas Haripur, Kushtia Sadar, Kushtia	Mst. Nazmin Naher	01743191147
50	Nayan Moni Enterprise	Noudapara Bazar, Rajshahi City Corporation, Rajshahi	Md.mehefujul Haque Mridha	01783555454
51	Mim Traders	Alalpur Bazar, Baruakhali, Nawabganj, Dhaka	Jasim Uddin	01813562914
52	Ocean Agro	Char Haziganj, Charbhadrasan, Faridpur	Nafisa Khabir Jharna	01715259498
53	Tasmim Air International	Tambulkhana Bazar, Faridpur Sadar, Faridpur	Md. Imdadul Haque Milon	01713567896
54	Shamim Trade	S.k Saha Tower, Chouddogram Road, Bypass, Laksham, Cumilla	Md. Anyet Ullah Bhuiyan	01813727072
55	Abedin Electronics & Motors	Ab Market, Hnila Bazar, Hnila. Teknaf, Cox's Bazar	Nabi Hossain	01818077151
56	Mahin Enterprise	Bogla Bazar, Dowarabazar, Sunamganj	Md. Babul Miah	01749755553
57	M/S Tama Enterprise	Field Er Haat, Moharajpur, Sadar, Chapai Nawabganj	Mst. Rowshan Ara Khatun	01743975975
58	M/S Rony Trading Company	Ward No. 03, Girls' School Road, Sakhipur, Tangail	Abdul Latif Talukder	01761597697
59	Purbasha Trading	I K Road, Boroichara, Solimpur, Ishwardi, Pabna	Md. Bashir Ullah	01711251011
60	Babu Electronics	Zajor Bazar, Gazipur City Corporation, Gazipur Sadar, Gazipur	Md. Nur Mohammad Hossain	01728305658
61	Yuan Impex	Main Road-3, Block-D, Mirpur-11, Dhaka	Wali Ullah Al Mamun	01622244466
62	M/S Rony Trading Company	Jashihati Bazar, Fulki, Basail, Tangail	Abdul Latif Talukder	01761597697
63	S H Enterprise	S H Enterprise, Court Hologram, Rajshahi	Md. Motiur Rahman	01861916317
64	New Bismillah Electric House	Bhairabgonj Bazar, Kalapur, Sreemangal, Moulvi Bazar	Abdul Mawfique Chowdhury	01711393387
65	Khan Enterprise	Philipnagar Bazar, Philipnagar, Daulatpur, Kushtia	Mst. Siuli Ara	01863919191
66	Taslima Enterprise	Alauddin Nagar Bazar, Nondolalpur, Kumarkhali, Kushtia, Khulna	Mst. Taslima Khatun	01716779531
67	Mayer Doa Enterprise	Jhaudia Bazar, Jhaudia, Kushtia Sadar, Kushtia	Mst. Nargis Khatun	01741243243
68	M/S Khaleda Agro Farm	2 No Word, Noyani Bazar, Sherpur Sadar, Sherpur	Khaleque Fakir	01732357294

AGENT BANKING OUTLET



SL	Outlet Name	Outlet Address	Owener Name	Mobile No
69	M/S. S. Alam Traders	Hazratpur Bazar, Hazratpur, Keraniganj, Dhaka	Md. Shahalam	01911105131
70	Biborton Store	Betua Bazar, Boheratoil, Shakhipur, Tangail	Md. Renubar Rahman	01819489640
71	Biborton Store	Hoteya Bazar, Hatibandha, Shakhipur, Tangail	Md. Renubar Rahman	01819489640
72	Biborton Store	Hamidpur Bazar, Kakrajan, Shakhipur, Tangail	Md. Renubar Rahman	01819489640
73	Amar Kulaura	Muktihoodha Complex, Dakshin Bazar, Kulaura, Moulvi Bazar, Sylhet	Md. Jibon Rahman	01712099774
74	M/S. Mahfuz Enterprise	Barpa Bazar, Rupshi, Tarabo, Rupganj, Narayanganj	Mahfuzur Rahman	01735936394
75	Star Fabrics	26, Al Marjan Shopping Center, Zinda Bazar, Sylhet City Corporation, Sylhet	Md Abdul Khair Mahbub	01711813758
76	Aklam Store	Mominkhola, Ward-25, Sylhet City Corporation, Sylhet	Md. Aklam Hussain	01745402328
77	M/S Bhai Bhai Store	Boroshola, Khadimnagar, Sylhet Sadar, Sylhet	Hazi Md Kowsar Ali	01711478122
78	Feroza Enterprise	Kostoripara Bazar, Birbashinda, Kalihati, Tangail	Mst.firoja Begum	01866141375
79	Shobuj Shohag Telecom	Gorar Para, Pragpur, Daulatpur, Kushtia	Mst. Shalina Aktar	01777929291
80	New Jubel Pagri	Madina Market, Sylhet City Corporation, Sylhet	Juber Ahmed Jubel	01712861997
81	M/S. Azad Electronics	Bhanugach Bazar, Kamalganj Pauroshava, Moulvi Bazar	Md Azad Ali	01711899641
82	M/S. Adnan Traders	Daliar Mor, Auliapur, Dinajpur Sadar, Dinajpur	Md.shakhwat Hossin	01761523098
83	S H Enterprise	Kazla Binodpur Bazar, Motihar, Rajshahi City Corporation, Rajshahi	Md. Motiur Rahman	01861916317
84	Notun Jibon Chandpur Community Society	Raldiya, Ashikati, Chandpur Sadar, Chandpur	Kulsuma Akter, Shiuly Akter & Jesmin Akter	01712099774
85	Lake Bazar	Ka-62/A, Kuril Chowrasta, Vatara, Dhaka	Fahmida Akter Nipa	01778957266
86	Kafi Enterprise	Taherpur Bazar, Bagmara, Rajshahi	Mst. Sadia Rumana	01798288697
87	Kafi Enterprise	Katakhali Bazar, Katakhali, Rajshahi	Mst. Sadia Rumana	01798288697
88	Kafi Enterprise	Amgachi Bazar, Durgapur, Rajshahi	Mst. Sadia Rumana	01798288697
89	Kafi Enterprise	Nondan Gachi Bazar, Charchat, Rajshahi	Mst. Sadia Rumana	01798288697
90	Kafi Enterprise	Nowhata Bazar, Poba, Rajshahi	Mst. Sadia Rumana	01798288697
91	Kafi Enterprise	Alipur Bazar, Durgapur, Rajshahi	Mst. Sadia Rumana	01798288697
92	M/S. Islam Traders	Sreepur Bazar, Doara Bazar, Sunamganj	Md. Shafiqul Islam	01716971987
93	Asiya Enterprise	Jahangir Super Market, Palasuta Chowmuhani Bazar, Muradnagar, Cumilla	Reshmi Mahmud	01788676855
94	A. K Traders	Chandra Nagar Bazar, Bayezid, Jalalabad, Chattogram	Md. Anowar Hossen	01407073200
95	Nubash Computer	Khalishkundi Bazar, Daulatpur, Kushtia	Md. Shakhawat Hossain Bablu	01713919194
96	M/S. Allardan Enterprise	Damodarpur Bazar, Kalijong, Jhenaidah	Md. Nazmul Hasan	01838640700
97	M/S. Billal Motors	4,6 Senpar Parbata, Parbata Tower, Shop No-1, Mirpur, Dhaka	Md. Bellal Ahmed Bhuiyan	01676521935
98	M/S Mahir Enterprise	Cng Stand, Sonahat, Dhonot, Bogura	Md. Minhajul Alam	01729448029
99	M/S. A Baki Traders	Pondit Pukur Bazar, Po-Kumira Ponditpukur, Nandigram, Bogura-5860	Md. Nurul Islam	01711673020
100	Arifa Telecom	Kazihar, Sangalshi, Nilphmari	Md. Alamgir Hossain	01881975442
101	Ma. Digital Studio	Chakaisob, Debigonj Bazar, Chirirbandar, Dinajpur	Md. Moshir Rahman Moazzem	01724323640
102	Chowdhuri Mobile & Telecom	Chowdhury Market, Baraibare Bazar, Gangachara, Rangpur	Md. Ewan Chodhuri	01772652000

AGENT BANKING OUTLET

SL	Outlet Name	Outlet Address	Owener Name	Mobile No
103	M/S Molla Abu Sayed Enterprise	Borundi Bazar, Manikganj Sadar, Manikganj	Rupa Islam	01744463026
104	Hasan & Hossain Intertrade	Namuri Bazar, Aditmari, Lalmonirhat	Md Mahmudun Hasan Rafi	01711076222
105	Hasan & Hossain Intertrade	Namuri Bazar, Aditmari, Lalmonirhat	Md Mahmudun Hasan Rafi	01711076222
106	Hasan & Hossain Intertrade	Namuri Bazar, Aditmari, Lalmonirhat	Md Mahmudun Hasan Rafi	01711076222
107	Hasan & Hossain Intertrade	Namuri Bazar, Aditmari, Lalmonirhat	Md Mahmudun Hasan Rafi	01711076222
108	Hasan & Hossain Intertrade	Namuri Bazar, Aditmari, Lalmonirhat	Md Mahmudun Hasan Rafi	01711076222
109	Hasan & Hossain Intertrade	Namuri Bazar, Aditmari, Lalmonirhat	Md Mahmudun Hasan Rafi	01711076222
110	Easy Internet Tecnology	Cha-83/2, Uttar Badda, Daka-1212	Mohammad Mehedi Hasan	01978888349
111	M/S G.M Talukder	Moisamura Courasta Bazar, Sadar, Serajganj	Md. Golam Mostafa Talukder	01711136050
112	Welcome Tours And Travels	Saidpur Super Market, Dinajpur Mor, Saidpur, Nilphamari	Md. Amir Rashid	01721217530
113	Ridday Enterprise	Shekhra Bazar, Shaikupa, Jhenaidah	Md. Tanjir Alom	01534332205
114	Ridday Enterprise	Shekhra Bazar, Shaikupa, Jhenaidah	Md. Tanjir Alom	01534332205
115	Features International Limited	Solaiman Mansion, Mission Mor, Lalmonirhat Sadar, Lalmonirhat	Fahad Bin Islam	01744463026
116	Antuna Enterprise Comission Agent	Ghoshal Bazar, Kathuri, Nawabganj	Shamim Hossain	01716666528
117	M/S Arafat Enterprise	Munshirhat, Fulgazi, Feni	Yeasin Arafat Mojumder	01712035096
118	M/S Arafat Enterprise	Jongol Mia Bazar, Chhagalniya, Feni	Yeasin Arafat Mojumder	01712035096
119	M/S Arafat Enterprise	Notun Ranirhat Baza, Feni Sadar, Feni	Yeasin Arafat Mojumder	01712035096
120	Jeka Bazar Ltd	Ratandia, Kalukhali, Rajbari, Dhaka	Jabiullaah Khan Jaber	01930300039
121	Jeka Bazar Ltd	Nannu Tower, Panna Chattar, Rajbari	Jabiullaah Khan Jaber	01930300039
122	Prochesta Enterprise	Komorpurbazar, Pabna Sadar, Pabna	Fazlul Karim Nayan	01713635653
123	M/S S.S.I Electronics	Nasirnagar Sadar, Nasirnagar, Brahmanbaria, Chattogram	Md. Mokter Hossen	01737881536
124	Ayan Enterprise	Vai Vai Market 2nd Floor, Besidemohipal Flyover, Mohipal, Feni	Tazrin Akter	01827849813
125	H. S Enterprise	Charkhai Poschim Bazar, Biani Bazar, Sulhet	Abdul Hamid Chowdhury	01711485830
126	101 Bd Tech	Panchbari, Kamrabad, Sarishabari, Jamalpur, Mymensingh	S. M Nurnobi	01780313347
127	Master Agro	College Bazar, Akkelpur, Joypurhat, Rajshahi	Md. Khalid Hassan Mehedy	01751195397
128	Xoom Bazar	72 Kalibari Road, Jhalakathi-8400	Gopal Modak	01713114762
129	Sara Enterprise	Banglabazar, Dowara Bazar, Sunamganj	S M Sabbir	01728108800
130	Mosharef Pharmacy	Neranjonpur, Hazirhat, Kabirhat, Noakhali	Md.mosharf Hossain	01864689999
131	M/S. Shafi Traders	Kakiladoh Bazar, Mirpur, Kushtia	Md. Masudur Rahman	01717371240
132	R. V Cyber World	Lilarmela, Balarampur, Atwari, Panchagarh	Md.rabiul Islam	01307938047
133	Cheers Properties & Management	Barasat (Kali Bari), Anowara, Chattogram	Mr.mir Mosharraf Hossain	01970370970
134	Sheikh Enterprise	Hazi Abul Kalam Complex, Lalabazar, South Surma, Sylhet	Md. Moynul Islam	01723876044
135	M. M. F Packaging	Pingana, Gram Nikhai, Garadoba, Sarishabari, Jamalpur	Md. Monirul Islam	01764888499
136	Faysal Enterprize	Bohuli Bazar, Sirajganj Sadar, Sirajganj	Faysal Ahmed	01710865202
137	Tasnim And Tanvir Traders	Pachbibi Road, Kamdia, Gobindaganj, Gaibandha, Rangpur	Md. Sohel Rana	01717374214

AGENT BANKING OUTLET



SL	Outlet Name	Outlet Address	Owener Name	Mobile No
138	Faysal Enterprize	Namajghor(Shantahar), Bogura Sadar	Faysal Ahmed	01710865202
139	Faruk Enterprize	Pekua Bazar, Pekua, Coxbazar, Chattogram	Mohammad Faruk	01854981089
140	J.S Kutir Shilpo	1 No Goli, Kamal Market, Madina Ghat, Hathazari, Chattogram	Shahjady Begum	01554336802
141	Maa Garments	Dariyapur, Sadar, Baliadanga, Chapai Nawabganj, Rajshahi	Md. Iman Ali	01318572688
142	M/S. Imam Hossen Store	Madhukhali Bazar, Madhukali, Faridpur, Dhaka	Lovely Khatun	01849999990
143	M/S. Mobile Corner	Kaniyal Khata, Nilphamari Sadar, Nilphamari, Rangpur	Md.golam Mostofa Ranju	01712198919
144	Sahaji S.A Enterprise	Al Amin Baria Kamil Madrasa Songlogno, Bahir Signal, Chandangon, Chattogram	Mohammad Sharif Hossain	01305574645
145	Reliannce Enterprise	Anondo Babulgur, Itkhola, Joldhaka Sorok, Nilphamari	Md. Harun Ur Rashid	01714718361
146	Reliannce Enterprise	Kochukata Bazar, Nilphamari Sodor, Joldhaka Sorok, Nilphamari, Rangpur	Md.harun Ur Rashid	01714718361
147	101 BD Tech	Pachbaria, Islampur, Jamalpur, Mymensingh	S. M Nurnobi	01780313347
148	M/S. Shahin Brothers	Dewhata Bazar, Bhatram, Mirzapur, Tangail, Dhaka	Md. Abu Shahin Miah	01817127420
149	Abc Corporation	Kansart Bazar, Shibganj, Chapai Nawabganj, Rajshahi	Md. Shahidul Islam	01749364010
150	A. G. Enterprise	Bhabaniganj, Baghmara, Rajshahi	Md. Abdur Rahim Badsha	01715394675
151	Bogura Trade Valley	Namajghor(Shantahar), Bogura Sadar	Md. Maznur Rahman	01891150670
152	Bogura Trade Valley	Majhira, Shahjahanpur, Bogura, Rajshahi	Md. Maznur Rahman	01891150670
153	Bogura Trade Valley	Mahasthangarh Bazar, Shibganj, Bogura, Rajshahi	Md.maznur Rahman	01891150670
154	M/S. Nur Enterprise	Badarkhali, Chakoriya, Cox's Bazar, Chattogram	S M Tosiful Alam	01635124412
155	Alim Business Center	Holding No-901, Beside Of Sonali Bank, Haruya College Road, Kishoreganj Sadar, Kishoreganj, Dhaka	Md. Abdul Alim	01712934834
156	M/S. Anam Tiles and Sanitary	New Bypass, Sheikh Hasina Medical College Road, Jamalpur Sadar, Mymensingh	Syed Goulam Nashir Uddin Prince	01711571878
157	M/S. Z Enterprise	Jasim Market,Kaibalyadham Residential Area, Bishawa Colony, Akbar Shah, Chattagram	Md. Jahirul Alam Jasim	01711971532
158	R.K Business Center	Chondra Mor, Kaliakair, Gazipur, Dhaka	Mohammad Rashed Khan	01716010912
159	Khorshed Telecom	Ahmed And Ambia Market, Hulai, Panchuriya, Habilasandwip, Patiya, Chattagram	Md. Khorshedul Alam	01819560250
160	BS Computer and Varieties	Chini Kuthi Bazar, Kaniyalkhata, Itakhola, Nilphamari Sadar, Nilphamari, Rangpur	Md. Mostafizur Rahman	01797976144
161	A. G. Enterprise	Durgapur, Rajshahi	Md. Abdur Rahim Badsha	01715394675
162	Lopa Enterprise	Shilmaria, Puthiya, Rajshahi	Mir Md. Zahurul Islam Lipu	01723390307
163	Chattogram IT Village	Jhom Jhom Shopping Complex, 1st Floor, Shantirhat, Kusumpura, Patiya, Chattogram	Farhadul Islam Khan	01858562385
164	M/S. Z Enterprise	Pahartali Girls School & Collage Market, Pahartali, Chattogram	Md. Jahirul Alam Jasim	01711971532



Head Office, "The Skymark", 18 Gulshan Avenue, Gulshan – 1, Dhaka-1212.

PROXY FORM

I/We..... of
 being a Member of AB Bank Limited and entitled to
 vote, do hereby appoint Mr./Mrs. of
 as my/our proxy to
 attend and vote on my/our behalf at the 40th Annual General Meeting of the Company to be held on 06th July, 2022 (Wednesday) at. 12:30
 p.m. through Digital Platform.

Singed this day of (Month) 2022.

Signature of Shareholder(s)

Signature of PROXY

Affix Revenue
Stamp Tk. 20.00

Folio No.				-			
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Or

[illegible]No. of Shares held on Record date (24th May, 2022).....

Note: A Member entitled to attend and vote the Annual General Meeting may appoint a proxy to attend and vote on his/her behalf. The scanned copy of "Proxy Form", duly signed and affixed with BDT 20 revenue stamp must be sent through email to AB Bank Company Secretary at cs@abbl.com no later than 72 hours before commencement of the AGM, Signature of the Shareholder/s should agree with the specimen signature registered with the Company Register Office / Depository Participant(s).

CORPORATE INFORMATION

NAME OF THE COMPANY	OVERSEAS BRANCH	
AB Bank Limited (ABBL) Legal Form: Public Limited Company Date of Incorporation 31 st December 1981 Commencement of Business 27 th February 1982 Registered Office The Skymark, 18 Gulshan Avenue Gulshan-1, Dhaka-1212, Bangladesh GPO Box: 3522 Telephone: +8802 58811711 Fax: +8802 58814290 SWIFT Code: ABBLBDDH E-mail: info@abbl.com cs@abbl.com Web page: www.abbl.com	Mumbai Branch Liberty Building 41-42, Sir Vithaldas Thackersey Marg New Marine Lines, Mumbai 400020, India Tel: +91 22 22005392-3 Fax: +91 22 22005391 SWIFT: ABBLINBB E-mail: mumbai@abbl.com	As on December 31, 2021 Authorized Capital: Tk. 1,500 crore Paid-up Capital: Tk. 836 crore Number of Shareholders: 62,600 Total Asset (Conso): Tk. 41,336 crore Earnings per Share (EPS) (Conso): Tk. 0.86 Net Asset Value per Share (Conso): Tk. 30.59 Market Capitalization: Tk. 1,128 crore Total Manpower: 2,280
ISLAMI BANKING BRANCH	SUBSIDIARY COMPANIES	
82 Kakrail, Ramna, Dhaka-1000 Tel: +8802 833 2235 Fax: +8802 833 2236 E-mail: ibb@abbl.com	AB International Finance Limited (ABIFL) Silvercord Tower: 01, Unit: 08, Floor: 16 30, Canton Road Tsim Sha Tsui Kowloon West Hong Kong Tel : +852 2866 8094 Fax : +852 2527 7298 SWIFT: ABFLHKHH E-mail : abifl@abbl.com abhk@abbl.com tayseer@abbl.com AB Investment Limited (ABIL) WW Tower (7 th Floor), 68 Motijheel C/A Dhaka 1000, Bangladesh Tel: +8802 9569732 9571265 Fax: +8802 7160592 E-mail: abil@abbl.com AB Securities Limited (ABSL) WW Tower (6 th Floor), 68 Motijheel C/A Dhaka 1000, Bangladesh Tel: +8802 9566266 Fax: +8802 9568937 E-mail: absl@abbl.com Cashlink Bangladesh Limited (CBL) The Skymark, 18 Gulshan Avenue Gulshan-1, Dhaka-1212, Bangladesh Tel: +8802 9678555113 E-mail: info@cashlinkbd.com Arab Bangladesh Bank Foundation (ABBF) The Skymark, 18 Gulshan Avenue Gulshan-1, Dhaka-1212, Bangladesh Tel: +8802 9678555637 Fax: +8802 58814290 E-mail: abbf@abbl.com	Number of Branches: 105 Number of Sub-Branch: 01 Number of Agent Banking Outlet: 164
CUSTODIAN SERVICES		AUDITOR
The Skymark, 18 Gulshan Avenue Gulshan-1, Dhaka-1212, Bangladesh Tel: +8802 9678555668 Fax: +8802 58814290 SWIFT: ABBLBDDH005 E-mail: custodian@abbl.com		ACNABIN Chartered Accountants
OFF-SHORE BNKING UNIT (OBU)		RATING AGENCY
EPZ Branch Bay Shopping Centre P.O. EPZ, South Halishahar P.S. Bandar Chittagong-4223 Tel: +88031 740604 Fax: +88031 741150		ARGUS Credit Rating Services Limited (ACRSL)
		For any Clarifications on this Report
		Please Write to: The Company Secretary AB Bank Limited Head Office The Skymark, 18 Gulshan Avenue Gulshan-1, Dhaka-1212, Bangladesh E-mail: cs@abbl.com





AB Bank Limited

The Skymark, 18 Gulshan Avenue, Gulshan 1, Dhaka 1212, Bangladesh

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