



An Era of Financial Inclusion

Annual Report 2022



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41
YEARS
OF BONDING
GENERATIONS

CELEBRATING EXCELLENCE

On this day 41 years ago, AB Bank started its journey as the first private-sector commercial bank in Bangladesh and has become one of the country's leading financial institutions. We focused on enhancing our services through financial inclusion of the country's unbanked population, expanding our network via sub-branches & agent outlets, and implementing a digital platform through the QR model. We are also providing financial support to women/small entrepreneurs and large-scale businesses, facilitating inflow of remittances from expat workers, and encouraging growth of the country's middle class.

On this auspicious occasion of the bank's 41st anniversary, we wish to thank our customers, partners, stakeholders, regulators and well-wishers for being with us at all times, without whom none of our achievements would have been possible.



LETTER OF TRANSMITTAL

June 21, 2023

All Shareholders of AB Bank Limited
Bangladesh Bank (BB)
Bangladesh Securities and Exchange Commission (BSEC)
Registrar of Joint Stock Companies & Firms (RJSC)
Dhaka Stock Exchange Limited (DSE)
Chittagong Stock Exchange PLC (CSE)

Dear Sir (s),

Annual Report - 2022

We are pleased to present the Annual Report-2022 comprising the Audited Financial Statements (Consolidated and Separate) for the year ended 31 December 2022 and as on that date.

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.

All the reports are presented for your kind information.

Thank you.

Yours Sincerely,



Md. Jasim Uddin, FCS
Company Secretary

HIGHLIGHTS 2022



Deposits

2022 BDT 316,697 mn
2021 BDT 298,373 mn



Loans & Advances

2022 BDT 312,068 mn
2021 BDT 290,460 mn



Total Capital

2022 BDT 36,195 mn
2021 BDT 35,395 mn



Profit after Tax

2022 BDT 677 mn
2021 BDT 641 mn



EPS

2022 BDT 0.79
2021 BDT 0.75



NAVPS

2022 BDT 28.37
2021 BDT 28.23



ROA

2022 0.17%
2021 0.16%



Local Presence

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



Manpower

1,659 Male
594 Female
2,253 Total



International Presence

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



Alternative Delivery Channel

162 Agent Banking Outlet
252 ATMs
AB Direct (Internet Banking)

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VISION, MISSION & CORE VALUES

VISION

To be the trendsetter for innovative banking with excellence and perfection

MISSION

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 commenced prudent performance.

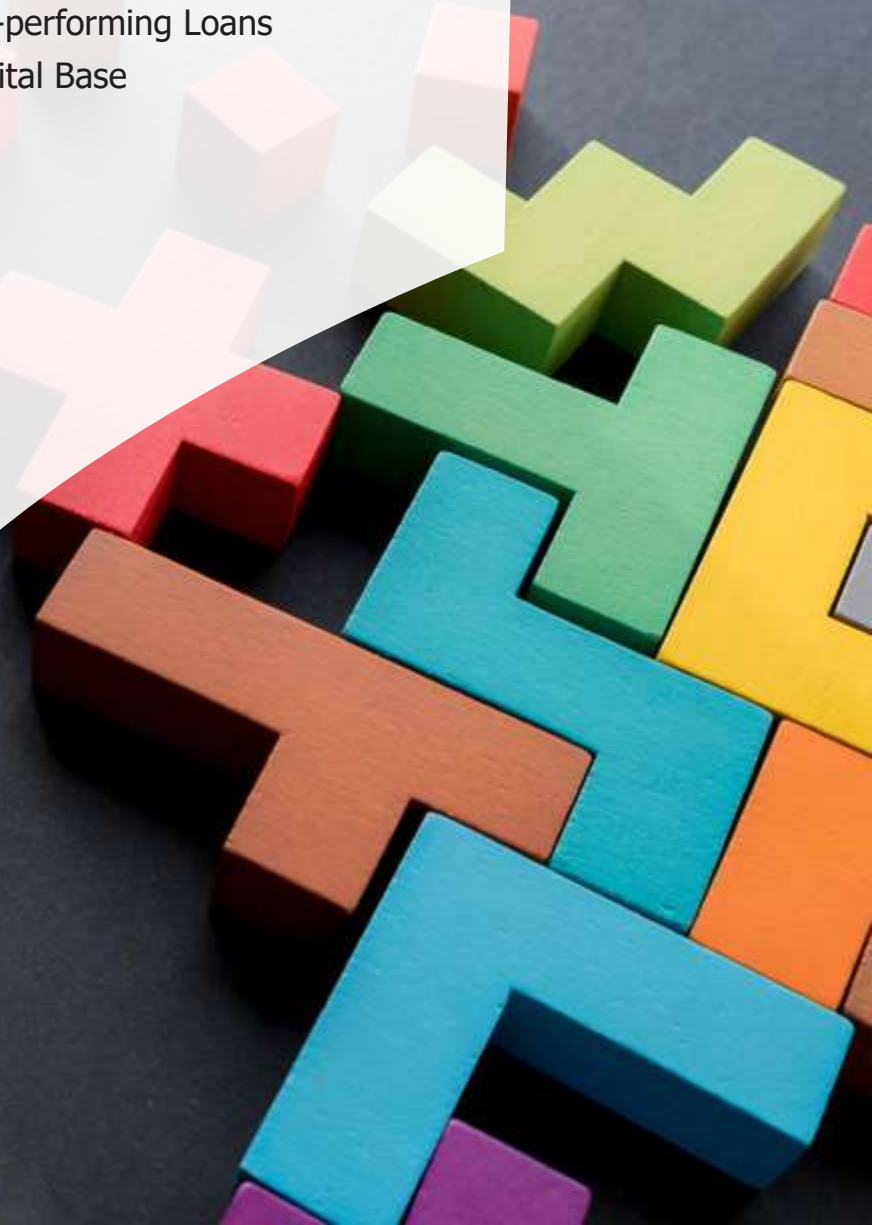
Our Team Members

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



STRATEGIC PRIORITIES

- Ensuring Financial Inclusion- focus on Agriculture, CMSME, Women Entrepreneur
- Network Expansion through Sub-branches and Agent Outlets across the country
- Transformation to Digital Platform-prioritizing Cashless Banking
- Reduction of Non-performing Loans
- Maximize the Capital Base



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 Business Automation	November 15, 2020
Listing of AB Bank Perpetual Bonds with DSE and CSE	June 15, 2023

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 Up gradation	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 Branching-Out	November 22, 2021

Branching Out

Operating 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 (Barisal 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)	September 24, 2017
First Sub-Branch	December 15, 2020

PRODUCTS AND SERVICES

CORPORATE & STRUCTURED FINANCE

- Term Loan
- Time Loan
- Trade Finance
- Trust Receipt
- Working Capital
- Bill Discounting
- Letter of Guarantee
- Syndication Financing
- Agency Function
- Syndication Participation
- Equity Financing & Arrangement
- Corporate Advisory Service

SMALL AND MEDIUM ENTERPRISE (SME)

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

RETAIL LOAN PRODUCTS

- Personal Loan (Unsecured)
- Personal Loan (Secured)
- Home Loan
- Auto Loan
- Credit Card
- AB Smart Agri Loan

TREASURY AND FOREIGN EXCHANGE PRODUCTS

Money Market

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

Fixed Income Market

- Treasury Bill
- Treasury Bond

FX Market

- Spot
- Corporate
- Forward

DEPOSIT ACCOUNTS

- AB নিশ্চিত
- AB জন্মভূমি সঞ্চয়ী হিসাব
- AB জন্মভূমি রেমিট্যান্স সেবা
- AB জন্মভূমি ফিক্সড ডিপোজিট
- AB জন্মভূমি এমএসডিএস
- AB Heights
- Shampurna
- Profit First
- Savings Account
- MaxSaver
- SmartSaver
- Student Account
- Payroll Management
- Current Account
- Progati
- Special Notice Deposit (SND)
- Fixed Term Deposit
- Foreign Currency Account
- NFCD
- RFCD
- Family Savings Plan (FSP)
- Double Deposit Scheme (DDS)
- Monthly Savings Deposit Scheme (MSDS)
- Monthly Income Deposit Scheme (MIDS)
- Millionaire Savings Account (MSA)
- Deposit Double Installment Scheme (DDIS)

● 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

● ISLAMI BANKING

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

Retail Banking



Card Division



CMSME



MESSAGE FROM THE CHAIRMAN



Bismillahir Rahmanir Rahim
As-salamu alaikum,

Distinguished Shareholders,

It is a great honor to have the opportunity to attend in this 41st Annual General Meeting as Chairman of your esteemed Bank. On behalf of the Board of Directors of the Bank as well as on my behalf, I extend a warm welcome to all the distinguished shareholders of the Bank.

Dear Shareholders,

I was inducted as Director of AB Board in the second half the year 2018. At that relevant time the Bank was going through various critical issues. Just a year later, the world started experiencing a pandemic named Covid-19. The world economy was slowing down sharply on the face of worldwide pandemic, which lasted almost upto the end of the year 2022. The banking sector of this country was hit hardest due to the pandemic. The Government of Bangladesh under the un-parallel leadership of the Prime Minister Sheikh Hasina extended various stimulus funds through the banking sector, which gave the sustainability and growth to the economy of the country. The banking sector of the country also sustained based on pragmatic policy of the Government. AB Bank also faced the logical consequences of economic slowdown during the pandemic. In the meantime, the world economy is again hit by Russia-Ukraine war.

Dear Shareholders,

The economy of the country faced considerable challenge with global economic uncertainty, rising inflation, higher energy prices, declining remittance, balance-of-payments deficit and revenue shortfall. The balance-of-payments deficit reached \$7.2 billion in the first half of FY23, up from \$5.3 billion in FY22, creating considerable pressure on the country's foreign exchange reserves. With these unprecedented challenges, in 2022 Bangladesh inaugurated Padma Bridge - the biggest achievement of Bangladesh in its journey towards development, demonstrating the country's confidence, resilience and capability. After India and Pakistan, Bangladesh is the third country in South Asia to have metro rail - added a new mode of public transport for Dhaka city which is expected to reduce the traffic congestion and contribute to the economic growth. In October 2022, the second and final reactor of the Rooppur Nuclear Power Plant was inaugurated, marking the most important development in the country's first nuclear power project. Even amidst the gloomy global economic condition, Bangladesh under the statesmanship of Prime Minister Sheikh Hasina continuing a steady pace of economic growth. AB Bank is always proud participant of gradual economic growth of the country.

Dear Shareholders,

AB Bank is not exception to inherent critical issues, which the banking sector of Bangladesh, by and large, is experiencing. As per the latest audit, some loans advanced by the Bank is non-performing loans (NPLs). These non-performing loans

are gnawing into the profit of the Bank. At the same time, the accrual of interest of those non-performing loans creates a dark shadow on the success of the Bank in many other aspects. The Bank is working on reducing these NPLs to single digit at the shortest possible time. The current management inherited these NPLs created before the year 2018. The Bank pursues stringent policy not to allow any new NPL. With the view to achieve this object, the Bank has taken hardline policy on recovery of loans, especially by way of initiating various legal proceedings including initiating criminal proceedings on account of dishonor of cheques provided by the defaulted borrowers. But I cannot resist myself to access my dismay in respect of the jail term on conviction for dishonor of cheques. Under the prevailing law of the land, if a person convicted for dishonor of cheque of Taka 1000.00, he or she shall be subject to jail term of one year; whereas if a person is convicted for dishonor of cheque of Taka 100.00 crores, the said person as well shall be subject to a jail term of nearly one year. Prevailing law for dishonor of cheque is not good enough to deter habitual and large loan defaulters. Reform of law in this respect is a must to safeguard the public money deposited with the banks. However, AB Bank goes hardest against the habitual and the large loan defaulters by initiating both civil and criminal proceedings. But as you know, given consideration of the legal system, recovery of loan through litigation is time-consuming process. Hence, with the view to reduce the percentage of NPLs, AB Bank is actively working on enhancing deposits, for which AB Bank is reorganizing its banking model and idea. AB Bank is going to be converted into a true retail bank very soon. The Bank emphasizes on small businesses and strong credit card base. For raising deposits, the Bank is expanding its business through raising the number of sub-branches at the different corners of the country. AB Bank believes that along with putting efforts for recovery of bad loans, raising deposits and making healthy lending shall effectively help to reduce percentage of NPL. In fact, till date, AB Bank has successfully launched 31 sub-branches and those sub-branches already raised deposit of substantial amount. AB Bank is also mulling digitalization of its banking business. With greater emphasis on identifying high impact income stream, such as recovery of impaired assets, growing a strong Credit Card base and reducing cost of deposits by strengthening and deepening Retail, Agent Banking, Sub-branches and Islamic Banking, the Bank is working to create a new, robust, impactful and sustainable business model. The efforts of the Bank in opening new sub-branches, agent outlets and acquisition of QR code merchants will be resulted into sharp rise of the graph of profitability of the Bank, hopefully by the end of this year. You must be happy to note that AB Bank has distributed agricultural loans to the root level cultivators and farmers.

Dear Shareholders,

The Bank values the importance of good corporate governance. The management team was augmented with a dynamic Managing Director and few other key officials with known track record of success. We reviewed the internal

control process and re-established risk management process, corporate governance and accountability. The Bank has formulated Anti-Corruption and Bribery Policy to curb any corruption within the banking system as well as to ensure accountability. Simultaneously, the Bank is not oblivious of rewarding hard working, honest and intelligent employees of the Bank. AB Bank believes that a dedicated hardworking and honest workforce is the only key of success in this field.

Dear Shareholders,

Most of the manufacturing and trading business of our country are import based. Against the backdrop of global economic crisis due to war and pandemic, it became very challenging for the businesses to open LC for procurement raw materials with higher price. In such event, the repayment capacities of the business were interrupted and non-performing loans of the industry increased. The Bank is sincerely working on the issue and keeping close contact with the Clients to take every possible steps for recovery through amicable settlement, rescheduling, suit filed etc. We hope that a substantial number of classified loans will be regularized within 2023 which will improve the NPL position significantly. Apart from this, International Monetary Fund (IMF) has extended a loan facility of USD 476 million to Bangladesh and recently The Asian Development Bank (ADB) has approved a \$400 million loan to support Bangladesh's economic recovery by augmenting revenue generation and facilitating efficient public spending. All these economic stimulus will reduce the pressure on foreign currencies and will facilitate business in coming days. In 2022, Profit after Tax (PAT) stood at BDT 67.7 crore which was BDT 64.1 crore in the last year. Earnings Per Share (EPS) stood at 0.79 and all the liquidity parameters of the Bank were sufficient and well above regulatory requirements. Another concern for the Bank is Capital position is still under regulatory requirement. We are also working on the Bank's capital adequacy. The Bank raised BDT 572 crore by issuing Additional Tier-I equivalent Perpetual Bonds, which are listed in both the Stock exchanges. I think, listing of these securities will enhance the depth of the market and will work as an inspiration for creating a separate Bond market, which is also a goal of Bangladesh Securities and Exchange Commission.

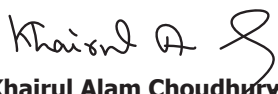
Dear Shareholders,

I would like to assure you that, the Board and all its Committees are dedicatedly working together for strengthening the position of the Bank. We believe that it is the dedication, professionalism and desire to achieve that drives the AB Family to succeed in this difficult year for the banking sector. I believe that in the coming days, our innovative and creative employees, directed by our efficient Management Team, will ensure delivery of more consumer-oriented banking products and services through continuous efforts and set a definite benchmark for the entire banking industry. Taking all the variables in mind, the Board recommended 2% stock dividend for the year 2022 for your approval in the Annual General Meeting.

Finally, I express my heartfelt thanks and gratitude to you for your continuous support and trust in us which has been the prime driving force for what we have achieved. I would also like to express my deep gratitude to our respected Sponsors, Regulators, Shareholders, Customers, Well-wishers, Print & Electronic media and my colleagues in the Board for their constant engagement and guidance.

Wishing all of you good health, peace and prosperity.

Thank you all.


Barrister Khairul Alam Choudhury
Chairman



MESSAGE FROM THE DESK OF PRESIDENT AND MANAGING DIRECTOR

Dear Shareholders,

As-salamu alaikum,

AB Bank started its journey as the first private sector commercial bank in Bangladesh in 1982 and has become one of the country's leading financial institutions. With the passage of time, it has been established that AB Bank is a pioneer and development partner in rendering major banking services in the country in Corporate, SME and Retail sector. Currently, the Bank is focused on enhancing services for Financial Inclusion of the country's unbanked population, expanding the bank's network via sub-branches and agent outlets. The Bank is also engaged in developing digital platform through the QR model and thus play an active role in transforming towards cashless Bangladesh and thus help in materializing the Government vision of a "Smart Bangladesh". Taking all our above efforts into cognizance we named this report "An Era of Financial Inclusion". We believe our engagement in digitization and network enhancement will contribute towards economic development of the country and scaling sustainable digital solutions to all the citizens regardless of their socio-economic background. In this backdrop, we humbly acknowledge the contribution of all our stakeholders through the journey of AB.

Dear Shareholders,

In the economic perspective, year 2022 was an eventful year; Bangladesh inaugurated the dream-project "The Padma Bridge" giving a huge boost to the confidence of the nation which was inspired by the honorable Prime Minister, Sheikh Hasina. This 6.15-kilometre long bridge connects the rest of the country with 21 districts in the south and southwestern region with two seaports, namely, Mongla and Payra. Country's first ever metro rail also started its journey in 2022 which is going to ease the huge traffic of and will also contribute to the saving of exchequer substantially.

This year also saw that every single house come under electricity coverage, the first country to achieve such feat in this sub-continent. In October Bangladesh inaugurated final reactor of the Rooppur Nuclear Power Plant, marking the most important development in the country's first nuclear power project which is expected to produce electricity for a lifetime of a minimum of 60 years and it will help Bangladesh generate electricity without emitting carbon dioxide. Per capita income also increased to \$2,824. However, the growth in the second half was not as much due to the challenges of global economic uncertainty-inflationary pressure, volatility in foreign exchange rates and demand-supply mismatch.

Bangladesh Economy

The Bangladesh economy has been showing sustainable recovery from the impact of the global coronavirus pandemic. The GDP growth experienced a sharp fall at 3.45 percent in FY 2019-20 from 7.88 percent growth of pre-pandemic year. However, GDP growth rebounded and stood at 6.94 percent in FY 2020-21 and 7.10 percent in FY 2021-22. But due to Russia-Ukraine crisis, the economic growth in FY 2022-23 has been hampered. According to the provisional estimate of BBS, the GDP growth is expected to be 6.03 percent in FY 2022-23. The growth of agriculture sector was 3.17 percent in FY 2020-21, which stood at 3.05 percent in FY 2021-22. According to the provisional estimate, the growth of the agriculture sector will stand at 2.61 percent in FY 2022-23. In FY 2020-21, the growth of the industry sector was 10.29 percent, which declined to 9.86 percent in FY 2021-22. The growth of the industry sector is estimated at 8.18 percent in current fiscal year. According to provisional data, in FY 2022-23, growth in broad service sector has decreased to 5.84 percent as compared to 6.26 percent in the FY 2021-22. The sectoral share of broad agriculture, industry and service stood at 11.20 percent, 37.56 percent and 51.24 percent respectively in FY 2022-23; which were 11.61 percent, 36.92 percent and 51.48 percent respectively in previous fiscal year. On the demand side consumption expenditure stood at 73.98 percent in FY 2022-23, with significant contribution of private sector. Gross domestic savings increased to 26.02 percent of GDP in FY 2022-23, from 25.22 percent a year earlier.

In this backdrop, at the end of December 2022 the country's foreign exchange reserve stood at USD 33.74 billion, which was USD 46.15 billion in 2021. During the same period, the weighted average interest rate was 7.22 percent for credits and 4.23 percent for deposits. The gap between weighted average interest rate of credit and deposit (spread) at that time was at 2.99 percent. Throughout the year, policy rates were static - Cash Reserve Ratio (CRR) was 4.00 percent, Bank Rate was 4.00 percent. Inflation rate was 7.70 percent on

twelve months average basis. For controlling foreign exchange balances, Bangladesh Bank took several measures like imposing stricter controls on import of less necessary and luxury items in 2022.

Business Performance

Under the above changed environment we prioritized our businesses to achieve a sustainable development. In 2022, the Bank registered an operating profit of BDT 548 crore. After maintaining required provisions, Profit after Tax stood at BDT 67.72 crore in 2022 compared to BDT 64.14 crore in 2021. We are proud to say that our deposits stood at BDT 31,669.73 crore in December 2022, which was BDT 1,832 crore higher than last year. With the global pandemic and subsequent Ukraine- Russia conflict, the economic conditions were not favorable for global trade and businesses. Lot of companies in Bangladesh also were affected adversely. With the restrictions on opening LCs, lot of business entities could not keep up their payment commitments, which resulted a rise in the non-performing loans of the country. Being in the same industry AB Bank also was affected. The Bank is continuously working on to reduce NPL to an acceptable level. Apart from these, Capital to Risk Weighted Assets Ratio stood at 11.00 percent in 2022 on consolidated basis. It is pertinent to mention here that the Bank completed BDT 571 crore perpetual bonds issuance in current year and listed it in both the Exchanges of the country. 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,

After the independence of Bangladesh, agriculture was the main driving force and key contributor to the GDP of the country. With the passage of time, GDP size of the country has increased where other sectors like manufacturing and industry has increased their contribution to GDP. Despite having a gradually declining share of GDP and employment, agricultural sector remains indispensable segment for economic growth of the country and not to mention the food safety of the nation. The government has been making all out efforts for the overall development of the agriculture sector with the "Vision 2041", "8th Five Year Plan", "National Agricultural Policy 2018", "Sustainable Development Goals" and "Deltaplan-2100". In line with the government initiatives, to ensure food security, Bangladesh Bank has approved a special refinance scheme of BDT 5,000 crore for the participating Banks aiming for disbursement of agricultural loan to the marginal farmers. AB Bank has taken these initiatives very actively and are working to finance the marginal farmers directly through smart cards with simplified

process under bank's own supervision. Till now, we have disbursed agricultural loans to more than 20,000 marginal farmers across the country directly. We believe our initiatives will contribute in alleviation of poverty and simultaneously ensure the overall food safety of the country.

Honorable Shareholders,

Based on the financials of 2022, the Board of Directors of the Bank, declared 2% 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. Throughout the year we conducted several capacity building and skill development programs for our employees through virtual trainings and some 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 and express gratefulness to the AB family for the quintessential dedication in all success stories of the Bank. I 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 & Managing Director

BOARD OF DIRECTORS



From Left: Shajir Ahmed, Md. Eskandar Miah, Shafiqul Alam, Tarique Afzal, Barrister Khairul Alam Choudhury, Feroz Ahmed, Md. Maqsoodul Huq Khan

THE BOARD AND COMMITTEES



BOARD OF DIRECTORS

Chairman

Barrister Khairul Alam Choudhury

Directors

Feroz Ahmed

Shajir Ahmed

Md. Maqsudul Huq Khan

Independent Director

Shafiqul Alam

Md. Eskandar Miah

President and Managing Director

Tarique Afzal



AUDIT COMMITTEE

Chairman

Shafiqul Alam

Members

Shajir Ahmed

Md. Maqsudul Huq Khan

Md. Eskandar Miah



RISK MANAGEMENT COMMITTEE

Chairman

Shafiqul Alam

Member

Feroz Ahmed

Md. Maqsudul Huq Khan



EXECUTIVE COMMITTEE

Chairman

Feroz Ahmed

Member

Barrister Khairul Alam Choudhury



SHARIAH SUPERVISORY COMMITTEE

Chairman

Justice Siddiquir Rahman Miah

Members

Tarique Afzal

Feroz Ahmed

Kaiser A. Chowdhury

Najmul Ehsan

Iftekhar Enam Awal

Muhammad Musa, Member Secretary



COMPANY SECRETARY

Md. Jasim Uddin, FCS

board committees

AUDIT COMMITTEE



Standing from left: Shajir Ahmed, Md.Eskandar Miah, Md.Maqsudul Huq Khan
Sitting: Shafiqul Alam

RISK MANAGEMENT COMMITTEE



Standing from left: Md. Maqsdul Huq Khan, Feroz Ahmed
Sitting: Shafiqul Alam

DIRECTORS PROFILE



Barrister Khairul Alam Choudhury

Chairman

Barrister Khairul Alam Choudhury is the Honorable Chairman of AB Bank Limited. He joined in the Board of AB Bank Limited as Director on July 24, 2018 and has been elected as Chairman of the Board on August 02, 2022. He graduated from University of Wolverhampton, UK in 2001. Later, Mr. Choudhury completed his Masters from City University, UK in 2002 and his Bar-at-Law degree from Lincoln's Inn, London in 2002.

Mr. Choudhury is a Senior Advocate of Bangladesh Supreme Court.



Feroz Ahmed

Director

Mr. Ahmed is the Chairman of Elite Paint & 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.



Shafiqul Alam

Independent Director

Mr. Shafiqul Alam joined AB Bank as Independent Director with effect from September 7, 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 & CEO of Jamuna Bank.



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 & 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 & 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.



Md. Maqsudul Huq Khan

Director

Mr. Maqsudul H. Khan is a Supply Chain Management and Compliance enthusiast. Currently he is serving automobile industry as Head of supply chain and commercial that successfully led the growth of brand new vehicle importation and assembly in Bangladesh. Prior to joining automobile industry, he spent many years working for Bureau Veritas, a well-known French multinational conglomerate. He has extensive experience in operations and compliance. He has also served as the Head of International Trade Division (ITD) for a multinational corporation that is a 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).



Md Eskander Miah

Independent Director

Mr. Md Eskander Miah joined AB Bank Limited as an Independent Director on 23rd October, 2022. Mr. Miah has 33 years of experience in the banking profession. He joined Bangladesh Bank as Assistant Director in 1988. Later he served in various important positions in different departments of Bangladesh Bank.

Before retirement, he worked in Bangladesh Bank head office in the areas of Financial Intelligence Unit, Human Resource Management, Foreign Exchange Policy, Agricultural Audit and Policy, Foreign Exchange Inspection, Professional Presentation, Expenditure Management and Payment System.



Tarique Afzal

President & Managing Director

Mr. Tarique Afzal joined AB Bank in 2018 as Deputy Managing Director, Head of Corporate, Legal & Regulatory Affairs. Subsequently he has been appointed as the President & 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 & Bradstreet in Bangladesh.

CORE SENIOR MANAGEMENT TEAM



Standing from left: M. N. Azim, Shabbir Huda, Z. M. Babar Khan, Golam Mahmud Rizvi, Khandaker Anwar, Major Sk ,Md. Yousuf Reza (Retd), Iftekhar Enam Awal
Sitting from left: K. M. Mohiuddin Ahmed, Syed Mizanur Rahman, Tarique Afzal, Mahmudul Alam, Md. Aminur Rahman

SENIOR MANAGEMENT TEAM

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

INVESTOR RELATIONS



FORWARD LOOKING STATEMENT

Annual Report for the year 2022 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.

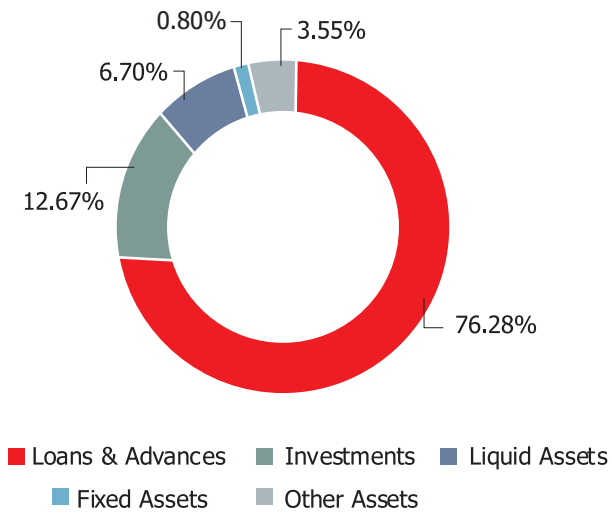
Bank does not also take any responsibility to update, modify or revise any forward looking statements contained in this Annual Report irrespective of whether those are changed by any new events, information or future development or by any other factors.

SHAREHOLDERS' INFORMATION

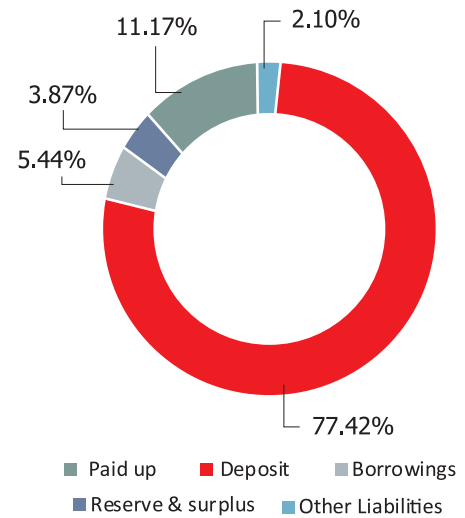
In Crore Taka

Particulars	AB Bank Limited			Consolidated		
	2022	2021	% Growth	2022	2021	% Growth
At the end year						
Total assets	40,909	41,032	-0.3%	41,255	41,336	-0.20%
Loans & advances	31,207	29,046	7%	32,041	29,904	7%
Total Deposits	31,670	29,837	6%	31,627	29,808	6%
Equity	2,443	2,431	0%	2,576	2,556	1%
Investments	5,181	6,521	-21%	5,247	6,570	-20%
Performance during the year						
Interest Income	2,146	2,038	5%	2,164	2,060	5%
Operating Profit	548	613	-11%	572	662	-14%
Provision for loans and others	273	433	-37%	287	466	-38%
Profit before tax	275	181	52%	285	196	45%
Provision for tax	207	116	78%	213	125	71%
Profit after tax	68	64	6%	71	72	-0.34%
Statutory Ratios						
Liquid Assets	19.43%	27.93%		19.43%	27.93%	
Capital adequacy ratio	10.31%	10.74%		11.00%	11.42%	
Share information						
Earnings per share (Taka)	0.79	0.75	6%	0.83	0.83	-0.34%
Dividend:	2%	5%				
Stock Dividend (Proposed)	2%	3%		-	-	-
Cash	-	2%		-	-	-
Net Asset Value per share (Taka)	28.37	28.23	0%	29.92	29.69	1%
Ratios						
Classified Loan	20.23%	14.15%		19.70%	13.75%	
Return on Assets (ROA)	0.17%	0.16%		0.16%	0.18%	
Return on Equity (ROE)	2.78%	2.63%		2.78%	2.80%	

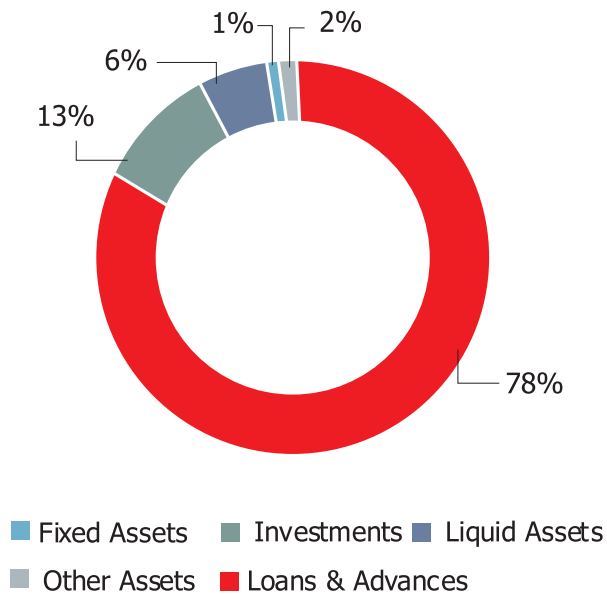
Constituents of Assets 2022



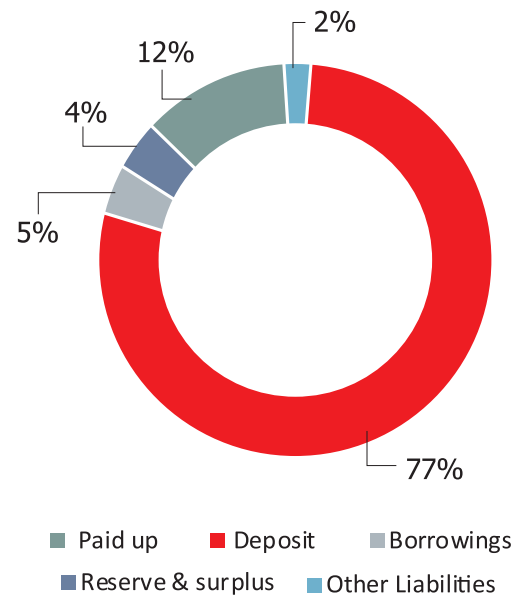
Constituents of Liabilities & Capital 2022



Constituents of Assets (Consolidated) 2022



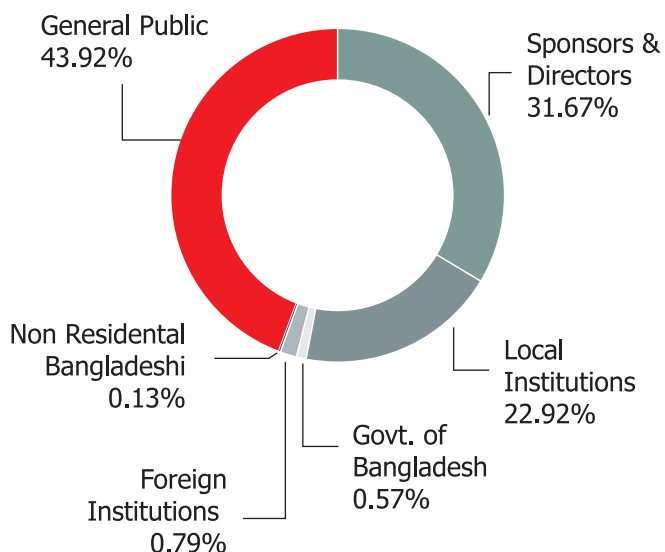
Constituents of Liabilities & Capital (Consolidated) 2022



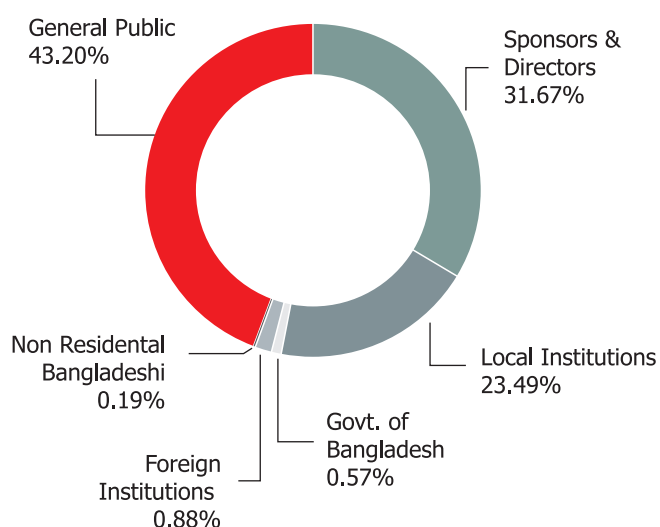
SHAREHOLDERS' PATTERN

Particulars	Number of Shares		% of Shares	
	2022	2021	2022	2021
Sponsors & Directors	272,648,930	264,707,703	31.67%	31.67%
Local Institutions	197,357,642	196,315,507	22.92%	23.49%
Govt. of Bangladesh	4,934,841	4,791,108	0.57%	0.57%
Foreign Institutions	6,770,119	7,316,415	0.79%	0.88%
Non-residential Bangladeshi	1,132,434	1,617,502	0.13%	0.19%
General Public	378,069,865	361,090,436	43.92%	43.20%
Total	860,913,831	835,838,671	100%	100%

Year 2022



Year 2021

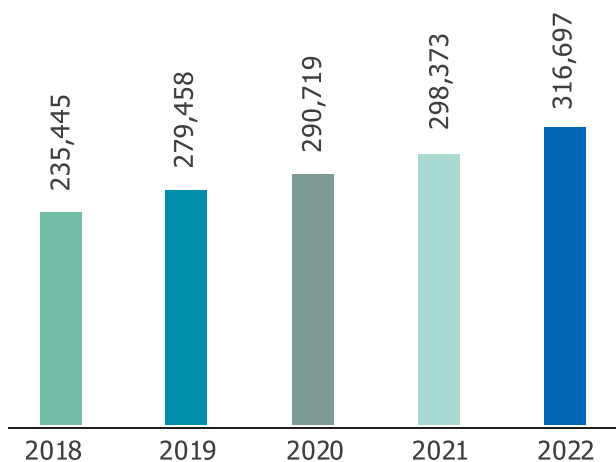


Name of Director	Status	No. of Shareholding including nominating institution/individual	
		31.12.2022	31.12.2021
Barrister Khairul Alam Choudhury Nominated by Pacific Industries Limited	Chairman	84,211,744	81,758,976
Mr. Feroz Ahmed	Director	17,862,814	17,342,538
Mr. Shajir Ahmed Nominated by Hexagon Chemical Complex Limited	Nominated Director	23,581,224	22,894,393
Mr. Md. Maqsudul Huq Khan Nominated by Emkay Holdings Limited	Nominated Director	17,601,412	17,088,750
Mr. Shafiqul Alam	Independent Director	-	-
Mr. Md. Eskandar Miah	Independent Director	-	-
Mr. Tarique Afzal	President & Managing Director	-	-

GRAPHICAL PRESENTATION

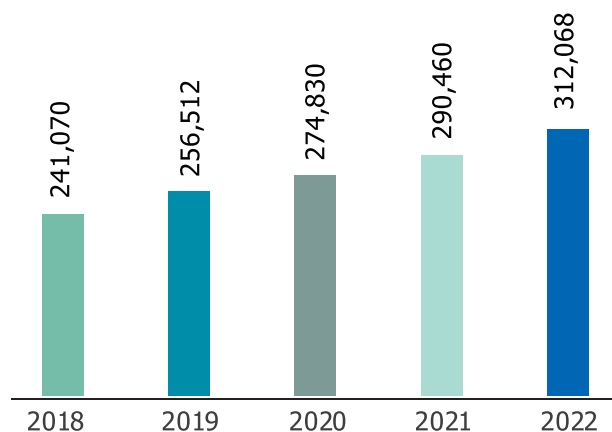
Deposits

In Million BDT



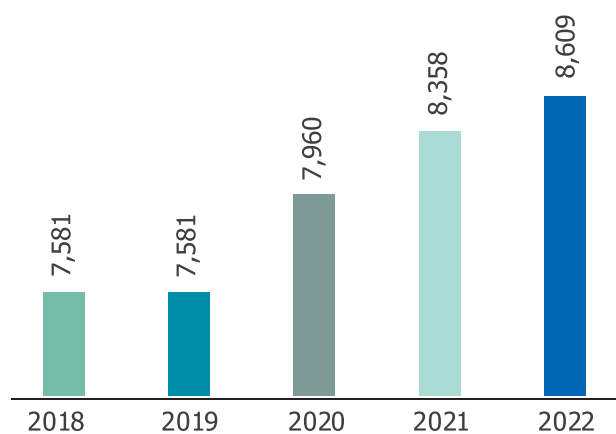
Loan & Advances

In Million BDT



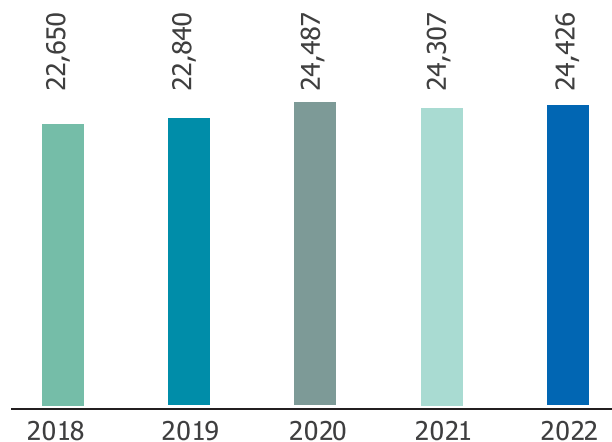
Paid-up Capital

In Million BDT



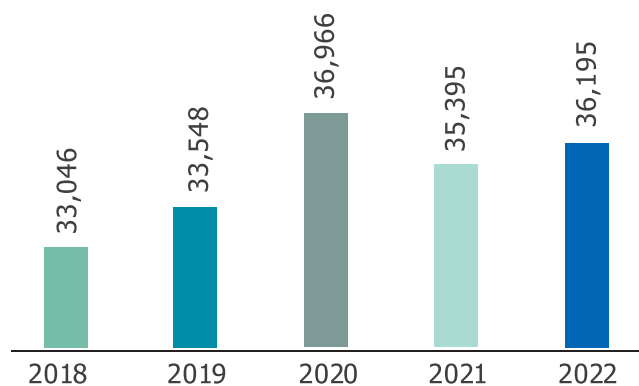
Equity

In Million BDT



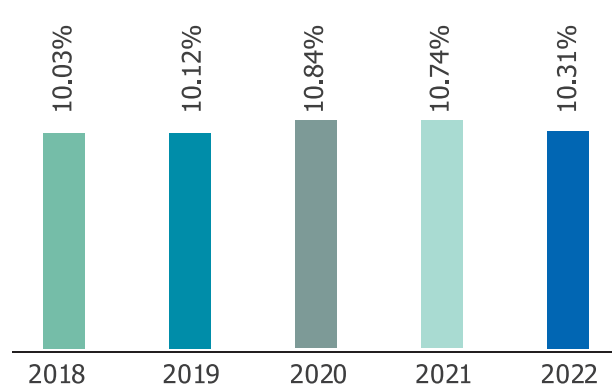
Capital

In Million BDT

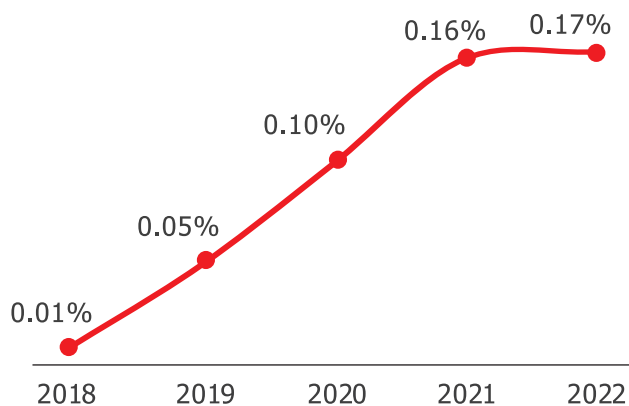


Capital To Risk Weighted Assets Ratio

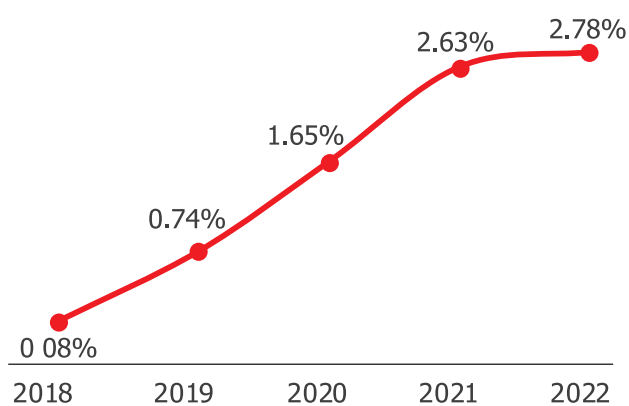
In Million BDT



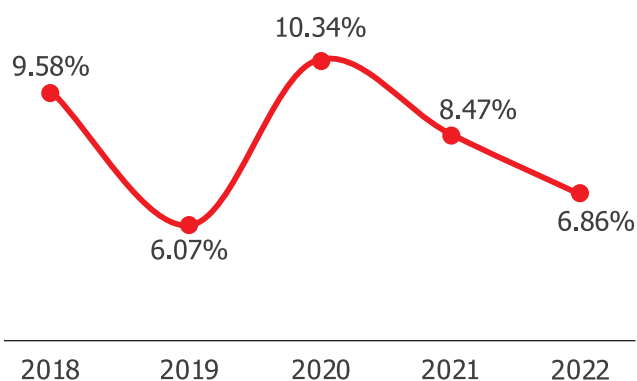
Return on Assets (ROA)



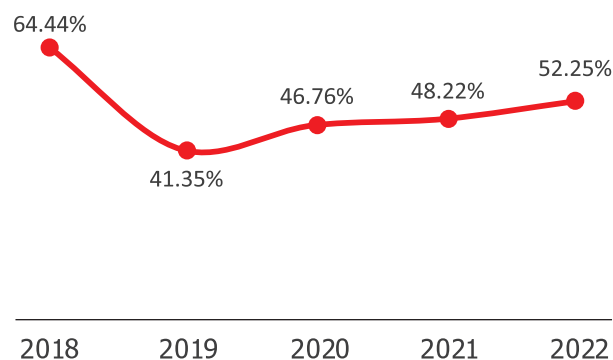
Return on Equity (ROE)



Return on investment (ROI)

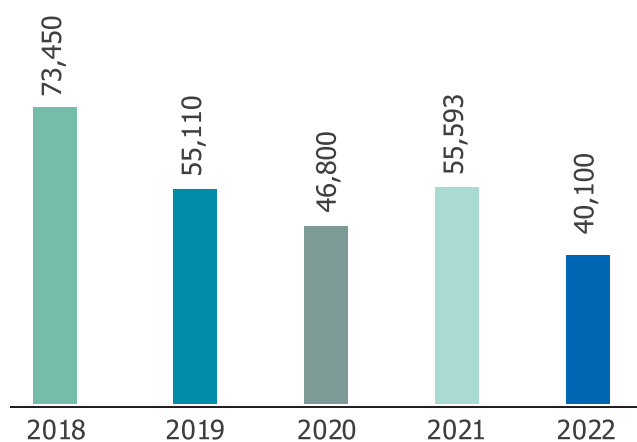


Cost Income Ratio



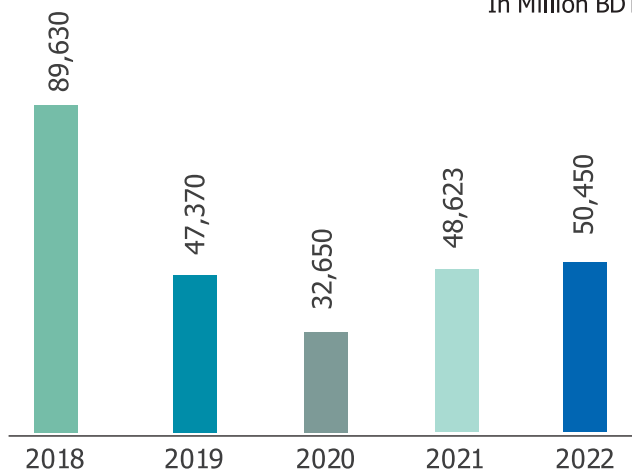
Export

In Million BDT



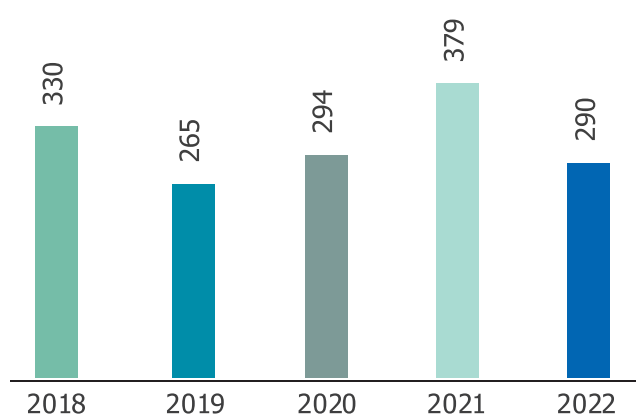
Import

In Million BDT



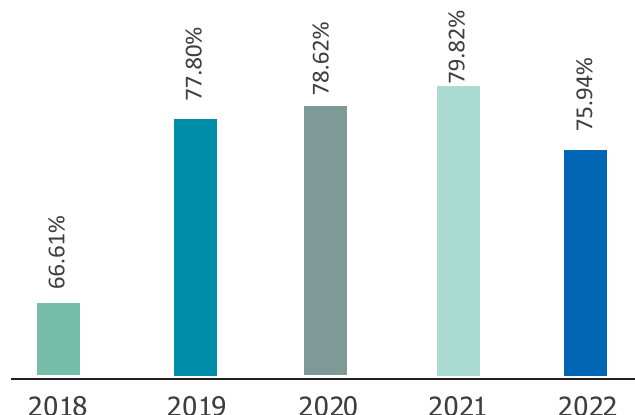
Remittance

In Million BDT



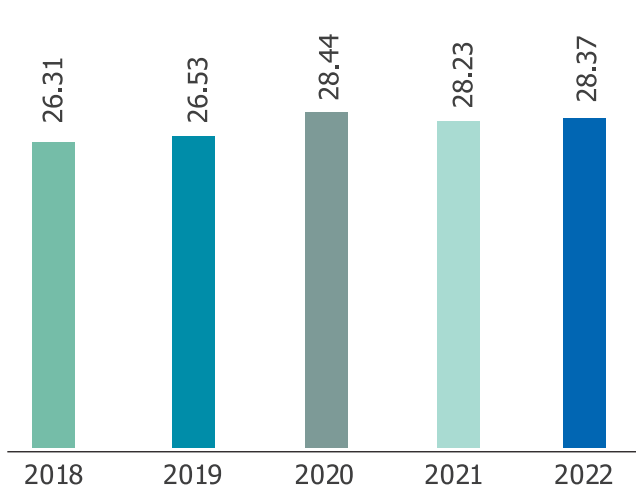
Assets Utilization Ratio

In Million BDT

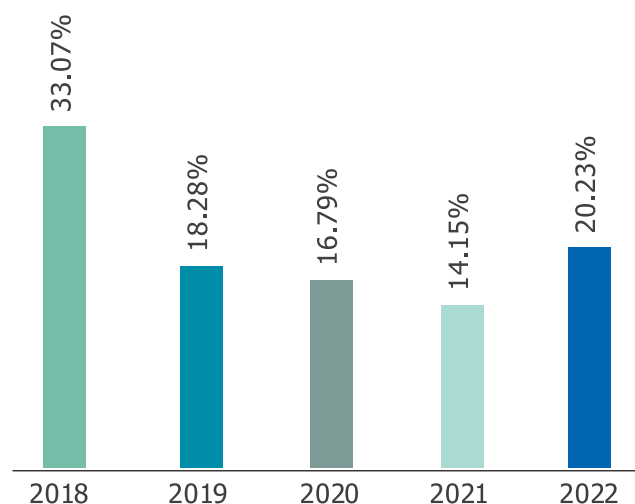


Net Asset Value

(BDT/Share)

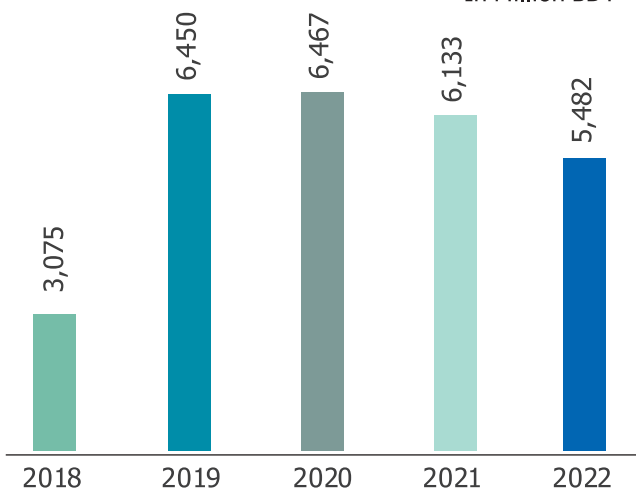


Classified Loans (CL) Ratio



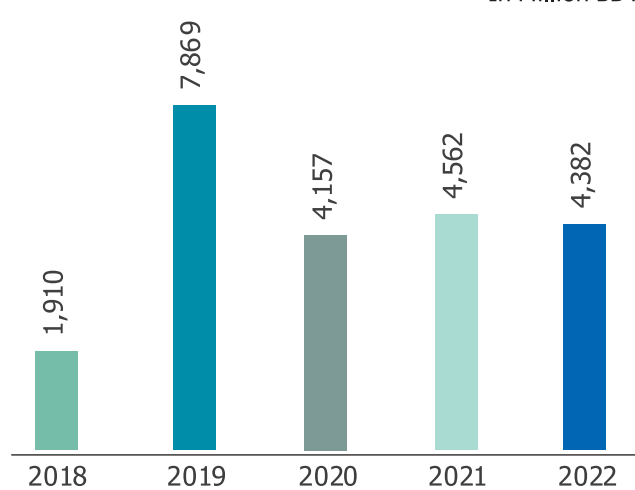
Operating Profit

In Million BDT



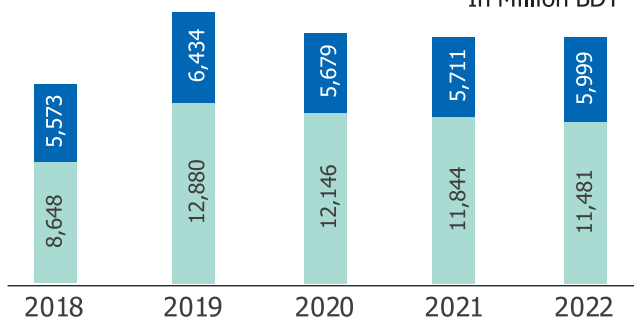
Net Interest Margin

In Million BDT

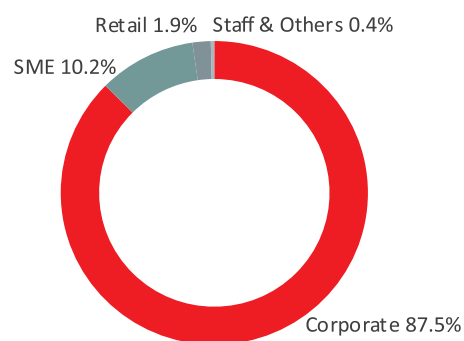


Operating Income vs. Operating Expenses

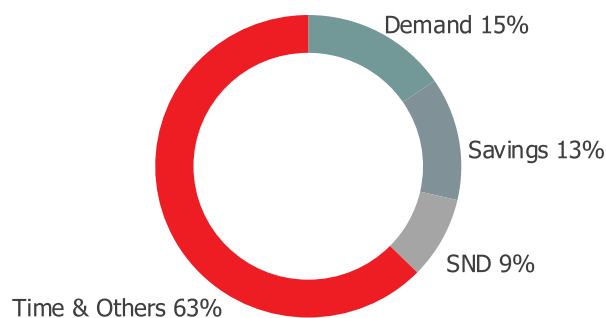
In Million BDT



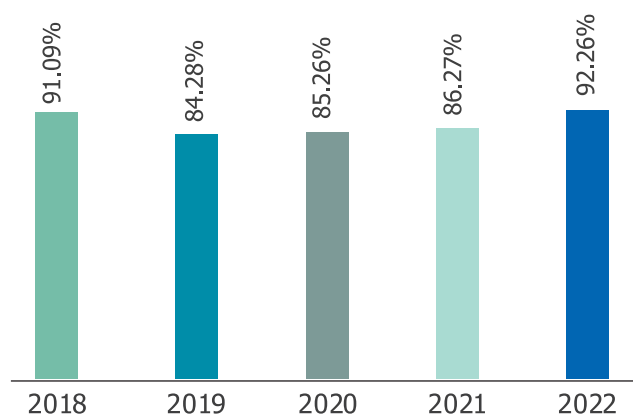
Loan Mix



Deposit Mix

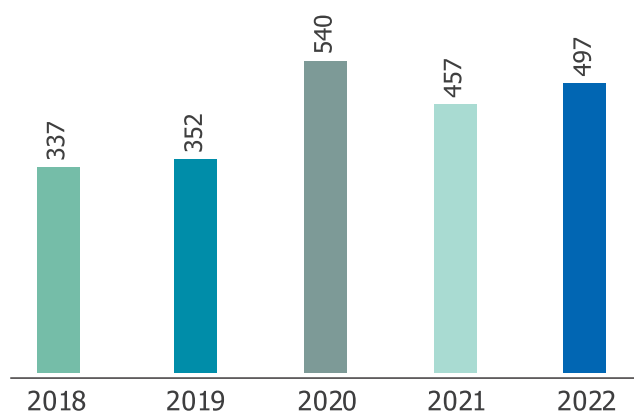


Loan Deposit (LD) Ratio

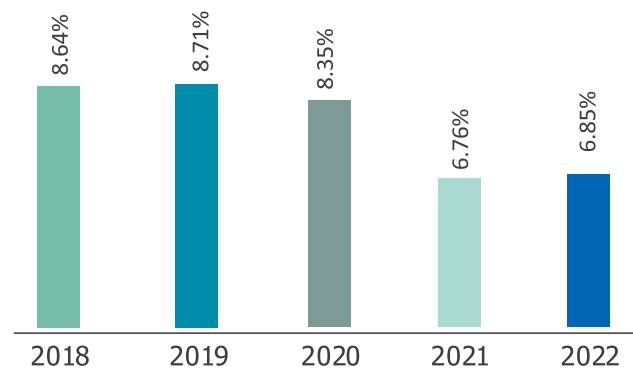


Contribution to National Exchequer

In Crore BDT



Cost of Fund



LAST 10 YEARS' PERFORMANCE

BDT in Million

Particulars	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Cash & bank balances	25,498	30,619	25,294	25,121	19,611	21,768	24,265	21,744	20,436	17,338
Investments	51,813	65,215	63,761	61,579	43,594	45,749	48,187	32,559	30,779	28,676
Money at call and short notice	1,930	4,351	2,500	4,776	1,429	1,170	6,806	5,284	3,863	2,251
Loans & advances	312,068	290,460	274,830	256,512	241,070	229,647	218,769	209,725	177,571	140,121
Fixed assets	3,249	3,632	4,489	4,871	3,543	4,113	4,080	4,201	4,405	4,173
Other assets	14,193	15,706	14,877	12,366	12,936	12,117	12,728	11,496	9,277	15,446
Non Banking Assets	334	334	334	343	343	-	-	-	-	-
Total assets	409,085	410,317	386,086	365,568	322,526	314,565	314,836	285,010	246,331	208,006
Borrowings	10,750	29,832	19,108	14,820	18,272	21,871	15,454	23,693	10,977	9,987
Bonds	11,498	11,810	9,350	7,400	8,700	6,000	6,500	6,500	2,500	-
Total deposits	316,697	298,373	290,719	279,458	235,445	235,954	245,641	213,819	198,189	161,846
Other liabilities	45,714	45,995	42,422	41,050	37,458	27,968	24,126	18,206	15,351	19,232
Equity	24,426	24,307	24,487	22,840	22,650	22,771	23,114	22,792	19,314	16,940
Total liability & SH's equity	409,085	410,317	386,086	365,568	322,526	314,565	314,836	285,010	246,331	208,006
Total contingent liabilities	51,668	42,323	59,191	47,836	57,209	65,451	73,479	68,649	77,069	83,217
Loan Deposit Ratio*	92.26%	86.27%	85.26%	84.28%	91.09%	86.24%	83.67%	96.80%	89.60%	86.58%
Interest earning assets	310,658	327,506	303,276	284,417	214,825	270,093	272,625	249,985	215,691	175,978
Non-Interest earning assets	98,427	82,811	82,486	81,150	107,701	44,472	42,211	35,026	30,640	32,028
Profitability										
Net interest margin	4,382	4,562	4,157	7,869	1,910	2,670	2,837	4,279	6,079	3,780
Operating income	11,481	11,844	12,146	12,880	8,648	10,347	11,018	10,582	12,155	9,755
Operating expenses	5,999	5,711	5,679	6,434	5,573	5,871	5,999	5,628	5,230	4,465
Operating profit	5,482	6,133	6,467	6,450	3,075	4,476	5,019	4,954	6,925	5,290
Provision for loans and others	2,733	4,327	5,145	5,141	2,519	4,634	3,017	2,195	2,946	2,305
Profit before tax	2,749	1,806	1,322	1,309	556	(158)	2,002	2,759	3,979	2,985
Provision for tax	2,072	1,165	931	1,141	538	(188)	697	1,489	2,719	1,974
Profit after tax	677	641	391	168	18	30	1,305	1,270	1,260	1,011
Cost income ratio	52.25%	48.22%	46.76%	41.35%	64.44%	56.74%	54.44%	52.86%	43.03%	45.78%
Return on investment (ROI)	6.86%	8.47%	10.34%	6.07%	9.58%	10.18%	13.50%	10.49%	9.68%	10.37%
Return on assets (ROA)	0.17%	0.16%	0.10%	0.05%	0.01%	0.01%	0.44%	0.48%	0.54%	0.53%
Return on equity (ROE)	2.78%	2.63%	1.65%	0.74%	0.08%	0.13%	5.68%	6.03%	6.95%	6.13%
Assets Utilization Ratio	75.94%	79.82%	78.62%	77.80%	66.61%	85.86%	86.59%	87.71%	87.56%	84.60%
Cost of fund	6.85%	6.76%	8.35%	8.71%	8.64%	7.52%	8.06%	9.75%	10.63%	11.82%
Earnings Per Share	0.79	0.75	0.45	0.19	0.02	0.03	1.52	1.48	1.46	1.17
Net income per share	0.79	0.75	0.45	0.19	0.02	0.03	1.52	1.48	1.46	1.17
Other business										
Import	50,450	48,623	32,650	47,370	89,630	104,916	115,794	111,245	112,220	125,383
Export	40,100	55,593	46,800	55,110	73,450	75,109	76,052	72,982	77,252	72,571
Remittance (Million USD)	290	379	294	265	330	300	254	280	299	237

LAST 10 YEARS' PERFORMANCE

BDT in Million

Particulars	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Equity measures										
Authorized capital	15,000	15,000	15,000	15,000	15,000	15,000	15,000	6,000	6,000	6,000
Paid-up capital	8,609	8,358	7,960	7,581	7,581	7,581	6,739	5,990	5,325	4,976
Capital - Tier I	25,007	23,458	19,570	18,712	19,194	19,731	18,703	18,339	16,561	15,570
Capital - Tier II	11,188	11,937	17,396	14,836	13,852	11,556	11,938	9,994	6,238	3,203
Total capital	36,195	35,395	36,966	33,548	33,046	31,286	30,640	28,333	22,799	18,772
Capital surplus/ (deficit)	(7,692)	(5,813)	(5,666)	(7,875)	(6,092)	(1,310)	462	2,780	712	1,385
Statutory reserve	8,050	7,485	7,144	6,870	6,623	6,549	6,496	6,111	5,582	5,565
Retained earnings	4,099	4,812	5,687	5,817	5,905	6,012	6,810	6,831	6,768	4,986
Capital to Risk Weighted Assets Ratio	10.31%	10.74%	10.84%	10.12%	10.03%	10.80%	10.79%	11.09%	10.32%	10.80%
Asset quality										
Total loans & advances	312,068	290,460	274,830	256,512	241,070	229,647	218,769	209,725	177,571	140,121
Classified loans (CL)	63,122	41,109	46,155	46,890	79,728	16,409	11,365	6,619	6,856	4,720
% CL to total loans & advances	20.23%	14.15%	16.79%	18.28%	33.07%	7.15%	5.19%	3.16%	3.86%	3.37%
Provision for unclassified loan	5,619	6,347	11,267	8,286	5,561	4,871	4,099	2,119	1,930	1,707
Provision for classified loan	21,641	20,953	8,958	6,994	5,079	3,862	2,506	2,596	2,924	2,273
Share information										
Market Price per share (DSE)	9.9	13.5	12.10	7.90	12.00	22.10	22.30	20.90	29.90	26.20
Dividend - %	2.00*	5.00	5.00	5.00	-	-	12.50	12.50	12.50	12.00
Bonus - %	2.00	3.00	5.00	5.00	-	-	12.50	12.50	12.50	7.00
Cash - %	-	2.00	-	-	-	-	-	-	-	5.00
Price earning ratio (times)	12.58	17.59	25.84	40.43	547.39	624.03	14.29	13.75	19.83	21.66
Net Asset Value per share (Taka)	28.37	28.23	28.44	26.53	26.31	26.45	26.85	26.47	22.43	19.68
Distribution network										
Number of branches	105	105	105	105	105	105	104	101	93	89
Number of sub-branches	2	-	-	-	-	-	-	-	-	-
Number of Agent Outlet	163	150	86	59	23	-	-	-	-	-
Employee number	2,253	2,280	2,202	2,210	2,310	2,354	2,423	2,276	2,220	2,179

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

FINANCIAL CALENDER

Quarterly Results Of 2022		
Unaudited results for the 1 st Quarter ended 30 th March 2022	Announced on	April 26, 2022
Unaudited result for the 2 nd quarter and half-year ended 30 th June 2022	Announced on	July 24, 2022
Unaudited results for the 3 rd Quarter ended 30 th September 2022	Announced on	October 27, 2022
Audited consolidated results for the year ended 31 st December 2022	Announced on	April 30, 2023

40 th AGM Information	
Price Sensitive Information	April 26, 2022
Record Date	May 24, 2022
Date of AGM- at 12:30 pm through Digital Platform	July 06, 2022
Publication of 40 th AGM Notice	June 14, 2022
Annual Report-2021 Dispatch	June 22, 2022
Stock Dividend Credited	August 03, 2022
Cash Dividend Distribution	August 03, 2022

41 st AGM		
Publication of Price Sensitive Information		May 01, 2023
Record Date	For Attending 41 st AGM	May 23, 2023
	For Entitlement of Dividend	May 31, 2023
Publication of notice of the 41 st AGM		June 14, 2023
Date of 41 st AGM at 11:00 a.m.		July 08, 2023

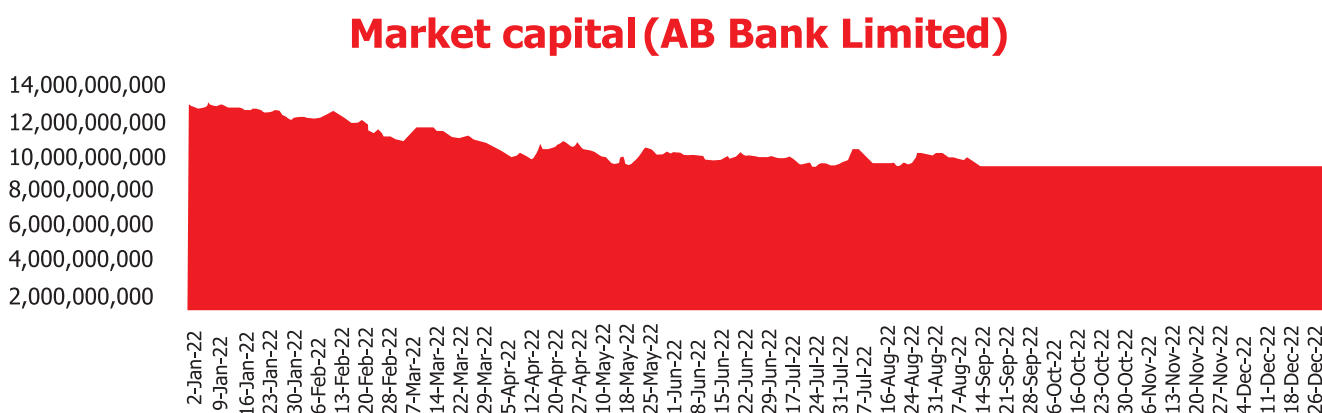
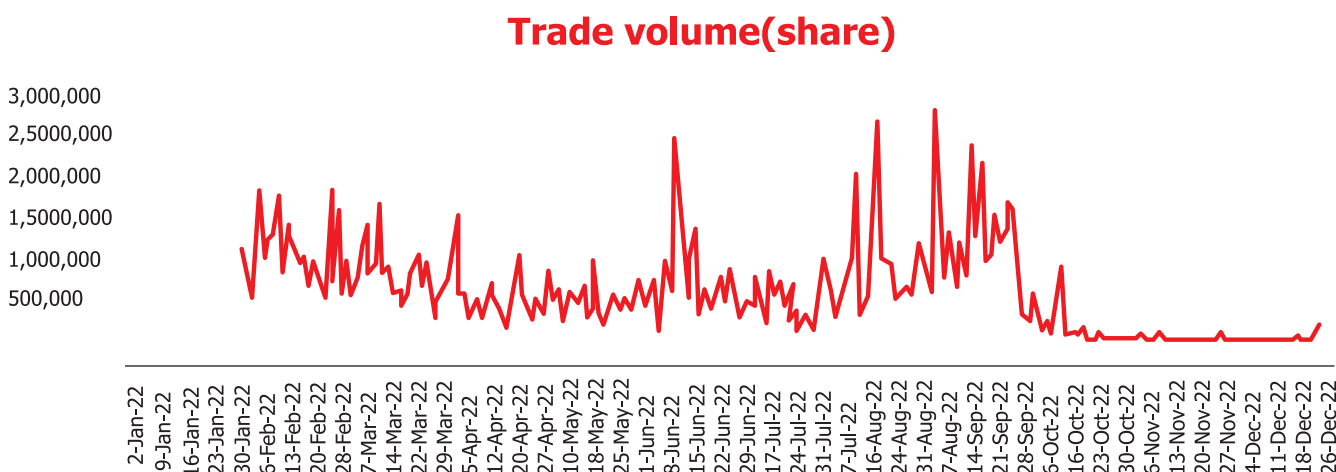
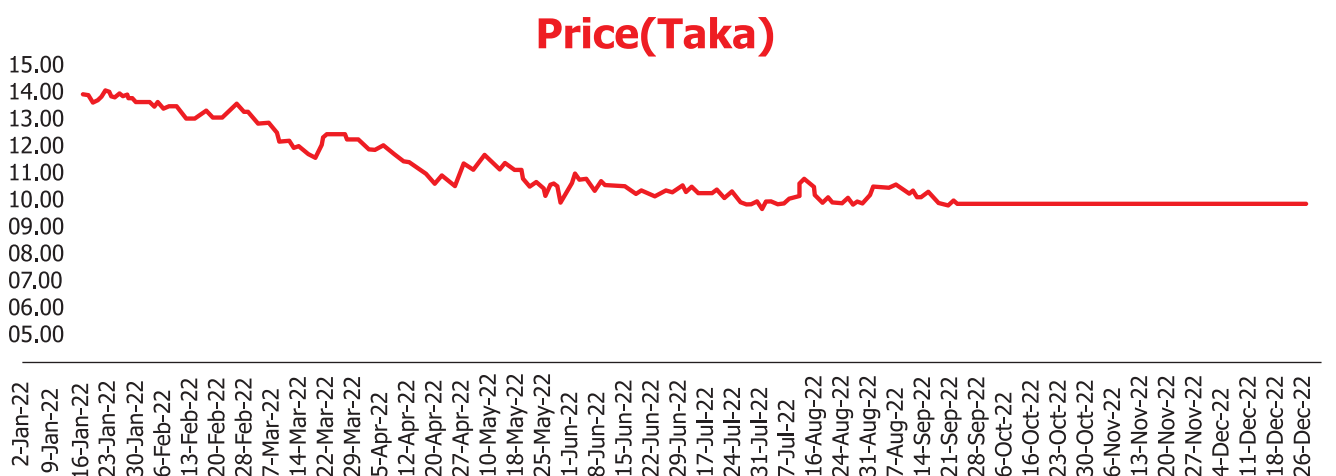
STOCK DETAILS		
Particulars	DSE	CSE
Stock symbol	ABBANK	ABBANK
Listing Year	December 28, 1983	October 21, 1995
Market category	B	B
Electronic share	YES	YES
Face Value (Taka)	10	10
Paid-up Capital	8,609,138,310	8,609,138,310
Market lot	1	1
Total number of securities	860,913,831	860,913,831

Availability of Information about Annual Report

Annual Report 2022 and other information is available at <http://abbl.com/investor-relations/>

PRICE TREND OF AB BANK SHARE

Period	January to December 2022
Year End closing	Tk. 9.90
Year High	Tk. 14.20
Year Low	Tk. 9.90
Average Trade Volume (Per Day)	577,680 shares
Total Trade Volume	140,376,350 shares



EVENTS



EVENTS



40th Annual General Meeting of AB Bank Limited



40th Annual General Meeting of AB Bank Limited



Disbursement of Agri loan through Smart Card at Madhupur, Tangail



Disbursement of Agri loan at Kasba, Brahmanbaria







Disbursement of loans to small entrepreneurs under the Skills for Employment Investment Program (SEIP)



753rd Board Meeting of the Bank at Chattogram



AB Bank achieves 'Mastercard Excellence Award 2022'



The Bank achieves J.P. Morgan Award



The Bank achieves award from Large Taxpayers unit (LTU)



AB Bank joins Bangladesh Bank on 'Cashless Bangladesh' campaign



Tarique Afzal, President and Managing Director of the Bank received winner trophy of 30th President Cup Golf Tournament



Agents Meet "Dhaka Region"



Relocation of Jatrabari Branch



Relocation of Sylhet Garden Tower Branch named "Uposhohor Branch"



AB Bank opens Rupatoli sub-branch at Barishal



Mymensingh Branch visit by Senior Management Team



Workshop on the "The responsibilities of SME entrepreneurs and the role of Banks to develop SME business" at Barishal



Agents Meet "Sylhet Region"



Workshop on "The responsibilities of SME entrepreneurs and the role of Banks to develop SME business" at Jashore



Training program on prevention of Money Laundering and combating financing of Terrorism



Signing of Escrow Agreement with Rajuk and SVC Jhilmil Residential BD Limited



Signing MoU with ICAB on Documents Verification System (DVS)

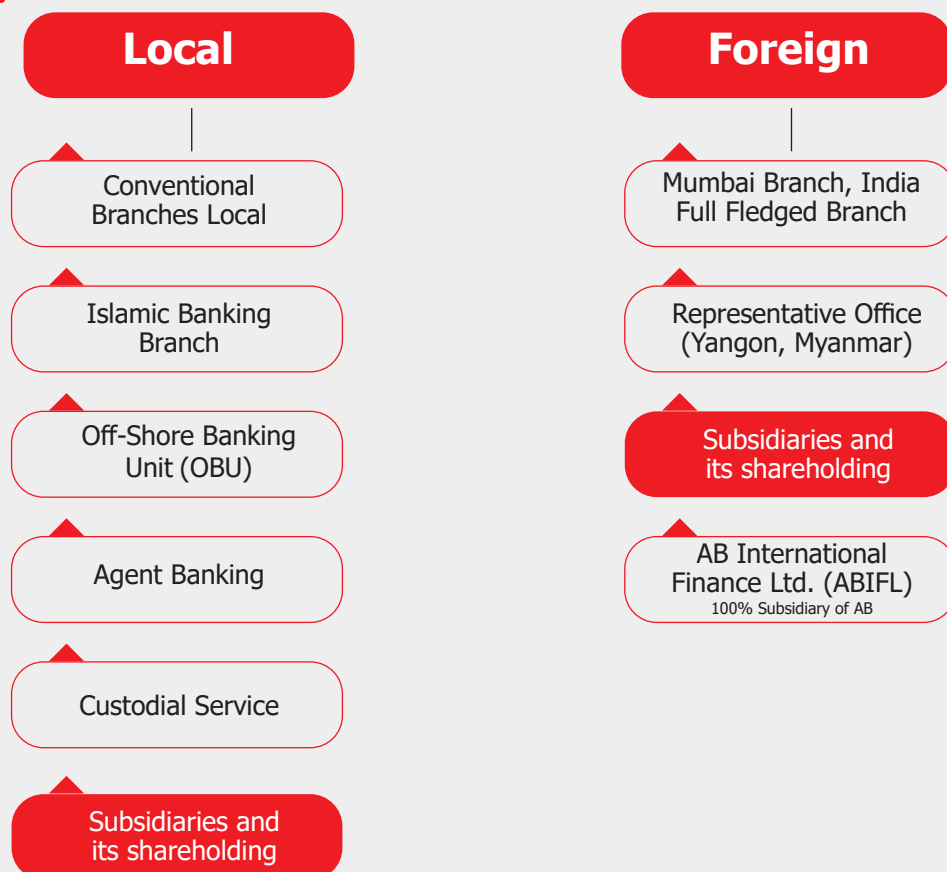


Signing an agreement with Green Delta Insurance Company Limited



Agents Meet "Chattogram Region"

AB Structure



AB Investment Ltd. (ABIL)	99.99%
AB Securities Ltd. (ABSL)	99.91%
CashLink Bangladesh Ltd. (CBL)	90.00%
Arab Bangladesh Bank Foundation (Philanthropic Organ)	99.60%

CORPORATE GOVERNANCE



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 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 comprises of 07 (seven) Members including President & Managing Director. Board of Directors of AB 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 2022, Board Meeting held at least once in a month.

Audit Committee comprises of 4 (four) 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 (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 & implementation and to accomplish Board functions accurately related to risk.

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 & 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 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, philanthropic entity of the Bank is being conducted under the Society Registration Act.

Business Plan vs Achievements in 2022

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 2022 with respect to Business Plan Target are given below:

Amount in Crore Tk.

Performance	BGT 2022	ACT 2022	Variance	
			Amount	%
Operating Profit	960	548	(411)	(43)
Provisions for loans and others	504	273	(231)	(46)
Profit before Tax	456	275	(181)	(40)
Provision for Tax	305	207	(98)	(32)
Net Profit After Tax	150	68	(82)	(55)
Loans and Advances	31,507	31,207	(300)	(1)
Deposits	33,967	31,670	(2,298)	(7)
Import	10,000	5,045	(4,955)	(50)
Export	4,000	4,010	10	0.25
Guarantee	2,000	1,037	(963)	(48)
Inward Remittance (USD)	50	29	(21)	(42)

Inspection by Bangladesh Bank

Bangladesh Bank conducted comprehensive inspection for the year ended December 31, 2022. Tripartite meeting among Bangladesh Bank, External Auditors and Management of AB held for finalization of Annual Financial Statements.

External Audit

External Auditors covered sufficient Branches and Head Office as part of the Annual Audit Program. Auditors covered 82% of the risk assets.

Auditors submitted a Management Report with a Special Section on the "Internal Control & Compliance"

and "Money Laundering Prevention Risk Management" of the Bank. The Report was discussed in the Audit Committee.

Department of Internal Control and Compliance (DICC)

Bank has a separate Department for Internal Control & Compliance. This Department operates independently in line with the Bangladesh Bank guidelines. Head of Audit is accountable to the Audit Committee of the Board.

Credit Rating

AB rated by ARGUS Credit Rating Services Limited (ACRSL) based on the financials of the Bank up to December 31, 2022 (audited) and other relevant quantitative as well as qualitative information up to the date of rating declaration i.e. June 11, 2023.

The summary of their ratings are given below:

Surveillance Rating (2022)	Long Term	Short Term
	AA-	ST-2
Date of Rating	June 11, 2023	
Date of Validity	June 11, 2024	

Long Term: Commercial Banks rated 'AA-' have Very High Credit Quality and low expectation of credit risk. It indicates the obligor has strong capacity to meet its financial obligations but may be vulnerable to adverse economic conditions compared to obligors with higher credit ratings.

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.

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:

**Report to the Shareholders of
AB Bank Limited
On compliance with the Corporate Governance Code**

[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 2022. 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(7), 2(b), 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, 12 June 2023



S. F. AHMED & 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 02 Independent Director.
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	√		

Condition No	Title	Compliance Status ("√" has been put in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
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	√		
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
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	√		
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

Condition No	Title	Compliance Status ("√" has been put in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
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	√		Barrister Khairul Alam Choudhury, 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			Not 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	√		

Condition No	Title	Compliance Status ("√" has been put in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
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 & 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	√		
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	√		

Condition No	Title	Compliance Status ("√"/"has been put in the appropriate column")		Remarks (if any)
		Complied	Not Complied	
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)	√		

Condition No	Title	Compliance Status ("√" has been put in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
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	√		
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.

Condition No	Title	Compliance Status ("√" has been put in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
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	√		
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			

Condition No	Title	Compliance Status ("√" has been put in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
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

Condition No	Title	Compliance Status ("√" has been put in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
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 & 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			
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.

Condition No	Title	Compliance Status ("√"/"has been put in the appropriate column")		Remarks (if any)
		Complied	Not Complied	
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	-		

Condition No	Title	Compliance Status ("√" has been put in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
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	-		
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			

Condition No	Title	Compliance Status ("√" has been put in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
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	√		

Condition No	Title	Compliance Status ("√"/"has been put in the appropriate column")		Remarks (if any)
		Complied	Not Complied	
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	√		
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 2022 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 2022, twenty eight (28) 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,



Barrister Khairul Alam Choudhury
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. Maqsubul Huq Khan – Member
4. Md. Eskandar Miah – 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 07 (Seven) Meetings during the year 2022. 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 2022.
- 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 2022 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

Board Audit Committee

REPORT OF THE SHARIAH SUPERVISORY COMMITTEE FOR THE YEAR 2022

To the Shareholders,

As-salamu Alaykum Wa Rahmatullah

In the name of Allah (SWT), The Beneficent, The Merciful.

During the pandemic year-2022, we met physically and have reviewed the principles and the contracts relating to the transactions and applications introduced by the Bank. We have also conducted our review to form an opinion as to whether the Bank has complied with Shari'ah Rules and Principles and also with the specific Fatwas, Rulings and Guidelines issued by us. The Bank's management is responsible for ensuring that the Kakrail Islami Banking Branch, 82 Kakrail, Ramna, Dhaka-1000 conducts its business in accordance with Shari'ah Rules and Principles. It is our responsibility to form an independent opinion, based on our review of the operations of the Bank, and to report to you all. We conducted our review which included examining, on a test basis of each type of transaction, the relevant documentation and procedures adopted by the Bank.

We planned and performed our review so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the Bank has not violated Shari'a Rules and Principles. The most important issues addressed by us as follows:

- The contracts, transactions and dealings entered into by the Bank during the year ended 2022 that we have reviewed are in compliance with the Shari'a Rules and Principles specially in the mode of Bai-Muajjal, Bai Murabaha (TR) and Hire Purchase under Shirkat-ul-Melk (HPSM) etc;
- The allocation of profit and charging of losses relating to the Mudarabah accounts conform to the basis that had been approved by us in accordance with Shari'ah Rules and Principles to following the Weightage system i.e Profit Sharing Ration (PSR);
- All earnings that have been realized from sources or by means prohibited by Shari'ah Rules and Principles have been disposed of to charitable causes; and

- Compensation fund is realized in accordance with the Shari'ah Rules and Principles. The compensation fund is being used for educational purpose and towards upholding the necessities of human mankind.
- Expansion of Islamic Banking activities over the country through Window operations subject to approval from Bangladesh Bank.

We beg Allah the Almighty to grant us all the success and bless us with His Rahmah & Barakah and guide us all to His straight- forwardness.



Justice Siddiquir Rahman Miah

Chairman

Shari'ah 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.

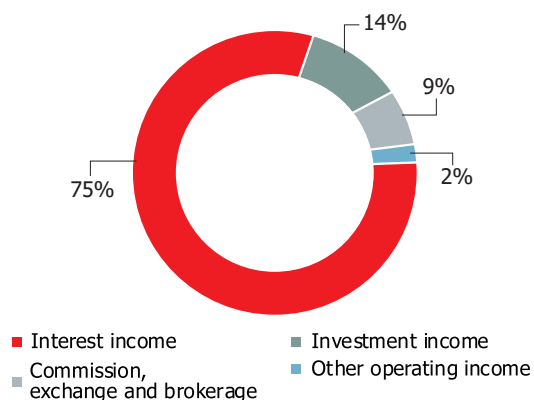
Economic impact related to a bank as an institution and ordained activities of a bank extends beyond the boundaries of any single organization and is linked to both environmental and social development. By analyzing economic impact we seek to understand how a company adds value to society. Bank's direct 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.

In crore Taka

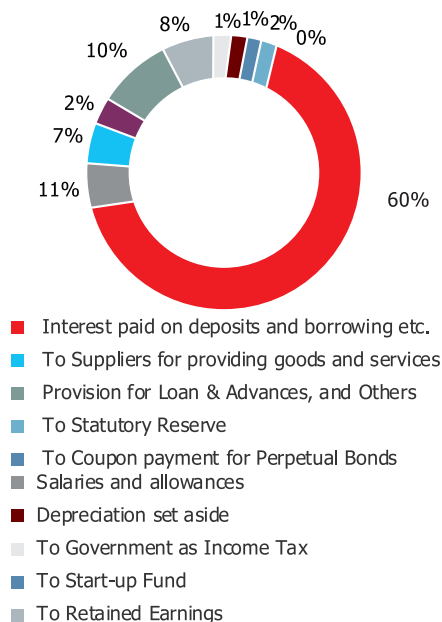
Source of Income	2022	%	2021	%
Interest income	2,146	75%	2,038	74%
Investment income	402	14%	546	20%
Commission, exchange and brokerage	266	9%	167	6%
Other operating income	42	2%	15	0.5%
Total	2,855	100%	2,767	100%

Income Sources



Distribution of Income	2022	%	2021	%
Interest paid on deposits and borrowing etc.	1,707	60%	1,582	57%
Salaries and allowances	315	11%	307	11%
To Suppliers for providing goods and services	229	8%	214	8%
Depreciation set aside	56	2%	51	2%
Provision for Loan & Advances, and Others	273	10%	433	16%
To Government as Income Tax	207	7%	116	4%
To Statutory Reserve	54	2%	34	1%
To Start-up Fund	0.68	0%	0.64	0%
To Coupon payment for Perpetual Bonds	35	1%	-	0%
To Retained Earnings	-22	-1%	29	1%
Total	2,855	100%	2,767	100%

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.

At the end of 2022, Bank's total capital reached at BDT 3,620 crore as against BDT 3,540 crore on 31 December 2021.

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

In crore Taka

Particulars	2022	2021
Common Equity Tier-I	1,974	1,905
Additional Tier-I	527	441
Tier-I	2,501	2,346
Tier-II	1,119	1,194
Total Capital	3,620	3,540
Risk weighted assets	35,110	32,967
CRAR against:		
Common Equity Tier-I	5.62%	5.78%
Additional Tier-I	1.50%	1.34%
Tier-I	7.12%	7.12%
Tier-II	3.19%	3.62%
Total CRAR	10.31%	10.74%

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 2% stock dividend for the year 2022.

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 & 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.

F. Contribution to the National Exchequer

AB Bank contributed Taka 497 crore into the national exchequer in the form of VAT, Income Tax and Excise Duty.

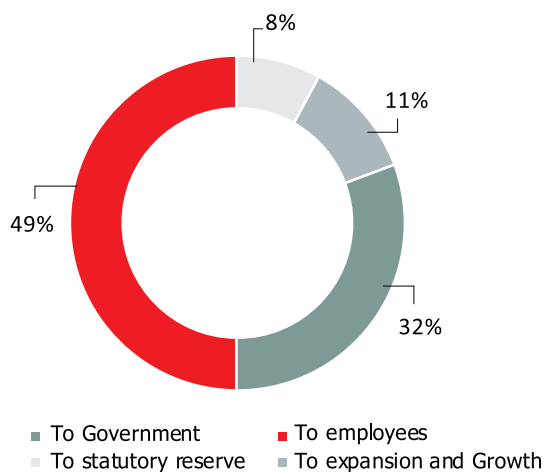
G. VALUE ADDED STATEMENT

Value Added Statement (VAS) for the year ended 31 December 2022

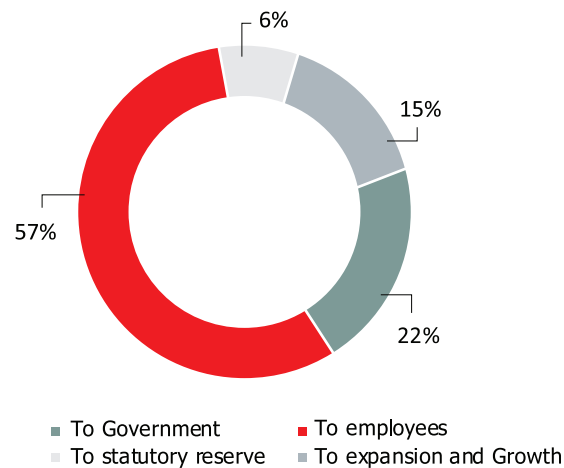
The Value Added Statement for the Bank shows how the value is created and distributed among different stakeholders of the Bank.

	2022 Crore Taka		2021 Crore Taka	
Income from Banking Services/Total Income	2,855.46		2,766.55	
Less: Cost of services & supplies				
Interest paid on deposits and borrowings, etc	1,707.39		1,582.20	
Total operating expenses excluding salary and allowances, loan loss charges and depreciation & amortization	228.56		214.00	
	1,935.95		1,796.20	
Less: Provision for loans & advances and others	273.29		432.66	
Total value added	646.22		537.70	
Distribution of added value				
To Government	207.17	32%	116.49	22%
To Employees	315.31	49%	306.50	57%
To Statutory Reserve	53.59	8%	34.14	6%
To Expansion and Growth	70.14	11%	80.56	15%
Retained Earning	-21.68		29.36	
Start-up Fund	0.68		0.64	
Coupon payment for Perpetual Bonds	35.14		-	
Depreciation & Amortization	56.01		50.56	
	646.22		537.70	

Distribution of Value Addition 2022



Distribution of Value Addition 2021



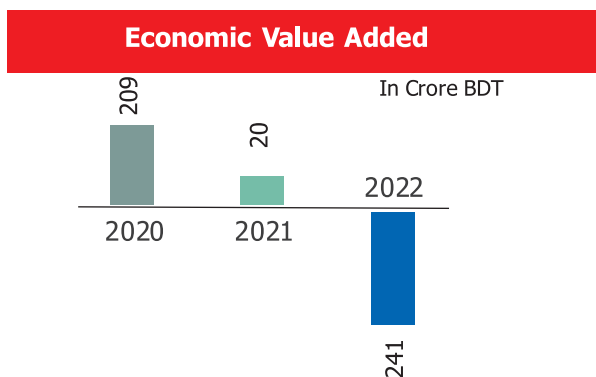
H. ECONOMIC VALUE ADDED STATEMENT

EVA Statement for the year ended 31 December 2022

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

	2022	2021	2020
Shareholder's equity	2,443	2,431	2,449
Add: Cumulative provisions	3,113	2,986	2,286
Total Invested fund by shareholders	5,556	5,417	4,734
Average Shareholder's equity [A]	5,486	5,076	4,436
Earnings for the year			
Profit after taxation	68	64	39
Add: Total provisions excluding taxation	273	433	514
Earning for the year [B]	341	497	554
Average Cost of Equity (based on rate of 10 years T-Bond plus 2% risk premium) [C]	10.60%	9.40%	7.77%
Cost of average equity [D=A X C]	582	477	345
Economic Value Added [B-D]	-241	20	209



I. MARKET VALUE ADDED (MVA)

Market Value Added (MVA) Statement for the year ended 31 December 2022

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 852 crore whereas the book value of the Shareholder's Equity stood at Taka 2,443 crore.

RISK MANAGEMENT REPORT



Risk Management in Banking sector

Risk Management is one of the fundamental fragments for a Bank to ensure its profitability and soundness. It 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 its risk-adjusted returns within stipulated boundaries. The globalization of financial markets, information technology development, and increasing competition have largely affected banking business and its risk management as well. Thus the need for effective risk management in banking has become more pressing than ever.

AB Bank Limited recognizes the need for risk management to feature as a consideration in its strategic and operational planning and the Bank has its established 'Risk Management Division' (RMD), which is dedicated to take care of the Bank's Risk Management issues. The Bank has a strong, disciplined and inclusive risk management culture, where risk management is a responsibility shared by all the employees of the Bank, involving all the functions. Risk Management Division plays a key role in ensuring the Bank's stability and safety, and is responsible for implementing and maintaining systems and processes to manage risk according to the given guidelines.

Risks Areas in Banking

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

Risk Culture in AB Bank Limited

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 at 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.

a. 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 (MAT) 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 has Board approved Risk Appetite Statement (RAS) for the year-2022.

b. Policies & 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.

c. 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) 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 Department of Internal Control & Compliance (DICC) and Risk Management Division (RMD) plays vital roles in Bank's risk management monitoring process.

Risk Management

a) Credit Risk Management

Credit risk is, perhaps, the most obvious of the risks that can arise from the Banking business, thus Credit Risk Management is one of the most crucial areas for every Bank to have focused on. AB Bank Limited therefore always take the best possible measures to enhance the likelihood that customers will pay back the Bank's due in a timely manner. AB Bank's Credit Risk Management emphasizes to ensure that the bank identify, assess, manage, and optimize their credit risk at all levels, being it individual level, entity level or portfolio level. 'Credit Risk Management (CRM) Division' of the Bank is exclusively engaged in dealing Credit Risk issues. The CRM Division has developed policy and guidelines in accordance with the guidelines established by Bangladesh Bank, which is duly approved and in force. Other than CRM division, the Bank has dedicated credit team at branches and at business divisions for proper analysis of prospective borrowers' financial health, cash-flow trends, business status 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.

b) 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. The Bank aims to manage Market Risk by setting limits, forecasting, and ensuring controlled and transparent business growth while minimizing non-traded market risk.

c) Operational Risk Management

AB Bank Limited is always cautious about the Operational risk issues, as this is the risk that comes from the within. The Bank is keenly handling the operational risk issues with utmost importance.

To avoid direct or indirect operational losses, Bank applies adequate internal controls and employee accountability. AB Bank believes that Operational risk management is not solely about internal control; rather a sound internal control mechanism can complement the operational risk management of the organization very well. 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.

The operation risk management framework of the Bank provides an overall operational strategic direction and ensures that an effective operational risk management and measurement process is adopted throughout the organization.

d) Liquidity Risk Management

Banks face this risk, when the cushion provided by the liquid assets of the Bank are not sufficient to meet maturing obligations. AB Bank limited has dedicated Asset Liability Committee (ALCO) comprising of Executives from Treasury Division as well as other Senior Management, who meet periodically to review the Bank's portfolio.

ALCO of the Bank is devoted to take necessary precautions to restrain the risks that can arise from liquidity issues:

- Bank is always highly cautious about maintaining the liquidity risk parameters that are set by the 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

AB Bank Limited put utmost emphasis on maintaining Bangladesh Bank's liquidity risks parameters, namely Cash Reserve Ratio (CRR), Statutory Liquidity Ratio (SLR), Advance Deposit Ratio (ADR), Liquidity Coverage Ratio (LCR), Net Stable Funding Ratio (NSFR), etc. The Bank maintains a balanced mix of short and long-term deposits to counter maturity gaps and formulates annual budget with a balance between asset growth and liabilities.

e) Combating Money Laundering & Financing of Terrorism

Bangladesh Bank has spearheaded efforts to combat financial risks, with guidelines and policies on 'Anti Money Laundering' and 'Combating the Financing of Terrorism'. AB Bank Limited has positively responded in line with central bank directives and has always emphasizes on Combating Money Laundering & 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' & to safeguard the bank from all possible threats, AB Bank Limited has taken the following steps:

- Dedicated Unit naming 'AML & CFT Compliance Division (ACCD)' is in action 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 & CFT compliance status of branches

f) 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.

g) 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 (Internal Capital

Adequacy Assessment Process) document. The Foreign Exchange operations of the Bank ensures that there is no 'non-payment and delayed payment of accepted bills (foreign & 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 & 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 obtain 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 I and Tier II 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, 2022 has been approved by the Board of Directors of the Bank and has been 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 2013) 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 Bangladesh Bank for their further review and for holding the SRP-SREP dialogue thereon.

Executive Risk Management Committee (ERMC)

To strengthen the Risk Management system of the Bank, AB Bank Limited has constituted Executive Risk Management Committee (ERMC) as per Bangladesh Bank guideline. This is the management level risk committee of the Bank, having Chief Risk Officer (CRO) as the Chairman and Deputy Chief Risk Officer (DCRO) as the Member Secretary of the committee. ERMC is responsible for identifying, measuring and managing bank's existing and probable risk areas through detailed analysis and discussion in its meetings.

Committee members

The Executive Risk Management Committee of AB Bank Limited comprises of its senior level executives, who are heading various risk areas of the organization. Members other than CRO & DCRO includes, Chief Financial Officer (CFO), Head of Operations, Head of Credit Risk Management (CRM), Head of Credit Administration (CAM), Head of Special Asset Management (SAM), Head of DICC (Department of Internal Control & Compliance), Head of Treasury, Head of ACCD (AML & CFT Compliance Division), Head of HRMD and Head of IT. Head of Corporate & SME Business as well as Head of Retail Business are also invited to attend the meeting as and when it deemed necessary. The target is to conduct the meeting with relevant people from various departments for having a complete and focused discussion considering the specific meeting agenda.

ERMC Meetings

ERMC meetings are held on monthly basis, being Deputy CRO & Member Secretary of the committee as meeting

convenor, having guidance from the CRO & Chairman of ERMC. The Chairman also calls for emergency meetings, if there is any urgent topics of discussions.

Discussion summary are noted meticulously in ERMC meeting minutes for proper record and onward submission to Bangladesh Bank on periodical basis.

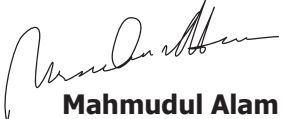
All periodical Risk Reports are discussed minutely in ERMC meetings, where Bank's KRIs (Key Risk Indicators) are analyzed periodically. The committee then advise for corrective action plans to relevant department/division where it seems necessary.

ERMC focused areas of discussion – year 2022:

- All MRMRs (Monthly Risk Management Reports) & CRMRS (Comprehensive Risk Management Reports) of the Bank throughout the year and advised on possible risk mitigation strategies.
- Recommended the yearly document 'Review Report of Risk Management Policies and Effectiveness of Risk Management Functions' of the Bank for necessary approval and onward submission to Bangladesh Bank
- Raised awareness on contemporary economic issues, both regional and global, for planning on LC openings, payments and other Foreign Exchange (FX) dealings.
- Discussed on Bank's Risk Appetite of the year through the yearly Risk Appetite Statement.
- Emphasized on ICT Security related issued and recommended on Bank's cyber security risk rating vide 'Cyber Security Self-assessment Checklist' for submission to Central Bank.
- Also had discussion on Disaster Recovery Site (DRS) and other operational issues as it deemed necessary throughout the year.

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. To stay safe and to succeed in Banking operation, Risk Management has to ensure 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 Limited is holding in the Banking industry for long 41 years, the Bank 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



Bismillahir Rahmanir Rahim
Honorable Shareholders
As-salamu alaikum,

The Board of Directors of AB Bank Limited is pleased to present to you the Directors' Report for the year ended 31 December, 2022.

This report summarizes the global and local macroeconomic trends, projections and outlook, and presents AB Bank's business highlights and key financial indicators for 2022.

Uncertain Times

The Russian invasion of Ukraine has been affecting the global economy and has led economic uncertainty and disruptions in the supply of essential food staples and essential inputs; this also contributed to unprecedented levels of global inflation which in conjunction with the lingering effects of the COVID-19 pandemic is, posing serious challenges to the global economy.

However, towards the end of 2022, global energy and food prices were on a declining trend, and the earlier-than-expected re-opening of China also has a positive impact on global activity, reducing supply chain pressures and thus giving a boost to international tourism.

Global Economy

Region	Real GDP growth rate		
	2021	2022	2023 (projected)
World	6.0	3.4	2.8
Advanced Economies	5.2	2.7	1.3
United States	5.7	2.1	1.6
Euro Area	5.2	3.5	0.8
Emerging Market and Developing Economies	6.6	4.0	3.9
India	8.7	6.8	5.9
China	8.1	3.0	5.2

Source: WEO, IMF

The sharp appreciation of the US dollar caused significant upward pressure on domestic prices and thereby worsened the cost-of-living crisis in the emerging and developing economies. In response to rising price levels, central banks globally have tightened monetary policies with a view to dampening aggregate demand and to reduce inflation.

As the cost of living continues to rise, policymakers will need to take measures in an effort to protect the interest of the most vulnerable members of society from the impact of higher prices. IMF's Integrated Policy Framework recommends foreign exchange intervention for emerging economies.

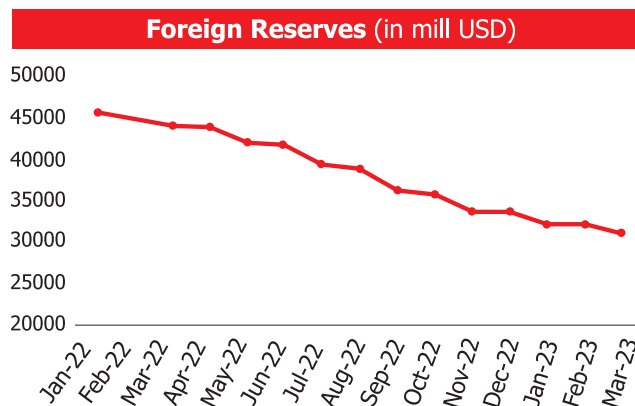
Bangladesh Economy

	2021	2022	2023 (forecast)
Real GDP growth rate	6.9%	7.1%	5.3%
Inflation	5.6%	6.2%	8.7%

Source: ADB website

Bangladesh economy has shown impressive resilience to the recent global economic shocks and uncertainty; the economic growth rate in 2022 stood at 7.1%, driven by exports, remittances, and domestic consumption. Bangladesh registered the second-highest growth rate amongst the SAARC countries in 2022.

Nonetheless, Bangladesh, being an import dependent-nation, has been particularly hard hit by the appreciation of the US dollar and rising global crude oil prices. Rising commodity prices in the international market and a surge in imports in the second half of FY22 resulted in accelerated inflation and dwindling foreign reserves. The foreign reserves of Bangladesh have been on a declining trend throughout 2022 as shown in the figure below.



Source: Bangladesh Bank website

The shortage of US dollar has been addressed by imposing import restrictions and incentivizing remittance inflow. Import restrictions resulted a decline in the opening of letters of credit (LCs). However, with less-than-expected improvement in export and remittance there was not a noteworthy resurgence of foreign reserves.

Loans from IMF and World Bank are expected to facilitate macroeconomic stability and support the revival of declining foreign reserves. However, on receiving loans from external lending agencies, the country's reserves are expected to reach \$32 billion at the end of June 2023.

Bangladesh has a low risk of external and overall debt distress despite higher external borrowing in recent times, reports IMF. At the end of FY22, the country's total public debt was \$166.1 billion, which is 39 percent of GDP and well below the threshold of 55 percent; of the sum, \$72.3 billion was foreign loan, which is 17 percent of GDP and well below the threshold of 40 percent.

However, during FY22, Bangladesh's debt-service-to-revenue ratio rocketed to 81 percent, which was 56 percent in the pre-pandemic year. This is a cause for concern, as it will put pressure on public finance and resources that could have been spent on essential

sectors like health, education, or public investment are now being allocated for debt repayments. Given the circumstances, it is imperative that the National Board of Revenue (NBR) intensifies its tax survey, inspection, monitoring, and collection to boost the Tax GDP Ratio.

Banking Sector

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

Bangladesh Bank's monetary policy stance and monetary program outlined for FY22 were intended to maintain necessary liquidity in the banking system accompanied by a lower market interest rate regime, meeting the private and public sector demand.

The FY23 monetary and credit programs will pursue a cautious policy stance with monetary tightening to contain inflation and exchange rate pressures while supporting the economic recovery process and at the same time the necessary flow of funds to the economy's productive and employment-generating activities for long-term economic growth will also be ensured. BB's monetary policy also seeks to promote import-substituting economic activities and dissuade imports of luxury goods to reduce the depreciating pressure on Bangladeshi Taka, protect foreign reserves, and control inflation.

Particulars	Year-to-year growth rates (in %)			
	Actual		Planned	
	Dec-21	Jun-22	Dec-22	Jun-23
Domestic credit	12.4	15.6	16.7	18.2
Public sector	21.9	27.9	32.3	36.3
Private sector	10.7	13.1	13.6	14.1
Broad money	9.6	9.1	10.0	12.1
Reserve money	6.5	0.0	9.0	9.0

Source: MPS22-23, BB

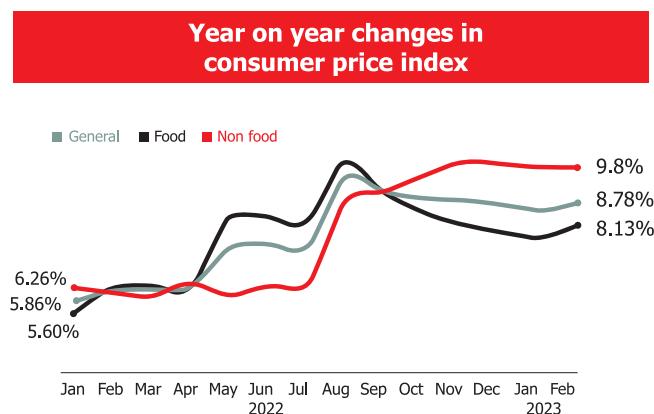
The half-yearly movements of key monetary and credit aggregates, along with their programs set for FY23, are shown in the above table. The broad money growth ceiling is set at 12.1 percent for FY23, consistent with the real GDP growth target and CPI-based average inflation ceiling.

Considering the necessary outlays for ongoing mega projects and the COVID-19-related stimulus packages of the government, the public sector credit growth ceiling is set at 36.3 percent for FY23. The government's budgetary target of borrowing Tk. 1,063 billion from the banking system was considered in measuring the public sector credit growth limit.

The private sector credit growth target is set at 14.1 percent for FY23, marginally higher than the actual

growth rate in FY22 and lower than the last year's ceiling of 14.8 percent. On the basis of the public and public sector credit expansion, the domestic credit growth is set at 18.2 percent in FY23.

Inflation Rate



Inflation rate during FY22 & FY23 (Source: The Business Standard)

The inflation rate (point-to-point) has been climbing steadily since January 2022 and peaked at 9.5% in August 2022 after which it declined to 8.78% in February 2023. The surge in inflation rate in the last quarter of FY22 was driven by both food and non-food inflation. At the beginning of FY23, the inflation rate was weighed down marginally by decelerating food inflation.

The inflation target has been reset at 7.5% for FY23, from the earlier goal of 5.6% set in FY22, reports Bloomberg.

Export and Import

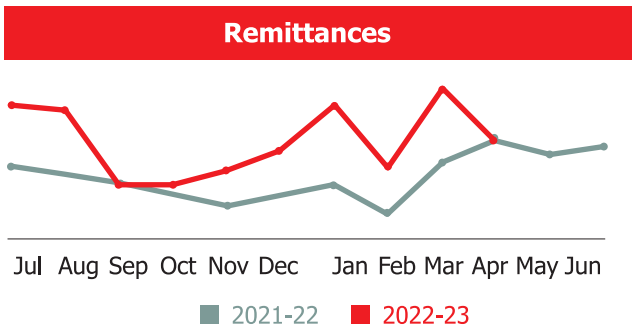
	2021-22	2020-21	% Change
Total Export Receipts	453,648	344,628	31.6
Total Import Payments	772,335	525,302	47.0

Source: Economic Data, Bangladesh Bank (taka in crore)

Total export receipts (including exports of EPZ) during FY21 and FY22 were Tk. 453,648 crore and Tk. 344,628 crore, respectively. The US and EU region continue to be the largest sources of export revenues for Bangladesh accounting for more than 50% of the export receipts. The major export commodities were knitwear and woven garments, which generated 85% of the exports.

In FY22 and FY21 the total import payments were Tk. 772,335 crores and Tk. 525,302 crores, respectively. China and India were Bangladesh's largest import partners during this time; while petroleum and oil, textile, and food items were the main import categories.

Remittance



Source: Statistics Department, BB

The wage earners' remittance picked up during the second half of FY22. In the first quarter of FY23, it showed a declining trend after which it has been fluctuating. The remittance earnings increased during the second quarter of FY23. KSA, USA, UK, and UAE continue to be the main source of foreign remittances for Bangladesh. In FY22, 57% of the remittances came from these four destinations.

BUSINESS OVERVIEW 2022

Corporate Banking

AB Bank has been providing Corporate Banking solutions to the growing Corporate Sectors of the country since inception. 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. The Corporate Products and Services of AB Bank Limited are extended to the Clients of this segment of its various branches through Head Office Corporate Finance Division. 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. AB Bank Limited has a proven track record as a book runner, mandated lead arranger and underwriter of Syndicated loans. Due to the long experience and flexible handling, the Bank offers clients tailored loans and facilities as well as a complete service for complex transactions through Syndication.

Like 2021, 2022 was also a very challenging year for the country due to the pandemic-COVID 19 and war in Ukraine. As with all other business segments, corporate

customers were also subjected to hardships. However, timely steps taken by Government and Bangladesh Bank through declaration of incentive package and continuous support by AB Bank helped the customers pass through the difficult times. AB bank supported the customers in the form of various stimulus packages that helped customers to sustain in the difficulties of the pandemic.

Business Highlight in 2022

Exposure in the Corporate Banking Segment accounted for BDT 26,562 crore or 87% of the Banks total loan portfolio as at December 2022 is BDT 31128.98 crore. Exposure is largely concentrated in the following 03(three) Sectors: a) Textile and RMG-14%, b) Steel Manufacturing Industry-13%, 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.

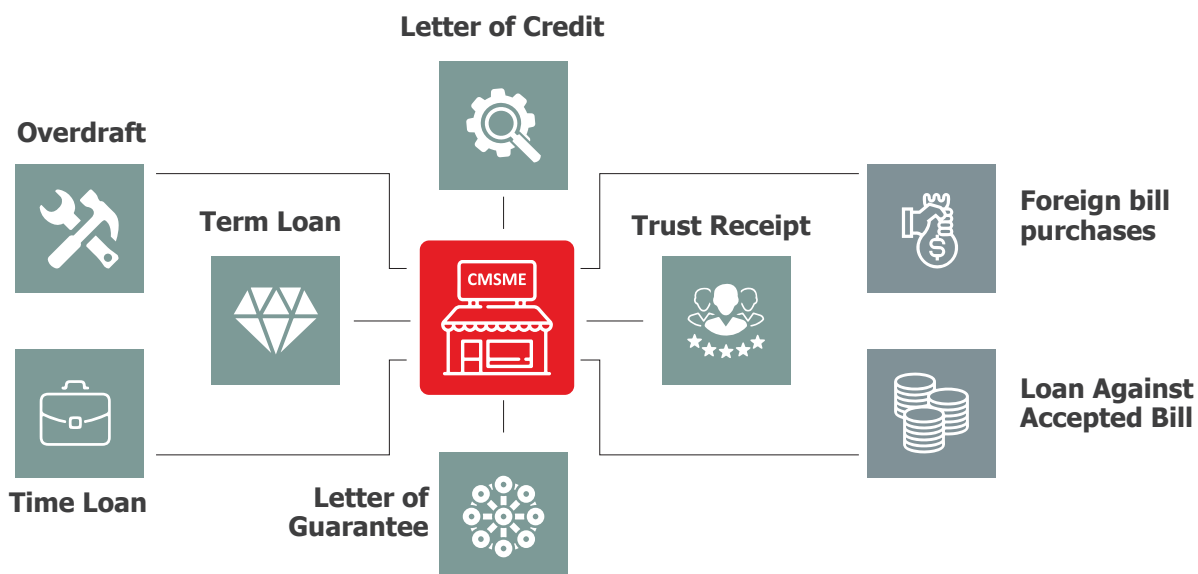
SME Banking

Small and Medium Enterprises (SMEs) are playing increasingly important role as the engine of economic growth of Bangladesh. 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 of market situation, generate employment, help diversify economic activities and signify contributes to exports and trade. Keeping pace with the ongoing progressive changes in SME sector in Bangladesh, AB has been relentlessly serving the entrepreneurs with 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 line, consolidated database and compliance culture lead the SME Division to further higher platform of SME Banking in the country.

The pandemic-Covid-19, once again severely hit SME businesses in 2022—the larger source of growth and employment of Bangladesh by disrupting national and international business networks, supply chain, and demand. In its fight back, AB has disbursed total loan to the tune of Tk.253.40 crore in 2021-2022 to cover losses of SME clients during Covid-19, under Govt. declared CMSME Stimulus Package.

In a quest to serve SME costumers more extensively, AB started opening sub-brunches in rural areas of the country.

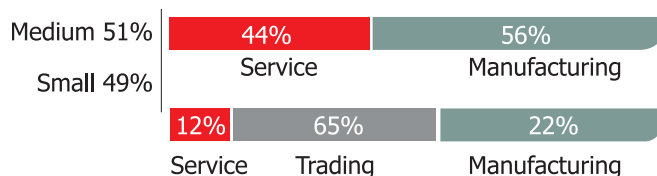
SME Facilities and Products



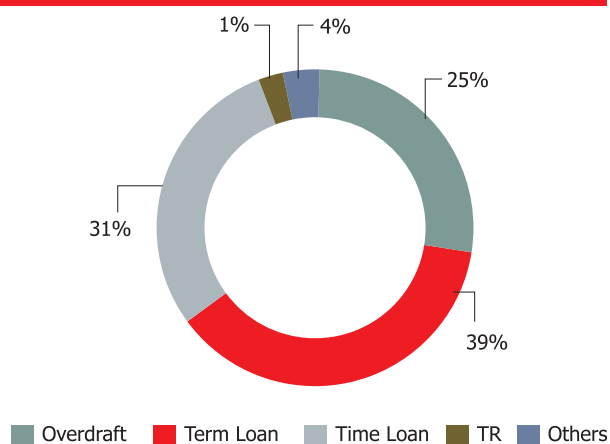
Gati	Proshar	Digun	Sathi	Chhotopuji
Uddog	Awparajita	Uttaran	ABe-Money	Progati Deposit product

SME Portfolio Mix

SME Portfolio in 2022



SME Portfolio Segmentation in 2022



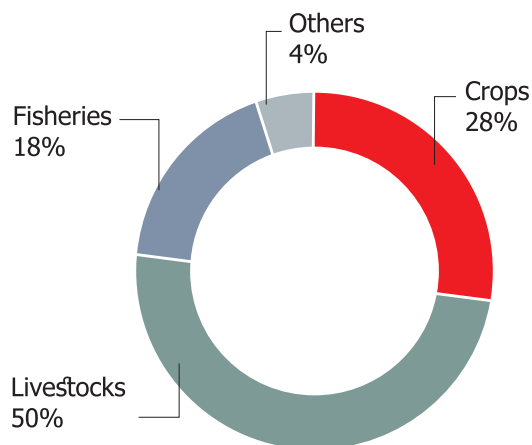
SME Delivery Channels



Agricultural & Rural Credit:

AB has gradually increased its portfolio in agricultural & rural credit. The financing are fundamentally in Crop, Fisheries & 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 2022 was Tk. 411.04 Crore.

Agricultural Portfolio



RETAIL Banking

AB Bank Retail Banking Division has been focusing on developing unique retail products and as well as developing modern digital banking products and services. With its expanded branch network, efficient workforce, Direct Sales Executives and Alternative Delivery Channels (ADCs) the bank is motivated to bring banking services at the doorsteps of the customers. Apart from the traditional retail loan products like Personal Loan and Auto Loan, the Bank is looking into the opportunity to digital lending. The Bank also launched Smart account where any person can open an account without visiting any bank branches.

Partnering with leading merchants including Dining, Lifestyles, Hotels & Resorts, Electronics, Airlines and Tourisms have not only given AB Bank Credit cards outstanding mileage but also strong Brand Image. Currently with discounts at 5500 Plus merchant outlets and 160 Zero Interest Installment offers and buy One Get One throughout the year and on Special Occasions, Buy One Get Two and Buy One Get Four offers at prominent hotels and restaurants, AB Bank Credit card won the heart of the customers who choose earning benefits from their cards.

The Bank has launched Lounge Key Services which enables AB Bank World and Titanium Credit Cardholders to access Priority Lounges across the world by producing only their credit card, eliminating the need to carry the extra priority pass when traveling abroad.

The Bank has won 3 awards this year at the Mastercard

Excellence Award for "Excellence in Business Growth", "Excellence in Mastercard Credit Business (Domestic)" and Excellence in "Mastercard Credit Business (International)". Honorable President and Managing Director, Mr. Tarique Afzal was present to collect the awards for the bank.



One of the three awards AB Bank received from Mastercard

Bangladesh Bank recently inaugurated a cashless Bangladesh campaign, a move towards Smart Bangladesh where AB Bank actively participated and was the Lead Bank in Gopalganj district. The program was inaugurated by the Governor of Bangladesh Bank Mr Abdur Rouf Talukder. President and Managing Director, Mr. Tarique Afzal also spoke briefly at the occasion. Under this campaign, Bangla QR has been deployed at micro-merchants and regular merchant's outlets for cashless transactions.

The Bank also introduced Green PIN for both Debit and Credit card users and thus eliminating the need to generate Paper PIN for customers. AB Bank cardholders can generate their Debit and Credit card PIN using IVR.

Any ATM is my ATM, with this statement AB Bank customers can perform ATM transactions at other NPSB member banks' ATM terminals using their Debit/Credit/ATM cards without any additional charge.

Call Center

The Bank strengthened the Call Center to enhance the customer' experience. Customers can now avail the following services through Call Center 24/7. The services currently available at the Call Center include:

1. Debit/Credit Card Unblock Request (for temporary blocked cards)
2. Credit Card Annual Fee Waiver Request (in the 2nd Year for 18 transactions)
3. Auto Debit Instruction Change Request (Credit Card)
4. Debit/Credit Card Replacement Request
5. Account Cheque Book and Credit Card Cheque Book Request
6. Duplicate e-Statement request (Account & Credit Card)

Agent Banking

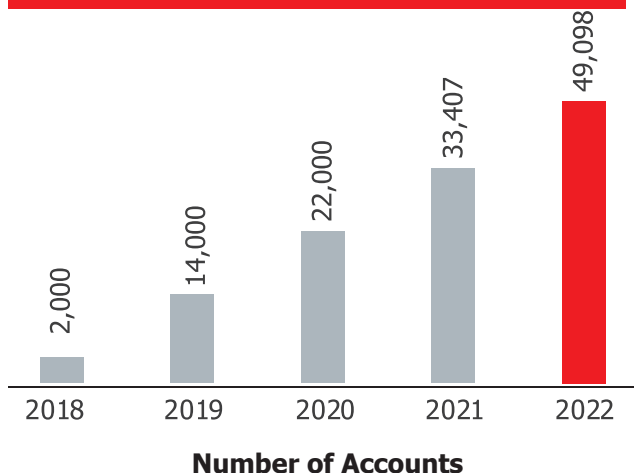
With the object of providing financial services to the vastly unbanked segments of the population, especially those from the geographically dispersed locations, AB Agent Banking was established in 2018. The customers of Agent Banking Outlets are able to avail all basic banking services at all the agent outlets as well as at all the AB Bank Branches, Sub-branches across the country. AB Agent Banking encourages entrepreneurs to become agents, since it not only creates income opportunity, but also a unique identity in the community for the person who is becoming an agent. An agent can play a significant role in his/her community in terms of social impact, financial impact as well as boosting the financial inclusion of the demography. AB Agent banking

has always focused on reducing the risks associated with delivering services and to develop technological capabilities to ensure seamless banking services through the agents. During the year of 2022 Agent Banking Division implemented a number of new initiatives in order to enhance our services as well as quality of the same and those initiatives include facilitation of micro loans, nationwide Agent meet up with the presence of President & Managing Director along with Senior Management Team members, Kachari Boithok to create banking awareness in the regional areas etc. Agent Banking Division has planned to establish more than 1,000 Agent Outlets in 2023 to ensure our banking services reach most of the Upazilas at district levels.

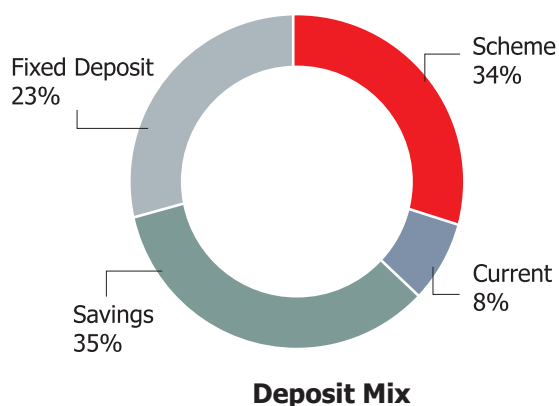
Current Services of AB Agent Banking



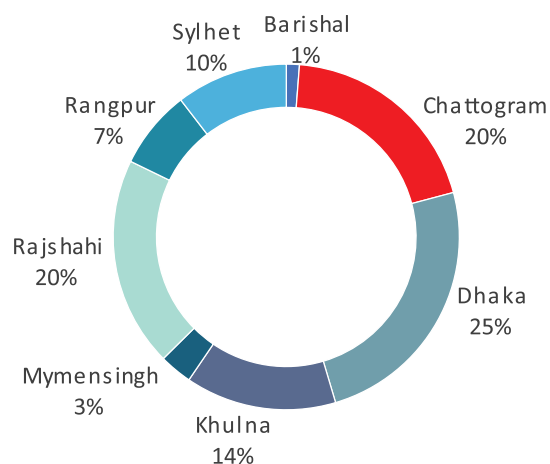
Agent Banking Number of Accounts Trend



Agent Banking Deposit Mix



Number of Outlets: Division wise



Division wise Agent coverage

Division wise Outlet Some Memories of 2022



Agent Meet "South Bengal"



Agent Meet "Sylhet Zone"



Inauguration of Lopa Enterprise, Rajshahi



Mirza Homeo Hall, Chotobottolla, Rajshahi



Inauguration of Al Haramain Trading- Rangamati



"Kachari Boithok" in Rajshahi

AB Bank Alternate Delivery Channel

Automated Teller Machines (ATMs)

AB Bank now has the fourth largest ATM network with 253 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 Bill Collection of DESCO & Mobile Top-up using AB Bank Visa debit cards in ATM. Customers presently can avail various types of services in these ATM Booths like:

- Cash Withdrawal
- Balance Inquiry
- PIN Change
- Mini Statement
- NPSB Fund Transfer

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.

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.

The AB Bank SMS service comes with the following facilities:

- Balance Inquiry
- Mini Statement
- PIN Change
- Fund Transfer
- Mobile Top Up
- Bill Payment

Internet Banking & 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 & Instant Transfer
- Pay utility bills (e.g. Dhaka WASA, DESCO, DPDC, and others)

Corporate Internet Banking

In the 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.

Utility Payments

AB Bank collects the following utility bills via Branch, SMS Banking and Internet Banking:

- Dhaka Water and Sewerage Authority (DHAKA WASA)
- Dhaka Electricity Supply Company Limited (DESCO)

- Dhaka Power Distribution Company Limited (DPDC)
- Bangladesh Telecommunications Company Limited (BTCL)
- Titas Gas Sales and Distribution Company Limited (TITAS GAS)
- Chittagong Water and Swerage Authority (CTG WASA)
- AB Bank customers are also able to pay these utility bills from Internet Banking and SMS Banking.

Social Media Presence

AB Bank has a Facebook Page to promote its products and services. It is also used to respond to various customer enquiries on different types of AB Bank products and services e.g. Internet Banking, ATM Locations, and branch locations. Any customer or a potential customer can access AB Bank's Social media site using the URL <https://www.facebook.com/abbanklimited/>

Information Technology (IT)

During the year IT has undertaken various major upgradation initiatives which includes core banking software and associated hardware. This will enable the Bank to offer state of the art product and services to its customers under a more secured environment.

A few major achievements accomplished in the past year (2022) by IT are summarized here for a better understanding of their hard work behind the scenes.

- TI Reimbursement and GST Module in Mumbai: Reimbursement is a core business of Mumbai and implementation of this module in FBTI (Bank's trade services application) will greatly enhance their service as well as internal operations. Moreover, GST is a mandate from the Govt. of India compliance of which avoids regulatory fines and adapts our operations in the Indian market.
- ACS Integration - Corporate Part: Integration with Automated Challan System was launched back in 2021 and now this facility is also available for corporate customers for online payment of government fees and taxes.
- QR and Green PIN: QR/MMS shall expand bank's market presence in collecting payments at merchant points. Green PIN/T-PIN shall eliminate the need for printed PIN-mailers reducing significant cost and introducing customer convenience.
- Integration with bKash: Now customers can transfer fund between their ABBL account and bKash wallet. Online transactions offer convenience and improve overall financial management.
- eKYC: In the age of digitalization, bank has taken a grand initiative for onboarding customers digitally, meeting eKYC guidelines from BB. We're already garnering positive response from customers.
- SWIFT 7.4 to 7.6 upgrade: Important for improving

the security and reliability of financial messaging and reducing the risk of cyber-attacks and fraud, it was also a mandate by SWIFT and has been successfully met by deploying the latest version.

- 3DS ACS 1.0 to 2.0 upgrade (MC and Visa mandate): 3DS 2.0 reduces the risk of fraudulent transactions, protects cardholder data, and provides a better user experience by offering a seamless authentication process. It also complies with industry regulations and standards.
- MasterCard Money Send: Allowing fund to debit and credit from and to external parties providing a secure and convenient way to transfer funds globally, reducing the need for physical cash and enabling faster transactions.
- AB Utility Mumbai: Implementation of AB Utility in Mumbai branch. AB Utility facilitates flexible statement generation and some other account maintenance features.
- Dispute Management - MFS: Introduce MFS cases in dispute management system that provides a systematic process for resolving payment disputes, reducing the risk of financial loss and improving customer satisfaction.
- Nagad wallet to bank account transfer: AB Bank credit card holders now can receive payment transactions from Nagad wallet. Also, a VISA debit card holder of the bank can transfer money to his or her tagged account from Nagad wallet.
- Bakhraabad Gas bill collection: Online platform helps timely bill collection, which is more secure and faster, more efficient, and reduce the risk of errors.
- Inclusion of NBFI in BD-RTGS system: Now Real-Time Gross Settlement (RTGS) transfers can be made to Non-Banking Financial Institutions (NBFI).
- Green banking initiative - Online Reporting: Portal for online access to daily CBS reports helps promote transparency and accountability, reducing paper usage and promoting sustainable practices in green banking.

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 service to NRB's and Foreign Investors interested to invest in Capital Market in Bangladesh. Besides IBD also plays a monitoring and supervisory role to oversee 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 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 & CFT Compliance Division (ACCD)

AML & CFT Compliance Division (ACCD) is primarily responsible for taking adequate measures to prevent money laundering and terrorist financing and ensuring compliance with rules and regulations as enacted from time to time by the Bangladesh Financial Intelligence Unit (BFIU) and Bank's internal AML & CFT Policy. AB Bank understands that an event on money laundering and terrorist financing may evolve from any corner, requiring adequate knowledge on AML & CFT and application of due diligence by all of its officials to effectively combat those threats. In line with that, ACCD arranges periodic fresher/ refresher training programs for all officials on a continuous basis.

BFIU Master Circular No. 26, dated June 16, 2020, brings clarity and clear guidance to implement AML/CFT Policy in the most effective way to strengthen a Bank's capacity to mitigate money laundering and terrorist financing risks.

AB Bank has in place the following documented manuals and systems or procedures to combat money laundering and terrorist financing:

- Anti-Money Laundering (AML) & Combating Financing of Terrorism (CFT) Policy
- Guidelines for Prevention of Trade Based Money Laundering (TBML)
- A Standard Operating Procedure (SOP) for implementation of TBML guideline
- Anti-corruption & Bribery (ABC) policy
- AML Software for storing customer profile, monitoring transactions, generating regulatory reports etc.
- Independent Internal Control & Compliance Division
- Central Compliance Committee (CCC)
- Customer Acceptance Policy (CAP)
- Sanction screening Mechanism
- Prohibition of Business Relationships with Shell Banks/Companies
- Annual review of correspondent relationships
- Supervision of Agent Banking activities
- Filing of Suspicious Transactions Report/Suspicious Activity Report
- Rigorous screening process (KYE) at the time of recruitment
- Training Programs on AML/CFT for all employees etc.

Offshore 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, 2022 was USD 172,438 and 70,242,476.61.

Department of Internal Control & Compliance (DICC)

Bank deals with diversified and multifarious complex financial activities that involve different types of risks and the risks are not limited within the country. To ensure the smooth performance of the Bank, effective internal control & compliance system, good governance, transparency of all financial activities, and accountability to its stakeholder and regulators have become momentous. Effective internal control & compliance system is also essential to boost effective risk management practices and to ensure good governance in a Bank. The Department of Internal Control and Compliance (DICC) is comprised of the following divisions:

01. Audit and Inspection Division
02. Compliance Division
03. Monitoring Division

Major Activities of the Department of Internal Control & Compliance (DICC) are as follows:

- Identification of risks associated with the banking industry.
- Interactions with different stakeholders as and when required.
- Collection and justification of financial, managerial, and operational information.
- Employees' action in compliance with policies, standards, procedures, laws, and regulations.
- Evaluate acquired data/information efficiently and adequately.
- Achievement of programs, plans, and objectives.
- Fostering quality and continuous improvement in the bank's control processes.
- Appropriate recognition and addressing of legislative and regulatory issues.

Activities of 3 (Three) divisions are as follows:

Audit and Inspection Division:

Audit & Inspection Division is responsible for the preparation of the Annual Audit Plan and conducting all kinds of audit & inspection works like Risk-Based Audit and Annual Comprehensive Audits on the Branches & Departments/Divisions/Units of the Head Office including concurrent audits on the FIT Division. Conducting Special audits on some specific issues like verification of Cash Position on some selective Branches, Security Stock Verification, Cash Incentive Cases, AML & CFT issues, and interest waiver including the cost of the fund as per Bangladesh Bank circular by the Division, alongside the division carry out Special Investigation works as and when required basis. Moreover, the Division used to fix up strategies for inspection by analyzing relevant data and disseminating/sharing the knowledge with the Audit Teams. The Division also summarizes the major audit findings detected by the internal audit & inspection teams during the audit & inspection and presents those before the Board Audit Committee (BAC) 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.

While undertaking the audit and inspection, the audit team focuses on the core risk areas in banking i.e. Credit Risk, Foreign Exchange Risk, Money Laundering Risk, Asset Liability Management Risk, Internal Control & Compliance Risk, and Information and Communication Technology Risk. The audit team also conducts an audit on the various functions of the branches by giving emphasis on the functional accuracy of the activities and report their findings and suggestions to those Branches to overcome the deficiencies.

In the year 2022, Audit and Inspection Division conducted the following audit and inspections-activities:

Annual Comprehensive Audit on Branches including Risk-Based Audit (RBA)	:	103 Branches
Annual Comprehensive Audit of Div./Dept.	:	15 Divisions / Departments
Special Inspection on AML & CFT activities	:	11 Branches (i.e. 10%)
Special Inspection on Agents' activities	:	09 Agents of ABBL (i.e. 05%)
And also conducted Special Investigations, Special Audit etc. on various areas		

Compliance Division:

The Compliance Division ensures compliance with Internal Audit Reports, External Audit Reports and Bangladesh Bank inspection Reports carried out in Head Office, Branches, and Core Risk Areas and takes initiatives to remove/rectify the irregularities pointed out in the reports to prevent the recurrence of the same in future to minimize the risk associated. It arranges special Board Meetings for review and discussion of the Bangladesh Bank comprehensive inspection reports and maintain a continuous liaison with the Bangladesh Bank, Branch, and Head Office regarding compliance issues. The division monitors the operational performances of various branches and divisions through inspection reports. Regular follow-up of inspection reports for mitigation of irregularities detected in the branches and departments. Providing data/information to any Government authority as & when required. The Division ensures accuracy, completeness, and timely submission of each report and also ensures the vigorous follow-up of further compliance with observations raised by Bangladesh Bank, External Auditors, and Internal Auditors. A strong MIS has already been implemented which helps in doing regular jobs timely.

Reviewed and update Mumbai Branch Compliance Policy as per the guidelines of the Reserve Bank of India, India.

Monitoring Division:

The monitoring Division focuses on functional activities of the branches through different internal control tools such as DCFCL, SCCL (LDCL), QOR, SAAFIC, self-assessment on AML and CFT, etc. The division checks/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. They review the QORs quarterly basis to find out the operational lapses and submit the review report to the authority for taking appropriate measures. They review the SCCLs (LDCL) quarterly basis to find out documentation lapses and submit the report to Board Audit Committee (BAC). The division reviews the Self-assessment on AML and CFT Report on a half-yearly basis to find out deficiencies in AML and CFT-related issues and submit the review report to ACCD for taking corrective measures. The Division also prepares a Self-Assessment of Anti-Fraud Internal Controls (SAAFIC) report on a half-yearly basis by collecting various information from different divisions of the bank and submitting it to the Board Audit Committee (BAC) and Bangladesh Bank (BB). For effective monitoring of internal control tools, the Division also conducts Surprise inspections of the branches as and when necessitated. In the year 2022 Monitoring Division conducted Surprise Inspections in 35 Branches which was 13 in the year 2021. Monitoring Division also summarizes the decisions of Board Audit Committee (BAC) meetings and submits

the same to the Board Audit Committee along with the compliance status.

Operations Department General Banking Operations

The objective of General Banking Operations is to ensure effective and efficient overall supervision of General Banking operational activities of the Bank. The division is responsible to set certain standards in delivery of products and services within a controlled culture. It continuously monitors Branch activities to mitigate risks and ensure regulatory compliance as well as provides support to all branches as and when required.

Like previous years, the Division undertook different initiatives in 2022 to ensure service standards, effective operational controls, improved process flows and combating Covid related health hazards.

Some of the key initiatives taken by the Division during 2022 were as follows:

- Arranged "Customer Awareness Program" at different branches to familiarize our customers with the wide range of AB Products and Services as well as banking norms and practices. It is an effort taken to bridge the information and communication gap between customers & bankers.
- Guided branches and Head office for saving and reducing expenses through less usage of Energy and Fuel in line with Government regulations.
- Implemented centralized management of AB Smart A/C opening through Bank's Internet Banking App – AB Direct.
- Financial Literacy Wing (FLW) of the Bank has been formed to run the Financial Literacy Program to increase public awareness and financial literacy among the mass people of the country.
- Ensure seamless customer service, timely resolution of complaints and managing feedbacks.
- Disposed-off old documents as pulp by which a handsome amount has been added to income and also saved a good amount of space of Branch store & godown.
- Arranged trainings on major operational processes e.g. Refresher training for Operations Manager & Prospective operations manager and Customer Service Excellence & Effective Cash Management.
- Continued Awareness build up activities during the year as precautions against fake notes etc.

COVID-19 pandemic initiatives:

- Ensure 'No Mask No Service' at all levels.
- Informed customers about limited banking services/ regular banking services through SMS, e-mail, bank's website and social media.
- Informed customers about different banking services/products/promotions through SMS, e-mail, bank's website and social media.

- Guided the Branch Management to ensure uninterrupted customer service.

Department of Human Resource Management & Development

Employees at AB Bank showed resilience & collaboration to ensure development, remarkable positive effect and growth across the organization despite the global economic unpredictability. The following are some HR initiatives for the year 2022:

- AB Bank HR believes in performing work culture. Department of HRM redesigned Performance Measurement system, Reward & Recognition to bring more clarity and organizational equity that will foster motivation in serving our customers in each and every horizon.
- Empowering employees is empowering Bank. Accessibility and clarity of information provides more control and convenient way of doing things. It is our firm believe that a satisfied Human Resource is the key to customer satisfaction. With a vision to provide seamless service to its employees, Department of HRMD has been relentlessly working towards automation of all HR process.
- AB Bank believes in diversity and inclusion. Department of HRMD ensured a diverse workforce of different backgrounds and qualifications working harmoniously as an integrated AB Family.
- In order to best serve our clients, AB Bank places a high priority on a trained workforce and recognizes the benefits of training. In the Year-2022, the Bank provided more online training than ever. Both offline and online training opportunities grew significantly.
- AB Bank believes in serving its customer to its fullest. Department of HRMD worked relentlessly towards ensuring reducing absenteeism, providing quality support by ensuring sufficient workforce that is align with mission, goals and organizational objectives, strategic plans and budgets.

Training (Year 2022)	# of Courses	# of Participants
Internal Training	110	4500
External Training	59	123
Total	169	4623

Age Group Wise Employee Ratio		
Age Group	31.12.2022	
	Number	Mix (%)
Up to 30 years	347	15.34%
Above 30 years to up to 40 years	757	33.47%
Above 40 years to up to 50 years	777	34.35%
Above 50 years to up to 60 years	376	16.62%
Above 60 years	5	0.22%
Total	2262	100.00%

Gender Diversity of Employee			
Year	Number of Male Employee	Number of Female Employee	Number of Total Employee
2020	1637	565	2202
2021	1686	594	2280
2022	1669	593	2262

Operating Performance 2022

Treasury Functions

Modern day treasury emerged as a profit optimization unit besides strategic management of Liquidity Risk and Market Risk (Interest Rate Risk and Foreign Exchange Risk). Being an integrated unit, AB Bank Treasury is engaged in managing these risks within the laid down internal policies enacted, prepared in line with regulatory guidelines of Bangladesh Bank. Broadly, AB bank treasury operates through Asset Liability Management (ALM) desk, Fixed Income desk, Money Market desk, Foreign Exchange desk and Primary Dealership (PD) desk. Core responsibility of Treasury operations are the maintenance of statutory requirements i.e. CRR, SLR, Liquidity Ratios (LCR & NSFR) and Net Open Position (NOP) limits. Primarily ALM desk is responsible for Liquidity and Interest Rate risk management. In the process of liquidity risk management, Treasury arranges fund both in Local & Foreign Currency and ensure proper deployment in quality assets with due attention to profitability and future liquidity needs. As an interest rate risk manager, Treasury focuses on maturity management of both Loans and Deposits in line with banks risk appetite. AB as a Primary Dealer (PD), plays an important role in development of Govt. securities market through underwriting of Govt. securities. Moreover, AB Bank also provides cliental services through "Govt. Securities Investment Window". As part of its Foreign Exchange operation AB Bank Treasury is providing all possible foreign exchange solutions

to cater for customer need at better prices and with superior services. With a dynamic and innovative work force treasury has been performing consistently well over last couple of years with respect to contribution to bank's profitability. Prudent Money Market, Foreign Exchange, Fixed Income and Primary Dealership operations contribute significantly in interest, exchange and investment earnings of the Bank.

Highlights of 2022:

- Income from Foreign Exchange increased to BDT 1,040.40 million in 2022 from BDT 323.50 million in 2021.
- Interest income on Money Market Product stood at BDT 56.20 million in 2022 compared to BDT 116.20 million in 2021.
- Investment income was BDT 3,044.40 million in 2022 compared to BDT 4,452.70 million in 2021.

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 worldwide. AB Bank's foreign correspondent relationship covers most of the important Banks and Financial Institutions located in major trade finance and remittance hubs around the world. AB Bank's Correspondent Banking platform is comprised of 309 correspondents. This strong platform helps facilitating the international trade business of AB Bank Limited's valued trade customers and also helps to procure inward remittances / foreign currencies favoring exporters, family members of wage earners, IT specialists, Freelancers and other service sectors of the country.

International Trade

During 2022, global trade continued to face multiple challenges after COVID related disruptions as global rise in inflation, high interest rates, debt distress and geopolitical frictions, supply-chain crises weigh almost every country of the world. Amidst the worldwide turmoil, during 2022 AB has experienced positive growth in import and negative growth in export business compared to previous year.

Import Business has increased by 3.76% to Taka 5,045 Crore in 2022 from Taka 4,862 Crore in 2021. Import business of AB covers areas like industrial raw materials, food items, chemicals, medicines, textiles, capital machineries, pharmaceutical raw materials etc.

Export Business has experienced 37.20% percent negative growth in the year 2022 compared to the previous year. Total Export was Taka 3,491 Crore at the end of the year 2022 which was Taka 5,559 Crore in 2021. Export business was concentrated in readymade

garments, knitwear, frozen fish and other indigenous products.

FI Marketing

A dedicated FI Marketing Team of AB Bank facilitates trade business activities originating from different Banks in Bangladesh. AB's 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 2022, our FI Marketing Team has 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 has strengthened its remittance relationship with various renowned exchange houses in 2022. AB is focusing on excellence in customer service through a network of Branches, Sub-Branched 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 2022 was USD 280 million compared to USD 379 million in 2021.

Overseas Operations

Mumbai Branch

AB Bank Limited, Mumbai Branch is the only Bangladeshi bank's branch located in Mumbai to cater Indo-Bangla Trade. Since its inception in the year 1996, it has been engaged in handling Letters of Credit and documents of export from India to Bangladesh in addition to retail banking activities. The branch also provides confirmation, negotiation and discounting services to its customers. In 2022, AB Mumbai also handled transactions of Sri Lanka.

At present, our Mumbai Branch is maintaining VOSTRO accounts of 45 Bangladeshi Banks. Mumbai Branch's Operating Profit at the year-end of 2022 was INR 194.13 Million.

Highlights of Mumbai Branch Business

INR in Million	2022	2021	2020
Total Assets	3,636.22	2,891.24	2,914.70
Total Loans and Advances	618.10	510.43	468.00
Total Deposits	2,233.09	1,974.08	1,827.52
CRAR- Overall	52.91%	36.93%	36.65%
CRAR- Tier I	52.35%	36.49%	36.25%
CRAR- Tier II	0.56%	0.43%	0.40%
Fee based income to Total income	80.80%	86.69%	82.24%
Return on Total Assets	2.95%	3.33%	1.50%

Operating results of Mumbai Branch

INR in Million	2022	2021	2020
Operating Profit	194.13	159.16	21.33
Profit after Tax (PAT)	96.38	96.57	41.14
Return on Assets (%)	2.95	3.33	1.50
Return on Equity (%)	9.28	10.64	4.15

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 assets of the Bank. This Division is focused in complying with post-approval credit processes relating to Corporate, SME and Retail loans which includes sanction preparation, documentation, disbursement, PDC management system, returns and compliance. In carrying out its responsibilities, it keeps continuous liaison with Branches, 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 CIB Reports, (2) Preparing Sanctions after getting approval and loading the limit (3) Limit Activation & Authorization after completion of documentation formalities as per the Sanction Terms & Conditions (4) Loan Disbursement under the approved limits (5) Post Dated Cheque Management (PDC) system and finally (5) Returns & Compliance comprising loan irregularities report both to the in-house Management and Regulatory Authorities. Beside these, CAM Division typically keeps providing essential data, information and necessary counselling to the respective divisions to strengthen and to make precision supervision of Loan Documentations, Overview of Loan Disbursement, Controlling of Loan Delinquency and Reporting the status of all of the above to the Board of Directors, Senior Management, Business Divisions and Branches as well as preparing and submitting all type of Regulatory Returns / Statements to the Regulator.

Department of Accounts & Finance (A&F)

Department of Accounts & 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, 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 means 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 an essential auxiliary tool to board's 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 Limited is having its effective Risk Management Division (RMD) equipped with adequate resources and infrastructure. The fundamental objective of this Division is to protect the organization from unexpected losses caused by unfavorable downgrade in financial areas and reputational issues through early flag raising, and thereby to ensure sustainability in growth. 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 has been performing active role in leading the Supervisory Review Process (SRP) and holding SRP-SREP dialogue on ICAAP document every year. 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 concurrent Risk Management issues like Residual Risks associated with various clients and its ultimate impact on Bank's capital, in order to raise awareness among relevant bank officials. RMD is keen on raising awareness on other issues like Management Action Trigger (MAT), Comprehensive Risk Management Rating, etc. with a view to improve the level of understanding on risk management, its importance and its application.

AB Subsidiaries

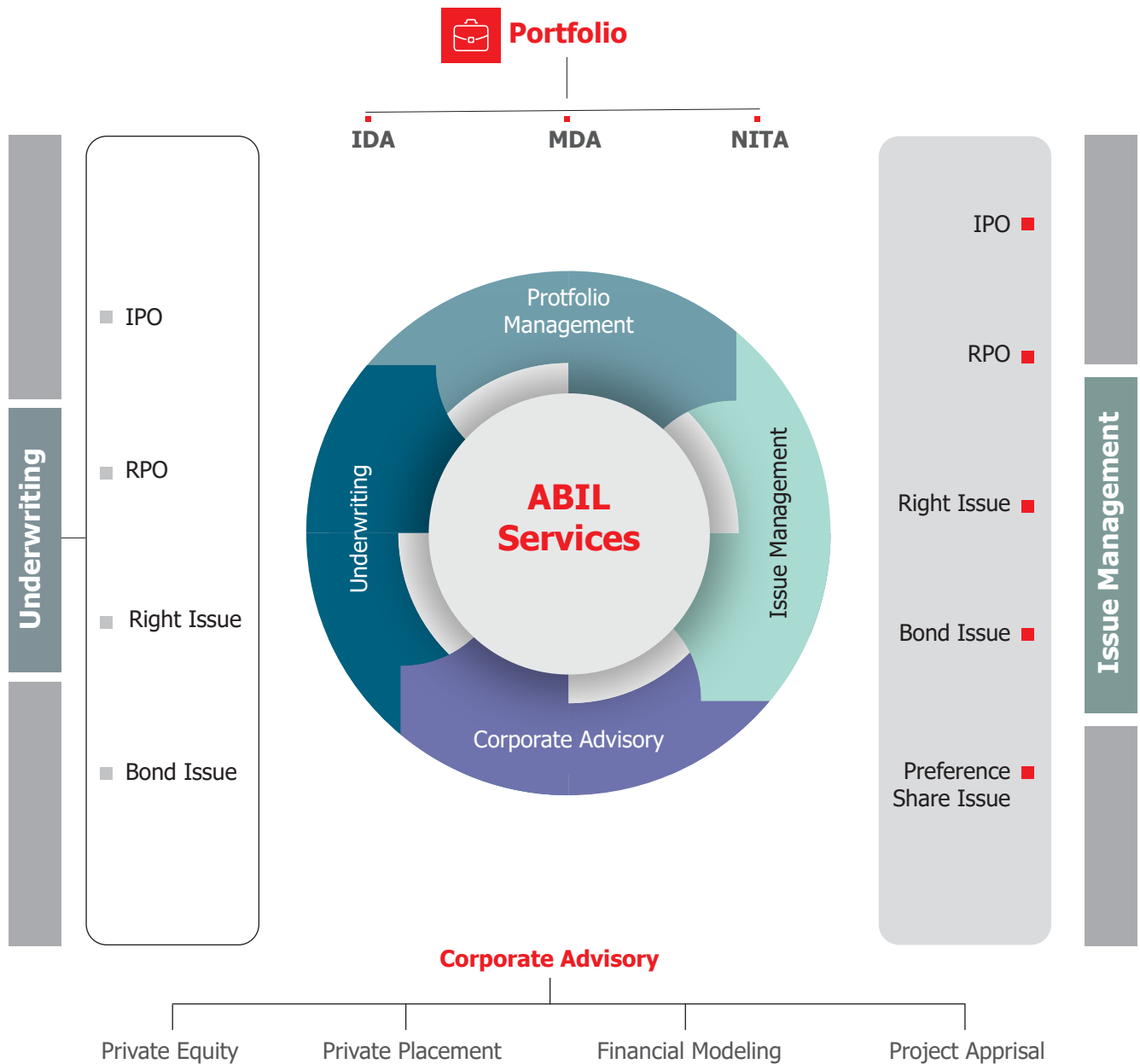
AB International Finance Limited (ABIFL)

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 2022 is presented below:

Particulars	2022	2021	2020
Operating Profit- HKD Million	11.00	10.12	7.90
Profit after tax (PAT)- HKD Million	9.36	8.62	6.84
Return on assets (%)	7.76	6.91	6.38
Return on equity (%)	51.69	51.12	38.81
Earnings per share-HKD	93.64	86.17	68.45

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 2,254 and it comprises of Local Individual & 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. 6.44 billion in 2022 which is 0.09 % (approx.) of the total market capitalization. Currently, ABIL operates from its Head Office in Dhaka and two branch offices in Chittagong & Sylhet.

Performances of ABIL

Particulars	2022	2021	2020
Number of Clients	2,254	2,306	2,326
Margin Loan to Clients (mn)	7,279	7,257	6,957
Operating Income (mn)	223	449	175
Operating Profit (mn)	156	376	100
Net Profit (mn)	33	68	(4)
Earnings Per Share (Tk.)	0.05	0.10	(0.006)

AB Securities Limited (ABSL)

After incorporation on 24th day of December 2009, AB Securities Limited (ABSL), a subsidiary company of AB Bank Limited, started its operation on the 2nd day of August, 2010. ABSL is a corporate TREC Holder of both Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited.

The number of clients of ABSL is around 3,191 and it comprises of local individual & 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 & Sylhet. In the year 2022, total turnover of ABSL was around Tk. 45.76 billion.

For Foreign Nationals and Non-Resident Bangladeshis, ABSL provides one stop stock broking services including assistance in opening Foreign Currency (FC) Account

& Non-Resident Investor's Taka Account (NITA), BO Account opening and trading at DSE and CSE.

Performance of ABSL

Particulars	2022	2021	2020
Number of Clients	3,191	3,347	3,117
Operating Income (mn)	131	164	152
Operating Profit (mn)	57	92	70
Earnings Per Share-EPS (Tk.)	0.10	0.23	0.16
Total Turnover-Trade (Billion Tk.)	46	76	46

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 to provide 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

Amount in Lac

Particulars	2022	2021	2020
Total Operation Income	24.60	30.73	40.31
Total Operation Expense	3.16	4.41	4.19
Profit After Tax	15.55	18.42	24.38
Total Shareholders' Equity	803.01	787.46	769.04
Total Asset	904.22	882.72	856.41

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 2022, as with other sectors, the Banking Sector as a whole experienced adverse effect for Russia-Ukraine war. Within these challenging economic and business environment, the Bank registered following financials:

BDT in crore

Particulars	Consolidated		Change	Solo		Change
	2022	2021	%	2022	2021	%
Interest income/profit on investments	2,163.97	2,059.72	5%	2,145.56	2,038.41	5%
Interest paid/profit on deposits and borrowings, etc.	1,708.06	1,583.00	8%	1,707.39	1,582.20	8%
Net interest income	455.91	476.72	-4%	438.17	456.21	-4%
Other Income	734.59	776.69	-5%	709.90	728.14	-3%
Operating Expenses	618.70	591.39	5%	599.88	571.07	5%
Operating Profit	571.80	662.02	-14%	548.19	613.29	-11%
Provisions for loans & others	287.16	465.71	-38%	273.29	432.66	-37%
Profit before Taxation	284.63	196.30	45%	274.89	180.63	52%
Provisions for Tax	213.20	124.62	71%	207.17	116.49	78%
Profit after Tax	71.44	71.68	0%	67.72	64.14	6%
Earnings Per Share (BDT)	0.83	0.83	(0.00)	0.79	0.75	0.04

In the year 2022, Interest Income increased by 5% and Interest Expenses increased by 8%. Net Interest Income decreased by 4% on consolidated and solo basis. Other income has decreased by 5% and 3% on consolidated and solo basis for loss on Treasury bills and bonds. 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 6% growth in Profit after Tax and stood at BDT 68 crore.

Asset Quality

Particulars	Consolidated		Change	Solo		Change
	2022	2021	%	2022	2021	%
Total Loans and advances	32,041.07	29,904.34	7.15%	31,206.81	29,045.98	7.44%
Unclassified	25,728.88	25,793.40	-0.25%	24,894.62	24,935.04	-0.16%
Standard	25,112.70	25,038.88	0.29%	24,278.45	24,180.52	0.40%
Special mention Account	616.17	754.52	-18.34%	616.17	754.52	-18.34%
Classified	6,312.19	4,110.94	53.55%	6,312.19	4,110.94	53.55%
Sub-standard	18.02	51.91	-65.29%	18.02	51.91	-65.29%
Doubtful	324.50	313.88	3.38%	324.50	313.88	3.38%
Bad Loss	5,969.67	3,745.15	59.40%	5,969.67	3,745.15	59.40%

In last few years, Bangladesh Bank issued several circulars regarding repayment flexibility and classifications of clients on COVID-19 backdrop. From, 2022 these facilities from Bangladesh Bank were revoked. In 2022, there was some issues pertinent to foreign currencies; exchange rate BDT/USD appreciated whereas global inflation rate was much higher. In such event, the repayment capacities of the business were interrupted. Considering clients repayment, Bangladesh Bank has newly classified few loans in December 2022. As a result, CL ratio stood at 20.23% in 2022 from 14.15% of 2021.

Capital Position

BDT in crore

Particulars	Consolidated		Change	Solo		Change
	2022	2021	%	2022	2021	%
Risk Weighted Assets	35,519.88	33,337.93	6.54%	35,109.91	32,966.60	6.50%
Credit Risk	32,558.90	30,043.53	8.37%	32,316.72	29,808.53	8.41%
Market Risk	1,088.93	1,182.00	-7.87%	995.27	1,107.10	-10.10%
Operational Risk	1,872.06	2,112.40	-11.38%	1,797.91	2,050.97	-12.34%
Regulatory Requirement	12.50%	12.50%		12.50%	12.50%	
Capital Requirement	4,439.99	4,167.24		4,388.74	4,120.83	
Capital Maintained	3,906.18	3,805.93	2.63%	3,619.53	3,539.51	2.26%
Tier-I	2,640.36	2,472.41	6.79%	2,500.70	2,345.80	6.60%
CET-I	2,107.56	2,031.41	3.75%	1,974.05	1,904.80	3.64%
Add. Tier-I	532.80	441.00	100%	526.65	441.00	19%
Tier-II	1,265.82	1,333.52	-5.08%	1,118.82	1,193.71	-6.27%
Capital Surplus/ (deficit)	(533.81)	(361.31)		(769.21)	(581.32)	
Capital to Risk Weighted Asset Ratio (CRAR)	11.00%	11.42%		10.31%	10.74%	
Tier-I	7.43%	7.42%		7.12%	7.12%	
Tier-II	3.56%	4.00%		3.19%	3.62%	

Bank was able to maintain CRAR @ 11.00% and 10.31% on consolidated and solo basis respectively against 12.50% (10% minimum and 2.50% capital conservation buffer) regulatory requirement. In 2022, Risk Weighted Assets and capital increased by 6.5% and 2.3% respectively.

Cash Flow Position

BDT in crore

Particulars	Consolidated		Change	Solo		Change
	2022	2021	%	2022	2021	%
Net cash flow from operating activities	(1,679.05)	254.24	760.42%	(1,742.48)	300.75	679.38%
Net cash flow from investing activities	1,306.18	74.79	1646.48%	1,323.99	59.03	2142.78%
Net cash flow from financing activities	(253.00)	354.94	-171.28%	(253.00)	354.94	171.28%
Net decrease in cash	(625.86)	683.97	-191.51%	(671.49)	714.72	193.95%
Net Operating Cash Flow Per Share (NOCFPS) (BDT)	(19.50)	2.95	-22.46	(20.24)	3.49	(23.73)

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.

Key Ratio

Particulars	2022	2021
Capital to Risk Weighted Assets Ratio	10.31%	10.74%
Loan Deposit Ratio	92.26%	86.27%
Cost income ratio	52.25%	48.22%
CL Ratio	20.23%	14.15%
Return on investment (ROI)	6.86%	8.47%
Return on assets (ROA)	0.17%	0.16%
Return on equity (ROE)	2.78%	2.63%
Assets Utilization Ratio	75.94%	79.82%
Operating Profit Per Employee (Lac/Taka)	24.33	26.90

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: N/A
- b) Shares held by Directors including nominating Individuals and Institutions, Chief Executive Officer, Company Secretary, Chief Financial Officer and Head of Internal Audit and their Spouses and Minor Children are as follows:

Status as of December 31, 2022

Name of the Directors, CEO, CS, CFO and HIAC	Status	No. of Shares	%	Name of the Spouses	No. of Shares	%
Barrister Khairul Alam Choudhury Nominated by Pacific Industries Limited	Chairman	84,211,744	9.7817%	Ms. Mariya Rakhi Chowdhury	-	-
Mr. Feroz Ahmed	Director	17,862,814	2.0749%	Ms. Salvana Ahmed	352,027	0.0409%
Mr. Shajir Ahmed Nominated by Hexagong Chemical Complex Limited	Director	23,581,224	2.7391%	Ms. Fahmida Islam	-	-
Mr. Md. Maqsoodul Huq Khan Nominated by Emkay Holdings Limited	Director	17,601,412	2.0445%	Ms. Kazi Homaira Nirjhar	-	-
Mr. Shafiqul Alam	Independent Director	-	-	Ms. Najma Shafiq	-	-
Mr. Md. Eskandar Miah	Independent Director	-	-	Mrs. Hemanti Haider	-	-
Mr. Tarique Afzal	President & 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	-	-	Ms. Tasmina Hoque	-	-
Mr. Md. Jasim Uddin, FCS	Company Secretary	-	-	Ms. Jannatul Bakia	-	-

- c) 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	Name	Status	No. of Shares
1.	Mr. Mahmudul Alam	Deputy Managing Director	-
2.	Mr. Syed Mizanur Rahman	Deputy Managing Director	-
3.	Mr. Md. Aminur Rahman	Sr. Executive Vice President	-
4.	Mr. Zahiruddin Mohammad Babar Khan	Sr. Executive Vice President	-
5.	Mr. Golam Mahmud Rizvi	Sr. Executive Vice President	-

- d) Shareholders holding ten percent or more voting interest in the company: N/A

Dividend

The Board in its 761st Meeting held on April 30, 2023 recommended 2.00% Stock Dividend to all the Shareholders. Stock Dividend is subject to Shareholders approval in the 41st Annual General Meeting scheduled to be held on July 08 2023, Saturday at 11:00 a.m. through Digital platform, May 23, 2023, Tuesday, set as Record Date to attend AGM and May 31, 2023, Wednesday, to entitle the Dividend.

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. Board also has three Committees in operation viz. Audit Committee, Risk Management Committee and Executive Committee in compliance with Bangladesh Bank BRPD circular no: 11 dated October 27, 2013 on Formation & Responsibilities of Board of Directors of a Bank Company. Respective Committees operate following their given TOR set by the Board or Bangladesh Bank as the case may be.

Present composition of the Board is as below

1. Barrister Khairul Alam Choudhury, Chairman, nominated by Pacific Industries Limited
2. Mr. Feroz Ahmed, Director
3. Mr. Shajir Ahmed, Director, nominated by Hexagon Chemical Complex Limited
4. Mr. Shafiqul Alam, Independent Director
5. Mr. Md. Maqsubul Huq Khan, Director, nominated by Emkay Holdings Limited
6. Mr. Md. Eskandar Miah, Independent Director*
7. Mr. Tarique Afzal, President and Managing Director

(*Bangladesh Bank by letter no: BRPD(R-2)651/9(1) DL/2022-10619 dated October 23, 2022 approved appointment of Mr. Md. Eskandar Miah and we enclose below his brief resume:

* Mr. Md. Eskandar Miah joined AB Bank as Independent Director with effect from October 23, 2022. Mr. Miah is a veteran banker having 33 years banking experience and he served in different positions in various departments at Bangladesh Bank. He Joined Bangladesh Bank as Assistant Director in 1988.

Before retirement, he worked as Executive Director and Deputy Head: Bangladesh Financial Intelligence Unit, Bangladesh Bank, Head Office from February 2019 to 30 June, 2021. He has vast experience in Banking Regulation and policy, Bangladesh Financial Intelligence Unit, Human Resources Management, Foreign Exchange Policy, Agricultural Credit and policy, Foreign Exchange Inspection, Professional Presentations, Expenditure Management and Payment Systems etc. He visited many countries and attended lots of training at home and abroad.

Board Meeting/Committees Meeting and Attendance

Board Meeting

28 (twenty eight) Board Meeting held during the year 2022. Below is the table of Directors' attendance in the meeting based on their tenure:

Name of Directors	Designation	Attendance in Board Meeting of the Bank	
		Number of Meeting held in 2022	Number of Meeting attended in 2022
Barrister Khairul Alam Choudhury	Chairman	28	27
Mr. Feroz Ahmed	Director	28	22
Mr. Shajir Ahmed	Director	28	24
Mr. Shafiqul Alam	Independent Director	28	28
Mr. Md. Maqsubul Huq Khan	Director	28	26
Mr. Md. Eskandar Miah*	Independent Director	06	06
Mr. Muhammad A. (Rume) Ali**	Ex-Chairman	14	14
Mr. Tarique Afzal***	President & Managing Director	26	26

Total number of Board Meeting held = 28 (Twenty Eight)

*Mr. Md. Eskandar Miah was appointed as Independent Director on October 23, 2022.

**Mr. Muhammad A. (Rume) Ali, Chairman, retired in 40th Annual General Meeting (AGM) held on July 06, 2022.

***Mr. Mahmudul Alam attended 02 (two) Board Meetings as President and Managing Director (Current Charge)

Audit Committee Meeting

07 (seven) Meetings of the Audit Committee were held during the year 2022. Below is the table of Members' attendance in the Meeting based on their tenure:

Name of Directors	Status	Number of Meeting	
		Held	Attended
Mr. Shafiqul Alam	Chairman	07	07
Mr. Shajir Ahmed	Member	07	06
Mr. Md. Maqsubul Huq Khan	Member	07	07
Mr. Md. Eskandar Miah*	Member	-	-

Total number of Board Audit Committee Meeting held = 07 (Seven)

*Mr. Md. Eskandar Miah was appointed as Member of Audit Committee on 747th Board Meeting held on October 27, 2022. No Audit Committee Meeting took place after his appointment during the year.

Risk Management Committee Meeting

05 (five) Meeting of the Risk Management Committee were held during the year 2022. Below is the table of Members' attendance in the Meeting based on their tenure:

Name of Directors	Status	Number of Meeting	
		Held	Attended
Mr. Shafiqul Alam	Chairman	05	05
Mr. Feroz Ahmed	Member	05	04
Mr. Md. Maqsubul Huq Khan	Member	05	05

Total number of Board Meeting held = 05 (five)

Remuneration paid to Directors

During the year 2022, total remuneration paid to the Directors including Independent Director was Tk. 1,537,600 (Taka Fifteen Lac Thirty Seven Thousand and Six Hundred) only.

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 & Managing Director to retire. Mr. Feroz Ahmed will retire in the following 41st Annual General Meeting and be 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 ABBL	Pacific Industries Ltd	Barrister 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	16,939,851

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	756,515,861
02	AB Securities Limited	99.91% owned Subsidiary	Loans and advances	157,599,191
03	AB International Finance Limited	Fully owned (100%) Subsidiary	Placement through OBU	1,007,145,750
Total loans/placement to subsidiary				1,921,260,802

Credit Rating

AB Bank rated by ARGUS Credit Rating Services Limited (ACRSL) based on the financials of the Bank up to December 31, 2022 (audited) and other relevant quantitative as well as qualitative information up to the date of rating declaration i.e. June 11, 2023.

The Summary of ratings are given below:

Surveillance Rating (2022)	Long Term	Short Term
	AA-	ST-2
Date of Rating	June 11, 2023	
Date of Validity	June 11, 2024	

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.

41st 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 23, 2023, Tuesday, shall be eligible to attend the AGM and on May 31, 2023, Wednesday, shall be eligible to entitle the Dividend.

The 41st Annual General Meeting will be held on July 08, 2023 (Saturday) through Digital Platform at 11:00 a.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 seventy two hours before the time fixed for the meeting otherwise Proxy Form will not be treated as valid.

Country Outlook

On August 25, 2022, S&P Global Ratings affirmed its 'BB-' long-term and 'B' short-term sovereign credit ratings for Bangladesh. The outlook remains stable. The stable outlook reflects S&P's expectation that Bangladesh's solid growth prospects and policy adjustments will manage the risks associated with a challenging external landscape over the next 12 months.

S&P may lower the ratings for Bangladesh if net external debt and/or financing metrics worsen further, i.e., if narrow net external debt surpasses 100% of current account receipts, or gross external financing needs exceed 100% of current account receipts plus usable reserves, on a sustained basis.

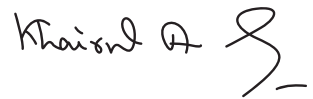
S&P may upgrade the ratings if the government materially improves its fiscal outcomes, including its very low revenue generation and elevated fiscal deficits, and experiences a substantial improvement in its external settings. They may also raise the ratings if Bangladesh's institutional settings improves noticeably.

ADB forecasts Bangladesh's economic growth rates for FY23 and FY24 to be 5.3% and 6.5%, respectively; the inflation rate forecasts are 8.7% and 6.6% for FY23 and FY24, respectively.

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 cooperation 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 to 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.



Barrister Khairul Alam Choudhury
Chairman

MANAGEMENT DISCUSSION & ANALYSIS

Economic perspective

The Bangladesh economy has been showing sustainable recovery from the impact of the global coronavirus pandemic. The GDP growth stood 7.10 percent in FY 2021-22. But due to Russia-Ukraine crisis, the economic growth in FY 2022-23 has been hampered. According to the provisional estimate of Bangladesh Bureau of Statistics (BBS), the GDP growth is expected to be 6.03 percent in FY 2022-23. The growth of agriculture sector stood at 3.05 percent and growth of the industry sector is 9.86 percent in FY 2021-22. The growth of the industry sector is estimated at 8.18 percent in current fiscal year. The sectoral share of broad agriculture, industry and service stood at 11.20 percent, 37.56 percent and 51.24 percent respectively in FY 2022-23. In demand side, the consumption expenditure stood at 73.98 percent in FY 2022-23, with significant contribution of private sector. Gross domestic savings increased to 26.02 percent of GDP in FY 2022-23, from 25.22 percent a year earlier. Inflation rate was 7.70% on twelve month average basis. In addition to inflationary pressure, the economy experienced foreign currency related challenges induced from Russia-Ukraine war. For retaining foreign currencies, Bangladesh Bank took several measures like imposing stricter controls on import of less necessary and luxury items in 2022.

Performance of the Bank - Comparative analysis:

Business Position

BDT in crore

Particulars	2022	2021	2020	2019	2018
Loans & Advances	31,207	29,046	27,483	25,651	24,107
Deposit	31,670	29,837	29,072	27,946	23,544
Export	4,010	5,559	4,680	5,511	7,345
Import	5,045	4,862	3,265	4,737	8,963
Remittance (crore USD)	29	38	29	27	33

Financial and operational performance

BDT in crore

Particulars	2022	2021	2020	2019	2018
Interest income/profit on investments	2,146	2,038	2,429	2,672	1,947
Interest paid/profit on deposits and borrowings, etc.	1,707	1,582	2,013	1,885	1,756
Net interest income	438	456	416	787	267
Other Income	710	728	799	502	674
Operating Expenses	600	571	568	643	557
Operating Profit	548	613	647	645	448
Provisions for loans & others	273	433	514	514	252
Profit before Taxation	275	181	132	131	56
Provisions for Tax	207	116	93	114	54
Profit after Tax	68	64	39	17	2
Earnings Per Share (Tk.)	0.79	0.75	0.45	0.19	0.02

Equity Position

BDT in crore

Particulars	2022	2021	2020	2019	2018
Paid-up capital	861	836	796	758	758
Retained earnings	410	481	569	582	591
Statutory reserve	805	748	714	687	662
Other reserves	367	365	370	257	254
Total	2,443	2,431	2,449	2,284	2,265

Cash flow Movement

BDT in crore

Particulars	2022	2021	2020	2019	2018
Net cash flow from operating activities	(1,742.48)	300.75	(382.93)	2,870.27	(681.26)
Net cash flow from investing activities	1,323.99	59.03	(194.24)	(1,846.35)	226.47
Net cash flow from financing activities	(253.00)	354.94	366.02	(139.92)	264.90
Net Operating Cash Flow Per Share (NOCFPS)	(20.24)	3.49	(4.45)	33.34	(7.91)

Key Ratios

BDT in crore

Particulars	2022	2021	2020	2019	2018
Capital to Risk Weighted Assets Ratio	10.31%	10.74%	10.84%	10.12%	10.03%
Loan Deposit Ratio	92.26%	86.27%	85.26%	84.28%	91.09%
Cost income ratio	52.25%	48.22%	46.71%	41.35%	64.44%
Return on investment (ROI)	6.86%	8.47%	10.34%	6.07%	9.58%
Return on assets (ROA)	0.17%	0.16%	0.10%	0.05%	0.01%
Return on equity (ROE)	2.78%	2.63%	1.65%	0.74%	0.08%
Assets Utilization Ratio	75.94%	79.82%	78.62%	77.80%	66.61%

a) Accounting policies and estimation for preparation of financial statements:

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) 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 & Managing Director of the Bank has given their declaration to the Board regarding the authenticity of the Financial Statements.

In 195th 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 761st meeting.

KEY RISKS IMPACTING THE BANK'S BUSINESS

Post impact of Covid-19 pandemic and long lasting of Russia-Ukraine war badly affected several countries including Bangladesh in 2022. 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. 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.

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.

<p>Capital Risk</p> <p>According to BASEL-III requirement, Banks have to maintain its capital adequacy @ 12.50% including capital conservation buffer. In this respect, Bank maintained CRAR @ 10.31% and 11% on solo and consolidated basis respectively.</p>	<p>In addition to internal capital generation, Bank issued Perpetual Bonds of BDT 571 crore. We are trying to maintain RWA at optimum level.</p>
<p>Interest Rate Risk</p> <p>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)</p>	<p>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.</p>

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	Peer Bank
Total Loans and advances	31,207	27,376
Total Assets	40,909	38,335
Total Deposits	31,670	28,636
Total equity	2,443	2,409
Total Off-Balance Sheet items	5,167	13,556

Financial Performance

BDT in crore

Particulars	AB	Peer Bank
Net interest income	438	571
Total operating income	1,148	1,488
Operating expenses	600	746
Profit before provision	548	743
Net profit after tax	68	243

Cash Flow:

BDT in crore

Particulars	AB	Peer Bank
Net cash flow from operating activities	(1,742)	16
Net cash (used in)/flow from investing activities	1,324	(151)
Net cash flow from Financing activities	(253)	286
Net cash flow	(671)	151



Tarique Afzal
President & Managing Director

STATEMENT FROM PRESIDENT AND MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER

April 30, 2023

THE BOARD OF DIRECTORS
AB Bank Limited

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, 2022 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, 2022 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.



K.M. Mohiuddin Ahmed
DMD & Chief Financial Officer



Tarique Afzal
President & 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 2022 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 2022, 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 320,411 million (2021: BDT 299,043 million) and provision for loans and advances of BDT 28,740 million (2021: BDT 28,712 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 requirements as per circulars and instructions given by Bangladesh Bank from time to time and communicated the provision requirements with the management and those charged with governance and the representatives of Bangladesh Bank, 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 2022 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 3,562 million (2021: 4,105 million) as at 31 December 2022. 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.

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 2022 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 including the re-estimation and loan flexibility given to the borrowers through different circulars and instructions given by Bangladesh Bank from time to time, 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 up to 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 9,228 million, BDT 1,982 million, BDT 90 million, BDT 1,350 million and BDT 569 million respectively as at 31 December 2022 and total revenue of BDT 223 million, BDT 131 million, BDT 2 million, BDT 189 million and BDT 20 million respectively for the year ended 31 December 2022. 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. provisions have been made for loans & advance and other assets as per Bangladesh Bank's DBI letter no: DBI-3/101/2023-741 dated 26 April 2023, and as per forbearance letter vide: DOS(CAMS)1157/41(Dividend)/2023-2200 dated 30 April 2023, which are in our opinion, doubtful of recovery as explained in Note 15.1;
- 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 7,252 person hours; and
- xii. Capital to Risk-weighted Asset Ratio (CRAR) has been maintained during the year based on Bangladesh Bank's forbearance letter ref: DOS(CAMS)1157/41(Dividend)/2023-2200 dated 30 April 2023 against the requirement as explained in notes 15.1 and 16.6 (as explained in Annexure-D).

Dhaka,
30 April 2023

Signed for & on behalf of
ACNABIN
Chartered Accountants



Md. Moniruzzaman, FCA
Partner
ICAB Enrollment No. 787
DVC No: 2304300787AS719317

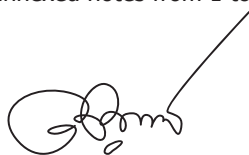
AB Bank Limited & Its Subsidiaries
Consolidated Balance Sheet
As at 31 December 2022

	Notes	31.12.2022 Taka	31.12.2021 Taka
PROPERTY AND ASSETS			
Cash	3(a)	20,667,871,690	22,779,626,496
In hand (including foreign currencies)	3.1(a)	1,727,135,791	1,289,979,089
Balance with Bangladesh Bank and its agent bank(s) (including foreign currencies)	3.2(a)	18,940,735,899	21,489,647,407
Balance with other banks and financial institutions	4(a)	5,515,123,076	8,317,340,674
In Bangladesh	4.1(a)	1,187,972,612	1,123,970,264
Outside Bangladesh	4.2(a)	4,327,150,465	7,193,370,410
Money at call and on short notice	5(a)	922,406,358	3,094,606,108
Investments	6(a)	52,466,839,645	65,704,665,106
Government	6.1(a)	38,724,461,083	52,770,903,951
Others	6.2(a)	13,742,378,561	12,933,761,155
Loans, advances and lease/investments		320,410,664,586	299,043,372,049
Loans, cash credits, overdrafts, etc./Investments	7(a)	318,459,654,413	296,947,226,466
Bills purchased and discounted	8(a)	1,951,010,172	2,096,145,583
Fixed assets including premises, furniture and fixtures	9(a)	3,750,552,029	4,153,439,656
Other assets	10(a)	8,479,453,791	9,930,538,296
Non-banking assets	11	334,171,836	334,171,836
Total Assets		412,547,083,011	413,357,760,224
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from other banks, financial institutions and agents	12(a)	10,750,218,784	29,832,208,485
Bonds	13	11,497,500,000	11,810,000,000
Deposits and other accounts	14(a)	316,269,218,590	298,078,995,964
Current account and other accounts		46,910,479,125	30,921,208,319
Bills payable		1,887,785,146	10,973,625,337
Savings bank deposits		41,660,803,630	41,190,067,103
Fixed deposits		141,943,695,828	138,759,330,196
Other deposits		83,866,454,861	76,234,765,008
Other liabilities	15(a)	48,256,952,343	48,060,125,289
Total liabilities		386,773,889,717	387,781,329,736
Capital/Shareholders' equity			
Equity attributable to equity holders of the parent company		25,760,909,681	25,564,304,856
Paid-up capital	16	8,609,138,310	8,358,386,710
Statutory reserve	17	8,050,124,639	7,484,909,773
Other reserve	18(a)	3,856,208,923	3,814,574,816
Retained earnings	19(a)	5,245,437,808	5,906,433,556
Non- controlling interest	19(b)	12,283,617	12,125,636
Total equity		25,773,193,298	25,576,430,492
Total Liabilities and Shareholders' Equity		412,547,083,011	413,357,760,224

AB Bank Limited & Its Subsidiaries
Consolidated Balance Sheet
As at 31 December 2022

	Notes	31.12.2022 Taka	31.12.2021 Taka
Off-Balance Sheet Items			
Contingent liabilities	20	52,641,472,323	42,322,775,528
Acceptances and endorsements		8,065,947,969	9,164,910,843
Letters of guarantee	20.1	14,285,640,393	14,218,055,620
Irrevocable letters of credit		6,949,812,040	9,365,430,608
Bills for collection		8,403,053,218	9,360,524,214
Other contingent liabilities		14,937,018,703	213,854,243
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		52,641,472,323	42,322,775,528

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



Tarique Afzal

President & Managing Director



Md. Eskandar Miah

Independent Director



Shafiqul Alam

Independent Director



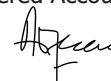
Khairul Alam Choudhury

Chairman

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

Dhaka,
30 April 2023

Signed for & on behalf of
ACNABIN
Chartered Accountants



Md Moniruzzaman FCA
Partner

ICAB Enrollment No. 787
DVC: 2304300787AS719317

AB Bank Limited and Its Subsidiaries
Consolidated Profit and Loss Account
For the year ended 31 December 2022

	Notes	2022 Taka	2021 Taka
OPERATING INCOME			
Interest income/profit on investments	22(a)	21,639,730,544	20,597,240,974
Interest/profit paid on deposits and borrowings, etc.	23(a)	(17,080,619,531)	(15,830,035,663)
Net interest income		4,559,111,013	4,767,205,311
Investment income	24(a)	3,976,352,040	5,599,175,296
Commission, exchange and brokerage	25(a)	2,874,655,734	1,949,838,243
Other operating income	26(a)	494,906,959	217,873,572
		7,345,914,732	7,766,887,110
Total operating income (a)		11,905,025,746	12,534,092,422
OPERATING EXPENSES			
Salary and allowances	27(a)	3,247,679,962	3,148,233,710
Rent, taxes, insurance, electricity, etc.	28(a)	631,053,682	617,254,604
Legal expenses	29(a)	24,123,289	10,203,815
Postage, stamps, telecommunication, etc.	30(a)	114,709,213	104,683,114
Stationery, printing, advertisement, etc.	31(a)	128,052,812	117,047,038
Chief executive's salary and fees	27.1	18,958,549	16,341,129
Directors' fees	32(a)	3,054,670	3,338,419
Auditors' fees	33(a)	3,710,113	4,658,568
Depreciation and repairs of Bank's assets	34(a)	742,489,335	691,863,995
Other expenses	35(a)	1,273,208,447	1,200,286,054
Total operating expenses (b)		6,187,040,072	5,913,910,446
Profit before provision (c = (a-b))		5,717,985,674	6,620,181,975
Provision against loans and advances	36(a)	2,214,861,712	4,114,845,179
Provision for investments	37(a)	576,280,660	456,481,754
Other provisions	38(a)	80,500,000	85,815,033
Total provision (d)		2,871,642,372	4,657,141,965
Profit before tax (c-d)		2,846,343,302	1,963,040,010
Provision for taxation		2,131,989,347	1,246,241,915
Current tax		2,194,307,943	2,213,720,051
Deferred tax		(62,318,597)	(967,478,136)
Net profit after tax		714,353,956	716,798,095
Appropriations			
Statutory reserve		535,933,103	341,379,078
Start-up Fund		6,772,387	6,413,845
Coupon payment for Perpetual Bonds		351,368,346	-
		894,073,836	347,792,924
Retained surplus		(179,719,880)	369,005,171
Non- controlling interest		157,979	189,980
Net (Loss)/Profit attributable to the shareholders of parent company		(179,877,859)	368,815,191
Consolidated Basic Earnings Per Share (EPS)	40(a)	0.83	0.83

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



Tarique Afzal

President & Managing Director



Md. Eskandar Miah

Independent Director



Shafiqul Alam

Independent Director



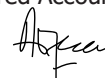
Khairul Alam Choudhury

Chairman

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

Dhaka,
30 April 2023

Signed for & on behalf of
ACNABIN
Chartered Accountants



Md Moniruzzaman FCA
Partner
ICAB Enrollment No. 787
DVC: 2304300787AS719317

AB Bank Limited and Its Subsidiaries
Consolidated Cash Flow Statement
For the year ended 31 December 2022

	2022 Taka	2021 Taka
Cash Flows from Operating Activities		
Interest receipts	16,348,354,323	13,195,626,836
Interest payments	(16,780,253,459)	(16,154,331,195)
Dividend receipts	168,610,250	174,151,756
Fee and commission receipts	1,615,419,585	1,540,829,204
Recoveries on loans previously written off	354,617,876	56,589,943
Payments to employees	(3,266,638,511)	(3,164,574,839)
Payments to suppliers	(128,052,812)	(117,047,038)
Income taxes paid	(1,927,700,198)	(1,855,243,190)
Receipts from other operating activities	5,561,884,898	6,051,906,150
Payments for other operating activities	(2,565,639,820)	(2,433,006,641)
Operating loss before changes in operating assets & liabilities	(619,397,869)	(2,705,099,013)
Increase/decrease in operating assets and liabilities		
Loans and advances to customers	(17,718,112,078)	(8,986,169,113)
Other assets	1,671,052,189	(43,735,071)
Deposits from other banks	1,760,969,742	842,550,394
Deposits from customers	16,128,886,812	7,013,580,661
Trading liabilities (short-term borrowings)	(17,383,748,837)	9,634,498,137
Other liabilities	(630,112,948)	(3,213,227,824)
	(16,171,065,120)	5,247,497,184
Net cash (used in)/ flow from operating activities (a)	(16,790,462,989)	2,542,398,171
Cash Flows from Investing Activities		
Sale of government securities	14,061,357,478	997,491,616
Purchase of trading securities, shares, bonds, etc.	(808,617,406)	(2,341,711,566)
(Purchase)/Sale of fixed assets including premises, furniture and fixtures	(190,906,165)	2,092,113,733
Net cash flow from investing activities (b)	13,061,833,907	747,893,783
Cash Flows from Financing Activities		
(Decrease)/Increase of long-term borrowings	(2,010,740,864)	3,549,844,100
Dividend paid including coupon payment of perpetual bond	(519,257,430)	(480,587)
Net cash (used in)/flow from Financing activities (c)	(2,529,998,294)	3,549,363,513
Net (decrease)/increase in cash (a+b+c)	(6,258,627,375)	6,839,655,467
Effects of exchange rate changes on cash and cash equivalents	(827,921,179)	29,322,754
Cash and cash equivalents at beginning of the year	34,193,477,378	27,324,499,158
Cash and cash equivalents at end of the year (*)	27,106,928,824	34,193,477,378
(*) Cash and cash equivalents:		
Cash	1,727,135,791	1,289,979,089
Prize bonds	1,527,700	1,904,100
Money at call and on short notice	922,406,358	3,094,606,108
Balance with Bangladesh Bank and its agent bank(s)	18,940,735,899	21,489,647,407
Balance with other banks and financial institutions	5,515,123,076	8,317,340,674
	27,106,928,824	34,193,477,378
Net Operating Cash Flow Per Share (NOCFPS)	(19.50)	2.95

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



Tarique Afzal

President & Managing Director



Md. Eskandar Miah

Independent Director



Shafiqul Alam

Independent Director



Khairul Alam Choudhury

Chairman

Dhaka,
30 April 2023

Consolidated Statement of Changes in Equity

(Amount in Taka)

For the year ended 31 December 2021

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

Independent Director

30 April 2023

AB Bank Limited

Balance Sheet

As at 31 December 2022

	Notes	31.12.2022 Taka	31.12.2021 Taka
PROPERTY AND ASSETS			
Cash	3	20,667,539,978	22,779,458,339
In hand (including foreign currencies)	3.1	1,726,804,079	1,289,810,932
Balance with Bangladesh Bank and its agent bank(s) (including foreign currencies)	3.2	18,940,735,899	21,489,647,407
Balance with other banks and financial institutions	4	4,830,559,266	7,839,527,106
In Bangladesh		525,610,648	649,801,976
Outside Bangladesh		4,304,948,618	7,189,725,129
Money at call and on short notice	5	1,929,552,107	4,351,147,108
Investments	6	51,812,774,278	65,214,572,370
Government	6.1	38,724,461,083	52,770,903,951
Others	6.2	13,088,313,195	12,443,668,419
Loans, advances and lease/investments	7	312,068,149,520	290,459,816,948
Loans, cash credits, overdrafts, etc./Investments		311,356,394,628	289,832,803,054
Bills purchased and discounted	8	711,754,892	627,013,894
Fixed assets including premises, furniture and fixtures	9	3,249,162,881	3,632,187,959
Other assets	10	14,193,450,527	15,705,825,113
Non-banking assets	11	334,171,836	334,171,836
Total Assets		409,085,360,391	410,316,706,779
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from other banks, financial institutions and agents	12	10,750,218,784	29,832,208,485
Bonds	13	11,497,500,000	11,810,000,000
Deposits and other accounts	14	316,697,269,309	298,372,561,654
Current accounts and other accounts		46,923,030,071	30,921,676,210
Bills payable		1,887,785,146	10,973,625,337
Savings bank deposits		41,660,803,631	41,190,067,103
Fixed deposits		141,978,941,534	138,796,924,187
Other deposits		84,246,708,928	76,490,268,817
Other liabilities	15	45,714,434,841	45,994,533,144
Total liabilities		384,659,422,934	386,009,303,282
Capital/Shareholders' equity			
Shareholders' equity		24,425,937,456	24,307,403,496
Paid-up capital	16	8,609,138,310	8,358,386,710
Statutory reserve	17	8,050,124,639	7,484,909,773
Other reserve	18	3,667,791,039	3,652,517,157
Retained earnings	19	4,098,883,468	4,811,589,856
Total Liabilities and Shareholders' Equity		409,085,360,391	410,316,706,779

AB Bank Limited
Balance Sheet
As at 31 December 2022

	Notes	31.12.2022 Taka	31.12.2021 Taka
Off-Balance Sheet Items			
Contingent liabilities	20	51,667,743,668	42,322,775,528
Acceptances and endorsements		8,065,947,969	9,164,910,843
Letters of guarantee	20.1	14,285,640,393	14,218,055,620
Irrevocable letters of credit		6,949,812,040	9,365,430,608
Bills for collection		7,429,324,563	9,360,524,214
Other contingent liabilities		14,937,018,703	213,854,243
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		51,667,743,668	42,322,775,528

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



Tarique Afzal
President & Managing Director



Md. Eskandar Miah
Independent Director



Shafiqul Alam
Independent Director



Khairul Alam Choudhury
Chairman

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

Dhaka,
30 April 2023

Signed for & on behalf of
ACNABIN
Chartered Accountants



Md Moniruzzaman FCA
Partner
ICAB Enrollment No. 787
DVC: 2304300787AS719317

AB Bank Limited
Profit and Loss Account
For the year ended 31 December 2022

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
Coupon payment for Perpetual Bonds

Retained surplus

Earnings Per Share (EPS)

Notes	2022 Taka	2021 Taka
22	21,455,624,090	20,384,114,425
23	(17,073,891,844)	(15,821,971,753)
	4,381,732,245	4,562,142,671
24	4,015,765,616	5,463,219,963
25	2,664,287,768	1,666,143,721
26	418,902,916	152,017,959
	7,098,956,300	7,281,381,643
	11,480,688,545	11,843,524,315
27	3,134,167,707	3,048,690,830
28	624,962,498	612,620,578
29	23,687,189	10,102,950
30	99,621,626	91,831,750
31	126,798,999	115,197,027
27.1	18,958,549	16,341,129
32	1,772,449	1,995,463
33	2,857,078	3,806,081
34	716,542,206	664,598,158
35	1,249,465,558	1,145,481,825
	5,998,833,861	5,710,665,792
	5,481,854,684	6,132,858,523
36	2,146,178,398	3,790,345,179
37	506,247,806	450,398,805
38	80,500,000	85,815,033
	2,732,926,204	4,326,559,017
	2,748,928,481	1,806,299,506
	2,071,689,766	1,164,914,966
	2,075,375,711	2,079,036,895
	(3,685,946)	(914,121,930)
	677,238,715	641,384,540
	535,933,103	341,379,078
	6,772,387	6,413,845
	351,368,346	-
	894,073,836	347,792,924
	(216,835,121)	293,591,616
40	0.79	0.75

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



Tarique Afzal

President & Managing Director



Md. Eskandar Miah

Independent Director



Shafiqul Alam

Independent Director



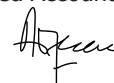
Khairul Alam Choudhury

Chairman

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

Dhaka,
30 April 2023

Signed for & on behalf of
ACNABIN
Chartered Accountants



Md Moniruzzaman FCA
Partner

ICAB Enrollment No. 787
DVC: 2304300787AS719317

AB Bank Limited

Cash Flow Statement

For the year ended 31 December 2022

	Notes	2022 Taka	2021 Taka
Cash flows from Operating Activities			
Interest receipts		16,164,247,869	12,982,500,286
Interest payments		(16,773,525,772)	(16,146,267,285)
Dividend receipts		477,321,497	229,179,842
Fees and commission receipts		1,409,011,169	1,258,302,852
Recoveries on loans previously written off		354,617,876	56,589,943
Payments to employees		(3,153,126,256)	(3,065,031,959)
Payments to suppliers		(126,798,999)	(115,197,027)
Income taxes paid		(1,874,135,760)	(1,814,495,333)
Receipts from other operating activities	41	5,685,926,938	5,707,986,253
Payments for other operating activities	42	(2,447,397,672)	(2,310,184,832)
Operating loss before changes in operating assets & liabilities		(283,859,112)	(3,216,617,260)
Increase/decrease in operating assets and liabilities			
Loans and advances to customers		(17,959,152,113)	(8,473,659,356)
Other assets		1,039,364,662	110,905,981
Deposits from other banks		1,760,969,742	842,550,394
Deposits from customers		16,263,371,842	7,134,964,354
Trading liabilities (short-term borrowings)		(17,383,748,836)	9,634,498,543
Other liabilities		(861,740,156)	(3,025,134,699)
		(17,140,934,860)	6,224,125,218
Net cash (used in)/flow from operating activities (a)		(17,424,793,972)	3,007,507,958
Cash Flows from Investing Activities			
Sale of government securities		14,061,357,478	997,491,616
Purchase of trading securities, shares, bonds, etc.		(644,644,776)	(2,506,936,680)
(Purchase)/sale of fixed assets incl. premises, furniture and fixtures		(176,856,859)	2,099,776,246
Net cash flow from investing activities (b)		13,239,855,843	590,331,183
Cash Flows from Financing Activities			
(Decrease)/Increase of long-term borrowings		(2,010,740,864)	3,549,844,100
Dividend paid including coupon payment of perpetual bond		(519,257,430)	(480,587)
Net cash (used in) / flow from Financing activities (c)		(2,529,998,294)	3,549,363,513
Net decrease in cash (a+b+c)		(6,714,936,422)	7,147,202,654
Effects of exchange rate changes on cash and cash equivalents		(827,921,179)	29,322,754
Cash and cash equivalents at beginning of the year		34,972,036,653	27,795,511,245
Cash and cash equivalents at end of the year (*)		27,429,179,051	34,972,036,653
(*) Cash and cash equivalents:			
Cash		1,726,804,079	1,289,810,932
Prize bonds		1,527,700	1,904,100
Money at call and on short notice		1,929,552,107	4,351,147,108
Balance with Bangladesh Bank and its agent bank(s)		18,940,735,899	21,489,647,407
Balance with other banks and financial institutions		4,830,559,265	7,839,527,106
		27,429,179,051	34,972,036,653
Net Operating Cash Flow Per Share (NOCFPS)	45	(20.24)	3.49

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



Tarique Afzal

President & Managing Director



Md. Eskandar Miah

Independent Director



Shafiqul Alam

Independent Director



Khairul Alam Choudhury

Chairman

Dhaka,
30 April 2023

AB Bank Limited
Statement of Changes in Equity


For the year ended 31 December 2022

Particulars	(Amount in Taka)					
	Paid-up capital	Statutory reserve	General reserve	Assets revaluation reserve	Investment revaluation reserve	Retained earnings
Balance at 01 January 2022	8,358,386,710	7,484,909,773	2,852,199,200	758,171,036	42,146,921	4,811,589,856
Bonus share issued for 2021	250,751,600	-	-	-	-	(250,751,600)
Cash Dividend paid for 2021	-	-	-	-	-	(167,167,734)
Net profit after taxation for the year	-	-	-	-	-	677,238,715
Addition/(Adjustment) made during the year	-	535,933,103	-	(17,129)	15,291,011	(920,027,660)
Foreign exchange rate fluctuation	-	29,281,763	-	-	-	(51,998,109)
Balance at 31 December 2022	8,609,138,310	8,050,124,639	2,852,199,200	758,153,907	57,437,932	4,098,883,468
						24,307,403,496

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
Bonus share issued 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

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


Tarique Afzal
President & Managing Director


Shafiqul Alam
Independent Director


Khairul Alam Choudhury
Chairman

Dhaka,
30 April 2023

AB Bank Limited


Liquidity Statement

Analysis of Maturity of Assets and Liabilities

As at 31 December 2022

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	8,177,368,806	-	-	-	12,490,171,172
Balance with other banks and financial institutions	4,540,535,266	290,024,000	-	-	4,830,559,266
Money at call and on short notice	290,511,775	1,627,295,927	11,744,405	-	1,929,552,107
Investments	823,433,052	5,351,901,634	2,972,866,924	22,089,294,903	20,575,277,765
Loans, advances and lease/investments	35,051,953,900	87,523,799,034	135,236,268,008	43,086,698,813	11,169,429,766
Fixed assets including premises, furniture and fixtures	-	-	-	-	3,249,162,881
Other assets	1,230,483,681	1,250,003,209	4,890,412,731	4,851,959,236	1,970,591,670
Non-banking assets	-	-	-	334,171,836	-
Total Assets	50,114,286,480	96,043,023,804	143,111,292,068	70,362,124,788	49,454,633,254
Liabilities					
Borrowing from Bangladesh Bank, other banks, financial institutions and agents	5,935,242,939	2,189,713,347	6,972,112,950	1,659,510,869	5,491,138,679
Deposit and other accounts	37,528,765,173	82,674,210,062	149,794,910,252	44,169,176,286	2,530,207,536
Provision and other liabilities	1,517,890,524	1,001,235,612	1,135,564,827	6,624,639,548	35,435,104,330
Total Liabilities	44,981,898,636	85,865,159,022	157,902,588,029	52,453,326,703	43,456,450,544
Net liquidity excess/(shortage)	5,132,387,844	10,177,864,783	(14,791,295,960)	17,908,798,086	5,998,182,710
384,659,422,934					24,425,937,456

For and on behalf of the Board of Directors of AB Bank Limited


Tarique Afzal
 President & Managing Director


Shafiqul Alam
 Independent Director


Khairul Alam Choudhury
 Chairman

Dhaka,
 30 April 2023

AB Bank Limited

Notes to the Financial Statements

For the year ended 31 December 2022

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, 2022 in accordance with the measurement and recognition requirements of International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs) as adopted in Bangladesh.

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 2022.

AB Bank Limited
Notes to the Financial Statements
For the year ended 31 December 2022

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 2022 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 Bank 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 2022

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 2022 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.

AB Bank Limited
Notes to the Financial Statements
For the year ended 31 December 2022

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 2022.
- 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 2022

- 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 letter # 53 dated 30.12.2021 and BRPD Circular letter # 53 dated 22.12.2022 and other circulars and instructions issued by Bangladesh Bank from time to time. 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%
	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 2022

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
For the year ended 31 December 2022

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 3,620 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), at least 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.

AB Bank Limited
Notes to the Financial Statements
For the year ended 31 December 2022

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 2022

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 2022 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.

AB Bank Limited

Notes to the Financial Statements

For the year ended 31 December 2022

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

by geographical location and segment business											(Amount in Crore)				
Particulars	AB Bank Limited					Subsidiaries									
	Inside Bangladesh				Mumbai Branch, India	Total	Inside Bangladesh			AB Int. Finance Ltd. (Hong Kong)	AB Bank and it's subsidiaries				
	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	2,109.85	47.41	-	15.56	4.94	2,145.56	11.72	1.85	0.25	6.90	2,163.97				
Int. paid on deposits & borrowings, etc.	1,667.43	45.59	23.58	2.01	0.76	1,707.39	-	0.89	-	2.09	1,708.06				
Net interest income	442.42	1.82	(23.58)	13.55	4.18	438.17	11.72	0.95	0.25	4.82	455.91				
Investment income	377.71	1.95	17.94	-	3.98	401.58	4.93	2.15	-	-	397.64				
Commission, exchange and brokerage	231.64	0.09	-	(0.01)	34.71	266.43	4.62	9.50	-	7.06	287.47				
Other operating income	41.66	0.02	-	-	0.21	41.89	1.03	0.44	-	7.04	49.49				
Total operating income	1,093.42	3.89	(5.65)	13.54	43.08	1,148.07	22.30	13.05	0.25	18.92	1,190.50				
Operating Expenses															
Salary and allowances	311.42	1.78	-	0.32	1.79	315.31	3.64	4.48	-	3.23	326.66				
Rent, taxes, insurance, electricity, etc.	60.35	0.10	0.00	0.00	2.04	62.50	0.26	0.33	-	0.93	63.11				
Legal expenses	2.36	-	-	-	0.00	2.37	-	0.01	0.00	0.03	2.41				
Postage, stamps, telecom., etc.	9.41	0.02	-	0.00	0.52	9.96	0.08	0.17	0.00	1.26	11.47				
Stationery, printing, advertisement, etc.	12.50	0.07	-	0.01	0.10	12.68	0.04	0.07	-	0.02	12.81				
Directors' fees	0.16	0.01	-	-	-	0.18	0.03	0.04	0.02	0.05	0.31				
Auditors' fees	0.19	-	-	-	0.10	0.29	0.02	0.01	0.00	0.06	0.37				
Depreciation & repairs of Bank's assets	71.08	0.11	-	0.00	0.47	71.65	1.77	0.78	-	0.04	74.25				
Other expenses	108.55	1.07	0.32	0.03	14.97	124.95	0.89	1.51	0.01	0.11	127.32				
Total operating expenses	576.04	3.16	0.32	0.37	20.00	599.88	6.72	7.40	0.03	5.73	618.70				
Profit before provision	517.38	0.73	(5.97)	13.18	23.09	548.19	15.57	5.65	0.21	13.20	571.80				
Provision against loans and advances						214.62					221.49				
Provision for investments						50.62					57.63				
Other provisions						8.05					8.05				
Total provision						273.29					287.16				
Profit before taxation						274.89					284.63				
Provision for taxation						207.17					213.20				
Net profit after taxation						67.72					71.44				

AB Bank Limited

Notes to the Financial Statements

For the year ended 31 December 2022

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	2,041.84	24.51	-	-	0.41	2,066.75	0.00	0.00	0.00	0.03	2,066.79	
Balance with other banks & fin.institution	235.94	40.18	-	3.70	211.74	483.06	12.52	90.59	4.54	3.46	551.51	
Money at call and on short notice	1,063.54	-	-	100.71	69.94	192.96	-	-	-	-	92.24	
Investments	4,543.26	47.52	322.45	199.52	68.54	5,181.28	51.93	13.47	-	-	5,246.68	
Loans and advances	29,742.50	689.42	-	725.72	77.15	31,206.81	728.10	73.64	-	123.93	32,041.07	
Fixed assets	319.70	1.13	-	-	0.64	324.92	49.37	0.76	-	0.01	375.06	
Other assets	2,579.45	16.23	44.07	0.06	25.43	1,419.35	56.32	10.56	3.50	5.58	847.95	
Non-banking assets	33.42	-	-	-	-	33.42	-	-	-	-	33.42	
Total Assets	40,559.64	819.00	366.52	1,029.72	453.84	40,908.54	898.25	189.02	8.03	133.00	41,254.71	
LIABILITIES AND CAPITAL												
Liabilities												
Borrowings from other banks, financial institutions and agents	2,572.99	76.34	-	1,041.37	-	2,224.77	75.65	15.76	-	100.13	2,224.77	
Deposits and other accounts	30,692.77	704.45	0.00	1.78	278.71	31,669.73	-	-	-	-	31,626.92	
Other liabilities	4,592.56	38.21	363.90	23.23	16.04	4,571.44	138.25	120.91	0.00	8.37	4,825.70	
Total Liabilities	37,858.32	819.00	363.90	1,066.38	294.76	38,465.94	213.90	136.66	0.00	108.50	38,677.39	
Total Shareholders' Equity	2,701.32	-	2.62	(36.66)	159.08	2,442.59	684.35	52.35	8.03	24.50	2,576.09	
Non-controlling interest	-	-	-	-	-	-	-	-	-	-	1.23	
Total Liabilities & Shareholders' Equity	40,559.64	819.00	366.52	1,029.72	453.84	40,908.54	898.25	189.02	8.03	133.00	41,254.71	

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.

AB Bank Limited
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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.

SI no.	Issues	IAS/IFRS	Bangladesh Bank
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**

For the year ended 31 December 2022

Sl no.	Issues	IAS/IFRS	Bangladesh Bank
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 debtors fail 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.

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 2022 to 31 December 2022
2	Off Shore Banking Unit	01 January 2022 to 31 December 2022
3	Mumbai Branch, India	01 January 2022 to 31 December 2022
4	AB Investment Limited	01 January 2022 to 31 December 2022
5	AB Securities Limited	01 January 2022 to 31 December 2022
6	Cashlink Bangladesh Limited	01 January 2022 to 31 December 2022
7	AB International Finance Limited	01 January 2022 to 31 December 2022
8	Arab Bangladesh Bank Foundation	01 January 2022 to 31 December 2022

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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 2021 & Jan-Sep 2022	December 26, 2022	AA-	ST-2
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

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 occurs between the end of the reporting period and the date when the financial statements are authorized 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 parents;
 - 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, Barrister-at-law	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	16,939,851

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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	756,515,861
02	AB Securities Limited	99.91% owned Subsidiary	Loans and advances	157,599,191
03	AB International Finance Limited	Fully owned (100%) Subsidiary	Placement through OBU	1,007,145,750
Total loans/placement to subsidiary				1,921,260,802

d) **Key Management personnel compensation**

Transactions with Key Management personnel of the Bank for the period January – December 2022 is given below:

Particulars	Amount Tk
Short-term employee benefit	130,060,616
Post-employment benefits	-
Other long-term employee benefits	-
Termination benefits	-

Key Management personnel includes President and Managing Director, 04 nos. Deputy Managing Director including Chief Financial Officer, 08 nos Senior Executive Vice President, Company Secretary and Head of Internal Control & Compliance Division.

Key management personnel get 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 31.12.2022 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
4	Mr. Md. Eskandar Miah	Independent Director	Member	Since October 27, 2022	MSS in Economics

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

ii) Meeting held with Audit Committee

During the year 2022, the Audit Committee conducted 07 (seven) meeting in which, among others, focused on the following activities (not an exhaustive test):

- Reviewed Internal Audit Plan for the year 2022
- 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.
- Reviews quarterly and half-yearly Financial Statements 2022 of the Bank.
- Reviewed significant internal audit findings and advised corrective actions.

AB Bank Limited

Notes to the Financial Statements

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- 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	Mr. Justice Siddiqui Rahman Miah	Chairman	L.L.B, Dhaka University. President of Governing body, Islamic Foundation Bangladesh. Former Justice (Appellate Division) Bangladesh Supreme Court and Chairman, DSE.
2	Mr. Tarique Afzal, President & Managing Director , ABBL	Vice-Chairman	Masters of Business Administration - MBA (Major: Finance & Marketing), Victoria University, Melbourne, Australia
3	Mr. Kaiser A. Chowdhury	Member	Masters of Arts (Economics), Dhaka University
4	Mr. Feroz Ahmed, Director, AB Bank Ltd.	Member	B.Com (Hons.) Accounting, Chittagong University
5	Mr. Najmul Ehsan, Chief of Credit Review and Process Management, AB Bank Ltd.	Member	MBA, Institute of Business Administration, Dhaka University
6	Mr. Iftekhar Enam Awal, Head of Business	Member	M. Com.(Finance), Dhaka University
7	Mr. Moulana Muhammad Musa	Member-Secretary	Prominent author and research Scholar of Quran & Hadith. Kamil, Madrasah Edu. Board, B.Com (Hons) M.Com, Rajshahi University,

During the year 2022, 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 2022, are:

- Reviewing the Yearly Shariah Audit Report (January-December, 2021) of Islami Banking Branch and its observations.
- Approving the Final Accounts, 2021 of Islami Banking Branch.
- Approving the Annual Report of Shariah Supervisory Committee for the year 2021 on Islamic banking operation of the Bank.
- Approved the Branding for AB Bank Islamic Banking Operation in the name as "Ahlan"
- Expansion of Islamic Banking activities through window operations.

AB Bank Limited

Notes to the Financial Statements

For the year ended 31 December 2022

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	Global Vision CPA Limited Certified Public 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 has Signed MOU with ICAB and got the master access on the DVS on July 28, 2022. In 2022 the bank has checked 37% of total loan using the DVS tools.

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 Bank Company 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 2022 has been authorized by the Board of Directors as on 30 April 2023.

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.
- 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.

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Notes to the Financial Statements

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		31.12.2022 Taka	31.12.2021 Taka
3. Cash			
Cash in hand	(Note 3.1)	1,726,804,079	1,289,810,932
Balance with Bangladesh Bank and its agent bank(s)	(Note 3.2)	18,940,735,899	21,489,647,407
		20,667,539,978	22,779,458,339
3(a) Consolidated Cash			
AB Bank Limited		20,667,539,978	22,779,458,339
AB Investments Limited		25,000	25,000
AB International Finance Limited		287,235	120,042
AB Securities Limited		12,522	17,096
Cashlink Bangladesh Limited (CBL)		6,954	6,019
		20,667,871,690	22,779,626,496
3.1 Cash in hand			
In local currency		1,704,473,030	1,255,130,723
In foreign currency		22,331,050	34,680,209
		1,726,804,079	1,289,810,932
3.1(a) Consolidated Cash in hand			
AB Bank Limited		1,726,804,079	1,289,810,932
AB Investments Limited		25,000	25,000
AB International Finance Limited		287,235	120,042
AB Securities Limited		12,522	17,096
Cashlink Bangladesh Limited (CBL)		6,954	6,019
		1,727,135,791	1,289,979,089
3.2 Balance with Bangladesh Bank and its agent bank(s)			
Balance with Bangladesh Bank			
In local currency		15,720,873,458	17,879,065,521
In foreign currency		2,800,610,324	3,254,015,241
		18,521,483,782	21,133,080,763
Sonali Bank Limited		419,252,117	356,566,644
(as an agent bank of Bangladesh Bank) - local currency		18,940,735,899	21,489,647,407
3.2.1 Balance with Bangladesh Bank- local currency			
Balance as per Bank Ledger		15,720,873,458	17,879,065,521
Unresponded debit entries		14,273,823	22,766,388
Bangladesh Bank statement		13,780,757	22,467,440
AB Bank's ledger		493,066	298,948
Unresponded credit entries		219,123,057	4,613,915
Bangladesh Bank statement		215,311,176	4,613,915
AB Bank's ledger		3,811,881	-
Balance as per Bangladesh Bank Statement		15,925,722,692	17,860,913,048

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 2022 is given below:

Year of Unreconciliation	Number of unresponded entry		Unresponded BDT	
	Debit	Credit	Debit	Credit
Less than 3 months	6	8	13,973,823	219,123,057
3 months to less than 6 months	-	-	-	-
6 months to less than 12 months	-	-	-	-
12 months and more	1	-	300,000	-
Total	7	8	14,273,823	219,123,057

AB Bank Limited
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3.2.2 Balance with Bangladesh Bank-foreign currency

	31.12.2022 Taka	31.12.2021 Taka
Balance as per Bank Ledger	2,800,610,324	3,254,015,241
Unresponded debit entries	-	-
Bangladesh Bank statement	-	-
AB Bank's ledger	-	-
Unresponded credit entries	9,260,755	73,763,840
Bangladesh Bank statement	1,945,894	71,759,717
AB Bank's ledger	7,314,860	2,004,122
Balance as per Bangladesh Bank Statement	2,809,871,078	3,327,779,081

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 2022 is given below:

Period of unreconciliation	Number of unresponded entry		Unresponded BDT	
	Debit	Credit	Debit	Credit
Less than 3 months	-	9	-	9,260,755
3 months to less than 6 months	-	-	-	-
6 months to less than 12 months	-	-	-	-
12 months and more	-	-	-	-
Total	-	9	-	9,260,755

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

AB Bank Limited	18,940,735,899	21,489,647,407
AB Investments Limited	-	-
AB International Finance Limited	-	-
AB Securities Limited	-	-
Cashlink Bangladesh Limited (CBL)	-	-
	18,940,735,899	21,489,647,407

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.

	31.12.2022 Taka	31.12.2021 Taka
i. Daily position as on the reporting date		
Required reserve	12,248,798,960	11,158,289,055
Actual reserve maintained	15,670,959,659	17,589,309,366
Surplus	3,422,160,699	6,431,020,311

As per Bank ledger, balance with Bangladesh Bank (local currency) is BDT 15,479,501,246. while as per Bangladesh Bank Statements balance is BDT 15,670,959,659. Difference between the balance as per Bank Ledger and as per the Bangladesh Bank Statement is properly reconciled and adjusted accordingly.

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	31.12.2022 Taka	31.12.2021 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)	208,229,582,320	189,690,913,935
Actual reserve maintained	224,646,227,376	204,566,811,328
Surplus	16,416,645,056	14,875,897,393
(b) Statutory Liquidity Ratio (SLR)		
Required reserve (13% of total time & demand liabilities)	39,809,786,250	36,265,447,270
Actual reserve maintained	43,808,148,257	60,323,920,093
Total surplus	3,998,362,007	24,058,472,823
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 @ 5.12% and @ 14.31% respectively at the year end.		
(c) Components of Statutory Liquidity Ratio (SLR)		
Cash in hand	1,718,992,057	1,281,111,166
Balance with Sonali Bank	419,252,117	356,566,644
HTM Securities	29,158,588,438	37,086,534,652
HFT Securities	8,933,844,945	15,013,377,320
Other Eligible Securities	155,310,000	155,310,000
Excess Reserve of CRR	3,422,160,699	6,431,020,311
	43,808,148,257	60,323,920,093

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 2018) 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	229,083,000	257,903,000
Actual reserve maintained	243,763,034	260,603,682
Surplus	14,680,034	2,700,682
(b) Statutory Liquidity Ratio (SLR)		
Total required reserve	314,989,000	354,617,000
Total actual reserve held	475,190,000	522,588,000
Total surplus	160,201,000	167,971,000

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 Bank Company Act 1949, Section 42 (2) of the RBI Act 1934 and RBI circular nos. DBOD. No.Ret. BC.24/12.01.001/2015-16.

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	31.12.2022 Taka	31.12.2021 Taka
<p>The statutory cash reserve ratio is required on the Bank's time and demand liabilities at the rate of 4.00% for 31.12.2021 & 4.50 % for 31.12.2022 and has been calculated and maintained with RBI in current account while statutory liquidity ratio of 18.00% for 31.12.2021 & 18.00% for 31.12.2022 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:</p>		
(a) Cash Reserve Ratio (CRR)		
Required reserve	9,896,173	7,597,390
Actual reserve maintained	75,704,662	78,260,139
Surplus	85,600,835	70,662,749
(b) Statutory Liquidity Ratio (SLR)		
Required reserve	386,125,480	381,067,488
Actual reserve maintained	863,871,375	880,892,166
Surplus	477,745,895	499,824,678
Total required reserve	396,021,653	388,664,878
Total actual reserve held	939,576,038	959,152,305
Surplus	543,554,384	570,487,427
4. Balance with other banks and financial institutions		
In Bangladesh (Note: 4.1)	525,610,648	649,801,976
Outside Bangladesh (Note: 4.2)	4,304,948,618	7,189,725,129
	4,830,559,266	7,839,527,106
4(a) Consolidated balance with other banks and financial institutions		
In Bangladesh	1,187,972,612	1,123,970,264
Outside Bangladesh (Nostro Accounts)	4,327,150,465	7,193,370,410
	5,515,123,076	8,317,340,674
4.1 In Bangladesh		
Current Deposits		
Agrani Bank Ltd., Bhairab Bazar Branch	534	534
Agrani Bank Ltd., Local Office, Dhaka	24,885	24,885
Agrani Bank Ltd., Mymensingh Branch	-	6,310
Agrani Bank Ltd., Shaheb Bazar Branch, Rajshahi	5,000	5,000
Agrani Bank Ltd., Thana Road Branch, Bogura	58,242	58,242
Islami Bank Bangladesh Ltd., Local Office	17,277	17,277
Janata Bank Ltd., Chapai Nawabganj Branch	6,814	5,341
Janata Bank Ltd., Corporate Branch, Bogura	381	4,201
Janata Bank Ltd., Jessore Branch	1,845	2,535
Janata Bank Ltd., Rajshahi Branch	5,000	5,000
Janata Bank Ltd., Rangpur Branch	1,598,027	25,868,457
Janata Bank Ltd., Sirajgonj Branch	27	487
Premier Bank Ltd., Motijheel Branch	66,839,454	-
RAKUB, Bogura Branch	5,166	6,029
Rupali Bank Ltd., Bogura Branch	5,260	5,260
Rupali Bank Ltd., Rajshahi Branch	11,264	11,310
Rupali Bank Ltd., Rangpur Branch	284,175	324,865
Standard Chartered Bank, Dhaka City Centre Branch	-	44,274,408
Trust Bank Ltd., Mymensingh Branch	15,096	30,786
	68,878,445	70,650,924

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

For the year ended 31 December 2022

Special Notice Deposits

	31.12.2022 Taka	31.12.2021 Taka
Agrani Bank Ltd., Barisal Branch	73,746	77,895
Agrani Bank Ltd., Bogra Branch	7,530	7,530
Agrani Bank Ltd., Jessore Branch	26,606	34,606
Agrani Bank Ltd., Jhikargachha Branch	30,030,055	18,098,360
Agrani Bank Ltd., Moulvi Bazar Branch	61,468	561,118
Agrani Bank Ltd., Naogaon Branch	24,612	3,524,612
Agrani Bank Ltd., Pabna Branch	1,000	1,000
Agrani Bank Ltd., Principal Branch, Dhaka	3,467,847	3,224,202
Agrani Bank Ltd., Rangpur Branch	19,756,806	304,634
Agrani Bank Ltd., Saidpur Branch	850	-
Agrani Bank Ltd., Satkhira Branch	753,619	2,929,818
Agrani Bank Ltd., Sir Iqbal Road, Khulna Br.	5,544	21,644
Agrani Bank Ltd., Sirajgonj Branch	80,788	3,585,402
Agrani Bank Ltd., VIP Road Branch, Sylhet	4,985	4,887
Al-Arafah Islami Bank Ltd, Dilkusha Branch	59,779	2,557,218
Bangladesh Krishi Bank, Barisal Branch	12,523	6,729
Bank Alfalah Ltd, Main Branch, Dhaka	15,250	16,378
Bank Asia Ltd., Islami Banking Window, Shantinagar Branch	39,378	39,699
First Security Islami Bank Ltd, Dilkusha Br.	483,059	469,878
Islami Bank Bangladesh Ltd., Head Office Complex Corp. Br.	604,333	594,788
Janata Bank Ltd., Barisal Branch	80,718	78,752
Janata Bank Ltd., Pabna Branch	1,000	1,000
Shahjalal Islami Bank Ltd, Dhaka Main Branch	12,650	12,485
Standard Chartered Bank, Dhaka City Centre Branch	-	1,038,033
The City Bank Ltd, Islamic Banking Br, Paltan, Dhaka	357,088	353,772
Agrani Bank Ltd., Islami Banking Window, Amin Court	283,694	316,501
EXIM Bank Ltd, Motijheel Branch	217,026	214,402
Jamuna Bank Ltd., Islami Banking Br, Nayabazar	6,041	7,130
Premier Bank Ltd., Islami Banking Br, Mohakhali	719,252	708,282
Pubali Bank Ltd., Islamic Branch, 26 Dilkusha, Dhaka	32,459	33,009
Southeast Bank Ltd., Islami Banking Br, Motijheel	52,688	53,353
Union Bank Ltd., Dilkusha Branch	214,556	193,926
	57,486,948	39,071,043

Savings Deposits

Social Islamic Bank Ltd. Principal Branch	9,217,159	51,683
ICB Islamic Bank Ltd., Principal Br, Motijheel	4,096	4,326
	9,221,255	56,009

Fixed Deposits

Hajj Finance Company Ltd.	35,014,000	35,014,000
Phoenix Finance and Investment Ltd.	230,000,000	230,000,000
Exim Bank Ltd.	-	-
Union Capital Ltd.	125,010,000	125,010,000
IDLC Finance Ltd.	-	-
IIDFC	-	-
IPDC Finance Ltd.	-	-
Islami Finance Ltd.	-	150,000,000
BD Finance Ltd.	-	-
	390,024,000	540,024,000
	525,610,648	649,801,976

AB Bank Limited
Notes to the Financial Statements
For the year ended 31 December 2022

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
Nabil Bank Limited
Habib America Bank
Commerz Bank AG
Habib Metro Bank
Commerz Bank CAD
Commerz Bank CHF
JPMC NY
Commerz Bank AG
Reserve Bank of India
HDFC Bank CSGL
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
Zhei Chou Commercial Bank Co. Ltd.

	31.12.2022 Taka	31.12.2021 Taka
	525,610,648	649,801,976
	125,210,863	179,791,111
	-	-
	905,891,350	538,521,369
	45,354,290	47,239,890
	1,602,067,150	1,415,354,346
	414,094,538	291,384,083
	1,187,972,612	1,123,970,264
	6,428,747	2,532,815
	103,297	85,800
	793,127,357	1,533,804,047
	1,406,729	4,168,721
	42,352	35,178
	52,130,559	260,404,066
	4,470,621	3,777,748
	33,932,589	2,153,873
	4,702,775	3,906,193
	1,213,735,046	3,042,966,241
	229,087	2,823,657
	115,197,543	93,648,589
	3,323,763	3,458,743
	821,583	8,560,438
	3,117,961	940,232
	2,727,758	3,211,627
	35,334,915	303,950,826
	1,541,493	1,378,039
	75,704,734	78,259,965
	9,822,447	4,917,674
	93,105,898	269,578,238
	10,551,731	16,511,321
	28,273,731	968,126
	1,813,941,858	1,536,826,908
	-	8,049,967
	-	16,381
	-	2,789,715
	1,174,046	-
	4,304,948,618	7,189,725,129

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

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AB Bank Limited
Notes to the Financial Statements
For the year ended 31 December 2022

	31.12.2022 Taka	31.12.2021 Taka
4.2.a Consolidated Outside Bangladesh (Nostro Accounts)		
AB Bank Limited	4,304,948,618	7,189,725,129
AB Investment Limited	-	-
AB International Finance Limited	34,609,250	4,037,054
AB Securities Limited	-	-
Cashlink Bangladesh Limited (CBL)	-	-
	4,339,557,868	7,193,762,184
<u>Less: Inter company transactions</u>	12,407,403	391,774
	4,327,150,465	7,193,370,410
4.3 Account-wise/grouping of balance with other banks and FIs		
Current deposits	4,373,827,063	7,260,376,054
Savings deposits	9,221,255	56,009
Short-Notice Deposits	57,486,948	39,071,043
Fixed deposits	390,024,000	540,024,000
	4,830,559,266	7,839,527,106
4.4 Maturity grouping of balance with other banks		
Repayable – on demand	4,440,535,266	7,260,376,054
– up to 3 months	390,024,000	579,151,052
– over 3 months but below 1 year	-	-
– over 1 year but below 5 years	-	-
– over 5 years	-	-
	4,830,559,266	7,839,527,106
5. Money at call and on short notice		
In Bangladesh	-	2,870,000,000
Outside Bangladesh	1,929,552,107	1,481,147,108
	1,929,552,107	4,351,147,108
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
South Bangla Agriculture & Commerce Bank Limited	-	530,000,000
The City Bank Limited	-	490,000,000
Community Bank Bangladesh Limited	-	200,000,000
	-	2,870,000,000
<u>Foreign Currency:</u>	-	-
<u>With non-banking financial institutions</u>	-	-
	-	2,870,000,000
<u>At short notice</u>	-	-

AB Bank Limited
Notes to the Financial Statements

For the year ended 31 December 2022

	31.12.2022 Taka	31.12.2021 Taka
On calls and placements		
IFIC Bank Limited	-	1,000,000,000
NRB Commercial Bank Limited	-	650,000,000
South Bangla Agriculture & Commerce Bank Limited	-	530,000,000
The City Bank Limited	-	490,000,000
Community Bank Bangladesh Limited	-	200,000,000
	-	2,870,000,000
5.2 Outside Bangladesh		
AB International Finance Limited	1,007,145,750	1,256,541,000
Commerz Bank, AG	-	23,371,893
Commerzbank AG CHF	223,031,246	178,222,280
SVC Bank	62,404,925	-
Qata National Bank	62,404,925	-
Kotak Mahindra Bank	262,100,684	-
HDFC Bank Limited	312,464,577	23,011,935
	1,929,552,107	1,481,147,108
5(a) Consolidated money at call and on short notice		
AB Bank Limited	1,929,552,107	4,351,147,108
AB Investment Limited	-	-
AB International Finance Limited	-	-
AB Securities Limited	-	-
Cashlink Bangladesh Limited (CBL)	-	-
	1,929,552,107	4,351,147,108
Less: Inter-group transaction	(1,007,145,750)	(1,256,541,000)
	922,406,358	3,094,606,108
6. Investments	51,812,774,278	65,214,572,370
Nature wise (Bangladesh operation)		
Held for Trading	8,933,844,945	15,013,377,320
Held to Maturity	29,158,588,438	37,085,122,531
Other Eligible Securities	155,310,000	155,310,000
Others	12,879,678,138	12,429,878,737
	51,127,421,522	64,683,688,588
Nature wise (Mumbai branch)		
Held for Trading/Available for Sale	368,182,816	242,111,296
Held to Maturity	317,169,940	288,772,486
Others	-	-
	685,352,757	530,883,782
Claim wise		
Government securities (Note 6.1)	38,724,461,083	52,770,903,951
Other investments (Note 6.2)	13,088,313,195	12,443,668,419
	51,812,774,278	65,214,572,370

AB Bank Limited
Notes to the Financial Statements
For the year ended 31 December 2022

		31.12.2022 Taka	31.12.2021 Taka
6 (a) Consolidated investments			
AB Bank Limited		51,812,774,278	65,214,572,370
AB International Finance Limited		-	-
AB Investment Limited		519,327,763	379,619,416
AB Securities Limited		134,737,603	110,473,320
Cashlink Bangladesh Limited (CBL)		-	-
		52,466,839,645	65,704,665,106
6.1 Government securities			
T.Bill-Local-RE.REPO		-	737,244,750
T.Bill		1,541,305,390	3,687,334,698
Treasury bonds		36,551,127,993	47,673,920,403
Bangladesh Government Investment Sukuk		155,310,000	155,310,000
Bangladesh Bank Islami Investment bonds		475,190,000	515,190,000
Prize bonds		1,527,700	1,904,100
		38,724,461,083	52,770,903,951
6.1.1 Maturity wise Treasury Bonds			
(a) 30 Days Bangladesh Bank Bill		-	-
(b) Treasury Bill			
(i) 91 Days Treasury Bill		-	-
(ii) 182 Days Treasury Bill		338,788,800	949,756,799
(iii) 364 Days Treasury Bill		1,202,516,590	2,737,577,899
Total Treasury Bill		1,541,305,390	3,687,334,698
Treasury Bond			
(i) 02 Years Treasury Bond		1,622,779,060	4,747,677,036
(ii) 05 Years Treasury Bond		5,342,597,035	8,101,761,078
(iii) 10 Years Treasury Bond		13,711,177,059	18,620,257,343
(iv) 15 Years Treasury Bond		8,758,910,976	9,126,090,975
(v) 20 Years Treasury Bond		7,115,663,863	7,078,133,971
Total Treasury Bond		36,551,127,992	47,673,920,403
6.1(a) Consolidated Government securities			
AB Bank Limited		38,724,461,083	52,770,903,951
AB Investment Limited		-	-
AB International Finance Limited		-	-
AB Securities Limited		-	-
Cashlink Bangladesh Limited (CBL)		-	-
		38,724,461,083	52,770,903,951
6.2 Other investments			
Shares	(Note 6.2.1)	5,307,774,752	5,355,554,205
Bond	(Note 6.2.2)	5,100,000,000	4,900,000,000
Pinnacle Global Fund Pte Limited	(Note 6.2.3)	1,995,185,687	1,657,230,432
		12,402,960,438	11,912,784,637
Investments -ABBL, Mumbai branch			
Treasury bills		685,352,757	530,883,782
		685,352,757	530,883,782
		13,088,313,195	12,443,668,419

AB Bank Limited

Notes to the Financial Statements

For the year ended 31 December 2022

	31.12.2022 Taka	31.12.2021 Taka
6.2 (a) Consolidated other investments		
AB Bank Limited	13,088,313,195	12,443,668,419
AB Investment Limited	519,327,763	379,619,416
AB International Finance Limited	-	-
AB Securities Limited	134,737,603	110,473,320
Cashlink Bangladesh Limited (CBL)	-	-
	13,742,378,561	12,933,761,155
6.2.1 Investments in shares		
Quoted (Publicly traded)	4,458,922,707	4,506,702,160
Unquoted	848,852,045	848,852,045
	5,307,774,752	5,355,554,205
6.2.2 Investment in Bonds		
Investment in subordinated bonds	2,400,000,000	3,200,000,000
Investment in perpetual bonds	2,700,000,000	1,700,000,000
	5,100,000,000	4,900,000,000
6.2.2.1 Investment in subordinated bonds		
United Commercial Bank Ltd.	1,650,000,000	2,200,000,000
National Bank Ltd.	750,000,000	1,000,000,000
	2,400,000,000	3,200,000,000
6.2.2.2 Investment in Perpetual bonds		
ONE Bank Limited	1,700,000,000	1,700,000,000
Pubali Bank Limited	1,000,000,000	-
	2,700,000,000	1,700,000,000
6.2.3 Pinnacle Global Fund Pte Limited	1,995,185,687	1,657,230,432
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	6,175,334,686	11,748,941,924
– over 3 months but below 1 year	2,972,866,924	10,521,863,640
– over 1 year but below 5 years	22,089,294,903	20,158,488,834
– over 5 years	20,575,277,765	22,785,277,971
	51,812,774,278	65,214,572,370

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 2022:

Counter party name	Agreement date	Reversal date	Amount (1 st leg cash consideration)
Bangladesh Bank	26/Dec/22	2/Jan/23	5,254,447,378

(ii) Disclosure regarding outstanding Reverse Repo as on 31 December 2022

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

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	-	11,351,210,000	2,033,968,740
ii) with other banks & FIS	-	12,711,000,000	2,836,933,123
Securities purchased under reverse repo:			
i) from Bangladesh Bank	-	-	-
ii) from other banks & FIS	-	3,943,864,831	214,454,295

AB Bank Limited
Notes to the Financial Statements
For the year ended 31 December 2022

	31.12.2022 Taka	31.12.2021 Taka
7. Loans, advances and lease/investments	312,068,149,520	290,459,816,948
7.1 Maturity grouping		
Repayable – on demand	1,726,060,512	1,875,233,294
– upto 3 months	121,164,788,543	109,027,122,915
– over 3 months but below 1 year	134,921,171,886	129,607,866,407
– over 1 year but below 5 years	43,086,698,813	35,271,426,300
– over 5 years	11,169,429,766	14,678,168,032
	312,068,149,520	290,459,816,948
7.2 Broad category-wise breakup excluding bills purchased and discounted		
In Bangladesh		
Loans	293,241,077,481	271,332,345,258
Overdrafts	18,043,083,499	18,463,492,041
Cash credits	-	-
	311,284,160,980	289,795,837,299
Outside Bangladesh: ABBL, Mumbai branch		
Loans	6,370,811	433,367
Overdrafts	-	-
Cash credits	65,862,837	36,532,387
	72,233,648	36,965,755
	311,356,394,628	289,832,803,054
7.3 Product wise loans and advances		
Overdraft	17,082,813,602	18,463,492,041
Cash Credit	65,862,837	36,532,387
Time loan	49,602,721,689	46,018,716,208
Term loan	223,022,752,116	201,230,679,277
Forced loan	7,355,753,354	9,502,031,859
Bills under LC	18,521,469	159,841,103
Trust Receipt	5,745,625,406	6,509,169,095
Packing credit	-	84,345,637
Loan against accepted bills	28,348,649	67,217,235
Loan-EDF	4,531,624,272	3,959,972,733
Consumer Loan	2,742,062,663	2,513,840,193
Staff loan	1,160,308,571	1,286,965,284
Bills purchased & discounted	711,754,892	627,013,894
	312,068,149,520	290,459,816,948
7.4 Net loans, advances and lease/investments-		
Gross loans and advances	312,068,149,520	290,459,816,948
<u>Less:</u>		
Interest suspense	11,773,479,961	13,171,406,144
Provision for loans and advances	27,260,466,185	27,300,595,344
	39,033,946,146	40,472,001,489
	273,034,203,374	249,987,815,460

AB Bank Limited
Notes to the Financial Statements
For the year ended 31 December 2022

	31.12.2022 Taka	31.12.2021 Taka
7.5 Significant concentration		
Advances to industries	190,875,738,492	172,526,938,821
Advances to customer groups	111,679,730,960	108,565,033,686
Advances to allied concerns of Directors	9,512,680,068	9,367,654,391
Advances to Chief Executive	-	190,050
	312,068,149,520	290,459,816,948
7.6 Advances to customers for more than 10% of Bank's total capital		
Total capital of the Bank	36,195,251,975	35,395,189,374
Number of clients	24	25
Amount of outstanding advances	158,288,188,102	145,833,500,000
Amount of classified advances	20,104,126,643	13,228,183,325
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	4,110,490,113	4,277,151,869
Large and medium scale industry	106,307,345,833	98,946,375,201
Working capital	72,606,267,216	67,578,838,524
Export	5,502,836,121	1,653,738,274
Commercial lending	64,321,459,328	59,867,690,218
Small and cottage industry	6,794,908,246	6,324,412,820
Others	52,424,842,663	51,811,610,042
	312,068,149,520	290,459,816,948
7.8 Geographical location-wise (division) distribution		
In Bangladesh		
<u>Urban branches</u>		
Dhaka	228,070,853,119	214,369,570,586
Chattagram	48,285,420,278	42,712,260,227
Khulna	14,271,146,285	13,948,377,342
Sylhet	1,329,336,143	1,214,378,431
Barishal	492,482,467	402,455,835
Rajshahi	5,132,378,415	4,624,973,198
Rangpur	6,157,870,007	5,684,054,408
Mymensingh	4,978,396,856	4,541,457,932
	308,717,883,570	287,497,527,959
<u>Rural branches</u>		
Dhaka	1,714,435,552	1,609,008,234
Chattagram	682,279,722	603,530,193
Khulna	-	
Sylhet	123,463,857	112,787,007
Barishal	-	
Rajshahi	18,746	19,451
Rangpur	601,245	590,698
Mymensingh	58,011,946	49,052,111
	2,578,811,068	2,374,987,696
<u>Outside Bangladesh</u>		
ABBL, Mumbai branch	771,454,882	587,301,293
	312,068,149,520	290,459,816,948

**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

	31.12.2022 Taka	31.12.2021 Taka
	242,013,059,024	241,217,931,079
	6,161,735,613	7,545,178,084
	248,174,794,637	248,763,109,163
	180,200,000	519,098,584
	3,245,000,000	3,138,789,132
	59,696,700,000	37,451,518,777
	63,121,900,000	41,109,406,493
	311,296,694,637	289,872,515,655
	771,454,882	587,301,293
	-	-
	771,454,882	587,301,293
	312,068,149,520	290,459,816,948

Classification of Loans and advances have been made as per Bangladesh Bank Letter no. DBI-3/101/2023-741 dated 26 April 2023.

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

285,993,646,545	251,184,772,569
-	-
26,074,502,975	39,275,044,378
-	-
312,068,149,520	290,459,816,948

(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

1,160,308,571	1,286,965,284
-	-
1,272,630,318	1,322,333,367
-	-
-	-
-	-
1,242,385,788	12,681,390,945
1,642,195,762	245,317,892
354,617,876	56,589,943
19,907,964,423	19,907,964,423
203,861,016	87,847,328

AB Bank Limited
Notes to the Financial Statements

For the year ended 31 December 2022

	31.12.2022 Taka	31.12.2021 Taka	
(xi) Written off loan:			
Openning written off loan	17,206,171,496	16,960,853,604	
Add: Written off during the year	1,642,195,762	245,317,892	
Cumulative Written off loans	18,848,367,258	17,206,171,496	
Less: Adjustments/ recoveries/ Settlement up to the period	4,241,107,104	3,802,546,864	
Closing Balance of Written off loan	14,607,260,155	13,403,624,633	
The amount of written off loans for which lawsuits have been filed for its recovery	14,566,407,480	13,211,585,913	
7.10 (a) The amount represents loans Tk. 1,272,630,318 due by the employees of the Bank.			
7.11 Securities wise loans, advances and lease/investments			
<u>Nature of security</u>			
Collateral of movable/immovable assets	255,690,467,739	237,985,858,438	
Cash collateral	6,028,942,758	5,611,484,583	
Banks and financial institutions guarantee	-	-	
Personal guarantee	13,568,095,564	12,628,608,719	
Corporate guarantee	9,994,886,820	9,302,817,351	
Other securities	26,785,756,640	24,931,047,857	
	312,068,149,520	290,459,816,948	
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
Beximco Ltd.	Term Loan	29-Jun-2027	1,282,953,451
Beximco Ltd.	Term Loan	29-Jun-2027	564,847,897
International Knitwear & Apparels Ltd.	Term Loan	29-Jun-2028	841,495,135
New Dacca Industries Ltd.	Term Loan	29-Jun-2027	3,426,963,673
			6,116,260,156
7(a) Consolidated loans, advances and lease/investments excl. Bills purchased			
AB Bank Limited	311,356,394,628	289,832,803,054	
AB Investment Limited	7,281,007,296	7,263,220,175	
AB International Finance Limited	-	-	
AB Securities Limited	736,367,542	765,217,254	
Cashlink Bangladesh Limited (CBL)	-	-	
	319,373,769,465	297,861,240,483	
Less: Inter company transaction	914,115,052	914,014,017	
	318,459,654,413	296,947,226,466	
8 Bills purchased and discounted			
In Bangladesh	12,533,657	76,678,356	
Outside Bangladesh - ABBL,Mumbai Branch	699,221,235	550,335,538	
	711,754,892	627,013,894	

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

For the year ended 31 December 2022

	31.12.2022 Taka	31.12.2021 Taka
8 (a) Consolidated Bills purchased and discounted		
AB Bank Limited	711,754,892	627,013,894
AB Investment Limited	-	-
AB International Finance Limited	1,239,255,280	1,469,131,688
AB Securities Limited	-	-
Cashlink Bangladesh Limited (CBL)	-	-
	1,951,010,172	2,096,145,583
8.1 Maturity grouping of Bills Purchased and discounted		
Repayable – within 1 month	189,327,470	101,545,688
– over 1 month but within 3 months	207,331,301	244,815,229
– over 3 months but within 6 months	315,096,121	280,652,978
– over 6 months	-	-
	711,754,892	627,013,894
9. Fixed assets including premises, furniture and fixtures		
Cost:		
Land and Building	2,271,171,345	2,271,171,345
Furniture and fixtures	349,155,773	346,946,966
Office appliances	63,105,254	65,810,464
Electrical appliances	2,155,441,495	2,087,453,267
Motor vehicles	260,944,343	323,725,176
Intangible Assets	982,430,450	910,541,640
Right of Use Assets	1,329,421,828	1,329,421,828
	7,411,670,487	7,335,070,686
<u>Less: Accumulated depreciation and amortization</u>	4,162,507,606	3,702,882,726
	3,249,162,881	3,632,187,959
A schedule of fixed assets is given in Annexure-C		
9(a) Consolidated Fixed assets including premises, furniture and fixtures		
Cost:		
AB Bank Limited	7,411,670,487	7,335,070,686
AB Investments Limited	687,679,476	687,498,447
AB International Finance Limited	5,864,554	4,798,753
AB Securities Limited	65,395,047	60,255,084
Cashlink Bangladesh Limited (CBL)	-	81,471,369
	8,170,609,564	8,169,094,339
Accumulated depreciation:		
AB Bank Limited	4,162,507,606	3,702,882,726
AB Investments Limited	193,985,222	176,393,213
AB International Finance Limited	5,770,600	4,751,960
AB Securities Limited	57,794,107	50,155,415
Cashlink Bangladesh Limited (CBL)	-	81,471,369
	4,420,057,536	4,015,654,684
	3,750,552,029	4,153,439,656
10 Other Assets:		
Income generating-Equity Investment		
In Bangladesh:		
AB Investment Limited (99.99% owned subsidiary company of ABBL)	5,811,431,750	5,811,431,750
AB Securities Limited (99.91% owned subsidiary company of ABBL)	199,898,000	199,898,000
Cashlink Bangladesh Limited (90% owned subsidiary company of ABBL)	212,581,228	212,581,228
	6,223,910,978	6,223,910,978

AB Bank Limited
Notes to the Financial Statements

For the year ended 31 December 2022

		31.12.2022 Taka	31.12.2021 Taka
Outside Bangladesh:			
AB International Finance Ltd., Hong Kong (wholly owned subsidiary company of ABBL)		5,203,944	5,203,944
		5,203,944	5,203,944
		6,229,114,922	6,229,114,922
Non-income generating			
Arab Bangladesh Bank Foundation (99.60% owned subsidiary company of ABBL)		19,920,000	19,920,000
Net deferred tax assets (Note 10.1)		3,562,297,871	4,104,604,016
Accounts receivable		1,667,622,589	1,298,999,895
Preliminary, formation, organisational, renovation, development, prepaid expenses and others		533,005,552	597,885,133
Exchange for clearing		663,210,910	1,433,998,879
Interest accrued on investment but not collected, commission and brokerage receivable on shares and debentures, and other income receivables		1,214,753,020	1,710,681,112
Security deposits		72,623,086	70,201,100
Advance rent and advertisement (Note 10.2)		159,292,739	164,267,806
Stationery, stamps, printing materials, etc.		71,462,423	76,152,250
Inter-branch adjustment		147,414	-
		7,964,335,605	9,476,710,190
		14,193,450,527	15,705,825,113
10(a) Consolidated Other assets			
AB Bank Limited		14,193,450,527	15,705,825,113
AB Investment Limited		563,197,489	471,682,959
AB International Finance Limited		55,757,677	47,403,357
AB Securities Limited		105,574,309	88,430,631
Cashlink Bangladesh Limited (CBL)		34,974,457	31,529,515
		14,952,954,459	16,344,871,575
<u>Less:</u> Inter-group transaction		6,473,500,658	6,414,333,269
		8,479,453,791	9,930,538,296
10.1 Deferred tax assets			
a) Deferred tax assets for specific provisions of loans and advances			
Opening Deferred Tax Assets		4,197,545,038	3,359,092,484
Add: Deferred Tax Income during the year		-	918,750,000
Less: Write-Off adjustment		546,192,117	80,297,446
Less. Adjustment during the year		-	-
Closing deferred tax assets		3,651,352,921	4,197,545,038
b) Deferred tax liabilities against property, plant & equipment			
Balance at 01 January		92,941,021	88,307,764
Add: Provision made during the year		(3,685,946)	4,628,070
Add/(Less): Adjustment for Rate Fluctuation during the year		(200,026)	5,189
Closing deferred tax liabilities		89,055,050	92,941,021
Net Deferred Tax Assets (a-b)		3,562,297,871	4,104,604,016

AB Bank Limited
Notes to the Financial Statements
For the year ended 31 December 2022

		31.12.2022 Taka	31.12.2021 Taka		
Net Deferred Tax Income during the year		3,685,946	914,121,930		
Deferred tax liabilities against Property, Plant & Equipment					
Accounting base of Property, Plant & Equipment		2,892,265,617	2,974,556,147		
Tax base of Property, Plant & Equipment		2,651,226,386	2,720,418,850		
Difference		241,039,231	254,137,297		
Taxable Temporary Difference		241,039,231	254,137,297		
Effective Tax Rate		37.50%	37.50%		
Deferred Tax (Assets)/Liabilities		90,389,712	95,301,486		
Deferred Tax (Assets)/Liabilities of Mumbai Branch		(1,334,662)	(2,360,465)		
Closing Deferred Tax Liabilities		89,055,050	92,941,021		
10.1.1 Consolidated deferred tax liabilities					
AB Bank Limited		89,055,050	92,941,021		
AB Investment Limited		-	-		
		89,055,050	92,941,021		
10.1.2 Consolidated deferred tax assets					
AB Bank Limited		3,651,352,921	4,197,545,038		
AB Securities Limited		1,708,138	1,789,327		
AB Investment Limited		151,693,198	92,979,358		
		3,804,754,257	4,292,313,723		
10.2 Advance rent and advertisement					
Advance rent BDT 589,056 as on 31 December 2022 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.	Taka
1	Land	-	-	11	271,599,253
2	Building	-	-	5	62,572,583
Total		-	-	16	334,171,836
12. Borrowings from other banks, financial institutions and agents					
In Bangladesh	(Note 12:1)	10,750,218,784		29,832,208,485	
Outside Bangladesh		-		-	
		10,750,218,784		29,832,208,485	
12.1 In Bangladesh:					
12.1.1 Bangladesh Bank					
Export Development Fund		3,856,632,492		3,524,187,185	
Islamic Investment Bond		503,159,722		-	
Refinance against IPFF		190,938,429		207,807,237	
Refinance against Women Entr., Small Enterprise, ETP, Covid 19 & Others		1,340,566,790		3,021,938,847	
		5,891,297,433		6,753,933,268	

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

For the year ended 31 December 2022

	31.12.2022 Taka	31.12.2021 Taka
12.1.2 Call & Term Borrowing from		
NCC Bank Limited	-	1,000,000,000
Basic Bank Limited	1,200,000,000	1,543,200,000
Agrani Bank Limited	2,300,000,000	5,800,000,000
Sonali Bank Limited	-	1,700,000,000
Janata Bank Limited	-	1,000,000,000
Shimanto Bank Limited	350,000,000	-
Uttara Bank Limited	-	1,900,000,000
Bank Asia Limited	-	5,000,000,000
Rupali Bank Limited	500,000,000	3,000,000,000
National Bank Limited	-	128,700,000
Community Bank Limited	-	140,000,000
Dhaka Bank Limited	-	500,000,000
One Bank Limited	500,000,000	500,000,000
NRB Bank Limited	-	300,000,000
Premier Bank Limited	-	300,000,000
Prime Bank Limited	-	85,800,000
Bangladesh Development Bank Limited	-	128,700,000
Accrued interest	3,868,444	51,875,217
Accrued Interest Repo-Other Bank	5,052,907	-
	4,858,921,351	23,078,275,217
Total in Bangladesh	10,750,218,784	29,832,208,485
12.2 Analysis by security		
Secured (assets pledge as security for liabilities)	-	-
Unsecured	10,750,218,784	29,832,208,485
	10,750,218,784	29,832,208,485
12.3 Repayment pattern		
Repayable on demand	-	1,900,000,000
Repayable on maturity (Note 12.3.1)	10,750,218,784	27,932,208,485
	10,750,218,784	29,832,208,485
12.3.1 Repayable on maturity		
<u>Bangladesh Bank:</u>		
Export Development Fund	3,856,632,492	3,524,187,185
Islamic Investment Bond	503,159,722	-
Refinance against IPFF	190,938,429	207,807,237
Refinance against Women Entr., Small Ent., ETP & Others	1,340,566,790	3,021,938,847
	5,891,297,433	6,753,933,268
<u>Term Borrowings:</u>		
Agrani Bank Limited	2,300,000,000	5,800,000,000
NCC Bank Limited	-	1,000,000,000
Uttara Bank Limited	-	1,700,000,000
Bank Asia Limited	-	5,000,000,000
Rupali Bank Limited	500,000,000	3,000,000,000
Shimanto Bank Limited	350,000,000	-
Prime Bank Limited	-	85,800,000
Dhaka Bank Limited	-	500,000,000
Basic Bank Limited	1,200,000,000	1,543,200,000
NRB Bank Limited	-	300,000,000
Janata Bank Limited	-	1,000,000,000

AB Bank Limited
Notes to the Financial Statements
For the year ended 31 December 2022

	31.12.2022 Taka	31.12.2021 Taka
National Bank Limited	-	128,700,000
Community Bank Bangladesh Limited	-	140,000,000
Bangladesh Development Bank Limited	-	128,700,000
One Bank Limited	500,000,000	500,000,000
Premier Bank Limited	-	300,000,000
Accrued interest	8,921,351	51,875,217
	4,858,921,351	21,178,275,217
	10,750,218,784	27,932,208,485
12(a) Consolidated Borrowings from other banks, financial institutions and agents		
AB Bank Limited	10,750,218,784	29,832,208,485
AB Investment Limited	756,515,861	756,465,516
AB International Finance Limited	1,001,325,144	1,246,944,704
AB Securities Limited	157,599,191	157,548,501
Cashlink Bangladesh Limited (CBL)	-	-
	12,665,658,980	31,993,167,207
<u>Less: Intercompany transactions</u>	1,915,440,196	2,160,958,722
	10,750,218,784	29,832,208,485
13 Bond		
Tier-II subordinated bond (note-13.1)	6,097,500,000	7,400,000,000
Perpetual bond - additional Tier-I capital (note-13.2)	5,400,000,000	4,410,000,000
	11,497,500,000	11,810,000,000
13.1 Tier-II subordinated bond		
AB Bank Subordinated Bond-I	-	-
AB Bank Subordinated Bond-II	-	800,000,000
AB Bank Subordinated Bond-III	2,847,500,000	3,350,000,000
AB Bank Subordinated Bond-IV	3,250,000,000	3,250,000,000
	6,097,500,000	7,400,000,000
Bank has issued 7 years Sub-Ordinated bonds in four phases. AB Bank Subordinated Bond-I for BDT 250 crore was issued in August 2014 and AB Bank Subordinated Bond-II for BDT 400 crore was issued in September 2015. Both of these instruments have been fully redeemed. AB Bank Subordinated Bond-III for BDT 400 crore was issued in May 2018 and AB Bank Subordinated Bond-IV for BDT 325 crore was issued in December 2020 through Private Placement under the 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.		
Subscriber wise subordinated bonds are:		
Jamuna Bank Limited	1,955,000,000	2,300,000,000
Sonali Bank Limited	1,500,000,000	1,700,000,000
National Credit & Commerce Bank Limited	892,500,000	1,050,000,000
Janata Bank Limited	1,000,000,000	1,100,000,000
Agrani Bank Limited	750,000,000	850,000,000
Rupali Bank Limited	-	200,000,000
BRAC Bank Limited	-	60,000,000
NRB Commercial Bank Limited	-	60,000,000
Uttara Bank Limited	-	60,000,000
National Life Insurance Co. Limited	-	20,000,000
	6,097,500,000	7,400,000,000

	31.12.2022 Taka	31.12.2021 Taka
13.2 Perpetual bond - additional Tier-I capital		
The Bank issued BDT 540 crore Additional Tier-I equivalent Perpetual Bonds through private placement under the Debt Securities Rules, 2021, where total issue size of the bond is BDT 600 crore (BDT60 crore through public issuance). 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:		
Premier Bank Limited	1,050,000,000	1,050,000,000
IFIC Bank Limited	1,000,000,000	1,000,000,000
NCC Bank Limited	650,000,000	650,000,000
Trust Bank Limited	890,000,000	-
Uttara Bank Limited	100,000,000	-
Subscribers other than Banks	1,710,000,000	1,710,000,000
	5,400,000,000	4,410,000,000
14. Deposit and other accounts		
Inter-bank deposits	7,795,040,252	6,034,070,510
Other deposits	308,902,229,058	292,338,491,144
	316,697,269,309	298,372,561,654
14(a) Consolidated Deposit and other accounts		
AB Bank Limited	316,697,269,309	298,372,561,654
AB Investment Limited	-	-
AB International Finance Limited	-	-
AB Securities Limited	-	-
Cashlink Bangladesh Limited (CBL)	-	-
	316,697,269,309	298,372,561,654
Less: Inter-group transaction	428,050,718	293,565,690
	316,269,218,590	298,078,995,964
14.1 Maturity analysis of inter-bank deposits		
Repayable – on demand	3,489,541,703	1,957,009,483
– within 1 month	2,030,265,628	2,863,401,060
– over 1 month but within 3 months	2,232,158,607	972,052,249
– over 3 months but within 1 year	43,074,314	241,607,718
– over 1 period but within 5 years	-	-
– over 5 periods but within 10 years	-	-
– over 10 years	-	-
	7,795,040,252	6,034,070,510
14.2 Maturity analysis of other deposits		
Repayable – on demand	2,959,098,975	3,453,924,187
– within 1 month	29,049,858,867	24,552,069,657
– over 1 month but within 3 months	80,442,051,455	78,605,620,117
– over 3 months but within 1 year	149,751,835,938	138,304,655,340
– over 1 year but within 5 years	44,169,176,286	44,620,197,206
– over 5 years	2,530,207,536	2,802,024,636
	308,902,229,058	292,338,491,144

AB Bank Limited
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		31.12.2022 Taka	31.12.2021 Taka
14.3 Demand and time deposits			
a) Demand Deposits		52,560,287,543	45,602,407,586
Current accounts and other accounts		46,923,030,071	30,921,676,210
Savings Deposits (9%)		3,749,472,327	3,707,106,039
Bills Payable		1,887,785,146	10,973,625,337
b) Time Deposits		264,136,981,766	252,770,154,068
Savings Deposits (91%)		37,911,331,304	37,482,961,064
Short Notice Deposits		27,860,915,473	30,873,599,074
Fixed Deposits		141,978,941,534	138,796,924,187
Other Deposits		56,385,793,454	45,616,669,743
Total Demand and Time Deposits		316,697,269,309	298,372,561,654
14.4 Sector-wise break up of deposits and other accounts			-
Government		7,801,504,055	2,302,755,443
Deposit money Banks		7,262,920,670	6,034,070,510
Autonomous & Semi-Autonomous Bodies		6,537,183,639	7,145,574,126
Public Non-Financial Organisation		44,502,030,527	55,101,099,817
Other Public		4,002,210,784	3,441,150,572
Foreign Currency		28,457,989,800	16,164,007,473
Private		218,133,429,834	208,183,903,712
		316,697,269,309	298,372,561,654
15. Other liabilities			
Accumulated provision against loans and advances (Note 15.1)		27,260,466,185	27,300,595,344
Inter-branch adjustment		-	484,281
Provision for current tax (net of advance tax) (Note 15.2)		1,126,116,056	1,537,622,211
Interest suspense account (Note 15.3)		11,773,479,961	13,171,406,144
Provision against other assets (Note 15.4)		334,959,106	374,459,106
Accounts payable - Bangladesh Bank		17,503,601	31,762,059
Accrued expenses		117,779,412	88,551,502
Lease Liabilities (Note 15.5)		317,024,275	508,571,819
Provision for off balance sheet items (Note 15.6)		1,180,000,000	330,000,000
Provision against investments (Note 15.7)		2,358,476,593	1,854,724,984
Start-up Fund *		17,100,551	10,328,009
Unclaimed Dividend Account		4,466,473	218,819
Others **		1,207,062,630	785,808,868
	(62,235,138.52)	45,714,434,841	45,994,533,144
* 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.			
**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.			
15.1 Accumulated provision against loans and advances			
<u>The movement in specific provision for bad and doubtful debts</u>			
Opening Balance		20,953,453,433	8,957,579,956
Fully provided debts written off during the period (-)		(1,456,512,311)	(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 (+)		2,144,306,250	2,450,000,000
		687,793,939	11,995,873,477
Closing Balance		21,641,247,373	20,953,453,433
Provision made by ABBL, Mumbai Branch		-	-
Total provision on classified loans and advances		21,641,247,373	20,953,453,433

AB Bank Limited
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		31.12.2022 Taka	31.12.2021 Taka
<u>On unclassified loans</u>	16,795,690,531		
Opening Balance		6,344,725,658	11,264,725,658
Transferred from Investment provisions	(+)	(730,000,000)	-
Transfer to specific provisions	(-)	-	(6,260,000,000)
General provision made during the period	(+)	-	1,340,000,000
		(730,000,000)	(4,920,000,000)
Closing Balance		5,614,725,658	6,344,725,658
Provision made by ABBL, Mumbai Branch		4,493,155	2,416,253
Total provision on un-classified loans and advances		5,619,218,812	6,347,141,911
Total provision on loans and advances		27,260,466,185	27,300,595,344
Provision against loans and advances has been maintained as per Bangladesh Bank letter no. DBI-3/101/2023-741 dated 26 April 2023 and DOS(CAMS)1157/41(Dividend)/2023-2200 dated 30 April 2023 respectively. According to those letters, there is a provision shortfall of Tk. 6,128.05 crore (Total requirement is BDT 8,854.10 crore and total maintained is BDT 2,726.05 crore) against loans and advances which requires to be kept within 2029.			
15.1a Break-up of provision on un-classified loans and advances			
Special General Provision -COVID-19	(Note 15.1.1)	370,514,704	407,246,074
Provision against write cases		3,316,004,108	2,352,200,000
Provision against unclassified loans		1,932,700,000	3,587,695,837
		5,619,218,812	6,347,141,911
15.1.1 Special General Provision -Covid-19		370,514,704	407,246,074
Special General Provision-COVID-19 has been kept as per Bangladesh Bank, BRPD circular no. 56 dated 10 December 2020, BRPD circular no. 19, 52 and 53 dated 26 August 2021, 29 and 30 December 2021 respectively and BRPD circular no. 14, 51 and 53 dated 22 June 2022, 18 and 22 December 2022 respectively. This amount is included with the total provision on un-classified loans and advances under note-15.1.			
15.1.2 Details of provision for loans and advances			
<u>General Provision</u>		5,617,266,497	6,347,141,911
Standard		5,494,065,308	6,134,854,227
Special Mention Account		123,201,190	212,287,684
<u>Specific Provision</u>		21,638,734,690	20,953,453,433
Substandard		12,082,938	48,609,547
Doubtful		923,650,005	996,879,464
Bad/Loss		20,703,001,747	19,907,964,423
15.2 Provision for current tax (net of advance tax)			
Current Tax	(Note 15.2.1)	8,701,098,195	7,264,807,866
Advance Income Tax	(Note 15.2.2)	7,574,982,140	5,727,185,656
Provision for current tax (net of advance tax)		1,126,116,056	1,537,622,211

AB Bank Limited
Notes to the Financial Statements

For the year ended 31 December 2022

	31.12.2022 Taka	31.12.2021 Taka
15.2.1 Provision for current tax		
Opening Balance	7,180,209,315	5,561,731,999
Add: Provision made during the year	1,958,916,186	2,008,128,199
Less: Adjustment/transferred during the year	-	(309,353,437)
Less: Write-off adjustment	(546,192,117)	(80,297,446)
Closing Balance	8,592,933,385	7,180,209,315
Provision held by ABBL, Mumbai Branch	108,164,809	84,598,550
	8,701,098,195	7,264,807,866
Corporate income tax assessment of the Bank is completed up to the income year ended 31 December 2021 (Assessment Year 2022-23). Corporate income tax return for the year 2020 and 2021 submitted under section 82BB corresponding to Assessment Years 2021-22 and 2022-2023. 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 period (Bangladesh Operation)		
Income tax @ 37.50% on estimated taxable Business Profit	1,806,586,157	1,821,839,979
Income tax @ 20.00% on Dividend Income	73,422,242	26,982,124
Income tax @ 10% on Capital Gain on Sale of Shares	31,097,787	95,325,043
Estimated Total Provision Required	1,911,106,186	1,944,147,146
Effective Tax Rate on Profit before Provision	34.86%	31.70%
15.2.2 Advance corporate income tax		
In Bangladesh:		
Opening Balance	5,602,298,832	3,866,952,852
Paid during the year	1,832,331,682	1,735,345,980
Closing balance (Bangladesh operations)	7,434,630,513	5,602,298,832
Advance tax of ABBL, Mumbai Branch	140,351,627	124,886,824
	7,574,982,140	5,727,185,656
15.3 Interest suspense account		
Balance at 01 January	13,171,406,144	16,114,355,797
Add. Transferred during the the year	203,861,016	87,847,328
Less: Recovery/adjustment/ waived during the year	(1,416,103,748)	(2,999,605,612)
Less: Written off during the year	(185,683,451)	(31,191,369)
Balance at 31 December	11,773,479,961	13,171,406,144
15.4 Provision against other assets		
Provision for		-
Prepaid legal expenses	156,626,000	160,616,000
Protested bills	73,875,678	74,355,678
Others	104,457,428	139,487,428
	334,959,106	374,459,106

Provision against other assets was made as per BRPD Circular # 04 dated 12 April 2022 issued by Bangladesh Bank.

AB Bank Limited
Notes to the Financial Statements
For the year ended 31 December 2022

15.4.1 Calculation of Provision against other assets

	Outstanding amount	Base for Provision	Rate	Provisions Requirement	Provisions Maintained
Prepaid legal exp.	177,857,638	42,474,851	50%	21,237,426	21,237,426
		135,382,787	100%	135,382,787	135,388,574
Protested bills	73,868,895	73,868,895	100%	73,868,895	73,875,678
Others	107,276,088	5,697,424	50%	2,848,712	2,848,712
		101,578,663	100%	101,578,663	101,608,716
Required provision for other assets				334,916,483	334,959,106
Total provision requirement					334,916,483
Total provision maintained					334,959,106
Excess provision maintained at the reporting date					42,623

15.5 Leasehold Liabilities

	31.12.2022 Taka	31.12.2021 Taka
Opening balance of present value of lease liability	508,571,819	688,375,584
Finance Cost @ 8%	35,034,137	46,777,916
Rental payment during the year	226,581,681	226,581,681
Closing balance of lease liability	317,024,275	508,571,819

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	330,000,000	270,000,000
Add. Addition during the year	850,000,000	60,000,000
	1,180,000,000	330,000,000

15.6.1 Particulars of required provision for Off-Balance Sheet Items

	Base for Provision	Rate (%)	31 Dec 2022	31 Dec 2021
Acceptances and endorsement	7,968,216,417	1%	79,682,164	90,188,777
Letters of guarantee *	14,284,607,903	1%	881,149,528	142,163,450
Irrevocable letters of credit	6,949,812,040	1%	69,498,120	93,654,306
Others	14,937,018,703	1%	149,370,187	2,138,542
Total Off Balance Sheet Items & required provision	44,139,655,064		1,179,700,000	328,145,076
Total provision maintained			1,180,000,000	330,000,000
Excess provision at the reporting date			300,000	1,854,924

Provision is not required against Off Balance Sheet items of Mumbai Branch BDT 5,432,332,089 as per Reserve Bank of India (RBI) guidelines.

*Provision Requirement for Letter of Guarantee in excess 1% is determined as per BB letter no. DBI-3/101/2023-741 dated 26 april 2023.

AB Bank Limited
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For the year ended 31 December 2022

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 in quoted shares

Total provision requirement for Investment in quoted shares

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 117.51 crore has been deferred as per Bangladesh Bank letters no. DBI-3/101/2022-741 dated 26 April 2023 and DOS(CAMS)1157/41(Dividend)/2023-2200 dated 30 April 2023 respectively. This provision shortfall requires to be kept within 2029.

Provision for Amana Bank Limited, Srilanka:

Opening balance

Add: Provision made during the year

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

845,913,831 ordinary shares of BDT 10 each issued as bonus shares

16.3 Percentage of shareholding

Sponsors and public

Govt.

31.12.2022
Taka

31.12.2021
Taka

940,353,000	1,170,353,000
-	(550,000,000)
141,698,075	320,000,000
1,082,051,075	940,353,000
1,082,051,075	940,353,000
1,082,051,075	940,228,743
-	124,257
649,250,000	519,250,000
170,750,136	130,000,000
820,000,136	649,250,000
265,121,984	324,074,944
191,303,398	(58,952,960)
456,425,382	265,121,984
1,082,051,075	940,353,000
820,000,136	649,250,000
456,425,382	265,121,984
2,358,476,593	1,854,724,984
45,714,434,841	45,994,533,144
1,382,478,229	1,238,270,282
83,653,804	78,849,666
1,209,050,766	834,479,098
34,500	28,750
48,389,652,139	48,146,160,940
132,699,796	86,035,651
48,256,952,343	48,060,125,289
8,609,138,310	8,358,386,710
15,000,000,000	15,000,000,000
100,000,000	100,000,000
50,000,000	50,000,000
8,459,138,310	8,208,386,710
8,609,138,310	8,358,386,710

As at 31 December 2022		As at 31 December 2021	
No. of shares	%	No. of shares	%
855,978,990	99.43	831,047,563	99.43
4,934,841	0.57	4,791,108	0.57
860,913,831	100.00	835,838,671	100.00

AB Bank Limited

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For the year ended 31 December 2022

16.4 Classification of shareholders by holding

Holding	No. of holders		% of total holding	
	31 Dec 2022	31 Dec 2021	31 Dec 2022	31 Dec 2021
Upto 500	25,495	27,087	42.25	43.27
501 to 5,000	24,644	25,777	40.84	41.18
5,001 to 10,000	4,476	4,358	7.42	6.96
10,001 to 20,000	2,761	2,585	4.58	4.13
20,001 to 30,000	1,019	929	1.69	1.48
30,001 to 40,000	515	466	0.85	0.74
40,001 to 50,000	294	341	0.49	0.54
50,001 to 100,000	596	557	0.99	0.89
100,001 to 1,000,000	482	439	0.80	0.70
Over 1,000,000	64	61	0.11	0.10
	60,346	62,600	100	100

16.5 Names of the Directors and their shareholding as at 31 December 2022

Name of the Director	Status	No. of Shareholding including nominating institution/individual	
		31 Dec 2022	31 Dec 2021
Barrister Khairul Alam Choudhury Nominated by Pacific Industries Limited	Chairman	84,211,744	81,758,976
Mr. Feroz Ahmed	Director	17,862,814	17,342,538
Mr. Shajir Ahmed Nominated by Hexagon Chemical Complex Ltd.	Director	23,581,224	22,894,393
Mr. Md. Maqsudul Huq Khan Nominated by Emkay Holdings Limited	Director	17,601,412	17,088,750
Mr. Shafiqul Alam	Independent Director	-	-
Mr. Md. Eskandar Miah	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, 2022 is Taka 44,399,853,753 as against available Total Tier-I Capital of Taka 26,403,601,833 and Total Tier-2 Capital available of Taka 12,658,187,141 that is, a total of Taka 39,061,788,975 thereby showing a deficit capital of Taka 5,338,064,778 at that date. Details are shown below:

	31.12.2022 Taka	31.12.2021 Taka
<u>Tier I Capital (Going-Concern Capital)</u>		
Common Equity Tier-I Capital		
Fully Paid-up Capital/Capital Deposited with BB	8,609,138,310	8,358,386,710
Statutory Reserve	8,050,124,639	7,484,909,773
Non-repayable share premium account	-	-
General Reserve	3,038,393,964	3,021,270,601
Retained earnings	5,245,437,808	5,906,433,556
Minority interest in Subsidiaries	12,283,616	12,125,635
Non-Cumulative irredeemable Preference shares	-	-
Dividend Equalization Account	-	-
	24,955,378,338	24,783,126,275

AB Bank Limited
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For the year ended 31 December 2022

	31.12.2022 Taka	31.12.2021 Taka
Regulatory adjustment:		
Goodwill and all other Intangible Assets	191,381,492	196,904,870
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)	3,651,352,921	4,197,545,038
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	27,064,542	64,588,169
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	9,960,000	9,960,000
Other if any	-	-
	3,879,758,955	4,468,998,077
Total Common Equity Tier-I Capital	21,075,619,383	20,314,128,199
Additional Tier-I Capital		
Perpetual bond	5,400,000,000	4,410,000,000
Maximum limit of additional Tier 1 capital	5,327,982,450	5,000,689,219
Excess amount over maximum limit of AT 1	72,017,550	-
Total Admissible additional Tier 1 capital	5,327,982,450	4,410,000,000
Total Tier-1 Capital	26,403,601,833	24,724,128,199
Tier-2 Capital (Gone concern Capital)		
General Provision/General loan-loss reserve	8,279,147,141	8,088,386,926
All other preference shares	-	-
Subordinated debt issued by the banks that meet the qualifying criteria for Tier 2 capital (as per Annex 4 of Basel III Guidelines)	4,389,000,000	5,260,000,000
Minority Interest	-	-
HO borr. in for. Curr. Rec. that meet the criteria of T 2 debt capital	-	-
Other (if any item approved by Bangladesh Bank)	-	-
Sub-Total	12,668,147,141	13,348,386,926
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	9,960,000	9,960,000
Other (if any)	-	-
Total Tier-2 Capital Available	12,658,187,141	13,338,426,926
Maximum limit of Tier-2 Capital (Tier 2 Capital can be maximum up to 4.0% of the total RWA or 88.89% of CET1, whichever is Lower)	14,207,953,201	13,335,171,251
Excess amount over maximum limit of Tier-2 Capital	-	3,255,676
Total admissible Tier 2 Capital	12,658,187,141	13,335,171,251

AB Bank Limited
Notes to the Financial Statements

For the year ended 31 December 2022

	31.12.2022 Taka	31.12.2021 Taka
Total Eligible Capital	39,061,788,975	38,059,299,449
Total assets including off-Balance Sheet items	465,188,555,334	455,680,535,752
Total risk-weighted assets (RWA)	355,198,830,022	333,379,281,265
B. Total required capital (12.50% of Total RWA)	44,399,853,753	41,672,410,158
Capital Shortfall [A-B]	(5,338,064,778)	(3,613,110,709)
Capital to Risk Weighted Assets Ratio (CRAR)	11.00%	11.42%
<u>Solo - Capital to Risk Weighted Assets Ratio (CRAR)</u>		
In terms of section 13(2) of the Bank Company Act, 1991 (Amendment up to 2018) 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 2022 is BDT 43,887,387,500 as against available Common Equity Tier-I capital of BDT 25,007,033,162 and Total Tier-2 Capital Available capital of BDT 11,188,218,812 that is, a total of BDT 36,195,251,975 thereby showing a deficit capital of BDT 7,692,135,525 at that date. Details are shown below:		
<u>Tier I Capital (going-concern capital)</u>		
<u>Common Equity Tier-I Capital</u>		
Fully Paid-up Capital/Capital Deposited with BB	8,609,138,310	8,358,386,710
Statutory Reserve	8,050,124,639	7,484,909,773
Non-repayable share premium account	-	-
General Reserve	2,852,199,200	2,852,199,200
Retained earnings	4,098,883,468	4,811,589,856
Minority interest in Subsidiaries	-	-
Non-Cumulative irredeemable Preferences shares	-	-
Dividend Equalization Account	-	-
	23,610,345,617	23,507,085,539
<u>Regulatory adjustment:</u>		
Goodwill and all other Intangible Assets	191,381,492	196,904,870
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)	3,651,352,921	4,197,545,038
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	27,064,542	64,588,169
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	-	-
	3,869,798,955	4,459,038,077
Total Common Equity Tier-I Capital	19,740,546,662	19,048,047,463
<u>Additional Tier-I Capital</u>		
Perpetual bond	5,400,000,000	4,410,000,000
Maximum limit of additional Tier 1 capital	5,266,486,500	4,944,990,719
Excess amount over maximum limit of AT 1	133,513,500	-
Total Admissible additional Tier 1 capital	5,266,486,500	4,410,000,000
Total Tier-1 Capital	25,007,033,162	23,458,047,463

AB Bank Limited
Notes to the Financial Statements

For the year ended 31 December 2022

		31.12.2022 Taka	31.12.2021 Taka
	Tier-2 Capital (Gone concern Capital)		
	General Provision/General loan-loss reserve	6,799,218,812	6,677,141,911
	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)	4,389,000,000	5,260,000,000
	Non-controlling interest	-	-
	HO borrowings in foreign currency received that meet the criteria of Tier 2 debt capital	-	-
	Other (if any item approved by Bangladesh Bank)	-	-
	Sub-Total	11,188,218,812	11,937,141,911
	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	11,188,218,812	11,937,141,911
	Maximum limit of Tier-2 Capital (Tier 2 Capital can be maximum up to 4.0% of the total RWA or 88.89% of CET1, whichever is Lower)	14,043,964,000	13,186,641,917
	Excess amount over maximum limit of Tier 2 Capital	-	-
	Total admissible Tier 2 Capital	11,188,218,812	11,937,141,911
	Total Eligible Capital	36,195,251,975	35,395,189,374
	Total assets including off-Balance Sheet items	460,753,104,058	452,639,482,307
	Total risk-weighted assets (RWA)	351,099,099,998	329,666,047,926
	B. Total required capital (12.50% of Total RWA)	43,887,387,500	41,208,255,991
	Capital Shortfall [A-B]	(7,692,135,525)	(5,813,066,617)
	Capital to Risk Weighted Assets Ratio (CRAR)	10.31%	10.74%
17.	Statutory reserve		
	In Bangladesh		
	Opening balance	7,139,362,087	6,820,167,867
	Add: Addition during the year	504,596,869	319,194,220
		7,643,958,957	7,139,362,087
	Outside Bangladesh - ABBL, Mumbai Branch		
	Opening balance	345,547,686	324,036,537
	Add: Addition during the year	31,336,234	22,184,858
	Add/(Less): Adjustment for Foreign Exchange Rate Fluctuation	29,281,763	(673,710)
		406,165,683	345,547,686
		8,050,124,639	7,484,909,773
18.	Other reserve		
	General reserve (Note 18.1)	2,852,199,200	2,852,199,200
	Assets revaluation reserve (Note 18.2)	758,153,907	758,171,036
	Investment revaluation reserve	57,437,932	42,146,921
		3,667,791,039	3,652,517,157
		2,852,199,200	2,852,199,200

AB Bank Limited
Notes to the Financial Statements
For the year ended 31 December 2022

		31.12.2022 Taka	31.12.2021 Taka
18.1 General reserve			
Opening balance		2,852,199,200	2,302,199,200
Addition/(adjustment) during the year		-	550,000,000
		2,852,199,200	2,852,199,200
18.2 Assets revaluation reserve			
Opening balance		758,171,036	1,294,532,425
Add: Addition/(adjustment) during the year		-	1,708,333,071
Less: Transferred to retained earnings		(17,129)	(2,244,694,460)
		758,153,907	758,171,036
18.3 Investment revaluation reserve (T.Bills & T.Bonds)			
In Bangladesh			
Revaluation Reserve for:			
Held to Maturity (HTM)	Note (18.3.1)	17,365,671	3,622,914
Held for Trading (HFT)	Note (18.3.2)	32,323,508	33,681,782
		49,689,179	37,304,696
Outside Bangladesh			
ABBL, Mumbai Branch		7,748,753	4,842,225
		57,437,932	42,146,921
18.3.1 Revaluation Reserve for Held to Maturity (HTM)			
Opening balance		3,622,914	5,601,811
Add: Addition during the year		15,629,130	1,032,895
		19,252,044	6,634,706
Less: Adjustment during the year		1,886,373	3,011,792
		17,365,671	3,622,914
18.3.2 Revaluation Reserve for Held for Trading (HFT)			
Opening balance		33,681,782	88,953,608
Add: Addition during the year		427,169,416	14,615,585
		460,851,198	103,569,193
Less: Adjustment during the year		428,527,690	69,887,411
		32,323,508	33,681,782
18(a) Consolidated Other reserve			
AB Bank Limited		3,667,791,039	3,652,517,157
AB Investment Limited		-	-
AB International Finance Limited		102,507,362	76,147,136
AB Securities Limited		85,910,523	85,910,523
Cashlink Bangladesh Limited (CBL)		-	-
		3,856,208,923	3,814,574,816
19. Retained earnings			
Opening balance		4,811,589,856	5,686,625,747
Add: Post-tax profit for the year		677,238,715	641,384,540
Less: Transfer to statutory reserve		(535,933,103)	(341,379,078)
Bonus Share Issued		(250,751,600)	(398,018,410)
Cash dividend Paid		(167,167,734)	-
Start-up Fund		(6,772,387)	(6,413,845)
		4,528,203,746	5,582,198,953

AB Bank Limited
Notes to the Financial Statements
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	31.12.2022 Taka	31.12.2021 Taka
Add: Transferred from Assets Revaluation Reserve	17,129	2,244,694,460
Add: Adjustment made during the year	(377,339,298)	486,412,206
Less: Transfer to Specific Provision as per BB Instruction	-	(3,500,000,000)
Less: Foreign Exchange Translation loss	(51,998,109)	(1,715,763)
	4,098,883,468	4,811,589,856
19(a) Consolidated Retained earnings		
AB Bank Limited	4,098,883,468	4,811,589,856
AB Investment Limited	386,568,765	353,808,287
AB International Finance Limited	131,564,660	100,872,547
AB Securities Limited	165,505,837	162,703,269
Cashlink Bangladesh Limited (CBL)	(161,898,799)	(163,453,326)
	4,620,623,931	5,265,520,632
Add/(Less): Adjustment made during the year	608,770,996	624,712,061
Non-controlling Interest	16,042,881	16,200,863
	5,245,437,808	5,906,433,556
19(b) Non-controlling interest		
AB Investment Limited	10,355	10,305
AB Securities Limited	463,141	460,662
Cashlink Bangladesh Limited	11,810,120	11,654,667
	12,283,617	12,125,636
20. Contingent liabilities	51,667,743,668	42,322,775,528
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	24,002,638	28,678,127
Others	14,261,637,755	14,189,377,493
	14,285,640,393	14,218,055,620

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

For the year ended 31 December 2022

	2022 Taka	2021 Taka
21 Profit and loss account		
Income:		
Interest, discount and similar income	25,442,986,562	24,585,793,960
Dividend income	226,123,112	222,542,650
Dividend on Perpetual Bonds	251,198,385	6,637,192
Fee, commission and brokerage	1,409,011,169	1,258,302,852
Gains less losses arising from investment securities	155,488,934	476,266,053
Gains less losses arising from dealing in foreign currencies	1,255,276,599	407,840,869
Other operating income	418,902,916	152,017,959
Net Gain/(lose) arising from dealing securities	(604,407,287)	556,094,533
	28,554,580,390	27,665,496,068
Expenses:		
Interest, fee and commission	17,073,891,844	15,821,971,753
Administrative expenses	4,189,226,730	4,059,545,132
Other operating expenses	1,249,465,558	1,145,481,825
Depreciation and amortization on banking assets	560,141,573	505,638,835
	23,072,725,706	21,532,637,545
	5,481,854,684	6,132,858,523
22 Interest income/profit on investments		
Interest on loans and advances:		
Loans and advances	21,278,501,118	20,262,012,128
Bills purchased and discounted	14,348,790	22,829,613
	21,292,849,908	20,284,841,741
Interest on:		
Calls and placements	110,702,653	90,035,449
Balance with foreign banks	36,617,776	1,090,327
Reverse Repo	10,306,268	421,601
Balance with Bangladesh Bank	5,147,485	7,725,307
	162,774,182	99,272,684
	21,455,624,090	20,384,114,425
22(a). Consolidated Interest income/profit on investments		
AB Bank Limited	21,455,624,090	20,384,114,425
AB International Finance Limited	69,038,538	57,530,226
AB Investment Limited	117,208,906	143,495,686
AB Securities Limited	18,466,461	25,414,390
Cashlink Bangladesh Limited (CBL)	2,460,618	3,073,970
	21,662,798,612	20,613,628,697
Less: Intercompany transactions	23,068,068	16,387,722
	21,639,730,544	20,597,240,974
23. Interest/profit paid on deposits, borrowings, etc.		
Interest on deposits:		
Fixed deposits	8,493,768,392	7,376,925,144
Savings deposits	1,048,699,600	1,070,435,629
Special notice deposits	1,413,417,147	1,501,648,798
Other deposits	4,137,903,506	4,348,332,724
	15,093,788,645	14,297,342,295
Interest on borrowings:		
Local banks, financial institutions including BB	1,425,862,635	806,360,076
Subordinated Bond	554,240,564	718,269,383
	17,073,891,844	15,821,971,753

AB Bank Limited
Notes to the Financial Statements
For the year ended 31 December 2022

	2022 Taka	2021 Taka
23(a). Consolidated Interest/profit paid on deposits, borrowings, etc.		
AB Bank Limited	17,073,891,844	15,821,971,753
AB Investment Limited	-	-
AB International Finance Limited	20,862,620	12,889,132
AB Securities Limited	8,933,135	11,562,500
Cashlink Bangladesh Limited (CBL)	-	-
	17,103,687,599	15,846,423,385
Less: Intercompany transactions	23,068,068	16,387,722
	17,080,619,531	15,830,035,663
24. Investment income		
Capital gain on sale of shares	155,488,934	476,266,053
Interest on treasury bills	158,728,143	37,448,014
Dividend on shares	226,123,112	229,179,842
Dividend on Perpetual Bonds	251,198,385	6,637,192
Interest on treasury bonds	3,529,889,064	3,888,729,383
Gain/(Loss) on treasury bills and treasury bonds	(604,407,287)	556,094,533
Interest on other bonds & others	298,745,266	268,864,947
	4,015,765,616	5,463,219,963
24(a). Consolidated Investment income		
AB Bank Limited	4,015,765,616	5,463,219,963
AB Investment Limited	49,276,035	214,124,354
AB International Finance Limited	-	-
AB Securities Limited	21,520,675	16,100,199
Cashlink Bangladesh Limited (CBL)	-	-
	4,086,562,326	5,693,444,517
Less: Intercompany transactions*	110,210,286	94,269,221
	3,976,352,040	5,599,175,296
25. Commission, exchange and brokerage		
Other fees, commission and service charges	890,552,342	740,329,428
Commission on letters of credit	419,998,937	426,042,108
Commission on letters of guarantee	98,459,890	91,931,316
Exchange gains less losses arising from dealings in foreign currencies	1,255,276,599	407,840,869
	2,664,287,768	1,666,143,721
25(a). Consolidated Commission, exchange and brokerage		
AB Bank Limited	2,664,287,768	1,666,143,721
AB Investment Limited	46,177,019	81,182,692
AB International Finance Limited	70,644,059	58,165,460
AB Securities Limited	94,997,928	145,391,462
Cashlink Bangladesh Limited (CBL)	-	-
	2,876,106,774	1,950,883,335
Less: Intercompany transactions	(1,451,039)	(1,045,092)
	2,874,655,734	1,949,838,243

AB Bank Limited
Notes to the Financial Statements
For the year ended 31 December 2022

	2022 Taka	2021 Taka
26. Other income		
Locker rent, insurance claim and others	8,211,686	5,888,988
Recoveries on loans previously written off	354,617,876	56,589,943
Recoveries on telex, telephone, fax, etc.	23,578,545	26,914,440
Recoveries on courier, postage, stamp, etc.	5,708,068	5,798,973
Non-operating income (*)	26,786,741	56,825,615
	418,902,916	152,017,959
(*) Includes sale of scrap items, Gain on sale of properties etc.		
26(a). Consolidated other income		
AB Bank Limited	418,902,916	152,017,959
AB Investment Limited	10,293,970	10,080,770
AB International Finance Limited	70,394,064	60,608,866
AB Securities Limited	4,432,529	4,282,497
Cashlink Bangladesh Limited (CBL)	-	-
	504,023,479	226,990,092
Less: Inter company transactions	9,116,520	9,116,520
	494,906,959	217,873,572
27. Salary and allowances		
Basic salary, provident fund contribution and all other allowances	2,954,039,920	2,870,451,265
Festival and incentive bonus	180,127,787	178,239,565
	3,134,167,707	3,048,690,830
27.1 Chief executive's salary and fees	18,958,549	16,341,129
27(a). Consolidated salary and allowances		
AB Bank Limited	3,134,167,707	3,048,690,830
AB Investment Limited	36,403,945	29,794,743
AB International Finance Limited	32,322,011	31,429,318
AB Securities Limited	44,786,298	38,169,340
Cashlink Bangladesh Limited (CBL)	-	149,480
	3,247,679,962	3,148,233,710
28. Rent, taxes, insurance, electricity, etc.		
Rent, rates and taxes	317,103,178	312,812,598
Electricity, gas, water, etc.	98,716,027	95,894,930
Insurance	209,143,293	203,913,051
	624,962,498	612,620,578
28.1 Rent, rates and taxes		
Right of Use (ROU) assets has been calculated for the period ended as on 31 December 2022 as per IFRS-16 leases considering monthly rental expenses excluding low value assets.		
28(a). Consolidated Rent, taxes, insurance, electricity, etc.		
AB Bank Limited	624,962,498	612,620,578
AB Investment Limited	2,592,123	2,516,810
AB International Finance Limited	9,331,583	8,559,824
AB Securities Limited	3,283,998	2,673,912
Cashlink Bangladesh Limited (CBL)	-	-
	640,170,202	626,371,124
Less: Inter company transactions	9,116,520	9,116,520
	631,053,682	617,254,604

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

For the year ended 31 December 2022

	2022 Taka	2021 Taka
29. Legal expenses		
Legal expenses	23,687,189	10,102,950
29(a). Consolidated legal expenses		
AB Bank Limited	23,687,189	10,102,950
AB Investment Limited	-	-
AB International Finance Limited	292,249	100,145
AB Securities Limited	140,250	-
Cashlink Bangladesh Limited (CBL)	3,600	720
	24,123,289	10,203,815
30. Postage, stamp, telecommunication, etc.		
Telex, fax, internet, wireless link, SWIFT, etc.	75,896,394	71,990,967
Telephone	6,477,515	6,164,623
Postage, stamp and shipping	17,247,717	13,676,160
	99,621,626	91,831,750
30(a). Consolidated Postage, stamp, telecommunication, etc.		
AB Bank Limited	99,621,626	91,831,750
AB Investment Limited	801,319	907,051
AB International Finance Limited	12,606,741	10,196,324
AB Securities Limited	1,679,327	1,747,989
Cashlink Bangladesh Limited (CBL)	200	-
	114,709,213	104,683,114
31. Stationery, printing, advertisements, etc.		
Printing and stationery	112,103,172	100,657,149
Publicity, advertisement, etc.	14,695,828	14,539,879
	126,798,999	115,197,027
31(a). Consolidated Stationery, printing, advertisements, etc.		
AB Bank Limited	126,798,999	115,197,027
AB Investment Limited	357,245	329,962
AB International Finance Limited	229,844	415,130
AB Securities Limited	666,724	1,104,919
Cashlink Bangladesh Limited (CBL)	-	-
	128,052,812	117,047,038
32. Directors' fees		
Directors' fees	1,537,600	1,589,600
Meeting expenses	234,849	405,863
	1,772,449	1,995,463
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	1,772,449	1,995,463
AB Investment Limited	256,676	421,682
AB International Finance Limited	451,878	217,108
AB Securities Limited	366,667	531,666
Cashlink Bangladesh Limited (CBL)	207,000	172,500
	3,054,670	3,338,419
33. Auditors' fees		
Statutory	1,460,524	1,376,200
Others	1,396,554	2,429,881
	2,857,078	3,806,081

AB Bank Limited
Notes to the Financial Statements

For the year ended 31 December 2022

	2022 Taka	2021 Taka
33(a). Consolidated Auditors' fees		
AB Bank Limited	2,857,078	3,806,081
AB Investment Limited	161,000	162,500
AB International Finance Limited	569,535	492,613
AB Securities Limited	88,000	168,625
Cashlink Bangladesh Limited (CBL)	34,500	28,750
	3,710,113	4,658,568
34. Depreciation and repairs of Bank's assets		
<u>Depreciation:</u>		
Electrical appliances	128,350,471	123,797,964
Furniture and fixtures	18,383,090	10,841,320
Office appliances	1,601,311	1,716,722
Building	14,683,495	15,170,838
Motor vehicles	32,767,889	40,360,137
	195,786,256	191,886,981
Depreciation of ROU (Right Of Use) assets	289,199,987	257,599,987
<u>Repairs:</u>		
Motor vehicles	9,886,622	13,716,880
Electrical appliances	58,567,167	59,142,483
Office premises and others	80,417,300	79,211,834
Furniture and fixtures	2,282,649	1,378,677
Office appliances	5,246,895	5,509,448
	156,400,634	158,959,323
	641,386,877	608,446,292
Amortization of Intangible Assets	75,155,330	56,151,866
	716,542,206	664,598,158
34(a). Consolidated Depreciation and repairs of Bank's assets		
AB Bank Limited	716,542,206	664,598,158
AB Investment Limited	17,736,661	18,310,431
AB International Finance Limited	408,453	449,894
AB Securities Limited	7,802,014	8,505,512
Cashlink Bangladesh Limited (CBL)	-	-
	742,489,335	691,863,995
35. Other expenses		
Contractual service	439,710,298	401,356,212
Petrol, oil and lubricant	78,872,394	67,308,965
Software expenses	200,836,832	194,856,243
Entertainment	39,039,485	33,007,202
Travelling	13,341,032	13,312,386
Subscription, membership and sponsorship	12,967,724	15,803,399
Training, seminar and workshop	7,055,931	7,037,044
Local conveyance	11,587,188	13,496,217
Professional charges	39,733,958	75,352,572
Books, newspapers and periodicals	1,084,271	911,542
Finance charge under lease liability	35,034,137	46,777,916
Donation	139,924,849	78,091,098
Bank Charges	14,569,279	13,291,927
Sundry expenses (*)	215,708,181	184,879,103
	1,249,465,558	1,145,481,825

(*) Sundry expenses includes business promotion, rebate to foreign correspondents and dress of support staff etc.

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

For the year ended 31 December 2022

	2022 Taka	2021 Taka
35(a). Consolidated other expenses		
AB Bank Limited	1,249,465,558	1,145,481,825
AB Investment Limited	8,929,589	20,230,256
AB International Finance Limited	1,050,648	725,817
AB Securities Limited	15,142,546	34,803,397
Cashlink Bangladesh Limited (CBL)	71,145	89,850
	1,274,659,486	1,201,331,145
Less: Inter company transactions	1,451,039	1,045,092
	1,273,208,447	1,200,286,054
36. Provision against loans and advances		
On un-classified loans	1,872,148	1,340,345,179
On classified loans	2,144,306,250	2,450,000,000
	2,146,178,398	3,790,345,179
36(a). Consolidated provision against loans and advances		
AB Bank Limited	2,146,178,398	3,790,345,179
AB Investment Limited	65,000,000	280,000,000
AB International Finance Limited	-	-
AB Securities Limited	3,683,314	44,500,000
Cashlink Bangladesh Limited (CBL)	-	-
	2,214,861,712	4,114,845,179
37. Provisions for investments		
Provision for quoted shares in Bangladesh operations	141,698,075	320,000,000
Provision for Pinnacle Global Fund Pte Limited	170,750,136	130,000,000
Provision for Amana Bank Plc	191,303,398	-
Provision for investment in treasury Bills by Mumbai Branch	2,496,197	398,805
Total provision for investments	506,247,806	450,398,805
37(a). Consolidated provisions for diminution in value of investments		
AB Bank Limited	506,247,806	450,398,805
AB Investment Limited	68,716,168	6,082,949
AB International Finance Limited	-	-
AB Securities Limited	1,316,686	-
Cashlink Bangladesh Limited (CBL)	-	-
	576,280,660	456,481,754
38. Other provision		
Provision for off balance sheet items	120,000,000	60,000,000
Provision for Other assets	(39,500,000)	25,815,033
	80,500,000	85,815,033
Provision against other assets was made as per BRPD Circular # 04 dated 12 April 2022 issued by Bangladesh Bank.		
38(a). Consolidated other provisions		
AB Bank Limited	80,500,000	85,815,033
AB Investment Limited	-	-
AB International Finance Limited	-	-
AB Securities Limited	-	-
Cashlink Bangladesh Limited (CBL)	-	-
	80,500,000	85,815,033

AB Bank Limited
Notes to the Financial Statements

For the year ended 31 December 2022

	2022 Taka	2021 Taka
39. Appropriations		
Retained earnings - brought forward	4,811,589,856	5,686,625,747
Add: Post-tax profit for the year	677,238,715	641,384,540
	5,488,828,571	6,328,010,287
Less: Cash dividend	167,167,734	-
Less: Dividend-Bonus shares issued	250,751,600	398,018,410
	5,070,909,237	5,929,991,877
Transferred to		
Statutory reserve	535,933,103	341,379,078
Transfer to Specific Provision	-	3,500,000,000
Start-up Fund	6,772,387	6,413,845
	542,705,490	3,847,792,924
	4,528,203,746	2,082,198,953
Retained earnings		
Add: Transferred from Assets Revaluation Reserve	17,129	2,244,694,460
Add/Less: Addition/Adjustment during the year	(377,339,298)	486,412,206
Add: Foreign Exchange translation gain/(Loss)	(51,998,109)	(1,715,763)
	4,098,883,468	4,811,589,856
40 Basic Earnings Per Share (EPS)		
Profit after taxation	677,238,715	641,384,540
Number of ordinary shares outstanding	860,913,831	860,913,831
Basic Earnings Per Share	0.79	0.75
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.		
40.(a) Consolidated Basic Earnings Per Share		
Net Profit/(Loss) attributable to the shareholders of parent company	714,195,976	716,608,115
Number of ordinary shares outstanding	860,913,831	860,913,831
Consolidated Basic Earnings Per Share	0.83	0.83
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, 2022.		
41. Receipts from other operating activities		
Interest on treasury bills, bonds, debenture and others	3,538,444,119	5,234,040,121
Exchange earnings	2,083,197,778	378,518,116
Recoveries on telex, telephone, fax, etc.	23,578,545	26,914,440
Recoveries on courier, postage, stamp, etc.	5,708,068	5,798,973
Non-operating income	26,786,741	56,825,615
Others	8,211,686	5,888,988
	5,685,926,938	5,707,986,253
42. Payments for other operating activities		
Rent, taxes, insurance, electricity, etc.	948,627,275	944,785,355
Postage, stamps, telecommunication, etc.	99,621,626	91,831,750
Repairs of Bank's assets	156,400,634	158,959,323
Legal expenses	23,687,189	10,102,950
Auditor's fees	2,857,078	3,806,081
Directors' fees	1,772,449	1,995,463
Other Expenses	1,214,431,421	1,098,703,910
	2,447,397,672	2,310,184,832

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

For the year ended 31 December 2022

	2022 Taka	2021 Taka
43. Increased/(Decrease) in other assets		
Investment in subsidiaries	6,229,114,922	6,229,114,922
Advance rent and advertisement	159,881,795	234,153,083
Stationery, stamps, printing materials, etc.	71,462,423	76,152,250
Security deposits	72,623,086	70,201,100
Commission and brokerage receivable on shares and debentures, and other income receivables	1,214,753,020	1,710,681,112
Accounts receivable	1,667,622,589	1,298,999,895
Preliminary, formation, organizational, renovation, development and prepaid expenses	533,005,552	597,885,133
Exchange for clearing	663,210,910	1,433,998,879
Inter-branch adjustment	147,414	-
Arab Bangladesh Bank Foundation	19,920,000	19,920,000
	10,631,741,712	11,671,106,374
Net Decrease	(1,039,364,662)	(110,905,981)
44. Increase/(decrease) in other liabilities		
Accumulated provision against loans and advances	27,260,466,185	27,300,595,344
Provision for current tax	1,126,116,056	1,537,622,211
Interest suspense account	11,773,479,961	13,171,406,144
Accounts payable - Bangladesh Bank	17,503,601	31,762,059
Provision against other assets	334,959,106	374,459,106
Accrued expenses	117,779,412	88,551,502
Provision against investments	2,358,476,593	1,854,724,984
Provision against off balance sheet items	1,180,000,000	330,000,000
Others	1,207,062,630	785,808,868
	45,375,843,544	45,474,930,218
<u>Less: Adjustment for provision and others</u>	32,921,768,458	32,124,714,975
	12,454,075,086	13,350,215,243
Net Decrease	(896,140,156)	(3,025,134,699)
45. Net Operating Cash Flow Per Share (NOCFPS)		
Net Operating Cash Flow	(17,424,793,972)	3,007,507,958
Weighted average number of shares	860,913,831	860,913,831
Net Operating Cash Flow Per Share (NOCFPS)	(20.24)	3.49
45(a) Consolidated Net Operating Cash Flow Per Share (NOCFPS)		
Net Operating Cash Flow	(16,790,462,989)	2,542,398,171
Weighted average number of shares	860,913,831	860,913,831
Net Operating Cash Flow Per Share (NOCFPS)	(19.50)	2.95
46 Net Asset Value Per Share (NAVPS)		
Net Asset Value	24,425,937,456	24,307,403,496
Number of shares outstanding at the end of the period	860,913,831	860,913,831
Net Asset Value Per Share (NAVPS)	28.37	28.23

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

For the year ended 31 December 2022

	2022 Taka	2021 Taka
46(a) Consolidated Net Asset Value Per Share (NAVPS)		
Net Asset Value	25,760,909,681	25,564,304,856
Number of shares outstanding at the end of the period	860,913,831	860,913,831
Net Asset Value Per Share (NAVPS)	29.92	29.69
47. Reconciliation of Net Profit after Taxation & Operating Profit before changes in operating assets & liabilities		
Cash flows from operating activities		
Net Profit after Taxation	677,238,715	641,384,540
Provision for Tax	2,071,689,766	1,164,914,966
Provision for Loans, Investment and others	2,732,926,204	4,326,559,017
Increase in interest receivable	(5,291,376,221)	(7,401,614,138)
(Decrease)/Increase interest Payable on Deposits	300,366,073	(324,295,532)
Non cash items, Lease impact and others	271,510,933	220,251,974
Income tax paid	(1,874,135,760)	(1,814,495,333)
Effect of exchange rate changes on cash & cash equivalents	827,921,179	(29,322,754)
Operating Profit before changes in operating assets & liabilities	(283,859,112)	(3,216,617,260)
48. Conversion Rates		
Assets and liabilities as at December 31, 2022 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	124.1113
European Currency	EURO	1.00	109.5981
Indian Rupee	INR	1.00	1.2481
US Dollar	USD	1.00	103.2970

AB Bank Limited
Notes to the Financial Statements
For the year ended 31 December 2022

49. Highlights of the overall activities of the Bank

(Amount in Taka)

Sl no.	Particulars	31 Dec 2022	31 Dec 2021
1	Paid-up capital	8,609,138,310	8,358,386,710
2	Total capital	36,195,251,975	35,395,189,374
3	Capital shortfall	(7,692,135,525)	(5,813,066,617)
4	Total assets	409,085,360,391	410,316,706,779
5	Total deposits	316,697,269,309	298,372,561,654
6	Total loans and advances	312,068,149,520	290,459,816,948
7	Total contingent liabilities and commitments	51,667,743,668	42,322,775,528
8	Credit-deposit ratio*	92.26%	86.27%
9	Ratio of classified loans against total loans and advances	20.23%	14.15%
10	Profit after tax and provision	677,238,715	641,384,540
11	Loans classified during the Year	23,983,274,544	1,783,520,791
12	Provision kept against classified loans	21,641,247,373	20,953,453,433
13	Provision surplus/ (deficit)	-	-
14	Cost of fund	6.85%	6.76%
15	Interest earning assets	310,658,053,495	327,505,726,943
16	Non-interest earning assets	98,427,306,896	82,810,979,836
17	Return on investments (ROI)	6.86%	8.47%
18	Return on assets (ROA)	0.17%	0.16%
19	Income from investments	4,015,765,616	5,463,219,963
20	Earnings per share	0.79	0.75
21	Net Income per share	0.79	0.75
22	Price-earnings ratio (Times)	12.58	17.59

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



Tarique Afzal
President & Managing Director



Md. Eskandar Miah
Independent Director



Shafiqul Alam
Independent Director



Khairul Alam Choudhury
Chairman

Dhaka,
30 April 2023

AB Bank Limited
Currency wise Balances

Name of the bank	Location	Name of currency	As at 31 December 2022		
			Amounts in foreign currency	Conversion rate	Equivalent amounts in BDT
The Bank of Tokyo Mitsubishi Ltd.	Tokyo	JPY	8,368,585	0.7682	6,428,747
MFT, Yangon	Myanmar	ACU	1,000	103.2970	103,297
JP Morgan Chase Bank	Newyork	USD	7,678,126	103.2970	793,127,357
Sonali Bank (Kolkata)	India	ACU	13,618	103.2970	1,406,729
Myanmar Economic Bank	Myanmar	ACU	410	103.2970	42,352
Citibank, NA	Newyork	USD	504,667	103.2970	52,130,559
Hatton National Bank Limited	Colombo	ACU	43,279	103.2970	4,470,621
Commerz Bank AG	Germany	EUR	309,609	109.5981	33,932,589
Habib Metro Bank	Karachi	ACU	7,954	103.2970	821,583
Mashreq Bank Psc	Newyork	USD	11,749,954	103.2970	1,213,735,046
Nabil Bank Limited	Nepal	USD	2,218	103.2970	229,087
Habib America Bank	Newyork	USD	273,713	103.2970	28,273,731
Commerz Bank AG	Germany	USD	32,177	103.2970	3,323,763
MCB Bank Limited	Karachi	ACU	45,527	103.2970	4,702,775
Commerz Bank AG	Germany	CAD	41,081	75.8979	3,117,961
Commerz Bank AG	Germany	CHF	24,529	111.2036	2,727,758
JP Morgan Chase Bank	Newyork	USD	342,071	103.2970	35,334,915
Zhei Chou Commercial Bank Co. Ltd.	China	CNY	79,318	14.8018	1,174,046
Commerz Bank AG	Germany	EUR	14,065	109.5981	1,541,493
Reserve Bank of India	Mumbai	ACU	60,656,057	1.2481	75,704,734
HDFC Bank CSGL	India	INR	7,869,929	1.2481	9,822,447
HDFC Bank Limited	India	INR	74,598,197	1.2481	93,105,898
Kotak Mahindra Bank	India	INR	8,454,246	1.2481	10,551,731
Habib American	Newyork	USD	1,115,207	103.2970	115,197,543
JP Chase ACU	Newyork	USD	17,560,451	103.2970	1,813,941,858
Total					4,304,948,618

AB Bank Limited

Investment in Shares

As at 31 December 2022

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	5,915,452	11.50	68,027,698	16.14	95,477,656
National Bank Limited	5,602,825	8.30	46,503,448	13.51	75,675,365
Premier Bank Limited	2,776,770	13.30	36,931,041	13.04	36,211,323
First Janata Bank Mutual Fund	322,865	6.10	1,969,477	8.30	2,679,780
AB Bank 1st Mutual Fund	37,086,435	5.20	192,849,462	6.27	232,672,073
Green Delta Mutual Fund	3,255,663	6.90	22,464,075	8.18	26,622,003
LR Global Bangladesh Mutual Fund One	10,369,343	6.40	66,363,795	9.64	100,000,001
Popular Life First Mutual Fund	748,477	5.10	3,817,233	5.12	3,829,325
Trust Bank 1st Mutual Fund	1,920,904	5.60	10,757,062	6.45	12,385,876
Dhaka Electric Supply Company Limited	7,023,759	36.60	257,069,579	87.73	616,189,378
Khulna Power Company Limited	345,865	26.60	9,200,009	88.49	30,606,883
Padma Oil Company Limited	347,094	209.20	72,612,065	299.66	104,010,918
Powergrid Company of Bangladesh Limited	4,936,500	52.40	258,672,600	77.25	381,352,923
Islami Commercial Insurance Company Ltd.	8,798	28.10	247,224	10.00	87,980
Sonali Life Insurance Company Ltd.	9,308	59.60	554,757	10.00	93,080
Beximco Pharmaceuticals Limited	849,147	146.20	124,145,291	193.39	164,214,927
Orion Pharma Limited	1,568,827	82.70	129,741,993	97.11	152,343,429
BBS Cables Limited	1,681,226	49.90	83,893,177	79.46	133,584,799
BSRM Steels Limited	2,454,160	63.90	156,820,824	98.32	241,287,030
GPH Ispat Limited	504,524	44.80	22,602,675	54.39	27,441,421
IFAD Autos Limited	1,062,703	44.10	46,865,202	79.50	84,481,704
Olympic Industries Limited	138,542	124.00	17,179,208	222.14	30,776,387
Heidelberg Cement Bangladesh Limited	66,720	179.10	11,949,552	555.88	37,088,160
Argon Denims Limited	2,181,264	18.20	39,699,005	33.05	72,096,990
Ring Shine Textiles Limited	502	9.80	4,920	7.62	3,823
Shasha Denims Limited	1,935,378	27.00	52,255,206	38.52	74,546,499
Union Capital Limited	2,440,006	9.90	24,156,059	61.08	149,037,209
SAIF Powertec Limited.	2,741,567	29.70	81,424,540	39.24	107,576,104
Total			1,838,777,177		2,992,373,046

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
Grameen One : Scheme 2	3,865,039	15.20	58,748,593	18.29	70,707,495
NLI First Mutual Fund	600,000	14.40	8,640,000	15.81	9,485,212
Beximco Pharmaceuticals Limited	1,500,004	146.20	219,300,585	215.50	323,246,983
Orion Pharma Limited	713,090	82.70	58,972,543	117.07	83,483,199
Silco Pharmaceuticals Limited	1,879,272	23.40	43,974,965	25.57	48,044,879
Beximco Green Sukuk Al Istisna'a	5,434,344	89.00	483,656,616	100.00	543,434,400
Bangladesh Export Import Company Ltd.	1,566,995	115.60	181,144,622	86.70	135,858,500
LankaBangla Finance Ltd.	1,016,972	26.00	26,441,272	39.86	40,540,232
Powergrid Company of Bangladesh Limited	589,264	52.40	30,877,434	63.00	37,123,697
BBS Cables Limited	356,839	49.90	17,806,266	56.20	20,054,845
GPH Ispat Limited	2,817,567	44.80	126,227,002	52.63	148,282,898
Argon Denims Limited	333,954	18.20	6,077,963	18.83	6,287,321
Total			1,261,867,860		1,466,549,661

Shares/Bond (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	616,735,915
Total Strategic Investment (c)	187,784,490	616,735,915	616,735,915
Total investment (a+b+c)			5,307,774,752

AB Bank Limited
Schedule of Fixed Assets
As of 31 December 2022

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 2022	2,271,171,345	346,946,966	65,810,463	2,087,453,267	323,725,176	910,541,641	1,329,421,828	7,335,070,685
Addition during the year	-	3,763,250	1,477,000	94,137,957	10,147,500	69,588,664	-	179,114,371
Less: Disposal/Adjustment during the year	-	1,813,968	2,054,355	30,744,057	73,216,856	-	-	107,829,236
Adjustment for USD/ INR Rate Fluctuation	-	259,524	(2,127,854)	4,594,327	288,523	2,300,148	-	5,314,668
At 31 December 2022	2,271,171,345	349,155,773	63,105,254	2,155,441,495	260,944,343	982,430,450	1,329,421,828	7,411,670,487
Accumulated Depreciation								
Balance at 01 January 2022	186,447,501	179,483,806	58,722,183	1,602,090,540	239,324,068	713,636,770	723,177,857	3,702,882,725
Addition during the year	14,683,495	18,383,090	1,601,310	128,350,472	32,767,889	75,155,330	289,199,987	560,141,572
Less: Disposal/Adjustment during the year	-	1,382,289	2,013,519	28,959,095	73,216,822	-	-	105,571,725
Adjustment for USD/ INR Rate Fluctuation	-	242,456	(2,102,739)	4,384,972	273,486	2,256,858	-	5,055,033
At 31 December 2022	201,130,996	196,727,063	56,207,235	1,705,866,889	199,148,621	791,048,958	1,012,377,844	4,162,507,606
Net Book Value								
At 31 December 2022	2,070,040,349	152,428,709	6,898,019	449,574,605	61,795,722	191,381,495	317,043,984	3,249,162,881
As of 31 December 2021								
Particulars								
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

AB Bank Limited**Detailed of Risk Weighted Assets under Basel III**

As at 31 December 2022

Annexure-D**Amount in Taka**

Risk Weighted Assets (RWA) for	31.12.2022		31.12.2021	
	Exposure	Risk Weighted Asset	Exposure	Risk Weighted Asset
A. Credit Risk				
On- Balance sheet (as shown below)	367,919,626,951	314,237,657,505	364,550,391,211	285,780,334,686
Off-Balance sheet (as shown below)	13,471,011,058	8,929,573,136	17,565,290,543	12,305,030,565
B. Market Risk	-	9,952,748,917	-	11,071,010,409
C. Operational Risk	-	17,979,120,440	-	20,509,672,267
Total RWA (A+B+C)	381,390,638,009	351,099,099,998	382,115,681,754	329,666,047,926

Credit Risk - On Balance Sheet

Sl.	Exposure Type	31.12.2022		31.12.2021	
		Exposure	Risk Weighted Asset	Exposure	Risk Weighted Asset
a)	Cash and Cash Equivalents	1,728,331,779	-	1,291,715,032	-
b)	Claims on Bangladesh Government and Bangladesh Bank	48,368,383,104	-	59,701,136,104	-
c)	Claims on other Sovereigns & Central Banks*	685,352,757	342,676,378	530,883,782	265,441,891
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	693,644,731	197,762,750	289,248,649	78,270,949
	ii) Maturity less than 3 months	7,225,822,300	1,445,164,460	12,952,223,339	2,590,444,668
h)	Claims on Corporate (excluding equity exposure)	185,554,313,796	186,642,212,550	188,314,821,995	190,703,375,211
i)	Claims on SME	25,414,106,256	21,903,294,952	24,736,655,913	20,355,818,791
j)	Claims under Credit Risk Mitigation	10,965,277,528	4,225,218,179	9,145,269,940	4,016,384,204
Fixed Risk Weight Groups:					
k)	Claims categorized as retail portfolio (excluding consumer loan)	885,172,071	663,879,053	748,497,036	561,372,777
l)	Consumer Loan	2,380,865,472	2,380,865,472	1,917,249,737	1,917,249,737
m)	Claims fully secured by residential property	411,027,678	205,513,839	544,492,671	272,246,335
n)	Claims fully secured by commercial real estate	10,591,615,185	10,591,615,185	10,259,091,499	10,259,091,499
o)	Past Due Claims (Risk weights are to be assigned net of specific provision)	47,586,820,869	60,710,411,578	27,646,631,144	30,084,808,194
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	55,605,000	55,605,000	54,500,000	54,500,000

AB Bank Limited
Detailed of Risk Weighted Assets under Basel III

As at 31 December 2022

Amount in Taka

Sl.	Exposure Type	31.12.2022		31.12.2021	
		Exposure	Risk Weighted Asset	Exposure	Risk Weighted Asset
q)	Investments in venture capital	469,821,302	469,821,302	469,821,302	469,821,302
r)	Claim on Capital Market Exposure	1,074,425,585	1,343,031,981	1,265,627,948	1,582,034,935
s)	Unlisted equity investments and regulatory capital instruments issued by other banks (other than those deducted from capital) held in banking book	11,111,329,750	13,889,162,188	10,911,329,750	13,639,162,188
t)	Investments in premises, plant and equipment and all other fixed assets	2,740,757,114	2,740,757,114	2,926,711,270	2,926,711,270
u)	Claims on all fixed assets under operating lease	-	-	-	-
v)	All other assets	9,976,954,673	6,430,665,524	10,844,484,100	6,003,600,737
Total		367,919,626,951	314,237,657,505	364,550,391,211	285,780,334,686

Credit Risk - Off Balance Sheet

Sl.	Exposure Type	31.12.2022		31.12.2021	
		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	24,002,638	4,800,528	28,678,127	5,735,625
g)	Claims on Corporate (excluding equity exposure)	10,113,311,951	6,598,912,888	13,628,238,244	9,267,878,732
h)	Against retail portfolio (excluding consumer loan)	125,595,858	94,196,894	124,588,433	93,441,325
hi)	Claims on SME	3,208,100,611	2,231,662,827	3,783,785,738	2,937,974,882
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		13,471,011,058	8,929,573,136	17,565,290,543	12,305,030,565

Detailed of Risk Weighted Assets under Basel III

Based on 31 December 2022

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:

AB Bank Limited**Disclosures on Risk Based Capital (Basel III)**

Based on 31 December 2022

- 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.

Minimum capital requirements of the BASEL III:

Particulars	2022
Minimum Common Equity Tier-1 Capital Ratio	4.50%
Capital Conservation Buffer	2.50%
Minimum CET-1 plus Capital Conservation Buffer	7.00%
Minimum T-1 Capital Ratio	6.00%
Minimum Total Capital Ratio	10.00%
Minimum Total Capital plus Capital Conservation Buffer	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.

$$\text{Leverage Ratio} = \frac{\text{Tier 1 Capital (after related deductions)}}{\text{Total Exposure (after related deductions)}}$$

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:

AB Bank Limited**Disclosures on Risk Based Capital (Basel III)**

Based on 31 December 2022

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> <p>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.</p>

AB Bank Limited**Disclosures on Risk Based Capital (Basel III)**

Based on 31 December 2022

		<p>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.</p> <p>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.</p> <p>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.</p> <p>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.</p>
(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:</p> <p>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:</p> <p>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:</p> <p>General Reserve created for fulfilling any purpose of the Bank.</p> <p>Retained earnings:</p> <p>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> <p>Additional Tier 1 Capital</p> <p>Bank has no any type of Additional Tier I Capital</p>
		<p>Tier 2 Capital</p> <p>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</p>

AB Bank Limited
Disclosures on Risk Based Capital (Basel III)

Based on 31 December 2022

		BDT in Crore			
		31.12.2022		31.12.2021	
		Solo	Conso	Solo	Conso
(b) The amount of Regulatory capital, with separate disclosure of: CET 1 Capital	> Paid up Capital	861	861	836	836
	> Non- repayable share premium account	-	-	-	-
	> Statutory reserve	805	805	748	748
	> General reserve	285	304	285	302
	> Retained earnings	410	525	481	591
	> Non- Controlling Interest	-	1	-	1
	> Non- cumulative irredeemable preference shares	-	-	-	-
	> Dividend equalization account	-	-	-	-
		2,361	2,496	2,351	2,478
Additional Tier 1 Capital		527	533	441	441
Total Tier 1 Capital		2,888	3,028	2,792	2,919
Tier 2 Capital		1,119	1,266	1,194	1,334
(c) Regulatory Adjustments/Deductions from capital		387	388	446	447
(d) Total eligible capital		3,620	3,906	3,540	3,806

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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		BDT in Crore			
		31.12.2022		31.12.2021	
		Solo	Conso	Solo	Conso
(b) Capital requirement for Credit Risk:		3,231.67	3,255.89	2,980.85	3,004.35
(c) Capital requirement for Market Risk:		99.53	108.89	110.71	118.20
(d) Capital requirement for Operational Risk:		179.79	187.21	205.10	211.24
(e) Total capital, CET 1 capital, Total Tier 1 capital and Tier 2 capital ratio:					
Total minimum capital requirement @10%		3,510.99	3,551.99	3,296.66	3,333.79
Total capital maintained		3,619.53	3,906.18	3,539.52	3,805.93
Minimum Tier 1 capital requirement		6.00%	6.00%	6.00%	6.00%
Common Equity Tier-I capital maintained		5.62%	5.93%	5.78%	6.09%
Additional Tier-I capital maintained		1.50%	1.50%	0.01	0.01
Tier 2 capital ratio maintained		7.12%	7.43%	3.62%	4.00%
Min. total capital plus capital conservation buffer requirement		12.50%	12.50%	12.50%	12.50%
Min. total capital plus capital conservation buffer maintained		10.31%	11.00%	10.74%	11.42%
(f) Capital Conservation Buffer					
Capital conservation buffer requirement		2.50%	2.50%	2.50%	2.50%
Capital conservation buffer maintained		-	-	-	-
(g) Available Capital under Pillar 2 requirement		108.53	354.19	242.86	472.14

Provision against loans and advances has been maintained as per Bangladesh Bank letter no. DBI-3/101/2022-741 dated 26 April 2023 and DOS(CAMS)1157/41(Dividend)/2023-2200 dated 30 April 2023 respectively. According to those letters, there is a provision shortfall of Tk. 6,128.05 crore (Total requirement is BDT 8,854.10 crore and total maintained is BDT 2,726.05 crore) against loans and advances and BDT 117.51 crore provision shortfall against investment which requires to be kept within 2029.

D) Credit Risk

Qualitative Disclosure

<p>(a) The general qualitative disclosure requirement with respect to credit risk, including:</p> <p>> Definitions of past due and impaired (for accounting purposes)</p>	<p>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,</p> <p>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.</p> <p>Classified loan is categorized under following 03 (three) categories:</p> <p>> Sub-standard</p> <p>> Doubtful</p> <p>> Bad/Loss</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 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>
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<div>></div> <div>Description of approaches followed for specific and general allowances and statistical methods</div>	<div>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 letter # 53 dated 30.12.2021 and BRPD Circular letter # 53 dated 22.12.2022. The rates for provisions are stated below:</div> <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> <div>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.</div>	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%																																																							
<div>></div> <div>Discussion of the Bank’s credit risk management policy</div>	<div>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.</div> <div>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.</div> <div>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.</div>																																																															

		BDT in Crore			
		31.12.2022		31.12.2021	
		In (%)	BDT/Cr.	In (%)	BDT/Cr.
(b) Total gross credit risk exposures broken down by major types of credit exposure	Overdraft	5.47%	1,708	6.36%	1,846
	Cash credit	0.02%	7	0.01%	4
	Time loan	15.89%	4,960	15.84%	4,602
	Term loan	71.47%	22,302	69.28%	20,123
	Forced loan	2.36%	736	3.27%	950
	Bills under LC	0.01%	2	0.06%	16
	Trust receipt	1.84%	575	2.24%	651
	Packing credit	0.00%	-	0.03%	8
	Loan against accepted bills	0.01%	3	0.02%	7
	Loan-EDF	1.45%	453	1.36%	396
	Consumer Loan	0.88%	274	0.87%	251
	Staff loan	0.37%	116	0.44%	129
	Bills purchased and discounted	0.23%	71	0.22%	63
	Total	100%	31,207	100%	29,046
(c) Geographical distribution of exposures, broken down in significant areas by major types of credit exposure	Urban branches				
	Dhaka	73.88%	22,807	74.56%	21,437
	Chattogram	15.64%	4,829	14.86%	4,271
	Khulna	4.62%	1,427	4.85%	1,395
	Sylhet	0.43%	133	0.42%	121
	Barishal	0.16%	49	0.14%	40
	Rajshahi	1.66%	513	1.61%	462
	Rangpur	1.99%	616	1.98%	568
	Mymensingh	1.61%	498	1.58%	454
	100%	30,872	100%	28,750	
	Rural branches				
	Dhaka	66.48%	171	67.75%	161
	Chittagong	26.46%	68	25.41%	60
	Khulna	0.00%	-	0.00%	-
	Sylhet	4.79%	12	4.75%	11
	Barishal	0.00%	-	0.00%	-
	Rajshahi	0.00%	0.002	0.00%	0
	Rangpur	0.02%	0.06	0.02%	0
	Mymensingh	2.25%	6	2.07%	5
	Outside Bangladesh	100%	258	100%	237
	ABBL, Mumbai branch	0.25%	77	0.20%	59
	100%	31,207	100%	29,046	

AB Bank Limited
Disclosures on Risk Based Capital (Basel III)

Based on 31 December 2022

		31.12.2022		31.12.2021	
		In (%)	BDT/Cr.	In (%)	BDT/Cr.
(d) Industry or counterparty type distribution of exposures, broken down by major types of credit exposure.	Agriculture	1.32%	411	1.47%	428
	Large and medium scale indus.	34.07%	10,631	34.07%	9,895
	Working capital	23.27%	7,261	23.27%	6,758
	Export	1.76%	550	0.57%	165
	Commercial lending	20.61%	6,432	20.61%	5,987
	Small and cottage industry	2.18%	679	2.18%	632
	Others	16.80%	5,242	17.84%	5,181
		100%	31,207	100%	29,046
(e) Residual contractual maturity breakdown of the whole portfolio, broken down by major types of credit exposure.	Repayable – on demand	0.55%	173	0.65%	188
	– upto 3 months	38.83%	12,116	37.54%	10,903
	– over 3 months but below 1 year	43.23%	13,492	44.62%	12,961
	– over 1 year but below 5 years	13.81%	4,309	12.14%	3,527
	– over 5 years	3.58%	1,117	5.05%	1,468
		100%	31,207	100%	29,046
(f) By major industry or counterparty type:					
i.	Amount of impaired loans and if available, past due loans, provided separately	20.23%	6,312	14.15%	4,111
ii.	Specific and general provisions	-	2,726	-	2,730
iii.	Charges for specific allowances and charge-offs during the period	-	214	-	245
(g) Gross Non Performing Assets (NPAs)				2022	2021
				BDT/Cr.	BDT/Cr.
	(NPAs) to outstanding Loans & advances	Non Performing Assets (NPAs)		6,312	4,111
		NPAs to outstanding loans and advances		20.23%	14.15%
		Movement of NPAs Bangladesh Operations:			
		Opening balance		4,110.95	4,615.46
		Additions		2,398.33	178.35
		Reductions		197.09	682.87
		Closing balance		6,312.19	4,110.95
		Movement of specific provision for NPAs			
		Opening balance		2,095.35	895.76
		Provision made during the year		214.43	1,221.00
		Write-off		(145.65)	(21.41)
		Closing balance		2,164.13	2,095.35

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 (2022)	BDT in Crore 15.55
(d) > Total unrealized gains (losses) > Total latent revaluation gains (losses) > Any amounts of the above included in Tier 2 capital	(135.83) Nil 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	
		31.12.22	31.12.21
	Market value of assets	40,907	41,589
	Market value of liability	38,464	38,902
	Weighted avg. duration GAP	0.77	0.71
	CRAR after different level of Shocks:		
	Minor level	9.55%	9.98%
	Moderate level	8.77%	9.21%
	Major level	7.99%	8.43%

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 2022

> 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:

	BDT in Crore	
	31.12.22	31.12.21
Interest rate risk	28.43	26.87
Equity position risk	62.01	68.76
Foreign exchange risk	9.09	15.08
Commodity risk	-	-
	99.53	110.71

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. Board Audit Committee 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	
	31.12.22	31.12.21
(b) The capital requirements for Operational Risk	179.79	205.10

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. 31.12.2022</th></tr> <tr> <td>Liquidity Coverage Ratio</td><td>149.57%</td></tr> <tr> <td>Net Stable Funding Ratio (NSFR)</td><td>104.32%</td></tr> <tr> <td>Stock of high quality liquid assets</td><td>5,915.93</td></tr> <tr> <td>Total net cash outflows over the next 30 calendar days</td><td>3,955.31</td></tr> <tr> <td>Available amount of stable funding</td><td>32,966.51</td></tr> <tr> <td>Required amount of stable funding</td><td>31,600.60</td></tr> </table>		BDT/Cr. 31.12.2022	Liquidity Coverage Ratio	149.57%	Net Stable Funding Ratio (NSFR)	104.32%	Stock of high quality liquid assets	5,915.93	Total net cash outflows over the next 30 calendar days	3,955.31	Available amount of stable funding	32,966.51	Required amount of stable funding	31,600.60
	BDT/Cr. 31.12.2022														
Liquidity Coverage Ratio	149.57%														
Net Stable Funding Ratio (NSFR)	104.32%														
Stock of high quality liquid assets	5,915.93														
Total net cash outflows over the next 30 calendar days	3,955.31														
Available amount of stable funding	32,966.51														
Required amount of stable funding	31,600.60														

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 2022

<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>Exposures Types</th><th>CCF</th><th>Notional Amount</th><th>Exposure</th></tr><tr><td></td><td></td><th>BDT/Cr.</th><th>BDT/Cr.</th></tr><tr><td>Direct credit substitutes</td><td>100%</td><td>800</td><td>800</td></tr><tr><td>Performance related contingencies</td><td>50%</td><td>682</td><td>341</td></tr><tr><td>Short-term self-liquidating trade letters of credit</td><td>20%</td><td>505</td><td>101</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>450</td><td>90</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>1,484</td><td>-</td></tr><tr><td>Market related Off-Balance sheet exposure</td><td>1%</td><td>1,494</td><td>15</td></tr><tr><td>Total</td><td></td><td>5,415</td><td>1,347</td></tr></table>	Exposures Types	CCF	Notional Amount	Exposure			BDT/Cr.	BDT/Cr.	Direct credit substitutes	100%	800	800	Performance related contingencies	50%	682	341	Short-term self-liquidating trade letters of credit	20%	505	101	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%	450	90	Commitments with original maturity of over one year	50%	-	-	Other commitments that can be unconditionally cancelled by any time	0%	1,484	-	Market related Off-Balance sheet exposure	1%	1,494	15	Total		5,415	1,347
Exposures Types	CCF	Notional Amount	Exposure																																														
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Total		5,415	1,347																																														

AB Bank Limited**Disclosures on Risk Based Capital (Basel III)**

Based on 31 December 2022

(b)		BDT/Cr. 31.12.2022	
	Leverage Ratio		6.27%
	On balance sheet exposure		38,744
	Off balance sheet exposure		1,495
	Total deduction from On and Off-Balance Sheet Exposure		387
	Total exposure		39,853

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 (e.g. 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.	
> An overview of the key features and objectives of remuneration policy.	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 stand as a guide besides instructions and guidance from the Board from time to time.	
> 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.	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.	
> A discussion of how the bank ensures that risk and compliance employees are remunerated independently of the businesses they oversee.	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.	
(c)	Description of the ways in which current and future risks are taken into account in the remuneration processes.	
> An overview of the key risks that the bank takes into account when implementing remuneration measures.	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.	
> An overview of the nature and type of the key measures used to take account of these risks, including risks difficult to measure.	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.	
> A discussion of the ways in which these measures affect remuneration.	Individual employee's performance standards are set in terms 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 remuneration.	

	<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 181,925,287.40 during the year 2022.
	> 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 2022

	> 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 2022

Annexure-E

PROPERTY AND ASSETS

Cash

In hand (including foreign currencies)
Balance with Reserve Bank India
(including foreign currencies)

Balance with other banks and financial institutions

In India
Outside India

Money at call and on short notice

Investments

Government

Loans and advances

Loans, cash credits, overdrafts, etc.
Bills purchased and discounted

Fixed assets including premises, furniture and fixtures

Other assets

Total Assets

LIABILITIES AND CAPITAL

Liabilities

Borrowings from other banks, FIs and agents

Deposits and other accounts

Current deposits
Demand deposits
Bills payable
Savings deposits
Fixed deposits

Other liabilities

Total Liabilities

Capital/Shareholders' Equity

Total Shareholders' Equity

Paid-up capital
Statutory reserve
Other reserve
Retained earnings

Total Liabilities and Shareholders' Equity

Off-Balance Sheet Items

Contingent liabilities

Acceptances and endorsements
Letters of guarantee
Bills for collection

Other commitments

Total

	31.12.2022 INR	31.12.2021 INR
PROPERTY AND ASSETS		
Cash	63,904,970	71,495,395
In hand (including foreign currencies)	3,248,913	3,478,547
Balance with Reserve Bank India (including foreign currencies)	60,656,057	68,016,848
Balance with other banks and financial institutions	1,635,866,146	1,630,496,102
In India	90,922,372	252,918,523
Outside India	1,544,943,773	1,377,577,578
Money at call and on short notice	560,352,499	20,000,000
Investments	549,117,524	461,398,644
Government	549,117,524	461,398,644
Loans and advances	618,104,167	510,431,904
Loans, cash credits, overdrafts, etc.	57,874,958	32,127,463
Bills purchased and discounted	560,229,210	478,304,442
Fixed assets including premises, furniture and fixtures	5,137,163	3,636,259
Other assets	203,734,812	193,778,146
Total Assets	3,636,217,280	2,891,236,451
LIABILITIES AND CAPITAL		
Liabilities		
Borrowings from other banks, FIs and agents	-	-
Deposits and other accounts	2,233,089,367	1,974,075,622
Current deposits	2,103,239,563	1,846,034,204
Demand deposits	1,122,177	1,286,871
Bills payable	110,409	120,638
Savings deposits	18,856,655	12,654,663
Fixed deposits	109,760,563	113,979,246
Other liabilities	128,507,393	113,499,059
Total Liabilities	2,361,596,760	2,087,574,681
Capital/Shareholders' Equity		
Total Shareholders' Equity	1,274,620,520	803,661,770
Paid-up capital	741,282,602	369,822,602
Statutory reserve	325,427,587	300,320,407
Other reserve	6,208,447	4,208,447
Retained earnings	201,701,884	129,310,314
Total Liabilities and Shareholders' Equity	3,636,217,280	2,891,236,451
Off-Balance Sheet Items		
Contingent liabilities	4,452,287,658	6,131,376,369
Acceptances and endorsements	78,304,358	236,940,396
Letters of guarantee	11,746,867	11,298,846
Bills for collection	4,362,236,433	5,883,137,127
Other commitments	-	-
Total	4,452,287,658	6,131,376,369

AB Bank Limited
Mumbai Branch
Profit and Loss Account
For the year ended 31 December 2022

Annexure-E-1

	2022 INR	2021 INR
Operating Income		
Interest income	41,546,860	25,769,542
Interest paid on deposits and borrowings, etc.	(7,440,982)	(8,725,441)
Net interest income	34,105,878	17,044,102
Investment income	33,482,201	25,658,347
Commission, exchange and brokerage	291,834,627	285,547,143
Other operating income	1,762,672	1,145,245
	327,079,501	312,350,735
Total operating income (a)	361,185,379	329,394,837
Operating Expenses		
Salary and allowances	14,908,819	15,540,938
Rent, taxes, insurance, electricity, etc.	17,167,135	20,035,984
Legal expenses	36,200	-
Postage, stamps, telecommunication, etc.	4,412,812	4,029,476
Stationery, printing, advertisement, etc.	806,223	1,215,785
Auditors' fees	837,748	1,043,880
Depreciation and repairs of Bank's assets	3,934,227	4,614,048
Other expenses	124,948,904	123,755,900
Total operating expenses (b)	167,052,069	170,236,009
Profit before provision (c = a-b)	194,133,310	159,158,828
Provision against loans and advances	1,500,000	300,000
Provision for investments	2,000,000	346,607
Other provisions	-	199,056
Total provision (d)	3,500,000	845,663
Profit before taxation (c-d)	190,633,310	158,313,165
Provision for taxation	94,250,329	61,740,820
Current tax	93,886,917	61,627,756
Deferred tax	363,412	113,064
Net profit after taxation (PAT)	96,382,981	96,572,345

AB Bank Limited
Islami Banking Branch
Balance Sheet
As at 31 December 2022

Annexure-F

PROPERTY AND ASSETS

Cash in hand

Cash in Hand (Including foreign currencies)

Balance with Bangladesh Bank and its Agent Banks (Incl. FC)

Balance with Other Banks and Financial Institutions

In Bangladesh

Investment in shares & other financial institutions

Government (BGIIB For SLR)

Investments

Fixed Assets

Other Assets

LIABILITIES AND CAPITAL

Liabilities

Placement from Banks (BGIIB)& Other Financial Institutions

Deposits and Other Accounts

Mudaraba Savings Deposits

Mudaraba Term Deposits

Other Mudaraba Deposits

Al-Wadeeah Current and Other Deposit Accounts

Bills Payable

Other Liabilities

Total Liabilities

Off-Balance Sheet Items

Contingent Liabilities

Letter of Guarantee

Irrevocable Letters of Credit (including Back to Back Bills)

Total

Other Commitments

Total Off-Balance Sheet items including Contingent Liabilities

	31.12.2022 Taka	31.12.2021 Taka
Cash in hand	245,129,271	262,910,222
Cash in Hand (Including foreign currencies)	3,757,059	4,697,362
Balance with Bangladesh Bank and its Agent Banks (Incl. FC)	241,372,212	258,212,861
Balance with Other Banks and Financial Institutions	402,612,699	582,958,789
In Bangladesh	402,612,699	582,958,789
Investment in shares & other financial institutions	475,190,000	515,190,000
Government (BGIIB For SLR)	475,190,000	515,190,000
Investments	6,894,219,834	6,804,061,967
Fixed Assets	11,343,835	6,507,698
Other Assets	162,276,449	124,383,540
	8,190,772,089	8,296,012,215
LIABILITIES AND CAPITAL		
Liabilities		
Placement from Banks (BGIIB)& Other Financial Institutions	764,159,722	-
Deposits and Other Accounts	7,044,498,217	7,908,658,239
Mudaraba Savings Deposits	161,260,633	192,105,833
Mudaraba Term Deposits	5,433,012,831	6,378,579,166
Other Mudaraba Deposits	1,341,802,570	1,292,505,844
Al-Wadeeah Current and Other Deposit Accounts	82,769,944	30,421,074
Bills Payable	25,652,238	15,046,322
Other Liabilities	382,114,150	387,353,977
Total Liabilities	8,190,772,089	8,296,012,215
Off-Balance Sheet Items		
Contingent Liabilities	-	-
Letter of Guarantee	6,733,184	5,952,727
Irrevocable Letters of Credit (including Back to Back Bills)	1,197,027	2,403,150
Total	7,930,211	8,355,877
Other Commitments	-	-
Total Off-Balance Sheet items including Contingent Liabilities	7,930,211	8,355,877

AB Bank Limited
Islami Banking Branch
Profit and Loss Account
For the year ended 31 December 2022

Annexure-F-1

	2022 Taka	2021 Taka
Investment Income	474,096,941	492,730,429
Profit paid on Deposits	455,881,964	467,222,446
Net Investment Income	18,214,977	25,507,983
Income from Investments in Shares/Securities	19,528,000	8,218,200
Commission, Exchange and Brokerage	939,598	995,665
Other Operating Income	227,450	238,017
Total Operating Income	38,910,025	34,959,864
Operating Expenses		
Salaries and Allowances	17,783,342	20,466,771
Rent, Taxes, Insurance, Electricity etc.	1,014,500	1,274,473
Postage, Stamps, Telecommunication etc.	231,357	252,606
Stationeries, Printing and Advertisement etc.	742,362	391,885
Shariah Supervisory Committee's Fees & Expenses	124,263	117,000
Depreciation and repair to Bank's Assets	1,071,132	865,105
Other Expenses	10,656,929	7,626,906
Total Operating Expenses	31,623,885	30,994,745
Operating Profit	7,286,141	3,965,119

AB Bank Limited
Islami Banking Branch
Profit paid on deposits

Annexure-G

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 2022 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	2.50-3.50
2. Mudaraba Savings Deposits (School Banking)	0.27-0.46	3.25-5.50	3.25-5.50
3. Mudaraba Special Notice Deposits			
a. General	0.13-0.21	1.50-2.50	1.50-2.50
b. Inter - Bank	0.15-0.44	1.75-5.25	1.75-5.25
4. Mudaraba Term Deposits (Core deposit)			
24 Months	0.47-0.81	5.60-9.75	5.60-9.75
12 Months	0.46-0.63	5.50-7.50	5.50-7.50
9 Months	0.46-0.46	5.50-5.50	5.50-5.50
6 Months	0.42-0.63	5.00-7.50	5.00-7.50
4 Months	0.44-0.50	5.25-6.00	5.25-6.00
3 Months	0.42-0.60	5.00-7.25	5.00-7.25
1 Month	0.21-0.25	2.50-3.00	2.50-3.00
5. Mudaraba Hajj Deposit Scheme	0.54-0.96	6.50-11.50	6.50-11.50
6. Mudaraba Pension Deposit Scheme	0.50-0.96	6.00-11.50	6.00-11.50
7. Mudaraba Monthly Profit Payment Scheme	0.46-0.96	5.50-11.50	5.50-11.50
8. Mudaraba Cash WAQF Deposit	0.52-0.63	6.25-7.50	6.25-7.50

A competent Shariah Supervisory Committee consisting of Islamic scholars, Ulama, Fuqaha and Islamic bankers headed by **Mr. Justice Siddiquir 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 2022, 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 2022 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 2022, 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 2023

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 2022

	31.12.2022 Taka	31.12.2021 Taka
ASSETS		
Non-Current Assets		
Property, Plant and Equipment	11,866	32,198
Total Non Current Assets	11,866	32,198
Current Assets		
Accounts Receivables	12,494,889	12,494,889
Total Current Assets	12,494,889	12,494,889
Total Assets	12,506,755	12,527,087
LIABILITIES		
Current Liabilities		
Payable to AB Bank	5,364,672	5,385,004
Accounts Payable	7,092,083	7,092,083
Provision for Audit Fees	50,000	50,000
Total Current Liabilities	12,506,755	12,527,087
Total Liabilities	12,506,755	12,527,087

Annexure- H-1

Profit and Loss Account

For the year ended 31 December 2022

	31.12.2022 Taka	31.12.2021 Taka
Operating Income		
Commission, exchange and brokerage	-	39,541
Total Operating Income	-	39,541
Operating Expenses		
Rent, taxes and insurance	-	345,000
Auditor's fees	50,000	50,000
Depreciation and repair of bank's assets	20,331	20,331
Other expenses	1,036,368	194,260
Total operating expenses	1,106,699	609,591
Operating Profit	(1,106,699)	(570,050)

AB Bank Limited
Off-Shore Banking Unit (OBU)

Balance Sheet

As at 31 December 2022

	31.12.2022 Taka	31.12.2022 USD	31.12.2021 Taka	31.12.2021 USD
PROPERTY AND ASSETS				
Cash				
Balance with Other Banks and FIs'	36,985,190	358,047	253,116,862	2,950,080
In Bangladesh	108,782	1,053	40,130	468
Outside Bangladesh	36,876,408	356,994	253,076,732	2,949,612
Money at call and on short notice (Placement)	1,007,145,750	9,750,000	1,256,541,000	14,645,000
Investment	1,995,185,687	19,315,040	1,657,230,432	19,315,040
Loans and Advances:	7,255,837,106	70,242,477	5,998,774,096	69,915,782
Loans & Advances - Regular	3,293,885,604	31,887,525	2,699,120,750	31,458,284
Loans & Advances - Classified	3,961,951,503	38,354,952	3,299,653,346	38,457,498
Premises and Fixed Assets (WDV)	-	-	-	-
Other Assets:	2,038,451	19,734	3,311,992	38,601
Accrued Interest	1,400,249	13,556	3,224,269	37,579
Pre-paid Advances	638,202	6,178	87,723	1,022
Miscellaneous	-	-	-	-
Total Assets	10,297,192,184	99,685,298	9,168,974,381	106,864,503
LIABILITIES AND CAPITAL				
Liabilities				
Borrowing from Bank & FIs'	10,413,671,063	100,812,910	9,384,995,139	109,382,228
In Bangladesh	10,413,671,063	100,812,910	9,384,995,139	109,382,228
Outside Bangladesh	-	-	-	-
Deposits and Other Accounts	17,812,318	172,438	13,357,389	155,681
Demand Deposits	15,292,964	148,048	11,264,777	131,291
Demand Deposits - Others	2,519,354	24,389	2,092,612	24,389
Other Deposits	-	-	-	-
Other Liabilities	232,306,306	2,248,916	192,957,018	2,248,916
Total Liabilities	10,663,789,687	103,234,264	9,591,309,546	111,786,825
Capital and Shareholders' Equity				
Profit/(Loss)	(366,597,503)	(3,548,966)	(422,335,165)	(4,922,321)
Total Shareholders' Equity	(366,597,503)	(3,548,966)	(422,335,165)	(4,922,321)
Total Liabilities and Shareholders' Equity	10,297,192,184	99,685,298	9,168,974,381	106,864,503

AB Bank Limited
Off-Shore Banking Unit (OBU)
Profit and Loss Account
For the year ended 31 December 2022

Annexure- I-1

	2022 Taka	2022 USD	2021 Taka	2021 USD
Interest income	155,634,955	1,626,910	144,512,369	1,696,946
Interest paid on deposits and borrowing etc.	20,130,536	213,273	106,651,734	1,256,512
Net Interest income	135,504,419	1,413,637	37,860,635	440,434
Commission, exchange and brokerage	(83,032)	(1,037)	(104,887)	(1,230)
Total operating income	135,421,387	1,412,601	37,755,748	439,204
Salaries and allowances	3,216,930	34,479	2,969,844	34,886
Rent, taxes, insurance, electricity etc.	2,517	28	1,891	22
Postage, stamps, telecommunication etc.	40,688	437	38,570	453
Stationeries, printing, advertisement etc.	55,377	595	51,230	602
Depreciation and repair of bank's assets	11,692	128	19,539	229
Other expenses	334,764	3,568	318,904	3,745
Total operating expenses	3,661,968	39,235	3,399,979	39,937
Operating Profit	131,759,419	1,373,366	34,355,769	399,267

AB Bank Limited
Myanmar Representative Office
Statement of Receipts and Payments
For the year ended 31 December 2022

Annexure- J

Receipts	Total			Payments	Total		
	USD	Kyats	BDT		USD	Kyats	BDT
Opening Balance	68,665	-	5,252,031	Bank Charges (Nostro & Others)	28	-	2,628
Received during the year	-	54,575,000	2,585,514	Other Allowances-Officers	5,938	-	556,713
				Internet	157	-	14,765
				Repair & Maintenance	14	-	1,313
				Water and Sewerage	4	-	359
				Stationery Others	30	-	2,864
				Mobile Bill	11	-	1,053
				Local Conveyance	86	-	8,093
				Other Fees and Taxes	649	-	61,331
				Other Audit fees	300	-	30,549
				Misc. Contract Service-Tea boys & cleaners	10	-	941
				Postage & Shipping	36	-	3,676
				Electricity Bill	21	-	1,988
				Non Caps Computer	120	-	10,374
				Printing & Stationary	10	-	947
				Closing Balance	61,251	54,575,000	7,139,952
Total	68,665	54,575,000	7,837,545	Total	68,665	54,575,000	7,837,545

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, 2022, and the Statement of Profit or Loss and Other Comprehensive Income, Statement of Cash Flow and Statement of Changes in Equity 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, 2022, 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. One of the key audit matters we identified in our audit report was the need to perform a revaluation of the property, plant and equipment of the company in order to reassess the value and the remaining estimated useful lives of the assets. We recommended the management to conduct a revaluation and take appropriate measures accordingly, such as adjusting the depreciation rates, impairing the assets or disposing of them if they are no longer in use.
2. We also identified the absence of a written policy for the Provident and Gratuity Fund for the employees of AB Investment Limited of its own and follow AB Bank Limited's policy for the purpose of making provision thereof accordingly.

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 scepticism 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 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
April 06, 2023



Haider Ahmed Khan FCA

**Ahmed Khan & Co.
Chartered Accountants**

Modhumita Building (1ST Floor)
160 Motijheel C/A, Dhaka-1000, Bangladesh.
DVC:2304060576AS861857

AB Investment Limited
(A Subsidiary of AB Bank Limited)
Statement of Financial Position
As at 31 December 2022

Annexure- K

	31.12.2022 Taka	31.12.2021 Taka
ASSETS		
Non-current assets	645,387,449	604,084,591
Property, Plant and Equipment	201,066,217	208,670,290
Investment Property	292,628,034	302,434,943
Deferred Tax Assets	151,693,198	92,979,358
Current Assets	8,582,278,560	8,398,608,084
Investment in shares	519,327,763	379,619,416
Loan to Clients & Others	7,281,007,296	7,263,220,175
Advances, Deposits and Prepayments	998,000	668,000
Receivable from Brokers	448,874,017	410,552,535
Advance Income Tax	206,835,621	164,731,847
Cash and Cash Equivalents	125,235,863	179,816,111
TOTAL ASSETS	9,227,666,009	9,002,692,676
EQUITY AND LIABILITIES		
Equity	6,843,468,575	6,810,708,097
Share Capital	6,456,899,810	6,456,899,810
Retained Earnings	386,568,765	353,808,287
Liabilities		
Non-current liabilities	22,183,800	17,367,474
Provident Fund and Gratuity Fund	22,183,800	17,367,474
Current Liabilities	2,362,013,634	2,174,617,105
Borrowing from Banks	756,515,861	756,465,516
Liabilities for Expenses	599,726	7,349,403
Provision for Taxation	245,203,347	197,248,781
Provision for Diminution Value of Investment	1,324,617,356	1,190,901,188
Payable to Clients	35,077,344	22,652,217
Total liabilities	2,384,197,434	2,191,984,579
TOTAL EQUITY AND LIABILITIES	9,227,666,009	9,002,692,676

AB Investment Limited
(A Subsidiary of AB Bank Limited)

Statement of Profit or Loss and Other Comprehensive Income

For the year ended 31 December 2022

Annexure- K-1

	2022 Taka	2021 Taka
Operating Income	222,955,930	448,883,502
Interest Income	117,208,906	143,495,686
Management Fee	4,313,763	5,067,467
Transaction/ Settlement Fee	41,863,257	76,115,225
Investment Income	49,276,034	214,124,354
Other Operating Income	10,293,970	10,080,770
Operating Expenses	67,238,558	72,673,435
Salaries and Allowances	36,403,945	29,779,203
Audit and Consultancy Fees	267,850	162,500
Administrative Expenses	30,366,403	42,562,503
Financial Expenses	200,360	169,229
Profit before Provision and Tax	155,717,372	376,210,067
Provision for Margin Loans	65,000,000	280,000,000
Provision for Investment	68,716,168	6,082,949
Net Profit/(Loss) before Tax for the year	22,001,204	90,127,118
Income Tax Expenses	(10,759,274)	22,943,014
Current Tax	47,954,566	76,489,560
Deferred Tax	(58,713,840)	(53,546,546)
Net Profit/(Loss) after Tax for the year	32,760,478	67,184,105
Other Comprehensive Income	-	-
Total Comprehensive Income	32,760,478	67,184,105

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 (the Company) which comprise the statement of financial position as at 31 December, 2022 and the statements of Profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31st December, 2022, 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, Bangladesh Securities and Exchange Commission Ordinance 1969, Bangladesh Securities and Exchange Commission Act 1993 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 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 ethical requirement 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 matter

The financial statements of the company for the year ended December 31, 2021 were audited by another auditor dated March 23, 2022 and expressed unqualified opinion on those statements.

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, the Companies Act 1994 and other applicable laws and regulations 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 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.

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 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

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 19, 2023

Chaity Basak, FCA (Enroll. # 1772)
Partner
Shiraz Khan Basak & Co.
Chartered Accountants
DVC: 2303221772AS272840

AB Securities Limited
Statement of Financial Position
As at 31 December 2022

Annexure- L

	31.12.2022 Taka	31.12.2021 Taka
ASSETS		
Non-Current Assets		
Property, Plant and Equipment	5,080,822	6,468,752
Right- of- Use Assets	2,520,118	3,630,918
Deferred Tax Assets	1,708,138	1,789,327
Investments in Un-quoted Shares	100,192,600	100,192,600
Total Non-Current Assets	109,501,678	112,081,597
Current Assets		
Investments in Securities	34,545,003	10,280,720
Cash and Cash Equivalents	905,903,872	538,538,465
Advance, Deposit & Prepayments	1,559,517	25,047,447
Advance Income Tax	89,953,596	82,838,578
Account Receivables	104,014,792	63,383,183
Loans & Advance	736,367,542	765,217,254
Total Current Assets	1,872,344,322	1,485,305,647
Total Assets	1,981,846,000	1,597,387,244
EQUITY AND LIABILITIES		
Equity		
Share Capital	272,041,880	272,041,880
Revaluation Reserve	85,986,590	85,986,590
Retained Earnings	165,505,837	162,703,269
Total Equity	523,534,307	520,731,739
Liabilities		
Non Current Liabilities		
Liabilities for Other Finance	140,000,000	160,000,000
Provision for Gratuity	8,414,672	8,001,870
Provision for Provident Fund	13,310,910	11,811,999
Lease Liabilities	619,231	1,492,894
Total Non Current Liabilities	162,344,812	181,306,763
Current Liabilities & Provisions		
Accounts Payable	796,281,272	392,278,278
Bank Overdraft	157,599,191	157,548,501
Liabilities for Expenses	2,209,797	20,990,000
Provision for Income Tax	98,355,921	87,136,616
Other Liabilities	240,918,093	235,918,093
Lease Liabilities- Short Term	602,608	1,477,254
Total Current Liabilities	1,295,966,881	895,348,742
Total Equity and Liabilities	1,981,846,000	1,597,387,244

AB Securities Limited**Statement of Profit or Loss and Other Comprehensive Income**

For the Year Ended 31 December 2022

Annexure- L-1

	2022 Taka	2021 Taka
Income		
Brokerage Commission	94,997,928	130,177,423
Interest Income	10,034,533	13,898,426
Investment Income	21,520,675	16,100,199
Other Operating Income	4,339,457	4,235,961
Total Income	130,892,594	164,412,008
Expenditure		
Operating Expenses	64,866,094	63,318,458
Other Financial Expenses	1,859,174	1,590,278
Depreciation on Property, Plant & Equipment	7,638,692	7,582,585
Total Expenditure	74,363,960	72,491,321
Profit before Provision and Tax	56,528,634	91,920,687
Provision		
Provision for Diminution in Value of Investment and Loan	5,000,000	44,500,000
	5,000,000	44,500,000
Profit before Tax for the year	51,528,634	47,420,688
Income Tax Expenses	48,728,396	41,034,357
Net Profit after tax for the Year	2,800,237	6,386,331
Other Comprehensive Income	-	-
Total Comprehensive Income	2,800,237	6,386,331
Earnings Per Share (EPS)	0.10	0.23

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 2022 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 2022 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. 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;
- 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 details furnished to us in statement form for audit purpose.

Dated: 30 April 2023
Place: Dhaka, Bangladesh



Razzaque & Co
Chartered Accountants
Enrollment Number: 422

Cashlink Bangladesh Limited
Statement of Financial Position
As at 31 December 2022

Annexure- M

ASSETS

A. Current Assets

Cash & Bank Balances	
Investment in Fixed Deposit	
Investment in Shares	
Advance, Deposit & Prepayment	
Other Receivable	

31.12.2022 Taka	31.12.2021 Taka
421,816	285,869
44,938,428	46,959,040
1,000	1,000
43,587,709	39,242,063
1,473,937	1,784,994
90,422,889	88,272,966
90,422,889	88,272,966

Total Assets

EQUITY AND LIABILITIES

B. Equity

Share Capital	
Share Money Deposit	
Retained Earnings	

238,000,000	238,000,000
4,200,000	4,200,000
(161,898,799)	(163,453,325)
80,301,201	78,746,675

C. Liabilities

Current Liabilities

Accrued Expenses	
Provision for Taxation	

34,500	28,750
10,087,189	9,497,541
10,121,689	9,526,291

Total Liabilities

Total Equity and Liabilities (B+C)

10,121,689	9,526,291
90,422,889	88,272,966

Annexure- M-1

Statement of Profit or Loss and Other Comprehensive Income

For the year ended 31 December 2022

Revenue	
Less: General and Administration Expenses	

Operating Loss

Add: Other Income

Profit Before Provision & Tax

Provision for taxation

Net Profit After Tax

Other Comprehensive Income

Total Comprehensive Income

2022 Taka	2021 Taka
-	-
316,445	441,300
(316,445)	(441,300)
2,460,618	3,073,139
2,144,173	2,631,838
589,648	789,552
1,554,526	1,842,287
-	-
1,554,526	1,842,287

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 2022, 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 2022, 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 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

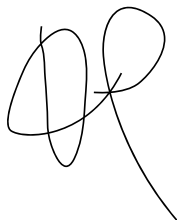
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion solely to you, as a body, in accordance with section 405 of the Hong Kong 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 HKSA's 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 HKSA's, 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 April 2023

AB International Finance Limited
Statement of Financial Position
As at 31 December 2022

Annexure-N

	31.12.2022 HK\$	31.12.2021 HK\$
NON-CURRENT ASSETS		
Property, plant and equipment	7,090	4,259
CURRENT ASSETS		
Discounted bills receivable	93,517,303	133,712,940
Deposits, prepayments and other receivable	4,207,614	4,314,414
Cash and bank balances	2,633,376	378,358
	100,358,293	138,405,712
CURRENT LIABILITIES		
Accrued liabilities and other payables	5,559,346	5,666,162
Deferred interest income	203,585	941,395
Provision for long service payments	416,388	415,189
Amount due to ultimate holding company	75,562,500	113,205,850
Income tax payable	133,406	438,507
	81,875,225	120,667,103
NET CURRENT ASSETS	18,483,068	17,738,609
NET ASSETS	18,490,158	17,742,868
EQUITY		
Share capital	1,000,000	1,000,000
Retained earnings	563,904	563,904
Proposed final dividend	9,364,295	8,617,005
Capital reserve	7,561,959	7,561,960
	18,490,158	17,742,868

Statement of Comprehensive Income and Retained Earnings

Annexure-N-1

For the year ended 31 December 2022

	2022 HK\$	2021 HK\$
Interest income	5,757,913	5,255,367
Interest expenses	(1,739,972)	(1,177,418)
Net interest income	4,017,941	4,077,949
Other income	11,762,782	10,849,995
Administrative expenses	(4,775,812)	(4,803,729)
Profit before tax	11,004,911	10,124,215
Income tax expense	(1,640,616)	(1,507,210)
Profit for the year	9,364,295	8,617,005
Retained earnings at the beginning of the year	563,904	563,904
Dividend	(9,364,295)	(8,617,005)
Retained earnings at the end of the year	563,904	563,904

Arab Bangladesh Bank Foundation (ABBF)

Statement of Financial Position

As at 31 December 2022

Annexure- O

	31.12.2022 Taka	31.12.2021 Taka
ASSETS		
Non Current Assets	36,691,300	37,284,808
Property, Plant & Equipment	36,690,300	37,283,808
Investment at cost in equity share of ABIL	1,000	1,000
Current Assets	532,148,024	513,169,323
Loan to ABSL	140,000,000	160,000,000
Investment in FDR	116,214,481	110,844,005
Accrued Income	75,338	75,338
Advance Tax	37,065,665	31,084,912
Cash and Cash Equivalents	238,792,541	211,165,068
TOTAL ASSETS	568,839,325	550,454,132
EQUITY AND LIABILITIES		
Shareholders' Equity	526,787,517	513,386,477
Share Capital	20,000,000	20,000,000
Retained Earnings	506,787,517	493,386,477
Non-Current Liabilities	-	-
Current Liabilities	42,051,807	37,067,655
Provision for Income Tax	41,935,807	36,852,655
Provision for Expenses	116,000	215,000
TOTAL EQUITY AND LIABILITIES	568,839,325	550,454,132

Statement of Profit or Loss and Other Comprehensive Income

For the year ended 31 December 2022

Annexure- O-1

	2022 Taka	2021 Taka
Income		
Operating Income	19,669,850	21,317,505
Interest Income	18,765,798	20,413,453
Rental Income	904,052	904,052
Less : Operating & Other Expenses	1,185,658	1,180,876
Operating expenses	1,185,658	1,180,876
Other expenses	-	-
Profit before Tax	18,484,192	20,136,629
Less: Provision for Tax	5,083,153	6,040,989
Profit carried forward	13,401,039	14,095,640

Name of the Directors and entities in which had interest as on December 31, 2022

Sl. No.	Name	Status	Name of Firms/Companies in which interested as proprietor/partner/director/managing agent/guarantor/employees etc.
1	Barrister Khairul Alam Choudhury	Chairman	1. Choudhury and Law Firm, Proprietor
			2. Cashlink Bangladesh Limited, Director, Nominated by AB Bank Limited
			3. AB Securities Ltd., Director, Nominated by AB Bank Limited
			4. AB Investment Ltd., Director, Nominated by AB Bank Limited
2	Mr. Feroz Ahmed	Director	1. Hexagon Chemical Complex Ltd.; Director
			2. Elite Paint & Chemical Ind. Ltd.; Director
			3. Elite International Ltd.; Managing Director
			4. Ahmed Securities Services Ltd.; Managing Director
			5. Bangladesh General Insurance Company Ltd.; Shareholder
3	Mr. Shajir Ahmed	Director	1. Elite Paint & Chemical Industries Limited, Director
			2. Super Refinery (Pvt.) Limited, Managing Director
			3. Super Silica Bangladesh Limited, Managing Director
			4. Super Share & Securities Limited, Managing Director
			5. Elite Super Plastic Ind. (Pvt.) Limited, Managing Director
			6. Super Sea Fish (Pvt.) Limited, Managing Director
			7. Super Tel Limited, Managing Director
			8. Elite Properties Management Ltd., Managing Director
			9. Aurora Décor Limited, Director
			10. Broast Foods Ind (Pvt) Limited, Director
			11. Elite Food Industries Limited, Director
			12. Seafs Bangladesh Limited, Director
4	Mr. Shafiqul Alam	Independent Director	Nil
5	Mr. Maqsubul Huq Khan	Director	Nil
6	Mr. Md. Eskandar Miah	Independent 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. Chairman, Nominated by AB Bank Limited
			4. Cashlink Bangladesh Limited, Chairman, 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. Bangladesh Bank CSR Guideline is the guiding principle in designing our CSR roadmap. 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 these larger goals, Corporates as major players in the economic development are also required to share this Social Responsibility, and AB Bank contributes its share to these worthy causes.

AB Bank's Corporate Social Responsibility (CSR) in Bangladesh runs with the aforementioned philosophies. At AB Bank, employees work with a greater mission. They are motivated to contribute to the bank's social initiatives like warm clothes distribution to cold hit peoples, distributing food to the underprivileged people all over the country and many more initiatives has taken in the year 2022.

AB Bank provided significant amount to Bangladesh Association of Banks (BAB) to accomplish the event of "JOY BANGLA" on the occasion of the birth centenary of Father of the Nation Bangabandhu Sheikh Mujibur Rahman.

AB Bank stepped up and continued its focus more than ever before on CSR initiatives in the areas of education, health and disaster management.

Education: CSR for communities is a key to success in any society for any education institution. Education enlightens people and society, it is the backbone of a nation. 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 poor and meritorious students. AB Bank has contributed Taka 1 million to the Prime Minister's Education Assistance Trust fund as part of its corporate social responsibility. 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 the constituent part of AB Bank's CSR philosophy. Healthcare is one of the important agenda in the sustainable development goals (SDGs) that have being taken by the United Nations.

As the world is running through an economic slowdown. Due to economic crises underprivileged people in our society are going through so many difficulties. They are deprived of proper nutrition and healthcare system. To keep this in our mind we are committed to contribute the health sector in our country. As health is the basic need and to achieve SDG goals AB Bank took lot of initiatives, such as providing medical facilities towards underprivileged. We have also extended our venture by donating 75000 pcs winter blanket to Prime Minister's Relief and Welfare Fund during winter. AB Bank donated SUNMAR Initiative Bangladesh under its special CSR to spread the happiness amidst the underprivileged people in our country. Not only these but also AB Bank gave away face masks and sanitizer for underprivileged people as well as customers of rural area as safety measures during Covid-19 pandemic. Moreover, our vision is to make healthy and happier Bangladesh.

Disaster Management: Standing by the nation in any national emergency is a call of duty and AB Bank as a corporate citizen firmly responded during such times. AB Bank is always committed to fighting any 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. AB Bank donated to the victim of B M Container Depot Ltd for those who were killed and injured in the fire incident in Chattogram's Sitakunda. The Bank has also provided food support to poor people who have come under major food safety related threat due to ongoing coronavirus situation.

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.



AB Bank Stands firm with Honorable Prime Minister to build homes (Ashrayan-2 project) for homeless and displaced people



AB Bank stands by Honorable Prime Minister to help the cold affected people



Discussion meeting on "National Mourning Day-2022"



Tree Plantation program on "National Mourning Day-2022"

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, conduct most meetings online, low

use of Cheque Book or paying in book (withdrawal & payment through Card), installed solar ATM's, switch off the ACs after Office Hours (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 Office Hours 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 arrange Training & Capacity Building among it's 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 Branch Mona Tower 16/A Shaheed Faruque Road, North Jatrabari, Dhaka	Nawabpur Road 198-202, Nawabpur Road (Nawabpur Tower) Nawabpur, Dhaka
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
Bashundhara Green Coronet, Plot No. 07, Block-A, Bashundhara Main Road, Dhaka	Joypara Joypara, Dohar, Dhaka	North South Road 9/1 North South Road (Bangshal), Dhaka
Bhairab Bazar 248(W) Tin Potty, Bhairab Bazar, Bhairab, Kishoregonj	Kakrail 81, VIP Road, Dhaka	Pagla Al-haj, Afsar Karim Bhaban DN Road, Pagla, Narayanganj
Bhulta Haji Shopping Complex, Bhulta, Golokandail, 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	Kalatiya Sufiya Zaman Complex, Kalatiya Bazar Road, Shamshepur, Kalatiya, Keraniganj, Dhaka	Principal 30-31, Dilkusha C/A, Dhaka
Chandra Alhaj Khabiruddin Super Market (1st floor), Kaliakoir Bazar, Poura Shava, Kaliakair, Gazipur	Kamrangirchar Branch 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	Karwan Bazar BSEC Bhaban 102 Kazi Nazrul Islam Avenue, Dhaka	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	Shyamoli Shyamoli Square, Holding # 24/1 & 24/2, Khilzi Road, Ward#45, Mohammadpur, Dhaka
Gulshan Ventura Avenue (1st & 2nd floor), Plot No. CWN(C)-8/B, Road No. 34, Gulshan Model Town, Dhaka	Mirpur 5/A, 5/B, Darus Salam Main Road (1st floor), Section 1, Mirpur, Dhaka	Tangail 841 Maitra Plaza Boro Kalibari Road, Tangail Sadar, Tangail
Imamganj 40, Imamganj, Dhaka	Motijheel BSB Building, 08, DIT Avenue, Dhaka	Tongi Sena Kalayan Commercial Complex, Plot No-9, Tongi, Gazipur
Islampur 38-39, Islampur, Dhaka	Mohakhali Pacific Centre (1st Floor), 14 Mohakhali C/A 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	
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CHATTOGRAM DIVISION		
Agrabad BCIC Sadan 26, Agrabad C/A, Chattogram	Chaturi Amin Complex (1st Floor), Chaturi Chowmohony, Anowara, Chattogram	Momin Road Equity Central, 42-43, Momin Road, Jamal Khan, Chattogram
Ashuganj Kashem Plaza, Ashuganj Sadar, Brahmanbaria	Cumilla Moghultoli Super Market (1st floor), Moghultoli Road, Cumilla	Nazu Meah Hat Burischar, Kaptai Road, Hathazari, Chattogram
Anderkilla Universal Chamber (1st Floor) 7 Laldighi East, Anderkilla, Chattogram.	Cox's Bazar Digonta Complex (New Market), Bazar Ghata, Cox's Bazar	Patherhat Khayez Shopping Center (2nd Floor), Patherhat, Noyapara, Chattogram
Bahaddarhat 4543, Bahaddarhat, Medina Hotel (1st floor), Chandgaon, Chattogram	Dewanhat 315, Dewan Chamber, Dewanhat, Doublemuring, Chattogram	Port Connecting Road 5, Port Connecting Road, Block G, Barapole, Haliahar, Chattogram
Brahmanbaria 1090/128, Court Road Brahmanbaria	Export Processing Zone (EPZ) P.O. South EPZ, Bay Shopping Centre, Haliahar, Chattogram	Feni Haque Plaza (1st floor) 193, SSK Road, Feni
Banshkhali Mohammed Meah Plaza, Ramdas Munshirhat, Kokdandi, Kalipur Union, Banshkhali, Chattogram	Hathazari Hajee Siddique Market (1st floor), Hathazari Bus Stand, Hathazari, Chattogram	Chakaria M. Rahman Complex (1st Floor), Ward 4, Chakaria, Cox's Bazar
Boalkhali TCCA Complex, Gomdandi (East), Boalkhali, Chattogram	Jubilee Road 175, Jubilee Road, Enayet Bazar, Chattogram	Sandwip Sandwip City Centre, Anam Nahar, Plot No: 22370 & 22371, Union: Haramiah, Thana: Sandwip, District: Chattogram
CDA Avenue BMA Bhaban (Ground Floor), 1367 CDA Avenue, East Nasirabad, Chattogram.	Khatunganj 395, Khatunganj, Chattogram	Station Road "Equity Anitri", 32, H.S.S. Road, Kotwali, Chattogram
Chawk Bazar Moti Tower, 67/68 College Road, Chawkbazar, Chattogram	Khulshi Khulshi House, Bungalow No. 2, B-2, Road No. 1, P.S.: Khulshi, Chattogram	Sitakunda Aziz Shopping Complex, Mohadevpur, Chattogram
Chandpur 123/115 Kalibari Pouro New Market, Chandpur Sadar, Chandpur	Pahartoli Abdur Rahim Tower (1st Floor) Hold: 972/1043, D.T. Road, Ward: 098, A. K. Khan Gate, North Pahartoli, Chattogram	Teknaf Teknaf Main Road, Teknaf, Cox's Bazar
Chaumuhani Holding # 886, Feni Road, Chaumuhani, Begumganj, Noakhali	Lohagara "Mostafa City", Amirabad, Lohagara, Chattogram	
KHULNA DIVISION		
Benapole Hotel Haque International, 607, Local Bus Stand, Benapole, Jessore	Jhenaidah Branch Pushpoprangan 249 Sher-E-Bangla Road, Jhenaidah Sadar, Jhenaidah.	Kushtia 12-14 Nawab Serajuddowla Road, Boro Bazar, Kushtia
Jashore Municipal Road, Kotwali, Jashore	Satkhira 884/810, Abul Kashem Road Satkhira	Khulna Mollick Shopping Complex Limited, 99 Jessore Road, Khulna
Jhikargacha Hanef Super Market, Holding No. 567, Word No. 3, Jashore Benapole Road, Jhikargacha Pourashava, Jashore		

RAJSHAHI DIVISION		
Bogra 324, Kazi Nazrul Islam Sarak Jhawtala, Bogra.	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	Uposhahar Branch N. K. Trade Centre 3/3, Main Road, Block-D, Shahjalal Uposhahar, Sylhet	Moulvibazar Shamsher Nagar Road, Choumuhana, Moulvibazar
Chhatak Madaris Mansion, Bagbari, Chattak, Sunamganj	Habiganj Branch Shaistanagar, Habiganj-Shaistaganj Main Road, Habiganj	Sreemongal Aziz Super Market, Moulvibazar Road, Sreemongal, Moulvibazar
Dargahgate Raj Manjil, Dargahgate, Sylhet	VIP Road Branch, Sylhet Surma Tower, V.I.P. Road, Taltala, P.S. Kotwali, Sylhet	
Tajpur Haji Keramat Ali Super Market, Kadamtala, Tajpur, Sylhet	Madhabpur Munshi Tower (1st Floor), Ward 7, Madhabpur, Habiganj	
RANGPUR DIVISION		
Dinajpur 189 Zated Super Market Bahadur Bazar, Dinajpur	Lalmonirhat 5/32 S, Puran Bazar, Ward No. 05, Lalmonirhat Sadar, Lalmonirhat	Rangpur 91-92, Central Road Kotowali, Rangpur
Saidpur 24, Nur Plaza (1st & 2nd floor), Ward 12, Shaheed Dr. Zikrul Haque Road, Saidpur, Nilphamari		
BARISAL DIVISION		
Barisal Monsur Mansion, 101 Sadar Road, Barisal		
OVERSEAS BRANCH		
Mumbai, India Liberty Building, 41-42 Sir Vithaldas Thackersey Marg, New Marine Lines, Mumbai 400020, India		

SUB BRANCH LOCATION

SL.NO.	Sub Branch Name	Sub Branch Address	Controlling Branch Name
Dhaka Division			
1	Bhanga Sub Branch	Abdus Shobhan Complex, Holding No.-74, Bhanga Bazar, Kamala Ghat Sarak Bhanga Pourashava, Bhanga Faridpur	Faridpur Branch
2	Dhaka Uddan Sub Branch	Mitali Complex; Holding No.-5, Block-C, Haji Dil Mohammad Avenue, Word No.-33 Dhaka North City Corporation, Dhaka	Shyamoli Branch
3	ECB Chattar Sub Branch	Wasi Tower, 572/K ECB Chattar, Mirpur DOHS Road Dhaka Cantonment, Dhaka	Mirpur Branch
4	Gopalganj Sub Branch	Gopalganj Poura New Market, 454 Bangabandhu Road Gopalganj	Faridpur Branch
5	Gulshan Sub Branch	The Skymark, 18 Gulshan Avenue, Gulshan-1; Dhaka	Gulshan Branch
6	Kalihati Sub Branch	Setu Mansion Holding No.-1302 Puraton Bhuapur Road Word No.-06 Kalihati Alanga Pourashava Tangail	Tangail Branch
7	Kotalipara Sub Branch	Alhaz Zahurul Haq Vila, 138/3 Bujurgokona Road Amtoli Union, Kotalipara Gopalganj	Faridpur Branch
8	Narsingdi Sub Branch	Bhuiyan Shopping Mall, Holding No.-3 Sadar Road Word No.-4 Narsingdi Paurashava, Narsingdi	Madhabdi Branch
9	Salna Bazar Sub Branch	Monsur Ali Plaza, Holding No.- 246, Kathora Road, Ward No.- 19 Gazipur City Corporation, Gazipur Sadar, Gazipur	Board Bazar Branch
10	Shakhipur Sub Branch	Talukdar Complex, Holding No. -304, Shah Kamal Road, Ward No. 5, Shakhipur Paurashava, Tangail	Tangail Branch
11	Shibchar Sub Branch	United Pharmacy Bhaban, Sadar Road Shibchar, Madaripur	Faridpur Branch
12	Tajmohal Road Sub Branch	Haque Tower, Holding: Z-20, Tajmohal Road Mohammadpur, Dhaka	Shyamoli Branch
13	Tungipara Sub Branch	Poura Super Market, Dhaka-Tungipara Highway, Tungipara, Gopalganj	Faridpur Branch
Chattogram Division			
14	Halishahar Sub Branch	Holding No.-7/A, Road No.01, Block-A Halishahar Housing Estate Word No.-11 Chattogram City Corporation Halishahar Chattogram	PCR Branch
15	Kamal Bazar Sub Branch	Karnafully Center, 3049/4045, Kalurghat Bridge Sarak Chandgaon Chattogram	Nazu Miah Hat Branch
16	Lakshmipur Sadar Sub Branch	Serajul Islam Bhaban, Holding No.-150, Thana Road Word No.-5 Lakshmipur Paurashava, Lakshmipur Sadar Lakshmipur	Chaumuhani Branch
17	Maijdee Court Sub Branch	Ratan Plaza, 194 Malek Ukil Sarak (Main Road) Maijdee Court, Noakhali	Chaumuhani Branch
18	Muradpur Sub Branch	Eyman Tower, Holding No.-2/02 Muradpur Circle Word No.-07 Chattogram City Corporation Panchlaish Chattram	CDA Avenue Branch
19	Raipur Sub Branch	Mojib Plaza, Holding No.-255 B K B Road Word No.-03 Raipur Pourashava, Raipur, Lakshmipur	Chaumuhani Branch
20	Ramganj Sub Branch	270 Kalabagan Road, Ramganj Pourashava, Ramganj, Lakshmipur	Chaumuhani Branch
21	Rangunia Sub Branch	Alam Shah Super Market, Village: Ichakhali, Ghatchek, Ward No- 03, Pouroshova - Rangunia Police Station Rangunia, Chattogram	Patherhat Branch
22	Sarail Sub Branch	Munshi Plaza-1, Masjid Road, Sarail, Brahmanbaria	Brahmanbaria Branch

Barishal Division			
23	Bhola Sadar Sub Branch	K Jahan Shopping Complex, Holding No.- 677 Sadar Road, Word No.- 06, Bhola Sadar Bhola Pourashava, Bhola	Barishal Branch
24	Borhanuddin Sub Branch	Banani House,161/01, Upazila Sharok, Borhanuddin, Bhola	Barishal Branch
25	Charfesson Sub Branch	Ali Akbar Super Market, Sadar Road, Charfesson Bhola	Barishal Branch
26	Jhalokathi Sub Branch	Ma Villa, 62, Doctor Potti, Jhalokha138/3 Bujurgokona Road Jhalokathi Sador, Jhalokathi	Barishal Branch
27	Natullahbad Sub Branch	Gani Bhaban, 1583, Natullahbad, B M College Road Biman Bandar, Barishal	Barishal Branch
28	Patuakhali Sub Branch	Raza Badsha Somrat Bhaban, Holding No.-102 Natun Bazar, Sadar Road, Patuakhali Paurashava, Patuakhali	Barishal Branch
29	Rupatoli Sub Branch	Rayhan Monjil, House No. 5/9, Road No. 8 Rupatoli Housing, Barishal	Barishal Branch
Mymensingh Division			
30	Ishwargonj Sub Branch	Buchababu Complex,Holding No-155/1,Ishwargonj Bazar (Duttapara Notun Bazar), Ishwargonj, Mymensingh	Mymensingh Branch
Rangpur Division			
31	Birampur Sub Branch	Holding No.-0474-01, Main Road Puraton Bazar Word No.-05, Birampur Pourashava, Birampur Dinajpur	Dinajpur Branch
Sylhet Division			
32	Biswanath Sub Branch	"Khurshed Ali Shopping Complex,Rampasha Road Biswanath Paurashava, Sylhet	Boroikandi Branch

ATM BOOTH LOCATION

SL	ATM Locations	Address	Attached Branch
1	Bashundhara	Green Coronet Plot No-07, Block-A, Bashundhara Main Road.	Bashundhara Branch
2	Rangpur	Shop No:01 Muktijoddha Complex Bhaban, Station Road, Rangpur.	Rangpur
3	Kalurghat	Global Shirts 49 (NP) Kalurghat Heavy Industrial Area, Chattogram.	Bahaddarhat
4	Mirpur-1	5-B Darus Salam Road, Section 01, Mirpur Dhaka.	Mirpur
5	Gulshan	155 Gulshan Avenue Road No 54 Dhaka	Gulshan
6	Siddeswari Road	Total Camelia, 49, Siddeswari Road, Dhaka.	Malibag
7	New Senpara Road	House no- 5543, Road No-1, New Senpara Road, Grand Hotel More, Rangpur.	Rangpur
8	Gulshan-1	Shop No.15,50, South Gulshan, Dhaka	Gulshan
9	Pran RFL	Rangpur Metal Industries Ltd, Murapara, Rupganj, Narayanganj.	Bhulta
10	Mohakhali	G-37, Wireless Gate, Dhaka	Mohakhali
11	Rayer Bazar	15, Sultangonj. Rayer Bazar, Dhaka	Dhanmondi
12	Middle Badda	Gha-131/1, Middle Badda, Dhaka	Progoti Sharani
13	Habiganj Branch	Shayestaganj Main Road Habiganj	Habiganj
14	Banasree Main Road	B/4, Block#B, Main Road, Banasree, Dhaka	Malibagh
15	Cox's Bazar	Digonta Complex (New Market), Bazar Ghata, Cox's Bazar	Cox's Bazar
16	Asad Avenue	Mohammadpur Housing Estate Plot No. 71/C, Block No. D, Mohammadpur, Dhaka.	Shyamoli
17	West Panthapath	89/2, West Panthapath, Dhaka 1215 (Beside Samorita Hospital)	Karwan Bazar
18	Satmosjid Road	Block-E, Plot No. Gha/13, Mohammadpur Housing Estate, Mohammadpur, Dhaka	Dhanmondi
19	Malibagh Chowdhury Para	577, Malibagh Chowdhury Para, Dhaka	Malibagh
20	Training Academy	719 (old) Satmasjid Road, Dhanmondi R/A, Dhaka. 85/A (New) M R Akhtar Mukul Sarak, Dhanmondi R/A, Dhaka	New Elephant Road
21	Jhawtala Cumilla	333, Jhawtala, Cumilla	Cumilla
22	PC Culture Housing Society	H - 23, Road - 10, Block - Kha, PC Culture Housing Society, Mohammadpur, Dhaka	Shyamoli
23	NICVD	NICVD, Sher-E-Bangla Nagar, Dhaka	Shyamoli
24	Sadar Road	45, Sadar Road, Barishal	Barishal
25	Doylar More	Municipal Holding No. 1952, Chawk Enayet, Naogaon	Naogaon
26	Lucas More	115 West Nakhalpara, Tejgaon, Dhaka	Karwan Bazar
27	Lake Drive Road	Plot No.19, Lake Drive Road, Sector -07 Uttara, Dhaka	Gareeb-E-Newaz
28	Shahjahanpur	714/1, Uttar Shahjahanpur, Dhaka.	Motijheel
29	South Bashabo	445, South Bashabo, Sabujbagh, Dhaka	Motijheel
30	Sony Cinema	Crescent Homes, 150/1 Shah Ali bagh Mirpur-1, Dhaka	Mirpur
31	Tejturi bazar (Science College)	37 East Tejturi Bazar, Farmgate, Dhaka 1215	Karwan Bazar
32	Nazim Uddin Road	1/2 Nazim Uddin Road, Dhaka	Imamganj
33	Gopibagh	1/A Gopibagh, 1st Lane, Dhaka - 1203	Principal
34	Nikunja-2	Plot No.06, Road No.01, Nikunja-02, Dhaka.	Progoti Sharani
35	Shimanto Square	Shimanto Square Market Premises, Pilkhana, Dhaka.	New Elephant Road
36	Banani	House#50, Road#11, Block-C, Banani, Dhaka	Banani
37	Adabar Bazar	H-32/1/A North Adabar, Mohammadpur, Dhaka	Shyamoli
38	Darus Salam Station	59/D, Darus Salam, Mirpur Road, Dhaka	Shyamoli
39	Ring Road	KPBL Chayapath, House No.16/A/6, Ring Road, Near By Japan Garden City/ Suchona Community Center, Mohammadpur, Dhaka	Shyamoli
40	Gulshan	Block B, H-50, Road -3 Avenue Road - 1, Niketan, Gulshan - 1	Mohakhali
41	Shashongacha Cumilla	SA Plot No. 634, Shashongacha, Badsha Miar Bazar, Kowtali, Cumilla	Cumilla
42	Sandwip	Sandwip City Centre, Haramia, Sandwip, District - Chattogram.	Sandwip

SL	ATM Locations	Address	Attached Branch
43	Lalmatia	House# B/20, Block- E, Zakir Hossain Road, Lalmatia, Dhaka	Dhanmondi
44	Rupnagar	House#57, Road#22, Rupnagar R/A, Mirpur, Dhaka	Mirpur
45	Gulshan Link	TA-137/1, Gulshan Link Road, Dhaka	Gulshan
46	Tongi	Sena Kalyan Commercial Complex, Plot No. 9/F, Tongi, Gazipur	Tongi
47	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
48	Bandar	RSA Complex, South Halishahar, BS Plot No. 8098, Bandar, Chattogram.	C-EPZ
49	MDC Square	MDC Square, Chawkbazar	Chawkbazar
50	Segunbagicha	42/1Kha, Segunbagicha, Ramna, Dhaka	Kakrail
51	Kalachandpur	Ka/12, Kalachandpur, Baridhara, Gulshan, Dhaka	Progoti Sharani
52	Amirabad	Best Chowdhury Plaza, Amirabad, Lohagara, Chattogram	Lohagara
53	Chowmuhani	Feni Road, Chowmuhani, Noakhali	Chaumuhani
54	Nawabganj	Kashimpur, Nawabganj, Bandura, (Nearer to Upazila Parisad), Dhaka	Bandura
55	Notun Bazar	25, Kali Sankar Guha Road, Notun Bazar, Mymensingh	Mymensingh
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	Navaron	Navaron Bazar, Sharsha , District - Jessore.	Benapole
59	Uttara#7	Plot-89, Road-28, Sector # 07, Uttara, Dhaka	Uttara
60	Mirpur #12 / Kalshi	Plot No. 17, Road No. 02, Block No. E, Section No. 12, Rupnagar R/A., Mirpur Housing Estate, Mirpur, Dhaka.	Mirpur
61	Jublee Road	175, Jubilee Road, Enayet Bazar, Chattogram	Jublee Road
62	Mukda Para	111/C, North Mukda Para, Sabujbagh, Dhaka	Malibagh
63	Khilkhet	Concord Lake city, Holding No. Kha-94/3, Khilkhet, Dhaka	Progoti Sharani
64	Ashkuna	Hazi Supper Market, Holding No. 2522, Ashkuna, Uttara, Dhaka.	Uttara
65	Kochukhet	234/6, Kochukhet, Mirpur	Rokeya Sharani
66	PCR Road	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
67	Paltan Tower	Shop No-11, Box Culvert Road Road, 87 Purna Paltan Road, Paltan Tower, Paltan, Dhaka	Motijheel
68	Boro Moghbazar	625 Boro Moghbazar (Nayatola)(Opposite Red Cr. Society)	Malibag
69	Kaderabad Housing Society	41/A, Kaderabad Housing Society, Katasur, Mohammadpur, Dhaka	Dhanmondi
70	Lalbag	15, Lalbag Road, Lalbag Kella, Dhaka	New Elephant Road
71	BRRI	Krishi Gobesona Institute, 58/1 58/2 Laksmipura, Chandra , Gazipur.	Board Bazar
72	Kaliakair Super Market	Kaliakair Super Market, Kaliakair Bazar Bus Stand, P.O: Kaliakair Bazar, P.S: Kaliakair Dist: Gazipur	Chandra
73	Al-Hasan Hotel	144, Sir Iqbal Raod, Khulna	Khulna
74	United Tower	4 KDA, Khulna	Khulna
75	VIP Tower	VIP Tower, Kazir Dewri, Chattogram	Jublee Road
76	Tajpur	Kazi Mansion, Dhaka-Sylhet High Way, Kadamtola, Po-Tajpur, Ps-Osmaninagar, Sylhet.	Tajpur
77	Grand Huq Tower	457-458, Grand Huq Tower, Mizan Road, Feni	Feni
78	Nathullabad	Nathullabad Bus Stand, Barishal	Barishal
79	Launch Ghat	Barishal Launch Ghat, Barishal	Barishal
80	Bar House	District Judge Court Bar Associatio (Bhaban No-1), Near Jessore Municipal Eid Ghah Moidan, Mudjib Sarak, Jashore	Jashore
81	Ashuganj	SA Plot# 10&12, Main Road, Ashuganj City	Ashuganj
82	Monipuripara-2	Lion's Shopping, Old Airport Road, Monipuripara, Dhaka	Karwan Bazar
83	Gabtolli	86, 1st Colony, Mazar Road, Near of Cement House. Gabtolli, Mirpur, Dhaka	Shyamoli
84	Mojumdar Merket	Mojumdar Market, Sadar Hospital Road, Feni	Feni
85	Pabna	AR Plaza, (Ground Fl.) Abdul Hamid Road, Pabna	Pabna

SL	ATM Locations	Address	Attached Branch
86	Zigatola	House-43/3/2, Zigatola, Dhanmondi, Dhaka	New Elephant Road
87	Bokshi Bazar	Bokshi Bazar, City Corpration Market, Dhaka Medical College , Dhaka	North South Road
88	Subid Bazar	Indiana Height, Subid Bazar, Sylhet	Dargahgate
89	Baridhara-1	Baridhara Parishad Office, Baridhara DOHS, Road#5, Opposite to CSD, Dhaka	Gulshan
90	Baridhara-2	Baridhara Parishad Office, Baridhara DOHS, Road#5, Opposite to CSD Dhaka	Gulshan
91	Gowsul Azam	Gowsul Azam Avenue, House#57, Sec#14, Uttara, Dhaka 1230	Gareeb-E-Newaz
92	Jhikargacha Branch	Hanif Super Market, Jhikargacha	Jhikargacha
93	Foy's Lake	Concord Amusement World, Foy's Lake, Khulshi, Chattogram	Khulshi
94	Rina Monjil	69, Central Jail Road, Jashore	Jashore
95	Sitakunda	Aziz Shopping Complex, Sitakunda, Chottogram	Sitakunda
96	Pagla Branch	DN Road Pagla, Fatullah, Narayanganj	Pagla
97	Concord Arcadia	Dhanmondi (Concord Arcadia), Plot#122, Road#4, Dhanmondi, Dhaka.	New Elephant Road
98	Khilgoan	425/C, Khilgaon, Dhaka	Malibagh
99	Bijoy Sharoni	Bijoy Sharani Link Road, Tejgaon, Dhaka	Karwan Bazar
100	Prince Plaza	4/2, Prince Plaza, Sobhanbag, Mirpur Road, Dhaka	Dhanmondi
101	Monipuripara	20/1, Monipuripara (Sangshad Avenue) Dhaka	Rokeya Sharani
102	Jhinaidah	Jhenaidah Road , M. A Razzaq Kushtia	Kushtia
103	Saidabad	17/A, North Saidabad Jatrabari Dhaka	Principal
104	Patuatoli	28, Patuatuli, Hazi Nur Mohammad Road. - Old Town Dhaka	Islampur
105	Zinda Bazar	Blue Water Shopping Complex, Zinda Bazar, Sylhet	VIP Road
106	Shi'ah Mosque	Shi'ah Mosque - House: 16, Road: 1, Mohammadpur, Dhaka-1207	Shyamoli
107	Shewrapara	820,West Shewrapara, Rokeya Sharani Road, Dhaka	Rokeya Sharani
108	Uttara-3	House: 37, Road: 7, Sector: 3, Uttara, Dhaka-1230	Uttara
109	Farmgate	71-75, Kazi Nazrul Islam Avenue, Farmgate, Dhaka 1215	Karwan Bazar
110	Dewanbazar	82,Nawab Sirajuddowla Road, Chawkbazar, Chattogram	Chawkbazar
111	Madhabpur Branch	Munshi Tower (1st Floor), Ward 7, Madhabpur, Habiganj	Madhabpur
112	Chapai Nawabganj	Chapai Nawabganj Branch Chapai Nawabganj	Chapai Nawabganj
113	Feni Branch	Haque Plaza (1st Floor), 193 SSK Road, Feni	Feni
114	Royal More	Royal More, Khulna	Khulna
115	Malibagh Branch	Advanced Melinda (Level-1), 72 Malibagh, Dhaka 1219	Malibagh
116	Shyamoli Branch	Shyamoli Square, 23/8 - B & C, Block: B Khilji Road, Dhaka-1207	Shyamoli
117	Naya Bazar	Nawab Yousuf Super Market , Naya Bazar - Old Town Dhaka	Islampur
118	Chowhatta	Firoj Tower, Chawhatta Sylhet	Dargahgate
119	Station Road	Kutum Bari, Station Road, Sreemongol	Sreemongol
120	Wari	216,Nawab Street, Wari Dhaka	Nawabpur
121	Sabujbagh	78(O), 25(N), Sabujbagh, Biswa Road Dhaka	Principal
122	Mirpur # 1	House. 2, Road. 6, Block. F, Muktijoddah Market- Mirpur, Dhaka	Mirpur
123	Proshika More	Plot. 33, Lane. 1, Block. B, Section-6, Mirpur Dhaka	Mirpur
124	Kushtia Branch	Serajuddowla Road, Al Amin Super Market, Kushtia	Kushtia
125	Dinajpur Branch	189, Zaved Super Market, Bahadur Bazar, Dinajpur	Dinajpur
126	Mordern More	Modern More, Ganeshtala, Dinajpur	Dinajpur
127	Arakan Road	957/1553, Arakan Road, Bahadarhaat	Bahaddarhat
128	Rangpur	91-92, Central Road, Kotowali, Rangpur (Opposite of Rangpur Bangladesh Bank)	Rangpur
129	Malibagh	480,D.I.T Road, Malibagh, Dhaka	Kakrail
130	Tajmahal Rd.	3/4,Block - C, Taj Mahal Road, Mohammadpur Dhaka 1207	Dhanmondi
131	Shantinagar	Eastern Point, 8-9 Shantinagar Dhaka	Kakrail

SL	ATM Locations	Address	Attached Branch
132	Boalkhali Branch	TCCA Complex, Gomdandi (East), Boalkhali, Chattogram 4366	Boalkhali
133	Khulshi	Khulshi House, Bungalow No. 2, B-2, Road 1, P.S.: Khulshi, Chattogram 4000	Khulshi
134	Boroikandi	Rongdhonu Biponi Bitan, 1st Floor, Central Bus Terminal Road, Verthokhola, Sylhet 3100	Boroikandi
135	Dhanmondi Branch	Plot: 45 (new) 286/B (old), Road: 16 (new) 27 (old), Dhanmondi R/A, Dhaka 1209	Dhanmondi
136	Imamganj	40, Imamganj, Dhaka 1211	Imamganj
137	Bandura Branch	Bandura Government Super Market, Nawabganj, Dhaka	Bandura
138	Teknaf Branch	Teknaf Main Road, Teknaf, Cox's Bazar 4760	Teknaf
139	Sreemongol	Aziz Super Market , Moulvibazar Road, Sreemongol, Moulvibazar 3210	Sreemongol
140	Lohagora Branch	Sicho Shopping Complex, Padua, Lohagara, Chattogram 4397	Lohagara
141	Cumilla	Mogholtooly Super Market, Mogholtooly Road, Cumilla 3500	Cumilla
142	Narayanganj Branch	109,B.B Road Narayanganj	Narayanganj
143	Mymensingh Branch	52 Dr. Bipin Sen Road, Choto Bazar, Kotowali, Mymensingh - 2201	Mymensingh
144	Pahartoli	825,Zakir Hossain Road, Amader Bari, Chattogram	Pahartoli
145	Moulvibazar Branch	Shamsher Nagar Road, Choumuhana, Moulvibazar 3200	Moulovi Bazar
146	Rajshahi Branch	102-103 Shaheb Bazar, Rajshahi 6000	Rajshahi
147	Saidpur Branch	24, Nur Plaza, Ward 12, Shaheed Dr. Zikrul Haque Road, Saidpur, Nilphamari 5310	Saidpur
148	Midtown Shopping Mall	Plot 22, Main Road 03, Section-7, Pallabi, Mirpur, Dhaka 1216	Mirpur
149	Jashore Branch	38 M. K. Road, Jashore 7400	Jashore
150	Sirajganj Branch	Friends Plaza, S S Road, Ward 1, Sirajganj 6700	Sirajganj
151	C-EPZ Branch	Bay Shopping Centre, P.O: EPZ, South Hlishahar P.S. Bandar, Chattogram 4100	C-EPZ
152	Chandpur	123/115 Kalibari Pouro New Market, Chandpur Sadar, Chandpur 3600	Chandpur
153	Satkhira Branch	884/810, Abul Kashem Road, Satkhira 7431	Satkhira
154	Naogaon	Mozaffer Hossain Marketing Complex, Main Road, Naogaon 6500	Naogaon
155	Bhairab Bazar	248(W) Tin Potty, Bhairab Bazar, Bhairab, Kishoreganj 2350	Bhairab Bazar
156	O.R. Nizam Road	862/A, O.R. Nizam Road, Goal Pahar Circle, Chattogram 4000	CDA
157	Brahmanbaria	1090/128, Court Road, Brahmanbaria 3400	Brahmanbaria
158	Benapole Branch	607 Benapole, Local Bus Stand, Benapole, Jessore 7431	Benapole
159	Madhabdi Branch	Parkashipur, Madhabdi Bazar, Narsingdi 1604	Madhabdi
160	Nazumeah Hat Branch	Burishar, Kaptai Road, Hatazari, Chattogram 4330	Nazumeah Hat
161	Khulna	Mollick Shopping Complex Limited, 99 Khan A Sabur Road, Khulna 9100	Khulna
162	Patherhat Branch	Khayez Shopping Center, Patherhat, Noyapara, Chattogram	Patherhat
163	Khatunganj	395, Khatunganj, Chottogram 4000	Khatunganj
164	Agrabad Branch	BCIC Sadan, 26, Agrabad C/A, Chattogram 4100	Agrabad
165	Progoti Sharani Br	N.R. Tower, 72 Progoti Sharani, Block: J, Baridhara Dhaka	Progoti Sharani
166	Bahaddarhat	Bismillah Complex, Arakan Road, Bahaddarhat, Chattogram 4323	Bahaddarhat
167	CDA Avenue	BMA Bhaban, 1367 CDA Avenue, East Nasirabad, Chattogram 4000	CDA
168	Mohakhali Branch	Pacific Centre, 14 Mohakhali C/A, Dhaka 1212	Mohakhali
169	Kawran Bazar	BSEC Bhaban, 102 Kazi Nazrul Islam Avenue, Dhaka 1215	Karwan Bazar
170	Kakrail Branch	81, VIP Road, Kakrail, Dhaka -1000	Kakrail
171	Elephant Road	Novera Square, House 05, Road 02, Dhanmondi, Dhaka 1205	New Elephant Road
172	Uttara Branch	House 11, Road 14D, Sector 4, Uttara, Dhaka-1230	Uttara
173	Principal Branch	BCIC Bhaban,30-31, Dilkusha C/A, Dhaka 1000	Principal
174	Tangail	702 Sabur Khan Tower, Kalibari Road, Tangail Sadar, Tangail 1900	Tangail
175	Chattak Branch	Madaris Mansion, Bagbari, Chattak, Sunamganj 08723	Chattak
176	Dargahgate	Raj Manjil, Dargahgate, Sylhet 3100	Dargahgate
177	Garden Tower	Bishwa Road, Shahjalal Uposhohor Point, Sylhet 3100	Garden Tower

SL	ATM Locations	Address	Attached Branch
178	V.I.P Road Branch	Surma Tower, Plot - 6006(old), 27640(new), Ward 13, V.I.P. Road, Taltala, P.S.: Kotwali, Sylhet City Corporation, Sylhet 4112	VIP Road
179	Kakrail (Islami Br.)	82, V.I.P Road, Kakrail, Dhaka -1000	Kakrail
180	Bogura Branch	324, Kazi Nazrul Islam Sarak, Jhawtala, Bogura 5800	Bogura
181	Gulshan Branch	Ventura Avenue, Plot No. CWN(C)-8, Road No. 34 Gulshan Model Town, Gulshan Dhaka	Gulshan
182	Joypara Branch	Joypara, Dohar, Dhaka-1300	Joypara
183	Board Bazar	Union: Gacha, PO: National University PS: Gazipur Sadar, Gazipur-1704	Board Bazar
184	AGB Colony	Shop No-13, Baitul Aman Jame Mosjeed Market, AGB Colony, Dhaka.	Principal
185	Pirerbagh	348/4, Pirerbagh, Mirpur, Dhaka	Shyamoli
186	Jaleswaritola	Shahid Abdul Jabber Road, Jaleswaritola, Bogura.	Bogura
187	Sataish Road	10/11, Sataish Road, Gazipura, Gazipur.	Board Bazar
188	Laila Tower	Laila Tower, 8, Gulshan Avenue, Dhaka	Gulshan
189	Agrabad Branch - 2	BCIC Sadan, 26, Agrabad C/A, Chattogram 4100	Agrabad
190	Police Plaza Concord	Shop No-105, " Police Plaza Concord", Road No-2, Gulshan, Dhaka.	Gulshan
191	Gareeb-E-Newaz	Plot No-8, Gareeb-E-Newaz Avenue, Sector-13, Uttara, Dhaka.	Gareeb-E-Newaz
192	WW Tower	WW Tower, 68, Motijheel Commercial Area, Dhaka .	Principal
193	Sylhet Station Club	Sylhet Station Club Limited, Shahjalal Road, Sylhet.	VIP Road
194	Islamic University	Islamic University of Technology (IUT) Board Bazar, Gazipur	Board Bazar
195	Kalampur	Kalampur Branch On-site ATM, Kalampur, Dhamrai,Dhaka.	Kalampur
196	Jurain	302/1, Jurain, Dhaka.	North South Road
197	Chatterjee Lane	6/3, Shashi Bhushan Chatterjee Lane, Dhupkhola,Gandaria, Dhaka.	Islampur
198	Banani	House No-34,Road-10,Block-D Banani, Dhaka	Banani
199	Chaturi	Shop No-3, Alam Plaza, Chaturi, Anowara, Chattogram.	Chaturi
200	Paril	Paril Branch ATM Booth at Paril Bazar, Singair, Manikganj.	Paril
201	Thengamara Medical College	Thengamara Medical College (TMSS) ATM, Thengamara, Bogura	Bogura
202	Kaptai Link Road	Kaptai Link Road, Mohara, Chandgaon, Chattogram	Nazumeah Hat
203	Lalmonirhat	5/32-S, Puran Bazar, Lalmonirhat.	Lalmonirhat
204	Faridpur	Holding No-29, Faridpur AR City Center, Haji Shariatullah Bazar Road, Faridpur.	Faridpur
205	Raynagar (East Mirabazar)	Raynagar, Sonapara (East Mirabazar), Sylhet.	Garden Tower
206	Board Bazar Branch - 2	Union: Gacha, PO: National University, PS: Gazipur Sadar, Gazipur-1704	Board Bazar
207	CDA Avenue - 2	BMA Bhaban, 1367 CDA Avenue, East Nasirabad, Chattogram 4000	CDA
208	C-EPZ Branch -2	Bay Shopping Centre, P.O: EPZ, South Haliashahar P.S. Bandar, Chattogram 4100	C-EPZ
209	Bhulta Branch	Haji Shopping Complex, Bhulta, Rupganj, Narayanganj.	Bhulta
210	Station Road	Equity Anitri , 32, H.S.S Road, Chattogram.	Station Road
211	Ramna Bhaban	Shop No-13, Ramna Bhaban, Dhaka	Motijheel
212	Seed Store Bazar	Al- Madina Shopping Complex, Seed Store Bazar, Bhaluka, Mymensing	Bhaluka
213	Lalkhuti	House No-187, Road No-01, Lalkhuti, Rangpur.	Rangpur
214	Austagram Branch	Mustari Bhaban, Jamtoli, Austagram Sadar, Kishoreganj	Austagram Branch
215	Kaliganj	RFL Industrial Park, Mulagaon, Kaliganj, Gazipur.	Madhabdi
216	Jhenaidah	Pospo Prangan, Holding No-249, Sher-e- Bangla Road, Jhenaidah.	Jhenaidah Branch
217	Pran RFL - 2	Rangpur Metal Industries Ltd, Murapara, Rupganj, Narayanganj.	Bhulta
218	Matikata	134/3, Matikata, Dhaka Cantonment, Dhaka.	Bashundhara Branch
219	SSS Bhaban	Holding No-4475, SSS Bhaban, Mymensingh-Tangail Road, Tangail.	Tangail Branch
220	Kamrangir Char	Al-Madina Super Market, 1201 Rasulpur, Kamrangir Char, Dhaka.	Kamrangir Char Branch
221	Banshkhali	Mohammed Meah Plaza, Ramdas Munshir Hat,Banshkhali, Chattogram	Banshkhali Branch

SL	ATM Locations	Address	Attached Branch
222	Jinjira	Shop No-06, Nupur Market, Keraniganj, Jinjira, Dhaka.	Jinjira
223	Signboard Bus Stand	251, Signboard Bus Stand, Board Bazar, Gazipur.	Board Bazar
224	Nilphamari	Entrance of Uttara EPZ, Nilphamari, Saidpur.	Saidpur Branch
225	Chaturi-2	Ittadi Shopping Complex, Bandar Community Center, Mohalkhan Bazar PO- Mohalkhan Bazar, PS-Karnafully, Chattogram	Chaturi
226	World Bank Biswa Colony	Plot No.239, Block-C, Road No.01, Koibulladam Residential Area, World Bank Biswa Colony, Chattogram	Pahartoli
227	Umme Salma Tower	Umme Salma Tower, Kaliakair, Gazipur	Chandra
228	Central Road	Baitus Sayed Super Market, 91-92 Central Road, Rangpur.	Rangpur
229	J.C Guha Road	15, J.C Guha Road, Nandankanon, Chattogram	Anderkilla
230	Kalatiya	Nurpur, Chowrangi Bridge, Kalatiya Bazar, Keraniganj, Dhaka	Kalatiya
231	Jamal Khan Road	42, Jamal Khan Road, Chattogram	Momin Road
232	Zigatola Main Road	21/3, Zigatola Main Road, Dhaka-1209	New Elephant Road
233	Collectorate School & College	Sirajganj Collectorate School & College, Sirajganj	Sirajganj
234	Green road	148, Green Road, Dhaka	New Elephant Road
235	BSCIC Industrial Area	Fabian Group Corporate Office, Plot: B-18 (part), Block: A, BSCIC Industrial Area, Sagorika Road, Chattogram	PCR
236	Gulshan-Sub Branch	Corporate Office, The Skymark, 18, Gulshan Avenue, Dhaka.	Gulshan (Gulshan Sub- Branch)
237	Gulshan-Sub Branch	Corporate Office, The Skymark, 18, Gulshan Avenue, Dhaka.	Gulshan (Gulshan Sub- Branch)
238	Pan Pacific Sonargaon	Pan Pacific Sonargaon, 107 Kazi Nazrul Islam Avenue, Dhaka	Karwan Bazar
239	Brahmanbaria Medical College Hospital	Brahmanbaria Medical College Hospital Ltd , Ghatara, Brahmanbaria.	Brahmanbaria
240	Gulshan Club Limited	Gulshan Club Limited, House NWJ-2/A, Bir Uttom Sultan Mahmud, Road (Old 50), Gulshan 2, Dhaka 1212	Gulshan
241	Motijheel Branch	Motijheel Branch, BDBL Building , 08, DIT Avenue, Dhaka	Motijheel
242	Azim Group	Savar Swatters, Azim Group, Kalurghat, Chattogram	Bahaddarhat
243	New Chakaria	Hossen Market, Chiringa, Chakaria, Cox's Bazar	Chakaria
244	Abul Khair Group ATM (West Nasirabad)	Holding No. 2334/2606, Bacha Meah Road, West Nasirabad, Chattogram	PCR
245	Akhtar Group	Fordnagar-Singair Road, in front of factory premises of Akhtar Group, Dhalla, PS-Singair, District-Manikganj.	Savar
246	Momo Inn-Bogura	Momo Inn Hotel & Resort, Nawdapara, Rangpur Road, Bogura 5800	Bogura
247	Jatrabari Branch	Mona Tower , 16/A, Shohid Faruk Sorok, North Jatrabari, Dhaka-1204	Jatrabari
248	Hathazari Branch	Hajee Siddique Market (1st floor), Hathazari Bus Stand, Hathazari, Chattogram	Hathazari
249	Nandanpur Cumilla	Warda Building (Ground Floor), Nandanpur, Halima Nagar, Sadar South, Cumilla.	Cumilla
250	PCR Branch	5, Port Connecting Road, Block-G, Barapole, Haliashahar R/A, Chattogram.	PCR
251	Javan Hotel Tongi	Javan Hotel, Tongi-Kaliganj Highway, Tongi	Tongi
252	BEPZA	BEPZA Economic Zone, Mirsarai, CTG	Sitakunda

AGENT LOCATION

Sl.	Outlet Name	Outlet Division	Outlet District	Outlet Full Address
1	Mridha Traders	Dhaka	Dhaka	Kartikpur Bazar, Kusumhati, Dohar, Dhaka.
2	H.R. Trade International	Dhaka	Gazipur	Konabari, Gazipur City Corporation, Gazipur Sadar, Gazipur.
3	ATM Enterprise	Chattogram	Chattogram	Time Bazar, Kalipur, Banshkhali, Chattogram.
4	Bhai Bhai Traders	Sylhet	Habiganj	Montola Bazar, Bohora, Madhabpur, Habiganj.
5	M/S. Purbachal Traders	Chattogram	Brahmanbaria	Amtoli Bazar, Chandura, Bijoy Nagar,
6	M/S. L. R. Traders	Chattogram	Coxs bazar	Ukhiya Bazar, Rajapalong, Ukhiya Upazilla, Cox's Bazar
7	Zahir Enterprise	Dhaka	Kishoreganj	Kuliarchar Bazar, Kuliarchar Pauroshava, Kishoreganj.
8	Labony Decorator	Dhaka	Dhaka	Sadapur Bazar, Bandura, Nawabganj, Dhaka.
9	M/S. Khan Construction	Chattogram	Brahmanbaria	Islampur Bazar, Budhonti, Bijoy Nagar, Brahmanbaria.
10	Parmisha Traders-Mirpur	Dhaka	Dhaka	Prashika Mour, Mirpur, Dhaka-1216
11	M/S. Arafat Enterprise-Feni	Chattogram	Feni	Gudam Quarter Road, Feni Sadar, Feni
12	Shotorupa Enterprise-Sirajgonj	Rajshahi	Sirajganj	Pauro Super Market, Kazipur Paurosova, Sirajganj
13	Oyan Thai Aluminium & Glass House-Paril	Dhaka	Manikganj	South Jamsha Bazar, Singair, Manikganj.
14	M/S. Tangail Traders	Dhaka	Tangail	Adabari Bazar, Mohera, Mirzapur, Tangail
15	Nishat Commercial Center	Barishal	Barishal	Chakhar Bazar, Banaripara, Barishal
16	Akota Traders-Bolirhat,Ctg	Chattogram	Chattogram	Bolirhat, Chandgaon Thana, Chattogram City Corporation, Chattogram
17	Vai Vai Traders- Gorpara, Sharsha, Jessore	Khulna	Jashore	Gorpara Bazar, Nizampur, Sharsha, Jashore.
18	Shahi Shipping & Trading-Kumira, Ctg	Chattogram	Chattogram	Uttar Sonaichari, Kumira, Sitakund, Chattogram
19	Jewel Digital Studio & Telecom, Shymol Bazar, Sunamgonj	Sylhet	Sunamganj	Shyamol Bazar, Mannargao, Doara Bazar, Sunamganj
20	M/S Alhaz Ibrahim Ali & Sons-Dohalia Bazar, Sunamgonj	Sylhet	Sunamganj	Dohalia Bazar, Doara Bazar, Sunamganj
21	Amar Kulaura-Kulaura, Moulvibazar	Sylhet	Moulvibazar	Muktioddha Complex, Dakshin Bazar, Kulaura, Moulvi Bazar, Sylhet
22	Friends Enterprise-Biman Mor, Jashore	Khulna	Jashore	Chanchra Bazar, Chanchra, Jashore Sadar, Jashore.
23	Bondhu Mahal Sarbik Gram Unnayan Somobay Samitee Ltd.-Monirapur, Jashore	Khulna	Jashore	Dhakuriya Bazar, Monirampur, Jashore
24	Zara & Zara Dairy Farm-Pallabi, Mirpur	Dhaka	Dhaka	Paris Road Mour, Mirpur-11, Dhaka
25	Rudra Enterprise-Halima Nagar, Cumilla	Chattogram	Cumilla	Nandanpur Bazar, Halimanagar, Sadar Dakkhin, Cumilla
26	Super Speed Shipping Lines-Meghula, Dohar	Dhaka	Dhaka	Meghula Bazar, Narisha, Dohar, Dhaka.
27	Afia Medical House-Harinaraynpur, Kushtia	Khulna	Kushtia	Harinarayanpur Bazar Hall Mour, Kushtia Sadar, Kushtia
28	M/S. Shan-A Garangia Enterprise-Moheshkhali, Cox's Bazar	Chattogram	Coxs bazar	Matarbari, Moheshkhali, Cox's Bazar
29	Prochesta Enterprise-Dogachi Bazar, Pabna	Rajshahi	Pabna	Dogachi Bazar, Dogachi Union, Pabna Sadar, Pabna.
30	Shankar Mistanna Vander-Sreepur, Gazipur	Dhaka	Gazipur	Sreepur Bazar, Sreepur Pauroshava, Gazipur
31	ICC Communication, Vatoibazar, Shoilkupa, Jhenaidah	Khulna	Jhenaidah	Vatoibazar, Dudhsor, Shoilkupa, Jhenaidah

Sl.	Outlet Name	Outlet Division	Outlet District	Outlet Full Address
32	Swapno Traders-Daudpur, Nawabganj	Dhaka	Dhaka	Daudpur Bazar, Shikaripara, Nawabganj, Dhaka.
33	A. M. Corporation-Shikaripara, Nawabganj	Dhaka	Dhaka	Shikaripara Bazar, Nawabganj, Dhaka.
34	A. K. Enterprise-Baliakandi, Rajbari	Dhaka	Rajbari	Baliakandi Haat, Upz: Baliakandi, Dist: Rajbari
35	Ayan Trading-Bakra Bazar, Jhikargacha	Khulna	Jashore	Bakra Bazar, Jhikargacha, Jashore
36	Erfan Pharmacy-Kamalapur Bazar, Kushtia	Khulna	Kushtia	Komlapur, Bagulat, Kumarkhali, Kushtia
37	Vai Bon Garments & Bastralay-Rajganj, Manirampur, Jessore	Khulna	Jashore	Rajganj Bazar, Jhampa, Monirampur, Jashore.
38	Aspirant Development Ltd-Shibganj, Chapai Nawabganj	Rajshahi	Chapai Nawabganj	Shibganj Bazar, Shibganj Pauroshava, Chapai Nawabganj.
39	Jony Enterprise-Bahubal, Habiganj	Sylhet	Habiganj	Debpara Bazar, Nabiganj, Habiganj
40	M/S Tamanna Enterprise, Kalinagar, Chapai Nawabganj	Rajshahi	Chapai Nawabganj	Kalinagar Bazar, Sundarpur, Chapai Nawabganj Sadar, Chapai Nawabganj.
41	Shamlapur Ideal Academy-Shamlapur, Savar	Dhaka	Dhaka	Shamlapur, Vakurta, Savar, Dhaka
42	Brothers Trade-Parulia, Debhata, Satkhira	Khulna	Satkhira	Debhata Bazar, Debhata, Satkhira
43	M/S. Mohammad Wazir Hasan Khan- Chatihati Bazar, Kalihati, Tangail.	Dhaka	Tangail	Chatihati Bazar, Paikora, Kalihati, Tangail
44	M/S Allar Dan Poultry & Fish Feed- Valuka Chandpur, Satkhira	Khulna	Satkhira	Bhaluka Chandpur Bazar, Dhulihar, Satkhira Sadar, Satkhira
45	Rowshan Enterprise-Pouro Bazar, Majdee Court, Noakhali	Chattogram	Noakhali	Majdee Pouro Bazar, Majdee Court, Noakhali Sadar, Noakhali.
46	Lopa Enterprise-Zalmoliya Bazar, Putia, Rajshahi	Rajshahi	Rajshahi	Zalmoliya Bazar, Jeopara, Puthia, Rajshahi
47	M M Enterprise-Hospital Road, Bheramara, Kushtia	Khulna	Kushtia	Hospital Road, Bheramara Pauroshava, Kushtia
48	SBS Enterprise-Baliyashisha Bazar, Mirpur, Kushtia	Khulna	Kushtia	Baliyashisha Bazar, Chitalia, Mirpur, Kushtia
49	Maisha Mahi Enterprise-Horipur Bazar, Sadar, Kushtia	Khulna	Kushtia	Hatas Haripur Bazar, Hatas Haripur, Kushtia Sadar, Kushtia
50	Nayan Moni Enterprise-Noudapara Bazar, Rajshahi	Rajshahi	Rajshahi	Noudapara Bazar, Rajshahi City Corporation, Rajshahi
51	Mim Traders-Alalpur, Nawabganj, Dhaka	Dhaka	Dhaka	Alalpur Bazar, Baruakhali, Nawabganj, Dhaka
52	Ocean Agro-Charvodrason, Faridpur	Dhaka	Faridpur	Char Haziganj, Charbhadrasan, Faridpur
53	Tasmim Air International-Tambulkhana, Faridpur	Dhaka	Faridpur	Tambulkhana Bazar, Faridpur Sadar, Faridpur
54	Shamim Trade-Laksham, Cumilla	Chattogram	Cumilla	S.k Saha Tower, Chouddogram Road, Bypass, Laksham, Cumilla
55	Abedin Electronics	Chattogram	Coxsbazar	Ab Market, Hnila Bazar, Hnila. Teknaf, Cox's Bazar
56	M/S. Islam Traders, Doara Bazar, Sunamganj	Sylhet	Sunamganj	Sreepur Bazar, Doara Bazar, Sunamganj
57	M/S. Tama Enterprise-Field-Er-Hat, Chapai Nawabganj	Rajshahi	Chapai Nawabganj	Field Er Haat, Moharajpur, Sadar, Chapai Nawabganj.
58	Purbasha Trading- Ishwardi, Pabna	Rajshahi	Pabna	I K Road, Boroichara, Solimpur, Ishwardi, Pabna
59	Babu Electronic- Zajor, National University, Gazipur	Dhaka	Gazipur	Zajor Bazar, Gazipur City Corporation, Gazipur Sadar, Gazipur
60	Yuan Impex- Mirpur 11, Dhaka	Dhaka	Dhaka	Main Road-3, Block-D, Mirpur-11, Dhaka

Sl.	Outlet Name	Outlet Division	Outlet District	Outlet Full Address
61	M/S Rony Trading Company, Jashihati, Basail, Tangail	Dhaka	Tangail	Jashihati Bazar, Fulki, Basail, Tangail
62	S. H Enterprise-Court Hologram, Rajshahi	Rajshahi	Rajshahi	S H Enterprise, Court Hologram, Rajshahi
63	New Bismillah Electric House-Bhairab Bazar, Moulvibazar	Sylhet	Moulvibazar	Bhairabgonj Bazar, Kalapur, Sreemangal, Moulvi Bazar.
64	Khan Enterprise-Philipnagar, Kushtia	Khulna	Kushtia	Philipnagar Bazar, Philipnagar, Daulatpur, Kushtia
65	Taslima Enterprise-Kumarkhali, Kushtia	Khulna	Kushtia	Alauddin Nagar Bazar, Nondolalpur, Kumarkhali, Kushtia, Khulna
66	Mayer Doa Enterprise-Jhaudia Bazar, Kushtia	Khulna	Kushtia	Jhaudia Bazar, Jhaudia, Kushtia Sadar, Kushtia
67	M/S Khaleda Agro Farm-Noyani Bazar, Sherpur	Mymensingh	Sherpur	2 No Word, Noyani Bazar, Sherpur Sadar, Sherpur
68	M/S. S. Alam Traders-Hazratpur Bazar, Keranigonj	Dhaka	Dhaka	Hazratpur Bazar, Hazratpur, Keraniganj, Dhaka.
69	M/S. Bebertan Store, Betua Bazar, Shokhipur, Tangail	Dhaka	Tangail	Betua Bazar, Boheratoil, Shakhipur, Tangail
70	M/S. Bebertan Store-Hoteya Bazar, Shokhipur, Tangail	Dhaka	Tangail	Hoteya Bazar, Hatibandha, Shakhipur, Tangail
71	M/S Bebertan Store- Girls School Road, Sokhipur, Tangail	Dhaka	Tangail	Girls School Road, Shokhipur, Tangail
72	Srot Enterprise-Rajnagar, Moulvi Bazar	Sylhet	Moulvibazar	Jewel Plaza, Court Road, Rajnagar Bazar, Moulvibazar
73	M/S. Mahfuz Enterprise-Barpa, Rupshi, Tarabo Powrashva, Rupganj, Narayanganj	Dhaka	Narayanganj	Barpa Bazar, Rupshi, Tarabo, Rupganj, Narayanganj
74	Aklam Store-Mominkhola, South Surma, Sylhet	Sylhet	Sylhet	Mominkhola, Ward-25, Sylhet City Corporation, Sylhet
75	H. S Enterprise-Beanibazar, Sylhet	Sylhet	Sylhet	Charkhai Poschim Bazar, Biani Bazar, Sylhet
76	M/S Bhai Bhai Store-Boroshola, Sadar, Sylhet	Sylhet	Sylhet	Boroshola, Khadimnagar, Sylhet Sadar, Sylhet
77	Shobuz Shohag Telecom-Gorar Para, Kushtia	Khulna	Kushtia	Gorar Para, Pragpur, Daulatpur, Kushtia
78	M/S. Sheikh Enterprise-Lalabazar, Sylhet	Sylhet	Sylhet	Hazi Abul Kalam Complex, Lalabazar, South Surma, Sylhet
79	M/S. Adnan Traders- Poolhat, Dinajpur	Rangpur	Dinajpur	Daliar Mor, Auliapur, Dinajpur Sadar, Dinajpur
80	S. H Enterprise- Binodpur, Rajshahi	Rajshahi	Rajshahi	Kazla Binodpur Bazar, Motihar, Rajshahi City Corporation, Rajshahi
81	Notun Jibon Chandpur Community Society - Raldiya, Chandpur	Chattogram	Chandpur	Raldiya, Ashikati, Chandpur Sadar, Chandpur
82	Lake Bazar, Vatara, Dhaka	Dhaka	Dhaka	Ka-62/A, Kuril Chowrasta, Vatara, Dhaka
83	Kafi Enterprise, Bagmara, Rajshahi	Rajshahi	Rajshahi	Taherpur Bazar, Bagmara, Rajshahi
84	Kafi Enterprise, Katakhal, Rajshahi	Rajshahi	Rajshahi	Katakhal Bazar, Katakhal, Rajshahi
85	Kafi Enterprise, Durgapur, Rajshahi	Rajshahi	Rajshahi	Amgachi Bazar, Durgapur, Rajshahi
86	Kafi Enterprise, Chorghat, Rajshahi	Rajshahi	Rajshahi	Nondan Gachi Bazar, Chorghat, Rajshahi
87	Kafi Enterprise- Mohanganj Bazar, Durgapur, Rajshahi	Rajshahi	Rajshahi	Durgapur, Rajshahi
88	Kafi Enterprise, Alipur Bazar, Durgapur, Rajshahi	Rajshahi	Rajshahi	Alipur Bazar, Durgapur, Rajshahi

Sl.	Outlet Name	Outlet Division	Outlet District	Outlet Full Address
89	Mahin Enterprise-Doara Bazar, Sunamganj	Sylhet	Sunamganj	Bogla Bazar, Dowarabazar, Sunamganj
90	Asiya Enterprise, Muradnagar, Cumilla	Chattogram	Cumilla	Jahangir Super Market, Palasuta Chowmuhan Bazar, Muradnagar, Cumilla
91	M/S. Allardan Enterprise, Kalijong, Jhenaidah	Khulna	Jhenaidah	Damodarpur Bazar, Kalijong, Jhenaidah
92	M/S. A Baki Traders, Nandigram, Bogra	Rajshahi	Bogura	Pondit Pukur Bazar, Po-Kumira Ponditpukur, Nandigram, Bogra-5860.
93	Maa Digital Studio & Mobile Mela, Chirirbandar, Dinajpur.	Rangpur	Dinajpur	Chakaisob, Debigonj Bazar, Chirirbandar, Dinajpur.
94	Chowdhuri Mobile & Telecom, Gangachara, Rangpur	Rangpur	Rangpur	Chowdhury Market, Baraibare Bazar, Gangachara, Rangpur.
95	M/S. Molla Abu Sayed Enterprise, Manikganj Sadar	Dhaka	Manikganj	Borundi Bazar, Manikganj Sadar, Manikganj
96	Easy Internet Tecnology, North Badda, Dhaka	Dhaka	Dhaka	Cha-83/2, Uttar Badda, Daka-1212.
97	Riddho Enterprize, Shailkupa, Jhenaidah	Khulna	Jhenaidah	Shekhra Bazar, Shailkupa, Jhenaidah
98	Features International Limited , Lalmonirhat Sadar	Rangpur	Lalmonirhat	Solaiman Mansion, Mission Mor, Lalmonirhat Sadar, Lalmonirhat
99	Antuna Enterprise Comission Agent-Ghosail Bazar	Dhaka	Dhaka	Ghoshal Bazar, Kathuri, Nawabganj
100	Prochesta Enterprise, Komorpur Bazar, Pabna	Rajshahi	Pabna	Komorpurbazar, Pabna Sadar , Pabna
101	M/S. S. S. I. Electronics-Nasirnagar, Bramonbaria	Chattogram	Brahmanbaria	Nasirnagar Sadar, Nasirnagar, Brahmanbaria, Chattogram
102	Ayan Enterprise- Vai Vai Market, Feni	Chattogram	Feni	Vai Vai Market 2nd Floor,Besidemohipal Flyover, Mohipal, Feni
103	New Jubel Pagri- Modina Market, Sylhet	Sylhet	Sylhet	Madina Market, Sylhet City Corporation, Sylhet
104	101 Bd Tech, Panchbari, Jamalpur	Mymensingh	Jamalpur	Panchbari, Kamrabad, Sarishabari, Jamalpur, Mymensingh
105	Master Agro-College Bazar,Akkelpur,Joypurhat	Rajshahi	Joypurhat	College Bazar, Akkelpur, Joypurhat, Rajshahi
106	Xoombazar-Kalibari Road, Jhalakathi	Barishal	Jhalokathi	72 Kalibari Road, Jhalakathi-8400
107	Sara Enterprise-Dowra Bazar,Sunamganj	Sylhet	Sunamganj	Banglabazar, Dowara Bazar, Sunamganj
108	Mosharef Pharmacy-Hazirhat,Kabirhat,Noakhali	Chattogram	Noakhali	Neranjonpur, Hazirhat, Kabirhat, Noakhali
109	M/S. Shafi Traders- Kakiladoh Bazar, Kushtia	Khulna	Kushtia	Kakiladoh Bazar, Mirpur, Kushtia
110	R. V. Cyber World-Lilarmela, Balarampur, Atwari, Panchagarh	Rangpur	Panchagarh	Lelar Mela, Bolorampur, Atoyari, Panchagarh
111	Cheers Properties & Management-Chattogram	Chattogram	Chattogram	Barasat (Kali Bari), Anowara, Chattogram
112	Star Fabrics, Zinda Bazar, Sylhet	Sylhet	Sylhet	26, Al Marjan Shopping Center, Zinda Bazar, Sylhet City Corporation, Sylhet
113	M. M. F Packaging-Shorisha Bari,Jamalpur	Mymensingh	Jamalpur	Pingana,Gram Nikhai, Garadoba, Sarishabari, Jamalpur.
114	Faysal Enterprise-Bohuli Bazar,Sirajganj	Rajshahi	Sirajganj	Bohuli Bazar,Sirajganj Sadar,Sirajganj
115	Tasnim & Tanvir Traders-Kamdiya,Gaibandha	Rangpur	Gaibandha	Pachbibi Road,Kamdia,Gobindaganj,Gaibandha,Rangpur
116	Faruk Enterprise-Pekuya Bazar, Pekuya, Coxsbazar	Chattogram	Coxsbazar	Pekua Bazar,Pekua,Coxbazar,Chattogram

Sl.	Outlet Name	Outlet Division	Outlet District	Outlet Full Address
117	J. S Kutir Shilpo-Kamal Market, Madina Ghat, Hathazari, Chattogram	Chattogram	Chattogram	1 No Goli, Kamal Market, Madina Ghat, Hathazari, Chattogram
118	Maa Garments-Dariyapur, Chapai Nawabganj	Rajshahi	Chapai Nawabganj	Dariyapur, Sadar, Baliadanga, Chapai Nawabganj, Rajshahi
119	M/S. Imam Hossen Store-Modhukhli Bazar, Modhukhli, Faridpur	Dhaka	Faridpur	Madhukhali Bazar, Madhukali, Faridpur, Dhaka
120	M/S. Mobile Corner-Kaniyal Khata, Nilphamari	Rangpur	Nilphamari	Kaniyal Khata, Nilphamari Sadar, Nilphamari, Rangpur
121	Sahaji S. A Enterprise- Al Amin Baria Kamil Madrass Songlogno, Bahir Signal, Chandangon, Chittagong	Chattogram	Chattogram	Al Amin Baria Kamil Madrasa Songlogno, Bahir Signal, Chandangon, Chattogram
122	Reliance Enterprise-Anondobabur Pul, Jaldhaka Sarak, Nilphamari	Rangpur	Nilphamari	Anondo Babulgar, Itkhola, Joldhaka Sorok, Nilphamari
123	101 Bd Tech-Station Road, Islampur, Jamalpur	Mymensingh	Jamalpur	Pachbaria, Islampur, Jamalpur, Mymensingh
124	Faysal Enterprise- Chhongacha Bazar, Sirajganj Sadar, Sirajganj.	Rajshahi	Sirajganj	Chongacha Bazar, Sirajganj Sadar, Sirajganj, Rajshahi
125	M/S. Shahin Brothers-Dewhata Bazar, Mirzapur, Tangail	Dhaka	Tangail	Dewhata Bazar,Bhatram, Mirzapur, Tangail, Dhaka
126	ABC Corporation- Kansat Bazar, Shibganj, Chapai Nawabganj	Rajshahi	Chapai Nawabganj	Kansart Bazar, Shibganj, Chapai Nawabganj, Rajshahi
127	A G Enterprise- Bhabaniganj, Bagmara, Rajshahi	Rajshahi	Rajshahi	Bhabaniganj, Baghmara, Rajshahi
128	M/S. Nur Enterprise-Bodorkhali Bazar, Chakaria, Cox's Bazar	Chattogram	Coxsbazar	Badarkhali, Chakoriya, Cox's Bazar, Chattogram
129	Alim Business Center- College Road, Harua, Kishoreganj Sadar, Kishoreganj	Dhaka	Kishoreganj	Holding No-901, Beside Of Sonali Bank , Haruya College Road, Kishoreganj Sadar,Kishoreganj, Dhaka
130	M/S. Anam Tiles And Sanitary-New Bypass, Sheikh Hasina Medical College Road, Jamalpur	Mymensingh	Jamalpur	New Bypass, Sheikh Hasina Medical College Road, Jamalpur Sadar, Mymensingh
131	M/S. Z Enterprise- Jasim Market, Bishawa Colony, Akbar Shah, Pahartali, Chattogram	Chattogram	Chattogram	Jasim Market, Kaibalyadham Residential Area, Bishawa Colony, Akbar Shah, Chattogram
132	R. K Business Center-Chandra Mor, Kaliakair, Gazipur	Dhaka	Gazipur	Chondra Mor, Kaliakair, Gazipur, Dhaka
133	Khorshed Telecom- Hulain, Panchuriya, Patiya, Chattogram	Chattogram	Chattogram	Ahmed And Ambia Market, Hulain, Panchuriya, Habilasandwip, Patiya, Chattogram
134	BS Computer And Varietics-Chini Kuthi Bazar, Kaniyal Khata, Nilphamari Sadar, Nilphamari	Rangpur	Nilphamari	Chini Kuthi Bazar, Kaniyal Khata, Itakhola, Nilphamari Sadar, Nilphamari, Rangpur
135	A G Enterprise- Durgapur, Rajshahi	Rajshahi	Rajshahi	Durgapur, Rajshahi
136	Lopa Enterprise-Shilmaria, Puthia, Rajshahi	Rajshahi	Rajshahi	Shilmaria, Puthiya, Rajshahi
137	Chattogram It Village- Zam Zam Shopping Complex, Shantirhat, Patiya, Chattogram	Chattogram	Chattogram	Jhom Jhom Shopping Complex, 1st Floor, Shantirhat, Kusumpura,Patiya, Chattogram
138	M/S. Z Enterprise- Pahartali Girls School & Collage Market, Akbarshah, Pahartali, Chattogram	Chattogram	Chattogram	Pahartali Girls School & Collage Market, Pahartali, Chattogram

Sl.	Outlet Name	Outlet Division	Outlet District	Outlet Full Address
139	AG Enterprise- Hat Gangopara, Bagmara, Rajshahi	Rajshahi	Rajshahi	Hat Gangopara, Maria, Bagmara, Rajshahi
140	SMTC-Chowgacha Bazar, Chowgacha, Jashore	Khulna	Jashore	Chowgacha Bazar, Chowgacha, Jessore, Khulna
141	M/S. Sonali Motors-Mirpur Bazar, Mirpur, Kushtia	Khulna	Kushtia	Mirpur Bazar, Mirpur, Kushtia, Khulna
142	Hakim Master Enterprise-Araigong Bazar, Kaliakoir, Gazipur	Dhaka	Gazipur	Araigong Bazar, Kaliakoir, Gazipur.
143	M/S. Maa Baba Enterprise-Joydharkandi Bazar, Sarail, Brahmanbaria	Chattogram	Brahmanbaria	Joydhar Kandi Bazar, Sarail, Brahmanbaria
144	Rashaan Tech-Bazra Tarakandi Bus Stand, Kuliarchar, Kishoreganj	Dhaka	Kishoreganj	Bazra Tarakandi Bus Stand, Kuliarchar, Kishoreganj
145	Mivvan L. L. C-Ghat Majir Hat, Gasua, Sandwip, Chattogram	Chattogram	Chattogram	Ghat Majir Hat, Gasua, Sandwip, Chattogram
146	Mashfika Enterprise-Kanda Para, Kacharibari Road, Shahjampur, Sirajganj	Rajshahi	Sirajganj	Kandapara, Kacharibari Road, Shahjampur, Sirajganj
147	A G Enterprise- Shikdari Bazar, Bagmara, Rajshahi	Rajshahi	Rajshahi	Shikdari Bazar, Bagmara, Rajshahi
148	Rofia Abidin Enterprise-Pachanga Bazar, Mohichail, Chandina, Cumilla	Chattogram	Cumilla	Porchanga Mohichail, Chandina Cumilla
149	Liton Computer Center-Sonatala Natun Bondor, Upazela Road, Sonatala, Bogura	Rajshahi	Bogura	Sonatala Natun Bondor, Upazela Road, Sonatala, Bogura, Rajshahi
150	RIT Home- Shah Kabir Mazar Road, Chalabon, Dakshinkhan, Dhaka	Dhaka	Dhaka	Shah Kabir Mazar Road, Chalabon, Dakshinkhan, Dhaka
151	Chattogram It Village-Kashiaish, Nayahat, Patiya, Chattogram	Chattogram	Chattogram	Kashiaish, Nayahat, Patiya, Chattogram
152	Ariyan Telecom- Sambari Bazar, Brahmanbaria	Chattogram	Brahmanbaria	Sambari Bazar, Brahmanbaria
153	Mirza Homoeo Hall- Baliya Pukur, Chotobottolla, Rajshahi	Rajshahi	Rajshahi	299, Baliya Pukur, Chotobottolla, Rajshahi
154	Abir Engineering Workshop-Narayanpur Bazar, Belabo, Narsingdi	Dhaka	Narsingdi	Narayanpur Bazar, Belabo, Narsingdi
155	Al Haramain Trading- Kaptai Geti Gate, Kaptai New Bazar, Kaptai, Rangamati	Chattogram	Rangamati	Kaptai Geti Gate, Kaptai New Bazar, Kaptai, Rangamati
156	Sindid Enterprise- Chandpur, Paghachang, Brahmanbaria	Chattogram	Brahmanbaria	Chandpur, Paghachang, Brahmanbaria
157	Maa Garments- Palsha Bazar, Palsha, Chapai Nawabganj	Rajshahi	Chapai Nawabganj	Polsha Bazar, Polsha, Chapainawabgong
158	Porimol Enterprise- Alauddin Siddiqui College Market, Kalihati, Tangail	Dhaka	Tangail	Alauddin Siddiqui College Market, Kalihati, Tangail
159	Sanjida Enterprise- Dhainagar, Shibganj, Chapainawabganj	Rajshahi	Chapai Nawabganj	Dhainagar, Shibganj, Chapainawabganj
160	Shahajada Talukdar- Kunjerhat Bazar, Borhanuddin, Bhola	Barishal	Bhola	Kunjerhat Bazar, Borhanuddin, Bhola
161	M/S. Chowdhury & Brothers- Borhanganj Bazar, Borhanuddin, Bhola	Barishal	Bhola	Borhanganj Bazar, Borhanuddin, Bhola
162	M/S. MLT Traders- Harta Bazar, Harta, Ujirpur, Barisal	Barishal	Barishal	Harta Bazar, Harta, Ujirpur, Barisal



AB Bank Limited; Head Office: The Skymark, 18 Gulshan Avenue, Gulshan-1, Dhaka-1212, www.abbl.com

NOTICE OF THE 41ST (FORTY-FIRST) ANNUAL GENERAL MEETING

Notice is hereby given that the 41st (Forty-First) Annual General Meeting (AGM) of AB Bank Limited will be held on **July 08, 2023 (Saturday) at 11:00 a.m. by using Digital Platform** to transact the following business:

AGENDA

Ordinary Business

1. To receive, consider and adopt the Audited Financial Statements of the Bank for the year ended 31st December 2022, and the Reports of the Directors and the Auditors thereon.
2. To approve the Dividend for the year ended 31st December 2022.
3. To elect/re-elect Directors.
4. To appoint the Statutory Auditor of the Bank for the year 2023 and to fix their remunerations.
5. To appoint Auditor for certification on the compliance on conditions of Corporate Governance Code for the year 2023 and to fix their remuneration.

Special Business

6. To change the name of the Bank to 'AB Bank PLC' from 'AB Bank Limited'.

The following special resolution is proposed to be passed with or without modification to adopt the change of the name of the Bank to 'AB Bank PLC' from 'AB Bank Limited' in accordance with the Companies Act, 1994 (amended in 2020) and to amend the relevant clauses of the Memorandum & Articles of Association of the Bank:

"RESOLVED THAT the proposal for changing the name of the Bank to 'AB Bank PLC' from 'AB Bank Limited' in accordance with the Companies Act, 1994 (amendment in 2020) and to effect the change in the name of the Bank as 'AB Bank PLC', the amendment of the relevant clauses of the Memorandum & Articles of Association of the Bank be and are hereby approved, subject to approval of the Regulatory Authorities."

Dated: June 14, 2023

By order of the Board
Sd/-

Md. Jasim Uddin, FCS
Company Secretary

NOTES:

i) The Record Date:

- a) **May 23, 2023 (Tuesday):** The shareholders whose names appeared in the Members/Depository Register under Central Depository System (CDS) on Record Date will be eligible to attend/participate and vote at the Annual General Meeting (AGM).
 - b) **May 31, 2023 (Wednesday):** The Board of Directors have recommended 2% (Two percent) Stock Dividend to all the shareholders. The shareholders whose names appeared in the Members/Depository Register under Central Depository System (CDS) on May 31, 2023 (Wednesday) will be entitled for the declared Stock Dividend.
- ii) 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
 - iii) 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
 - iv) 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 2022, 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 2022, will also be available at the bank's website: <http://abbl.com/investor-relations/>
 - v) The shareholders were requested to update their details (i.e. email ID, contact number, present address etc.
 - vi) A shareholder is 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 copies of the proxies with requisite stamps, as per Stamp Act, to cs@abbl.com, no later than 72 hours before commencement of the AGM

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 41st AGM of the Bank.



PROXY FORM

Singed this day of (Month) 2023.

Signature of PROXY

Folio No.				-			
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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: +88-09678555000 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, 2022 Authorized Capital: Tk. 1,500 crore Paid-up Capital: Tk. 861 crore Number of Shareholders: 60,346 Total Asset (Conso): Tk. 41,255 crore Earnings per Share (EPS) (Conso): Tk. 0.83 Net Asset Value per Share (Conso): Tk. 29.92 Market Capitalization: Tk. 852 crore Total Manpower: 2,253
SUBSIDIARY COMPANIES		
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		Number of Branches: 105 Number of Sub-Branch: 32 Number of Agent Banking Outlet: 162
AUDITOR		
ACNABIN Chartered Accountants		
RATING AGENCY		
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
ISLAMI BANKING BRANCH		
82 Kakrail, Ramna, Dhaka-1000 Tel: +8802 833 2235 Fax: +8802 833 2236 E-mail: ibb@abbl.com		
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