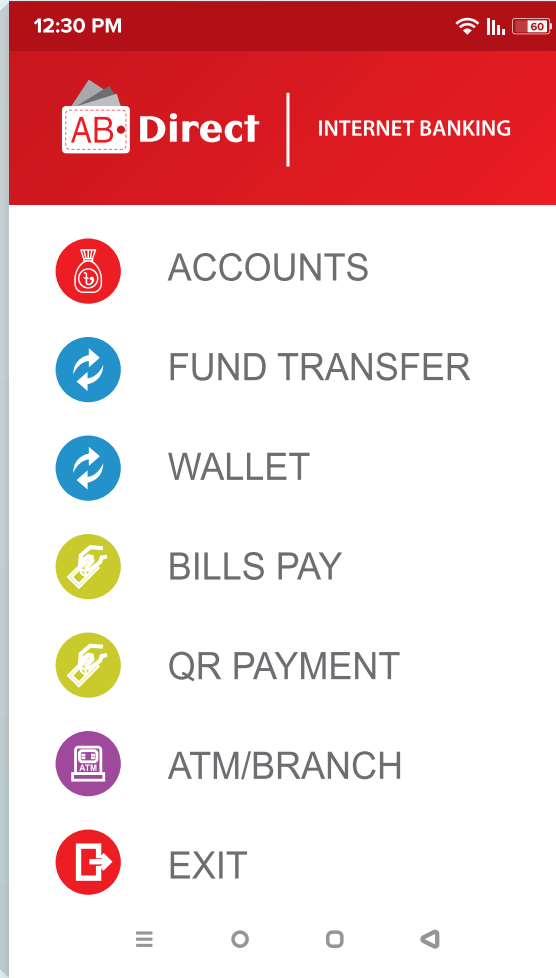




ANNUAL REPORT 2023

42
YEARS
OF BONDING
GENERATIONS



App download link: abbl.com/app

AB Direct মোবাইল অ্যাপ – ব্যাংকিং এখন হাতের মুঠোয়

- তাৎক্ষণিক একাউন্ট ওপেনিং
- ফ্রি ইন্টারনেট ব্যাংকিং সেবা
- ইউটিলিটি বিল প্রদান
- বাংলা কিউ আর পেমেন্ট

এছাড়াও উপভোগ করুন

- যেকোন ব্যাংক হিসাবে ফান্ড ট্রান্সফার
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- মোবাইল রিচার্জ
- এছাড়াও রয়েছে- আরো অনেক সুবিধা



বিস্তারিত জানতে কল করুন: ১৬২০৭ | ভিজিট করুন: www.abbl.com





42

YEARS
OF BONDING
GENERATIONS

This year we are celebrating 42 years of excellence at AB Bank and we reflect on our journey with immense pride and gratitude. This year's theme, "Bonding Generations," encapsulates our commitment to connect and support generations of customers, employees, and communities.

Our success in the past is a testament to our firm commitment. We are committed to become an active partner in the creation of Smart Bangladesh, with a strategic focus that aligns with our mission to enhance financial inclusion and deliver cutting-edge solutions to our valued customers. On this auspicious occasion of the bank's 42nd anniversary, we extend our heartfelt gratitude to our customers, partners, stakeholders, regulators, and well-wishers. Your unwavering support has always been instrumental.



 **AB Bank**

LETTER OF **TRANSMITTAL**

May 28, 2024

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

Dear Sir (s),

Annual Report - 2023

We are pleased to present the Annual Report-2023 comprising the Audited Financial Statements (Consolidated and Solo) for the year ended 31st December 2023 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 2023



Deposits

2023 BDT 354,774 mn
2022 BDT 316,697 mn



Loans & Advances

2023 BDT 317,123 mn
2022 BDT 312,068 mn



Assets

2023 BDT 434,280 mn
2022 BDT 409,085 mn



Profit after Tax

2023 BDT 722 mn
2022 BDT 677 mn



EPS

2023 BDT 0.82
2022 BDT 0.77



Total Capital

2023 BDT 38,063 mn
2022 BDT 36,195 mn



NAVPS

2023 BDT 27.87
2022 BDT 27.82



Local Presence

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



Manpower

1,706 Male
619 Female
2,325 Total



International Presence

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



Alternative Delivery Channel

192 Agent Banking Outlets
252 ATMs
AB Direct (Internet Banking)

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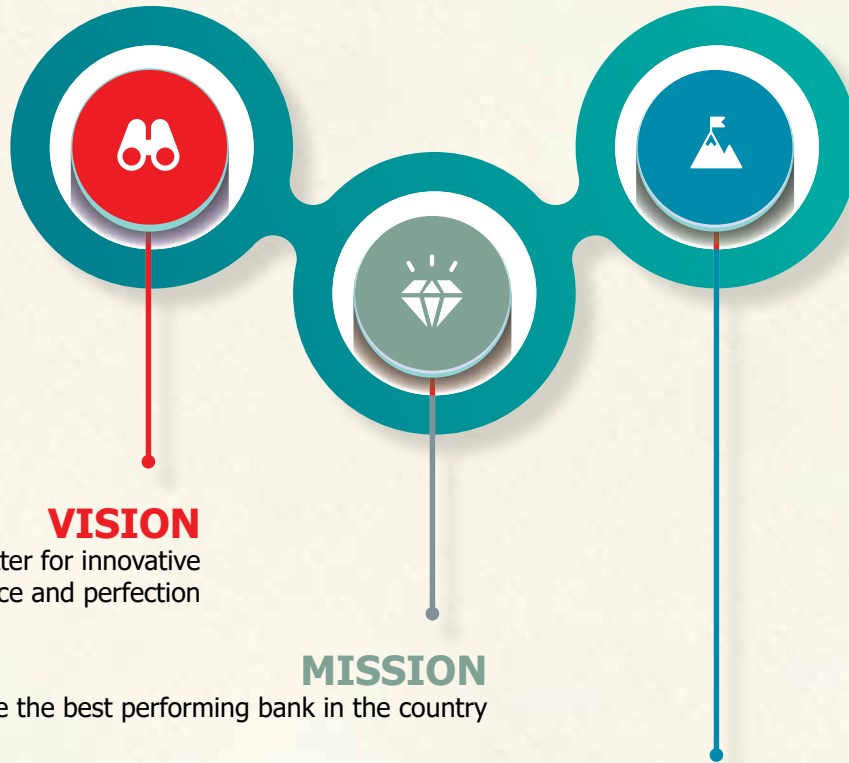
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VISION, MISSION & CORE VALUES



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 AB Bank PLC.

STRATEGIC PRIORITIES

- Reduction of Non-performing Loans
- Maximize the Capital Base
- 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



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
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
Opening of AB International Finance Limited	November, 1995
(ABIFL) -Subsidiary at Hong Kong First Foreign Branch at Mumbai, India	April 06, 1996
Launching of ATM	April 12, 2002
Opening of Merchant Banking Wing (MBW)	November 02, 2002
Incorporation of Arab Bangladesh Bank Foundation	November 03, 2003
Opening of the Islamic Banking Branch	December 23, 2004
Launching of Visa Card	December 23, 2004
Online share transaction in CDS	May 07, 2006
Security Custodial Service License	January 22, 2007
New Logo Launch	January 01, 2008
Opening of AB Bank Training Academy	October 07, 2008
Off-shore Banking Unit	December 06, 2009
Primary Dealership License	December 08, 2009
Incorporation of AB Investment Limited (ABIL)	December 24, 2009
Incorporation of Myanmar Rep. Office	December 10, 2010
Registered Office Shifted to Gulshan	November 15, 2020
Listing of AB Bank Perpetual Bond: Dhaka Stock Exchange PLC. Chittagong Stock Exchange PLC.	June 13, 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
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	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 Barishal Division (Barishal Branch)	October 07, 1986
First Branch in Rangpur Division (Saidpur Branch)	July 19, 1986
First Branch in Mymensingh Division (Mymensingh)	May 20, 1999
First Agent Banking Outlet (Dohar, Joypara, Dhaka)	September 24, 2017
First Sub-Branch (Gulshan 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



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



RETAIL LOAN PRODUCTS

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



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)
- Deposit Double 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

ডিপিএস খুলুন মাত্র ৫০০ টাকায়

এবি ব্যাংক-এর **মাসুলি সেভিংস ডিপোজিট ফ্রিম**-এ ডিপিএস খোলা যায় মাত্র ৫০০ টাকা থেকেই! তাই আকর্ষণীয় ইন্টারেস্ট আর সুবিধাজনক মেয়াদের সুযোগ নিতে যোগাযোগ করুন আজই!



এবি নিশ্চিত ডিপোজিট একাউন্টের নিরাপদ সুরক্ষায় নিশ্চিত থাকুক আপনার পরিবার!



ফিক্সড ডিপোজিটের সব সুবিধার পাশাপাশি এবি নিশ্চিত দিচ্ছে
৮০ লক্ষ টাকা পর্যন্ত ফ্রি জীবন বীমা সুবিধা



মাত্র **২৫,০০০** টাকা থেকেই

৫% ইন্টারেস্ট

নারীদের এগিয়ে যাবার স্বপ্ন পূরণে- সম্পূর্ণ



☀ লকার চার্জ ২৫% ডিসকাউন্ট

☀ সর্বোচ্চ ইন্টারেস্ট রেট

☀ ২,০০,০০০ টাকা পর্যন্ত ইন্স্যুরেন্স কাভারেজ

৫ বছর ৬ মাসেই দ্বিগুণ হোক আপনার সঞ্চয়!

ডিপোজিট ডবল ফ্রিম (ডিডিএফ)-এ এবি ব্যাংক দিচ্ছে
মাত্র ৫ বছর ৬ মাসেই ৫০ হাজার বা এর তাকের প্রণীতক
পরিমাণ টাকা দ্বিগুণ করে নেওয়ার সুযোগ



MESSAGE FROM THE CHAIRMAN



Bismillahir Rahmanir Rahim

As-salamu alaikum,

Distinguished Shareholders,

It is my distinct pleasure to present AB Bank's Annual Report for the year 2023. On behalf of the Board of Directors of the Bank, I extend a warm welcome to all the distinguished shareholders of the Bank.

Dear Shareholders,

The Board of the Bank, Management of the Bank as well as prime sponsor shareholders are not oblivious of the fact that the general shareholders, small investors & depositors of the Bank have keenly observed the turbulent financial year 2023-24 the Bank has passed through. The whole financial sector of the country is also facing a very challenging time. Global geo-political conditions and trade war amongst world's great economic powers are also putting stresses and strains upon the economy of the country. However, in a world, where the principle of "survival of the fittest" governs the life, nothing can be excuse for poor-performance by the Bank; save and except the Bank must grow with sustainability. In pursuit of this goal, the Bank has only option to go for strong drive for recovery of loan by way of exploiting and exploring all means. Given consideration to the hard and harsh reality, the Board and the Management alike realize that there is not even a moment to relent and to be complaisance with little or short-lived achievement. Strong & sweeping tides are ahead. So, I must wonder if the Management, Board and Shareholders fail to work in a concerted effort to bolster the growth to take the curve of all parameters of the Bank upwards.

As per IMF's Economic Outlook, the global GDP has declined from 3.5 percent in 2022 to 3.2 percent in 2023. The GDP growth rate of advance economies declined to 1.6 percent in 2023 from 2.6 percent of 2022 and growth of emerging market and developing economics slightly improved from 4.1 percent to 4.3 percent in the same period. In response to the rising price index, Central Banks globally have tightened monetary policies. In such a scenario of shrinking business of the country, the Management of the Bank must actively consider where, when, whether and how they have to invest the depositors & shareholders good earned money. The Board from time to time discourages large scale loan, especially in unproductive segment of markets, wherein there is little appetite of growth globally and locally as well. In this context, I have emphasized from the very first day of my chairmanship

to agro and agricultural investment of macro amount; women entrepreneurship and converting the Bank into a retail Bank, especially by way of expanding digital platform of the Bank. However, the concerns of the Board and mine, like all other stakeholders, centers around the soaring non-performing loans year to year as a legacy left behind by 2018. Hence, as the Board of the Bank constantly emphasized in the preceding years, the paramount consideration of the Management must be focused on the fact that no further loan becomes non-performing and no non-funded loan is converted into funded; and recovery is made expeditious, effective and intense.

Honorable shareholders,

In response to global uncertainty and price hike, Bangladesh Bank's policy was to address the inflation and to ensure sufficient liquidity to the growth sectors and of course to reinforce the balance of payments and to keep the foreign exchange reserves at an optimal level. Hence, policy and regulations were revised several times which did yield the desired outcome. According to Monetary Policy Statements, private sector credit expanded by 10.2 percent and public sector credit growth by 18.0 percent in December 2023, significantly lagging behind the projected growth of 37.9 percent. However, the main problem of the banking sector remained the recovery of the non-performing loans (NPL) which is estimated to be in excess of BDT 1.0 trillion. In order to address this issue Bangladesh Bank issued a circular in 2024 to identify the willful defaulters and to take measures against them. Against this backdrop the government set BDT 7,61,785 crore budget amount for FY2023-24 where overall budget deficit (including aid) in FY2023-24 is estimated to be BDT 261,785 crore of which BDT 132,395 crore has been forecasted to meet from the banking sector.

Dear Shareholders,

The culture of non-performing loans (NPLs) has impacted our books of accounts. As I have stated in my preceding year's message, these non-performing loans are gnawing into the profit of the Bank.

Against the backdrop of global economic crisis, it became very challenging for the businesses to open LC for procurement of raw materials with higher price. In such event, the repayment capacities of the business were interrupted. Considering clients repayment, Bangladesh Bank has newly classified a few loans in December 2023. As a result, the non-performing loans of the Bank increased to BDT 9,514 crore in 2023 from

BDT 6,312 crore of 2022, which is the major concern of the Bank, which I have mentioned above. I would like to point out that most of these NPL account for legacy customers and it is going to take considerable amount of time to regularize these accounts. With the view to achieve this object, I reiterate that 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 NI Act in addition to initiating both civil and criminal proceedings. Given consideration of the existing legal system, recovery of loan through litigation is time-consuming process. Hence, with the view to reduce the percentage of NPLs, Bank is taking every possible step for adjusting the loans through recovery, rescheduling, amicable settlement or write-off in possible cases. The Bank is also taking necessary steps to declare willful defaulter as per Bangladesh Bank guidelines.

Within these stressed scenarios, in 2023 your Bank registered an Operating Profit of BDT 501.14 crore last year which was BDT 548.19 crore in 2022; Profit after Tax was BDT 72.18 crore which was BDT 67.72 crore in 2022. Earnings Per Share (EPS) stood at 0.82 and all the liquidity parameters of the Bank were sufficient and well above regulatory requirements. Taking all the variables in mind, the Board recommended 2% stock dividend for the year 2023 for your approval in the Annual General Meeting.

In the liability front, the Bank is actively working on enhancing deposits in both individual and institutional sector. The Bank is emphasizing on small businesses and to build a 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 inaugurated 49 sub-branches and 192 agent outlets for extending the banking services to the unbanked population. You will be happy to note that as a part of financial inclusion AB Bank has distributed agricultural loans to the root level cultivators and women entrepreneurs.

Dear Shareholders,

The Bank values the importance of good corporate governance. We reviewed the internal control process and re-established risk management process, corporate governance and accountability. With the view to ensure good governance, the Board has made the Internal

Audit accountable directly to the Audit Committee, which is chaired by an independent Director. In coming year, the Board must take effective steps to elevate the Head of Audit to the office of Deputy Managing Director so that the whole internal audit becomes absolute independent, self-sufficient, effective and efficient ensuring check and balance.

Dear Shareholders,

This is the first Bank of first generation in the private sector. This Bank has seen many ups and downs. But this Bank has successfully withstood all odds in the past. I cherish that the stakeholders of this Bank shall equally be proud to celebrate this Bank as first generation first private Bank even hundred years down. This Bank will successfully face and overcome all odds in coming years as well. Hence, finally, I express my solidarity with your kind support, patience and trust upon the Board, Management as well as prime sponsor Shareholders to regain the golden era of this Bank. Again, I express my profound gratitude to our respected Sponsors, Regulators, Shareholders, Customers, Well-wishers, Print & Electronic media and my colleagues in the Board for their constant supports.

Wishing all of you good health, peace and prosperity.

Thank you all.



Barrister Khairul Alam Choudhury
Chairman

MESSAGE FROM THE DESK OF MANAGING DIRECTOR & CEO



Dear Shareholders,

As-salamu alaikum,

I write to you with deep gratitude and a sense of reflection on AB Bank's journey, particularly as we mark our 42nd anniversary this April. Throughout these four decades, AB Bank has stood as a stalwart partner in Bangladesh's banking landscape. Amidst both prosperity and adversity, our commitment to continuous service quality and financial security has remained resolute. This dedication, coupled with collective wisdom, has propelled AB Bank to its esteemed position as one of the nation's leading financial institutions.

In recent years, our focus has sharpened on bolstering financial inclusion, expanding our network through sub-branches and agent outlets, and championing the transition towards a cashless economy. By aligning with the government's vision of a "Smart Bangladesh,"

we aim to contribute meaningfully to the nation's economic development. Our journey, underscored by the theme of "42 Years of Bonding Generations," is a testament to the enduring partnerships we've forged with stakeholders like you.

Dear Shareholders,

It's imperative to acknowledge the global challenges we've confronted, particularly throughout 2023. The world economy, still reeling from the aftermath of events like the Russia-Ukraine conflict and geopolitical tensions among major powers, has witnessed sluggish recovery. The IMF's latest projections indicate a modest growth of 3.2 percent in 2023, with inflation rates gradually tapering off, albeit at differing paces across advanced and emerging economies.

Bangladesh, too, has grappled with its share of challenges, from sustaining economic growth amidst

global turbulence to managing inflation and forex reserves. While our GDP growth stood at 6 percent in 2023, slightly below projections, inflationary pressures persisted, posing concerns for the government. While the devaluation of the BDT against the USD has given exporters a competitive advantage, it has not translated into significant improvements in export figures. Furthermore, the adjustment of forex reserve calculations to IMF standards resulted in a decline, prompting the need for strategic adaptations.

Amidst these trials, Bangladesh has demonstrated resilience through noteworthy initiatives. From diversifying trade settlements with India to enhancing worker wages and unveiling infrastructural marvels like the Bangabandhu Tunnel and new rail lines, the nation has charted a course towards progress. In the banking sector, regulatory reforms such as the Bank Company (amendment) Bill 2023 and the introduction of digital banking licenses underscore Bangladesh's commitment to fostering a robust financial ecosystem.

Business Performance

In 2023, the Bank registered an operating profit of BDT 501 crore. After maintaining required provisions, Profit after Tax stood at BDT 72 crore in 2023 compared to BDT 68 crore in 2022. We are proud to say that our deposits stood at BDT 35,477 crore in December 2023, which was BDT 3,808 crore higher than the last year. We made relentless efforts for recovery of the non-performing loans, taken various legal steps against the defaulted borrowers including issue of arrest warrants under Negotiable Instruments Act, 1881 (NI Act) and custody & sale of mortgage properties. However, the process is lengthy and time consuming, moreover the clients are of legacy- repaying insufficiently since long. At the end of 2023 non-performing loans increased to BDT 9,514 crore which was BDT 6,312 crore in 2022. The Bank is continuously working on to reduce NPL to an acceptable level. Apart from these, Capital to Risk Weighted Assets Ratio stood at 10.88 percent in 2023 on consolidated basis. At the end of the year Advance Deposit ratio of the Bank was 85.32 percent, which was within the regulatory limit and 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.

Honorable Shareholders,

As we navigate the road ahead, our priorities remain clear: prioritizing loan recovery, ensuring liquidity flexibility, and augmenting internal capital generation. With a seasoned Board, dedicated workforce, and

loyal customer base, we are poised to weather these challenges and emerge stronger. Together, we will uphold our commitment to societal welfare, investing in human capital development and cultural preservation. In recognition of our collective efforts, the Board of Directors has proposed 2% stock dividend, subject to your approval at the upcoming Annual General Meeting.

Way forward

Dear Shareholders,

As we look ahead, our foremost priority is the recovery of overdue loans by any means necessary. We've outlined three key focus areas: the retrieval of past due loans, maintaining flexible liquidity, and generating internal capital through sufficient income streams. We are confident that with our experienced Board, dedicated workforce, and loyal customer base, we can navigate through these challenges and achieve success together.

I would like to extend my heartfelt gratitude to all my colleagues at AB Bank for their tireless dedication, which has been instrumental in our achievements. I also express sincere appreciation to our valued customers, shareholders, and stakeholders for their continued support and trust in us. Our regulators have provided invaluable guidance, and I thank them for their assistance. Finally, I commend our Board of Directors for their pragmatic vision, invaluable advice, and exemplary leadership.

Thank you for your ongoing commitment and partnership.

Warm regards,



Tarique Afzal
Managing Director & CEO

BOARD OF DIRECTORS



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

THE BOARD AND COMMITTEES



BOARD OF DIRECTORS

Chairman

Barrister Khairul Alam Choudhury

Directors

Mr. Feroz Ahmed

Mr. Shajir Ahmed

Mr. Md. Maqsudul Huq Khan

Independent Directors

Mr. Shafiqul Alam

Mr. Md. Eskandar Miah

Managing Director & CEO

Mr. Tarique Afzal



EXECUTIVE COMMITTEE

Chairman

Barrister Khairul Alam Choudhury

Members

Mr. Shajir Ahmed

Mr. Md. Maqsudul Huq Khan



SHARIAH SUPERVISORY COMMITTEE

Chairman

Justice Siddiquir Rahman Miah

Vice Chairman

Mr. Tarique Afzal

Members

Dr. Hafiz Muztaba Riza Ahmed

Dr. Muhammad Tazammol Hoque

Mr. Syed Mizanur Rahman

Maulana Muhammad Musa, Member Secretary



AUDIT COMMITTEE

Chairman

Mr. Shafiqul Alam

Members

Mr. Feroz Ahmed

Mr. Md. Eskandar Miah



RISK MANAGEMENT COMMITTEE

Chairman

Mr. Shafiqul Alam

Members

Mr. Feroz Ahmed

Mr. Md. Eskandar Miah



COMPANY SECRETARY

Mr. Md. Jasim Uddin, FCS

AUDIT COMMITTEE



Standing from left: Mr. Feroz Ahmed, Mr. Md.Eskandar Miah
Sitting: Mr. Shafiqul Alam

RISK MANAGEMENT COMMITTEE



Standing from left: Mr. Md.Eskandar Miah, Mr. Feroz Ahmed
Sitting: Mr. Shafiqul Alam

EXECUTIVE COMMITTEE



Standing from left: Mr. Md. Maqsudul Huq Khan, Mr. Shajir Ahmed,
Sitting: Barrister Khairul Alam Choudhury

DIRECTORS' PROFILE

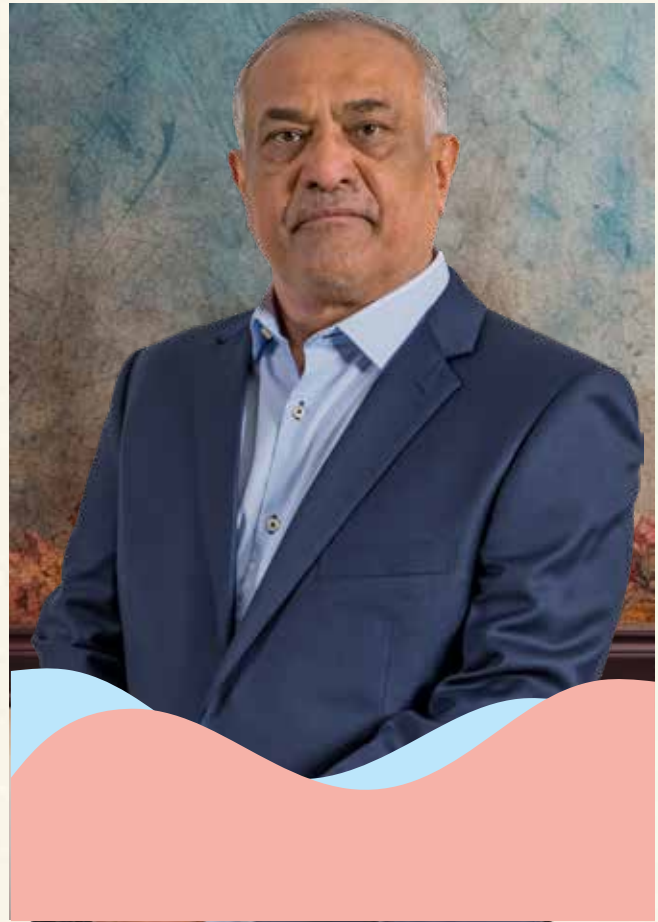


Barrister Khairul Alam Choudhury

Chairman

Barrister Khairul Alam Choudhury is the Honorable Chairman of AB Bank PLC. 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. Feroz 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. Ahmed 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 Kira Sangstha and member of the Chattogram Mohanagari Kira Sangstha. He is a life member of Red Crescent Society, Chattogram, Maa O Shishu Haspatal, Chattogram.



Shafiqul Alam

Independent Director

Mr. Shafiqul 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.

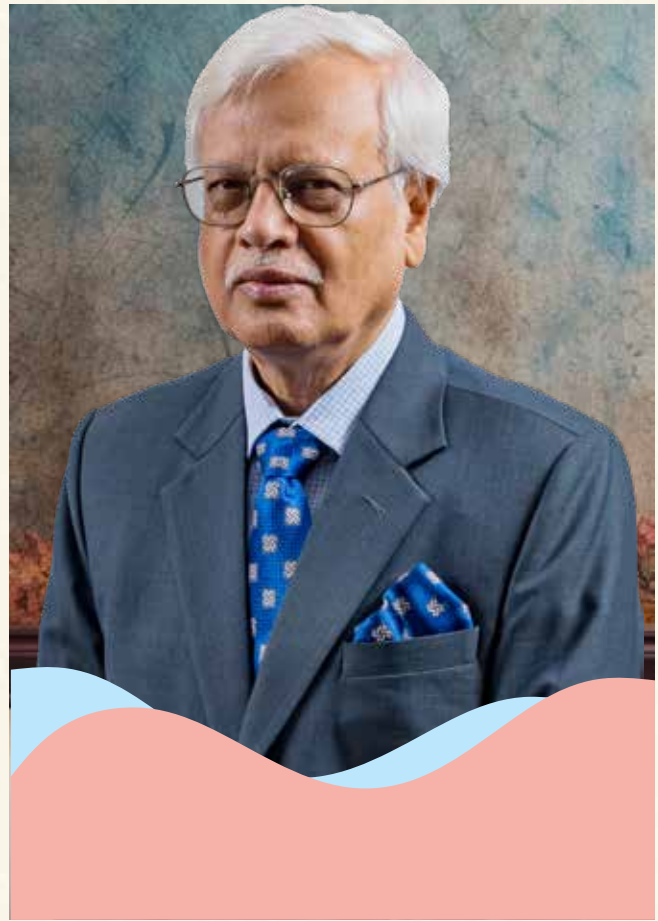


Md. Maqsudul Huq Khan

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 PLC. as an Independent Director. 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 positions in important 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

Managing Director & CEO

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 Managing Director & CEO 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 and BRAC Bank and served as the CEO for Dun & Bradstreet in Bangladesh.

CORE SENIOR MANAGEMENT TEAM



Standing from left: Mr. Gulam Mahmud Rizvi, Mr. Shabbir Huda, Mr. Z. M. Babar Khan, Mr. Iftekhar Enam Awal, Mr. Shawkat Aziz, Mr. M. N. Azim

Sitting from left: Mr. K. M. Mohiuddin Ahmed, Mr. Syed Mizanur Rahman, Mr. Tarique Afzal, Mr. Mahmudul Alam, Mr. Md. Aminur Rahman

SENIOR MANAGEMENT TEAM

Mr. Tarique Afzal Managing Director & CEO	Chairman
Mr. Mahmudul Alam, DMD Head of Credit	Member
Mr. Syed Mizanur Rahman, DMD Head of Retail, Agent and Islamic Banking	Member
Mr. K. M. Mohiuddin Ahmed, DMD Chief Financial Officer	Member
Mr. Md. Aminur Rahman, DMD Chief Operations Officer	Member
Mr. Z M Babar Khan, SEVP Head of Credit Risk Management	Member
Mr. Iftekhar Enam Awal, SEVP Head of Business-Corporate & SME	Member
Mr. M. N. Azim, SEVP Head of Financial Institutions and Treasury	Member
Mr. Golam Mahmud Rizvi, SEVP Head of Special Task Force	Member
Mr. A.K. M. Kamal Uddin, SEVP Special Asset Management	Member
Mr. Shabbir Huda, SEVP Head of HRMD	Member
Major Sk. Md Yousuf Reza (Retd), SEVP Head of Administration	Member
Mr. Shawkat Aziz, SEVP Chief Business Officer	Member
Mr. Sheikh Md. Reajul Islam, EVP Head of Treasury Back Office	Member
Mr. Mohiuddin Ahmed Chowdhury, EVP Head of DICC	Member
Mr. Shah Hussain Dilder Sagar, EVP Head of Quality Assurance	Member

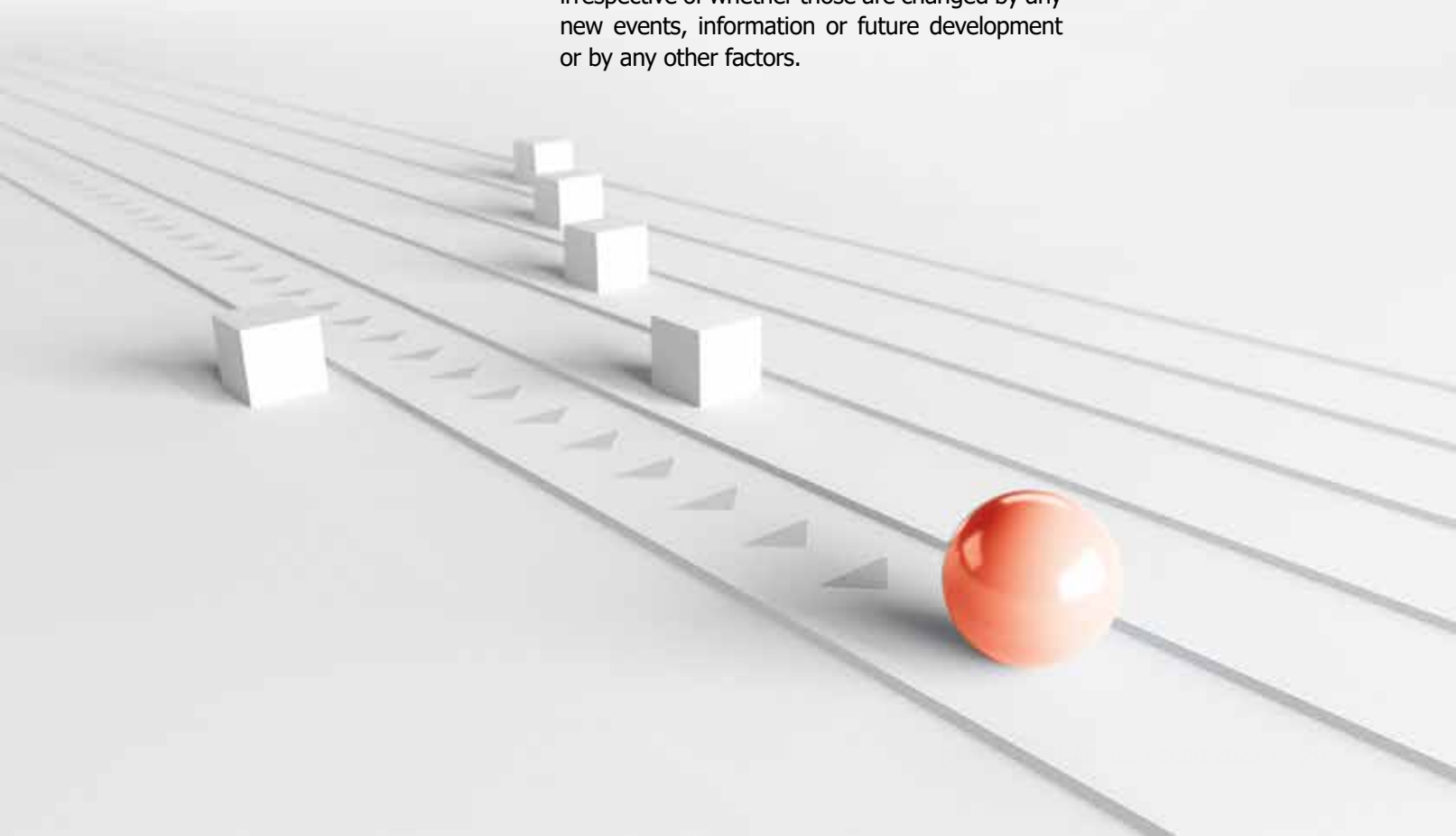


INVESTOR RELATIONS

FORWARD LOOKING STATEMENT

Annual Report for the year 2023 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 other factors.

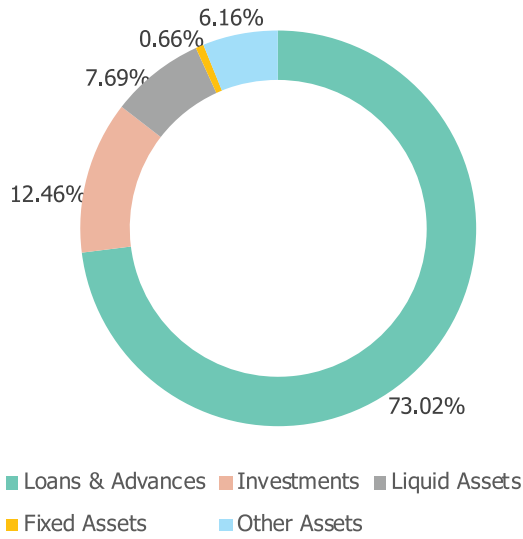


SHAREHOLDERS' INFORMATION

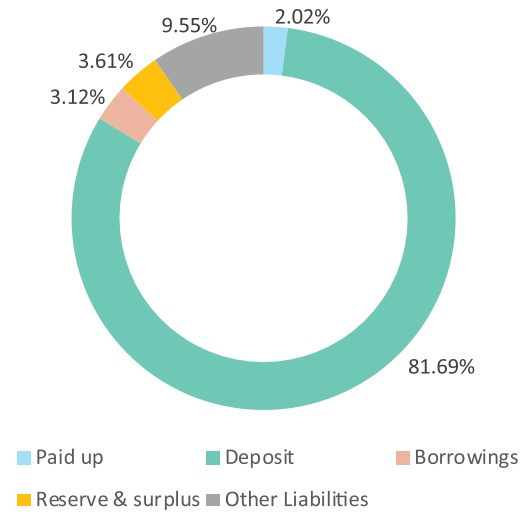
BDT in crore

Particulars	AB Bank PLC.			Consolidated		
	2023	2022	% Growth	2023	2022	% Growth
At the end year						
Total assets	43,428	40,909	6%	43,739	41,255	6%
Loans & advances	31,712	31,207	2%	32,543	32,041	2%
Total Deposits	35,477	31,670	12%	35,439	31,627	12%
Equity	2,447	2,443	0.2%	2,597	2,576	1%
Investments	5,413	5,181	4%	5,473	5,247	4%
Performance during the year						
Interest Income	2,551	2,146	19%	2,579	2,164	19%
Operating Profit	501	548	-9%	534	572	-7%
Provision for loans and others	260	273	-5%	270	287	-6%
Profit before tax	241	275	-12%	265	285	-7%
Provision for tax	169	207	-19%	176	213	-18%
Profit after tax	72	68	7%	89	71	25%
Statutory Ratios						
Liquid Assets	17.29%	19.43%		17.29%	19.43%	
Capital adequacy ratio	10.26%	10.31%		10.88%	11.00%	
Share information						
Earnings per share (BDT)	0.82	0.77	7%	1.02	0.81	25%
Dividend:	2%	2%				
Stock Dividend (Proposed)	2%	2%		-	-	-
Cash	-	-		-	-	-
Net Asset Value per share (BDT)	27.87	27.82	0.2%	29.58	29.34	1%
Ratios						
Classified Loan	30.00%	20.23%		29.23%	19.70%	
Return on Assets (ROA)	0.17%	0.17%		0.21%	0.16%	
Return on Equity (ROE)	2.95%	2.78%		3.46%	2.78%	

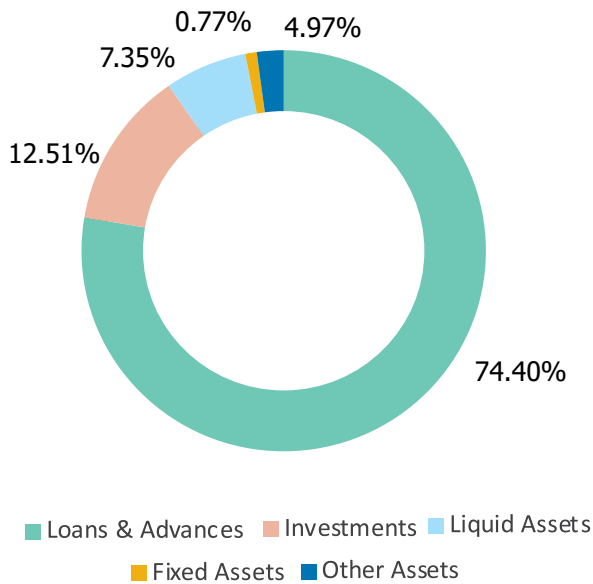
Constituents of Assets 2023



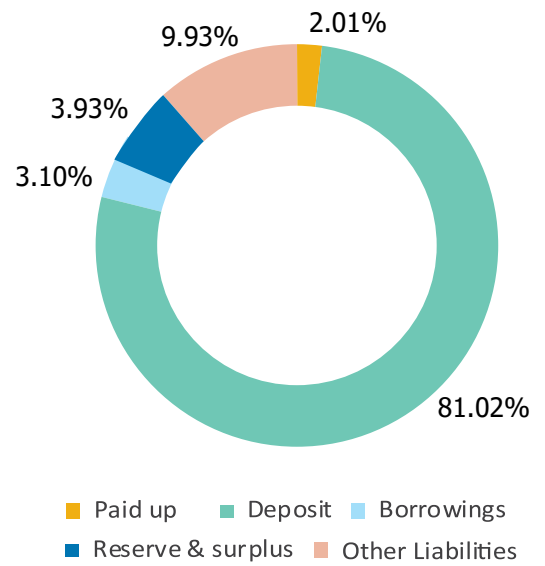
Constituents of Liabilities & Capital 2023



Constituents of Assets (Consolidated) 2023



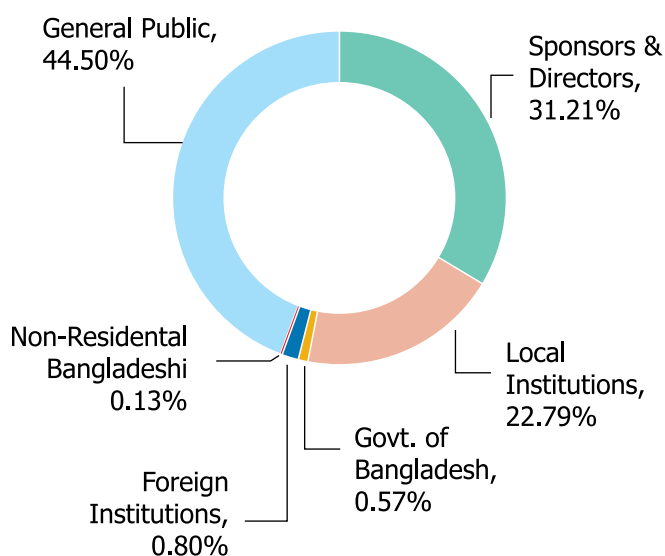
Constituents of Liabilities & Capital (Consolidated) 2023



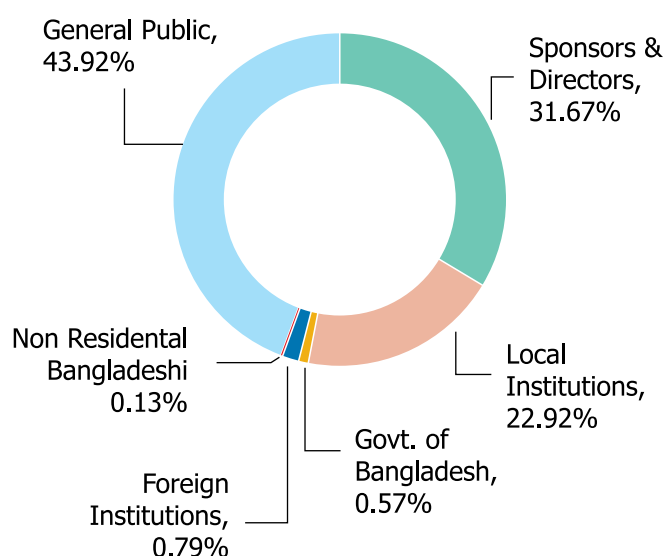
SHAREHOLDERS' PATTERN

Particulars	Number of Shares		% of Shares	
	2023	2022	2023	2022
Sponsors & Directors	274,101,905	272,648,930	31.21%	31.67%
Local Institutions	200,098,188	197,357,642	22.79%	22.92%
Govt. of Bangladesh	5,033,537	4,934,841	0.57%	0.57%
Foreign Institutions	7,027,754	6,770,119	0.80%	0.79%
Non-residential Bangladeshi	1,150,316	1,132,434	0.13%	0.13%
General Public	390,720,407	378,069,865	44.50%	43.92%
Total	878,132,107	860,913,831	100%	100%

Year 2023



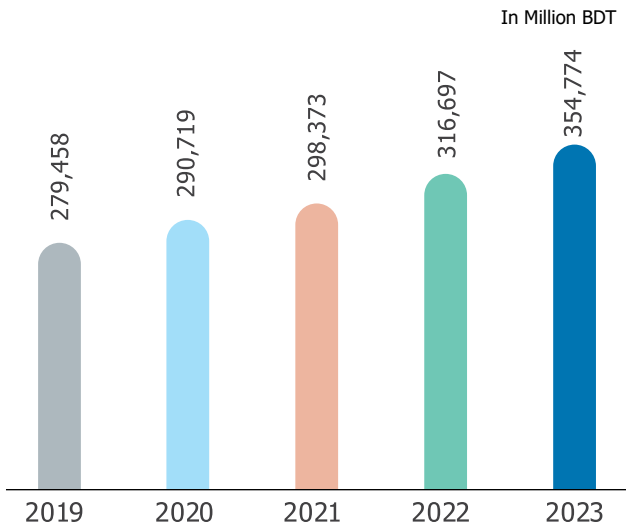
Year 2022



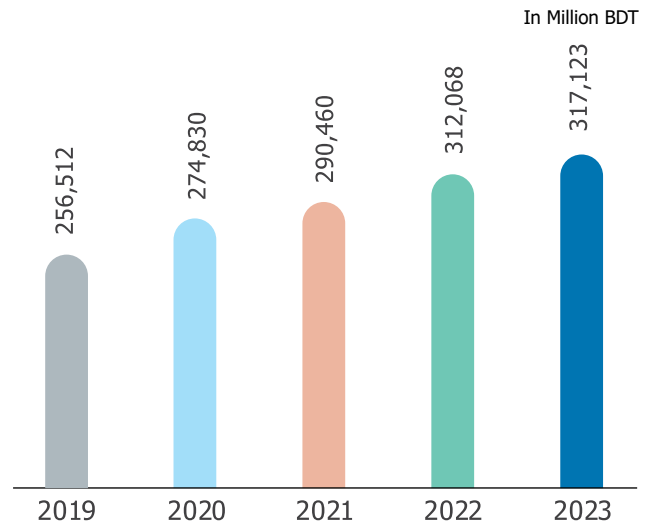
Name of Director	Status	No. of Shareholding including nominating institution/individual	
		31.12.2023	31.12.2022
Barrister Khairul Alam Choudhury Nominated by Pacific Industries Limited	Chairman	85,895,978	84,211,744
Mr. Feroz Ahmed	Director	18,220,070	17,862,814
Mr. Shajir Ahmed Nominated by Hexagon Chemical Complex Limited	Nominated Director	20,052,848	23,581,224
Mr. Md. Maqsubul Huq Khan Nominated by Emkay Holdings Limited	Nominated Director	17,953,440	17,601,412
Mr. Shafiqul Alam	Independent Director	-	-
Mr. Md. Eskandar Miah	Independent Director	-	-
Mr. Tarique Afzal	Managing Director & CEO	-	-

GRAPHICAL PRESENTATION

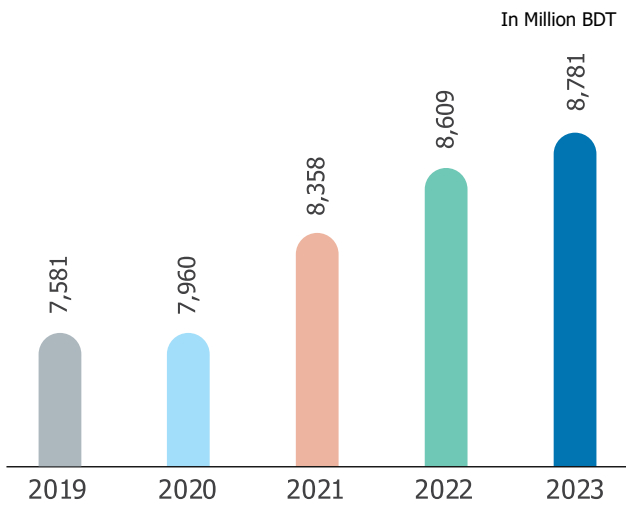
Deposits



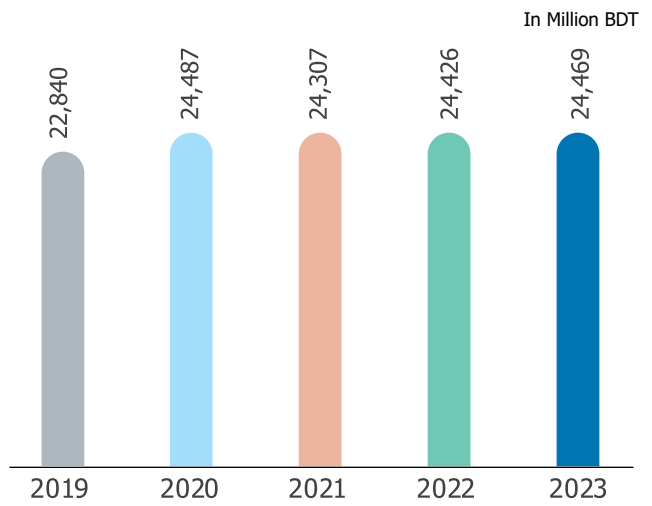
Loan & Advances



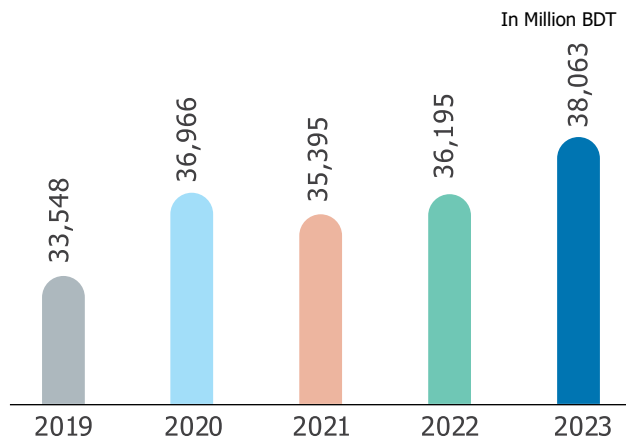
Paid-up Capital



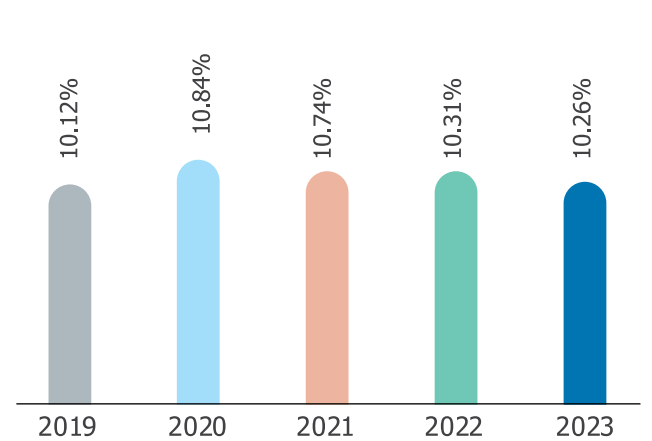
Equity



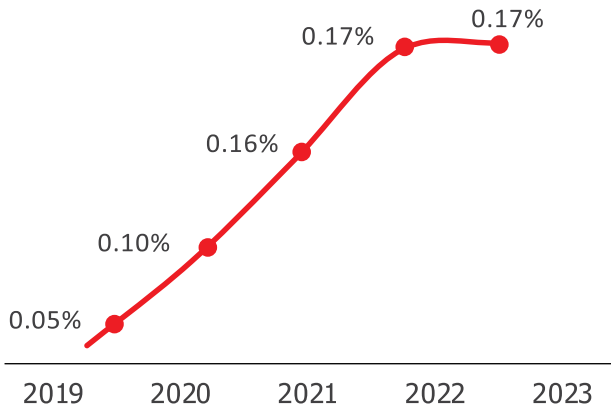
Capital



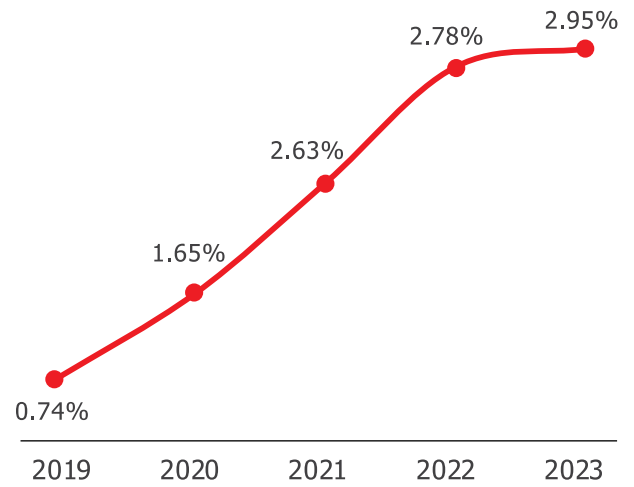
Capital To Risk Weighted Assets Ratio



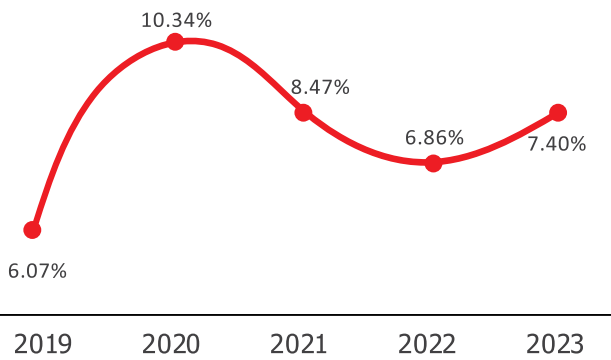
Return on Assets (ROA)



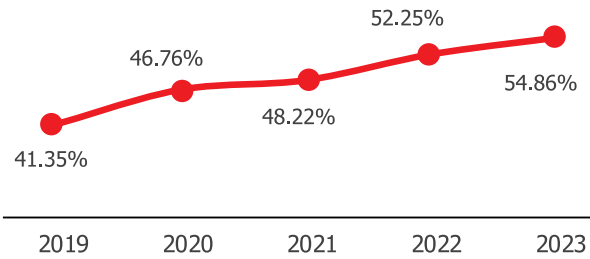
Return on Equity (ROE)



Return on investment (ROI)

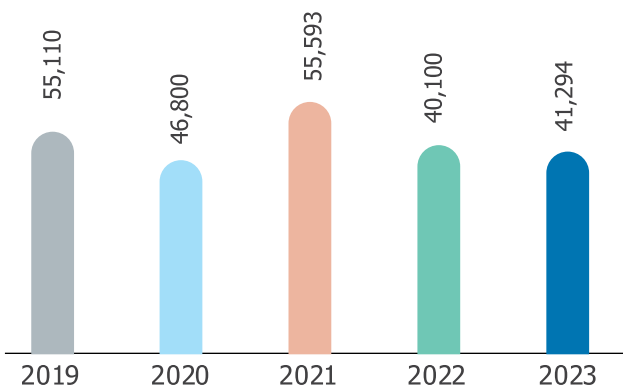


Cost Income Ratio



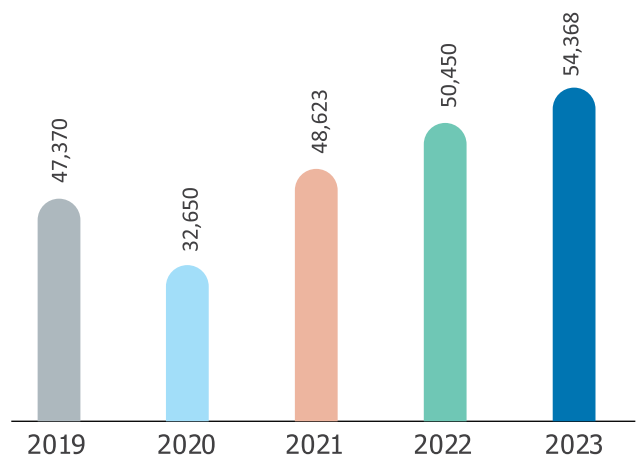
Export

In Million BDT



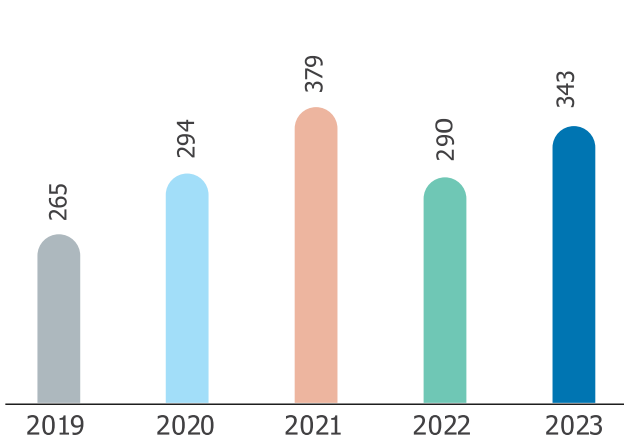
Import

In Million BDT

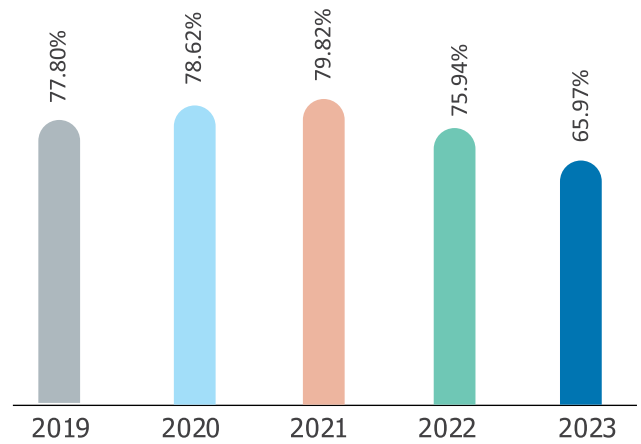


Remittance

In Million USD

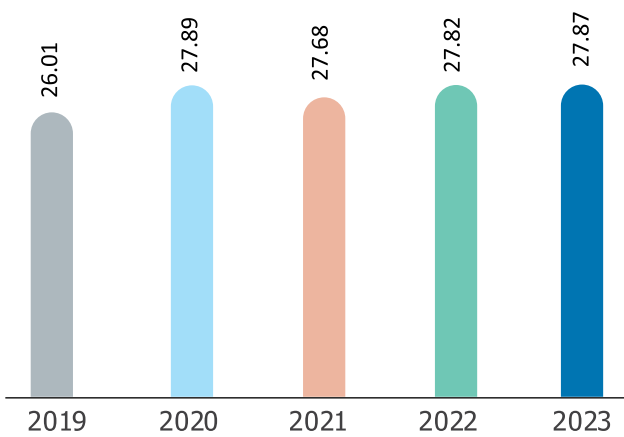


Assets Utilization Ratio

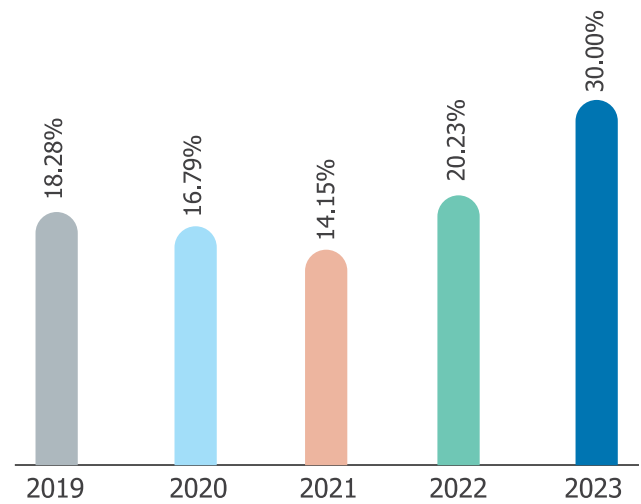


Net Asset Value

(BDT/Share)

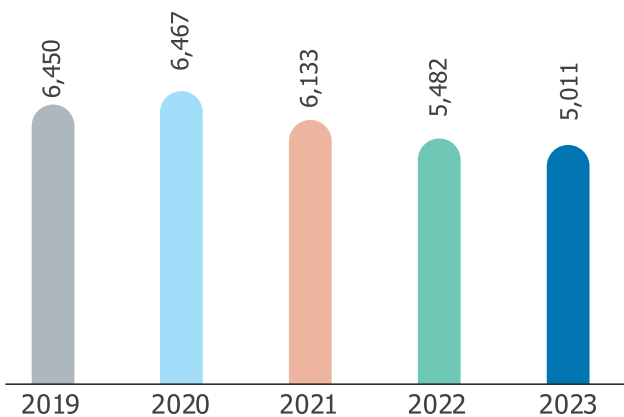


Classified Loans (CL) Ratio



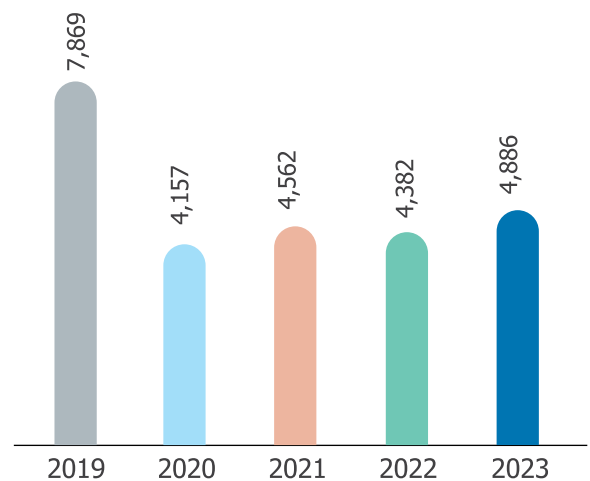
Operating Profit

In Million BDT



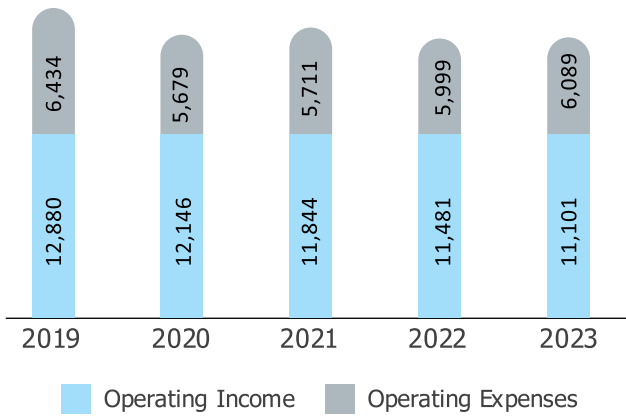
Net Interest Margin

In Million BDT

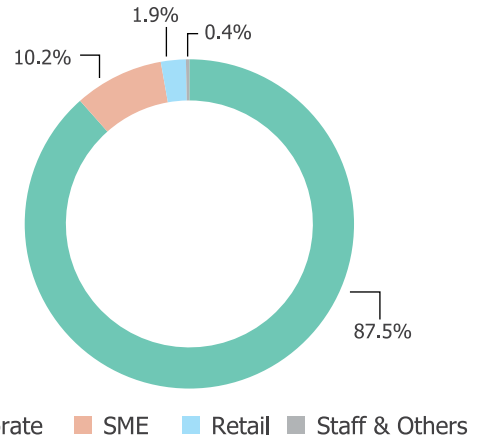


Operating Income vs. Operating Expenses

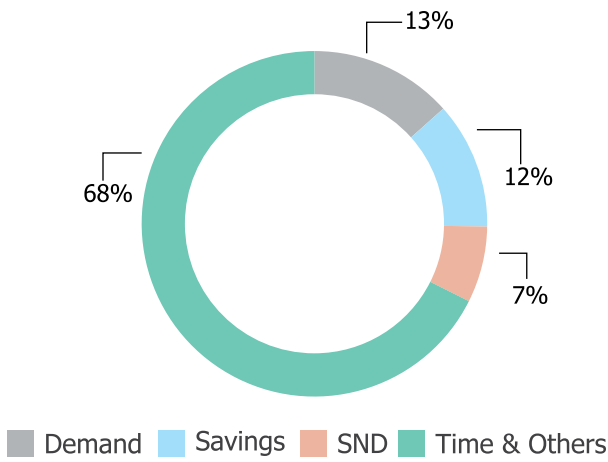
In Million BDT



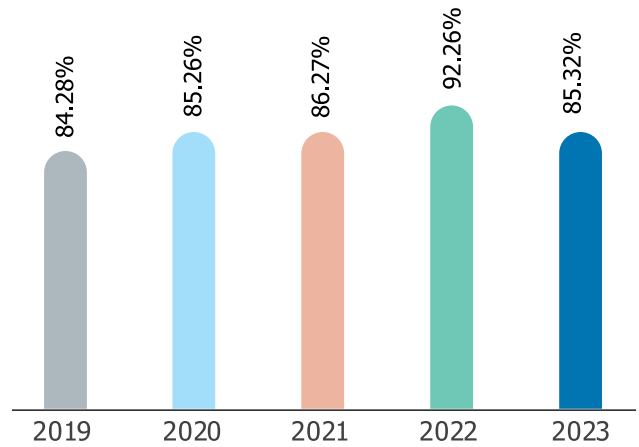
Loan Mix



Deposit Mix

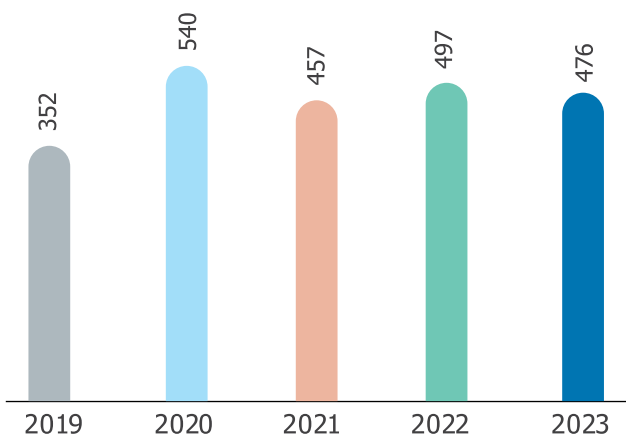


Loan Deposit (LD) Ratio

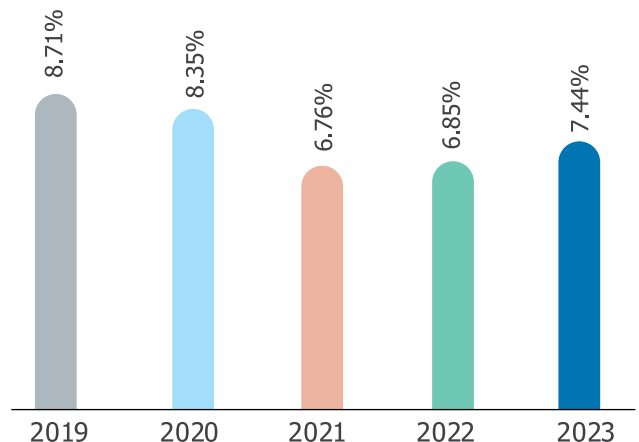


Contribution to National Exchequer

In Crore BDT



Cost of Fund



LAST 10 YEARS' PERFORMANCE

BDT in Million

Particulars	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Cash & bank balances	31,102	25,498	30,619	25,294	25,121	19,611	21,768	24,265	21,744	20,436
Investments	54,130	51,813	65,215	63,761	61,579	43,594	45,749	48,187	32,559	30,779
Money at call and short notice	2,298	1,930	4,351	2,500	4,776	1,429	1,170	6,806	5,284	3,863
Loans & advances	317,123	312,068	290,460	274,830	256,512	241,070	229,647	218,769	209,725	177,571
Fixed assets	2,855	3,249	3,632	4,489	4,871	3,543	4,113	4,080	4,201	4,405
Other assets	14,105	14,193	15,706	14,877	12,366	12,936	12,117	12,728	11,496	9,277
Non Banking Assets	12,666	334	334	343	343	343	-	-	-	-
Total assets	434,280	409,085	410,317	386,085	365,568	322,526	314,565	314,836	285,010	246,331
Borrowings	2,841	10,750	29,832	19,108	14,820	18,272	21,871	15,454	23,693	10,977
Bonds	10,720	11,498	11,810	9,350	7,400	8,700	6,000	6,500	6,500	2,500
Total deposits	354,774	316,697	298,373	290,719	279,458	235,445	235,954	245,641	213,819	198,189
Other liabilities	41,475	45,714	45,995	42,422	41,050	37,458	27,968	24,126	18,206	15,351
Equity	24,469	24,426	24,307	24,487	22,840	22,650	22,771	23,114	22,792	19,314
Total liability & SH's equity	434,280	409,085	410,317	386,086	365,568	322,526	314,565	314,836	285,010	246,331
Total contingent liabilities	52,780	51,668	42,323	59,191	47,836	57,209	65,451	73,479	68,649	77,069
Loan Deposit Ratio*	85.32%	92.26%	86.27%	85.26%	84.28%	91.09%	86.24%	83.67%	96.80%	89.60%
Interest earning assets	286,479	310,658	327,506	303,276	284,417	214,825	270,093	272,625	249,985	215,691
Non-Interest earning assets	147,801	98,427	82,811	82,486	81,150	107,701	44,472	42,211	35,026	30,640
Profitability										
Net interest margin	4,886	4,382	4,562	4,157	7,869	1,910	2,670	2,837	4,279	6,079
Operating income	11,101	11,481	11,844	12,146	12,880	8,648	10,347	11,018	10,582	12,155
Operating expenses	6,089	5,999	5,711	5,679	6,434	5,573	5,871	5,999	5,628	5,230
Operating profit	5,011	5,482	6,133	6,467	6,450	3,075	4,476	5,019	4,954	6,925
Provision for loans and others	2,602	2,733	4,327	5,145	5,141	2,519	4,634	3,017	2,195	2,946
Profit before tax	2,410	2,749	1,806	1,322	1,309	556	(158)	2,002	2,759	3,979
Provision for tax	1,688	2,072	1,165	931	1,141	538	(188)	697	1,489	2,719
Profit after tax	722	677	641	391	168	18	30	1,305	1,270	1,260
Cost income ratio	54.86%	52.25%	48.22%	46.76%	41.35%	64.44%	56.74%	54.44%	52.86%	43.03%
Return on investment (ROI)	7.40%	6.86%	8.47%	10.34%	6.07%	9.58%	10.18%	13.50%	10.49%	9.68%
Return on assets (ROA)	0.17%	0.17%	0.16%	0.10%	0.05%	0.01%	0.01%	0.44%	0.48%	0.54%
Return on equity (ROE)	2.95%	2.78%	2.63%	1.65%	0.74%	0.08%	0.13%	5.68%	6.03%	6.95%
Assets Utilization Ratio	65.97%	75.94%	79.82%	78.62%	77.80%	66.61%	85.86%	86.59%	87.71%	87.56%
Cost of fund	7.44%	6.85%	6.76%	8.35%	8.71%	8.64%	7.52%	8.06%	9.75%	10.63%
Earnings Per Share	0.82	0.77	0.73	0.45	0.19	0.02	0.03	1.49	1.45	1.43
Net income per share	0.82	0.77	0.73	0.45	0.19	0.02	0.03	1.49	1.45	1.43
Other business										
Import	54,368	50,450	48,623	32,650	47,370	89,630	104,916	115,794	111,245	112,220
Export	41,294	40,100	55,593	46,800	55,110	73,450	75,109	76,052	72,982	77,252
Remittance (Million USD)	343	290	379	294	265	330	300	254	280	299

LAST 10 YEARS' PERFORMANCE

BDT in Million

Particulars	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Equity measures										
Authorized capital	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	6,000	6,000
Paid-up capital	8,781	8,609	8,358	7,960	7,581	7,581	7,581	6,739	5,990	5,325
Capital - Tier I	26,586	25,007	23,458	19,570	18,712	19,194	19,731	18,703	18,339	16,561
Capital - Tier II	11,477	11,188	11,937	17,396	14,836	13,852	11,556	11,938	9,994	6,238
Total capital	38,063	36,195	35,395	36,966	33,548	33,046	31,286	30,640	28,333	22,799
Capital surplus/ (deficit)	(8,312)	(7,692)	(5,813)	(5,666)	(7,875)	(6,092)	(1,310)	462	2,780	712
Statutory reserve	8,523	8,050	7,485	7,144	6,870	6,623	6,549	6,496	6,111	5,582
Retained earnings	3,504	4,099	4,812	5,687	5,817	5,905	6,012	6,810	6,831	6,768
Capital to Risk Weighted Assets Ratio	10.26%	10.31%	10.74%	10.84%	10.12%	10.03%	10.80%	10.79%	11.09%	10.32%
Asset quality										
Total loans & advances	317,123	312,068	290,460	274,830	256,512	241,070	229,647	218,769	209,725	177,571
Classified loans (CL)	95,137	63,122	41,109	46,155	46,890	79,728	16,409	11,365	6,619	6,856
% CL to total loans & advances	30.00%	20.23%	14.15%	16.79%	18.28%	33.07%	7.15%	5.19%	3.16%	3.86%
Provision for unclassified loan	6,759	5,619	6,347	11,267	8,286	5,561	4,871	4,099	2,119	1,930
Provision for classified loan	19,377	21,641	20,953	8,958	6,994	5,079	3,862	2,506	2,596	2,924
Share information										
Market Price per share (DSE)	9.70	9.90	13.50	12.10	7.90	12.00	22.10	22.30	20.90	29.90
Dividend - %	2.00**	2.00	5.00	5.00	5.00	-	-	12.50	12.50	12.50
Bonus - %	2.00	2.00	3.00	5.00	5.00	-	-	12.50	12.50	12.50
Cash - %	-	-	2.00	-	-	-	-	-	-	-
Price earning ratio (times)	11.80	12.84	18.48	27.15	42.47	547.39	624.03	14.29	13.75	19.83
Net Asset Value per share (BDT)	27.87	27.82	27.68	27.89	26.01	26.31	26.45	26.85	26.47	22.43
Distribution network										
Number of branches	105	105	105	105	105	105	105	104	101	93
Number of sub-branches	47	2	-	-	-	-	-	-	-	-
Number of Agent Outlet	192	163	150	86	59	23	-	-	-	-
Employee number	2,325	2,253	2,280	2,202	2,210	2,310	2,354	2,423	2,276	2,220

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

** Proposed

FINANCIAL CALENDER

Quarterly Results Of 2023		
Un-audited results for the 1 st Quarter ended 30 th March 2023	Announced on	April 29, 2023
Un-audited result for the 2 nd quarter and half-year ended 30 th June 2023	Announced on	July 24, 2023
Un-audited results for the 3 rd Quarter ended 30 th September 2023	Announced on	October 31, 2023
Audited consolidated results for the year ended 31 st December 2023	Announced on	May 02, 2024

41 st AGM Information	
Price Sensitive Information	May 01, 2023
Record Date	May 23, 2023
Date of AGM- at 11:00 a.m. through Digital Platform	July 08, 2023
Publication of 41 st AGM Notice	June 14, 2023
Annual Report-2022 Dispatch	June 21, 2023
Stock Dividend Credited	August 06, 2023
Cash Dividend Distribution	N/A

42 nd AGM	
Publication of Price Sensitive Information	May 03, 2024
Record Date	May 26, 2024
Publication of notice of the 42 nd AGM	May 07, 2024
Date of 42 nd AGM – at 10:30 a.m.	June 12, 2024

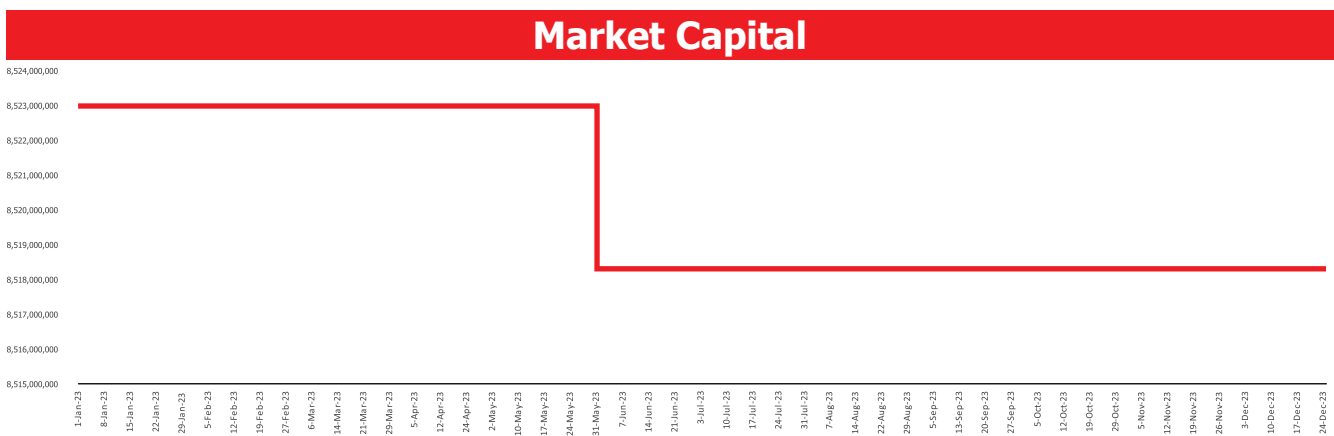
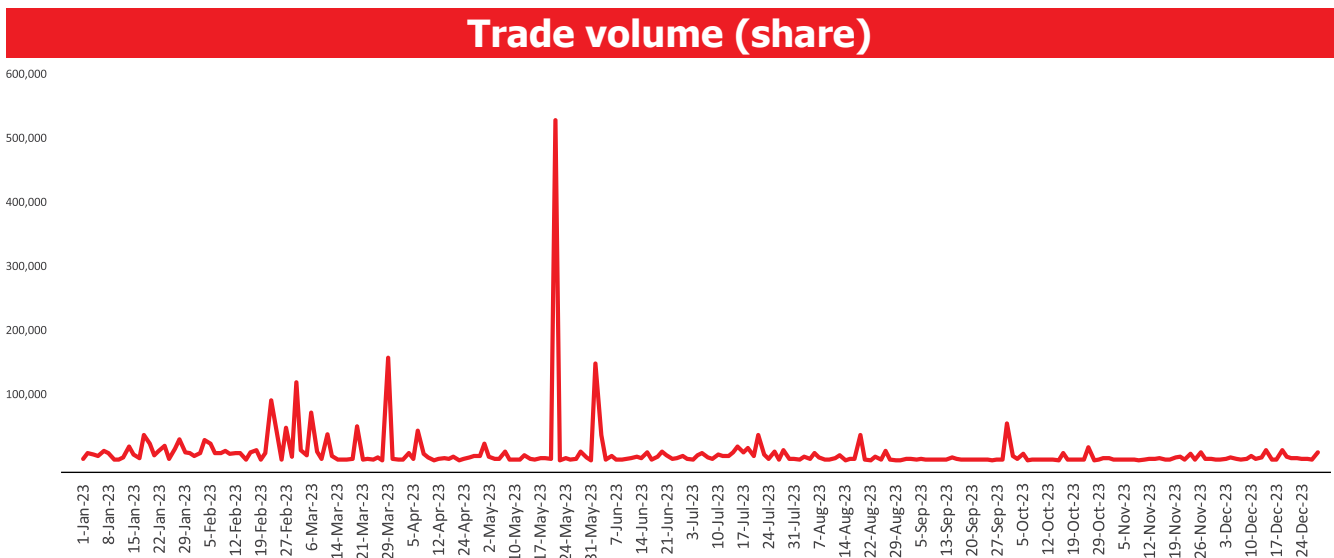
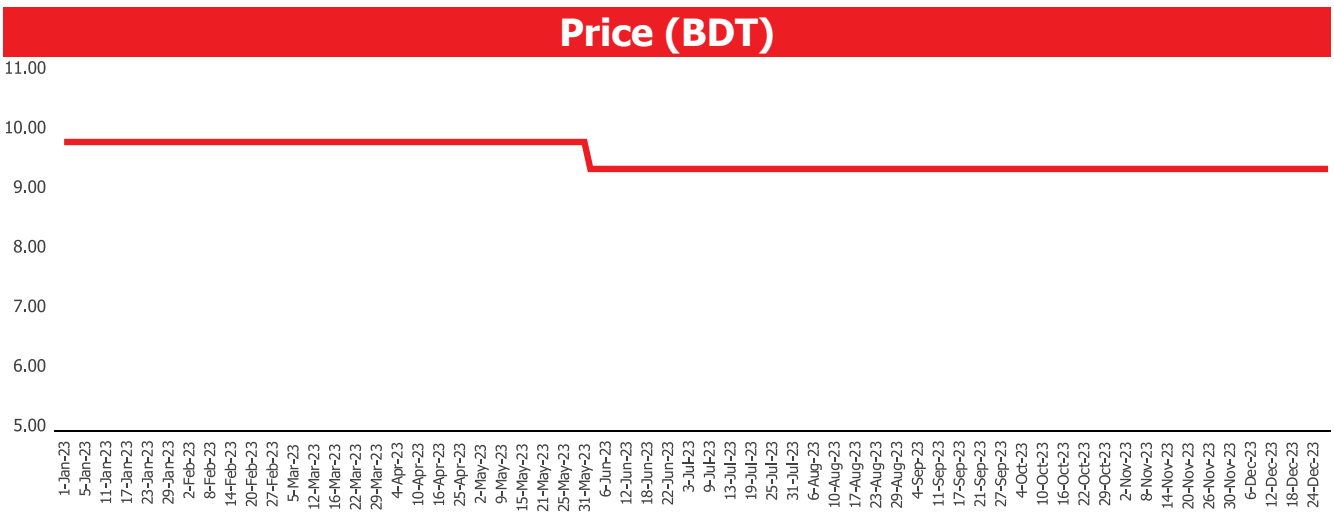
STOCK DETAILS		
Particulars	DSE	CSE
Stock symbol	ABBANK	ABBANK
Listing Year	28 th December, 1983	21 st October, 1995
Market category	B	B
Electronic share	YES	YES
Face Value (BDT)	10	10
Paid-up Capital	8,781,321,070	8,781,321,070
Market lot	1	1
Total number of securities	878,132,107	878,132,107

Availability of Information about Annual Report

Annual Report 2023 and other information is available at <http://abbl.com/investor-relations/>

PRICE TREND OF AB BANK SHARE

Period	January to December 2023
Year End closing	BDT 9.70
Year High	BDT 9.90
Year Low	BDT 9.70
Average Trade Volume (Per Day)	11,039 shares
Total Trade Volume	2,693,555 shares



DIRECTORS' REPORT



Bismillahir Rahmanir Rahim
Honorable Shareholders

As-salamu alaikum,

The Board of Directors of AB Bank PLC. is pleased to present the Directors’ Report for the year ended 31 December 2023. This report summarizes the global and local macroeconomic trends, projections, and outlook and presents AB Bank’s business highlights and key financial indicators for 2023.

Global Economy

As per IMF’s most recent Economic Outlook released in April 2024, the global GDP has declined from 3.5 percent in 2022 to 3.2 percent in 2023 and GDP for 2024 is forecasted to continue like 2023. The GDP growth rate of advance economies declined to 1.6 percent in 2023 from 2.6 percent of 2022. This trend mirrors a robust growth momentum in the United States but indicates a weaker-than-expected expansion in the euro area.

Region	Real GDP growth rate		
	2022	2023	2024 (projected)
World	3.5	3.2	3.2
Advanced Economies	2.6	1.6	1.7
United States	1.9	2.5	2.7
Euro Area	3.4	0.4	0.8
Emerging Market and Developing Economies	4.1	4.3	4.2
India	7.0	7.8	6.8
China	3.0	5.2	4.6

Source: WEO, IMF

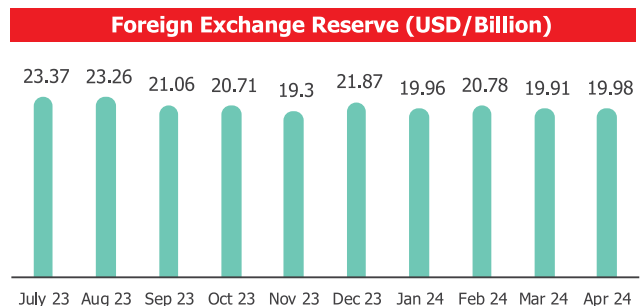
The Russia-Ukraine conflict has affected Europe and the world at large specially in the energy sector, resulting in an unprecedented increase in the costs of living for a long time. Coupled with sharp appreciation of the US dollar the crisis even worsened in the emerging and developing economies. In response to the rising price index, central banks globally have tightened monetary policies with a view to dampening aggregate demand and reducing inflation.

As the cost of living continues to rise, policymakers will need to take measures in an effort to protect the most vulnerable members of society from the impact of higher prices. Proper coordination of monetary and fiscal policies is important so that one does not offset the benefit of the other. IMF’s Integrated Policy Framework recommends foreign exchange intervention for emerging economies.

Bangladesh Economy

	2022	2023	2024 (forecast)
Real GDP growth rate	7.1	6.0	5.7
Inflation	6.1	9.0	9.3

Bangladesh economy has shown impressive resilience to the recent global economic shocks and uncertainty; the economic growth rate in 2022 stood at 7.1% but it failed keep the momentum due to number of factors like non-manageable inflation, policy instability and obviously the devaluation of currency. Bangladesh, being an import dependent-country, has been particularly hard hit by the appreciation of the US dollar and rising global crude oil prices. Although, commodity prices in the international market reduced Bangladesh could not manage the inflation level as projected. There has been a drastic fall in foreign exchange reserve of the country which continued to slide as per calculation of IMF. Foreign Exchange position from June 2023 to April 2024 is presented below after effecting the IMF calculation:



Source: Bangladesh Bank

In order to keep a tight leash on the slide of Foreign Reserve Bangladesh Bank went on to impose restrictions on import and incentivizing remittance inflow. Import restrictions resulted in a decline in the opening of letters of credit (LCs). However, there has been less-than-expected improvement in export and remittance, preventing a noteworthy increase of foreign reserves.

In January 2023, the IMF approved a \$4.7 billion loan to the country and in May 2024 agreed to provide Bangladesh with \$1.15 billion as the third installment of its multi-billion-dollar loan program. These facilities will support the revival of declining foreign reserves. At the end of 2023, the overall external debt stood at \$100.6 billion, up from \$96.5 billion a year earlier. The raise of external debt certainly enhanced the repayment challenges of the country.

The debt service-to-revenue and grants ratio stood at 58.7 percent in the fiscal year of 2020-21 but it surged to 72 percent in FY22 and 71.8 percent in the last fiscal year of 2022-23, according to the International

Monetary Fund (IMF). It is projected to grow to 101.1 percent in the current financial year. This is a cause for concern, as it will put pressure on public finance. 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

As Bangladesh's economy navigates through the latter half of Fiscal Year 2024, banking sector facing a multifaceted economic landscape. Internally, the economy is striving to restore the stability of the exchange rate and manage the inflationary pressures while dealing with the lingering issue of high non-performing loans. The increasing costs of essential imports and the strain on the country's foreign exchange reserves add complexity to the domestic economic challenges.

Globally, geopolitical tensions and trade uncertainties continue to roil commodity markets, exacerbated by growing rivalries among vital global powers. This international turmoil impacts Bangladesh's economy through disrupted supply chains and altered trade dynamics. In response, BB's policy was to limit the inflation while ensuring sufficient liquidity to the growth sectors, reinforcing the balance of payments and to manage the foreign exchange reserves. 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 BDT, protect foreign reserves, and control inflation.

Particulars	Year-to-year growth rates (in %)			
	Actual		Planned	
	June 23	Sep 23	Dec 23	Jun 24
Domestic credit	15.3	12.7	11.7	15.4
Public sector	35.8	25.9	18.0	31.0
Private sector	10.6	9.7	10.2	11.0
Broad money	10.5	9.0	8.8	10.0
Reserve money	10.5	1.2	-2.0	6.0

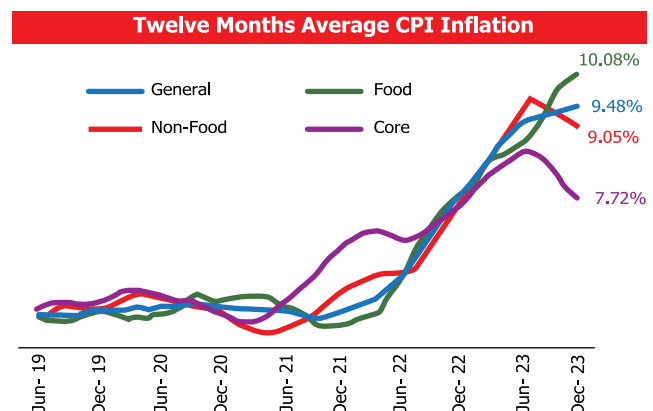
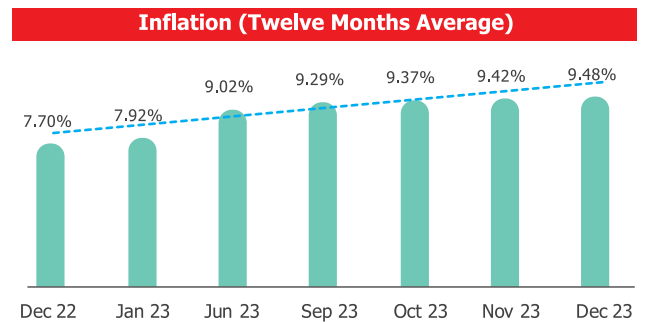
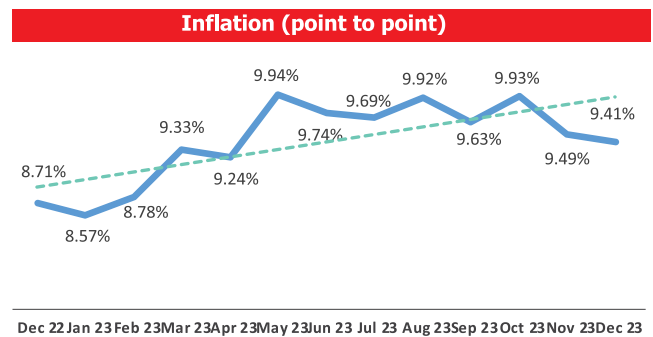
Source: MPS 23-24, BB

In December 2023, private sector credit expanded by 10.2 percent, slightly lower than the anticipated growth of 10.9 percent. This subdued growth might be attributed to reduced interest from private sector investors, stemming from higher borrowing costs, ongoing global and domestic economic uncertainties, liquidity constraints within the banking sector, and the pursuit of a contractionary monetary policy. Similarly, public sector credit grew 18.0 percent in December

2023, significantly lagging behind the projected growth of 37.9 percent. The noticeable decline in public sector credit growth within the banking system could be traced to diminished credit demand from the government, aligning with the government's selective spending on priority projects as part of austerity measures. Domestic credit movements remained under the projected trajectory for December of FY24, primarily due to sluggish private-sector credit growth coupled with lower expansion in public-sector credit.

Inflation Rate

The inflation rate (point-to-point) has been climbing steadily since January 2023 and peaked at 9.94% in May 2023 after which it declined to 9.41% in December 2023. The surge in inflation rate in 2023 was driven by both food and non-food inflation. Food inflation was highest 12.56% in October 2023. However, IMF projected 9.3% inflation rate in 2024.



Export and Import

Total export receipts (including exports of EPZ) during FY23 and FY22 were BDT 505,154 crore and BDT 453,648 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 FY23 and FY22 the total import payments were BDT 775,143 crore and BDT 772,335 crore, 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.

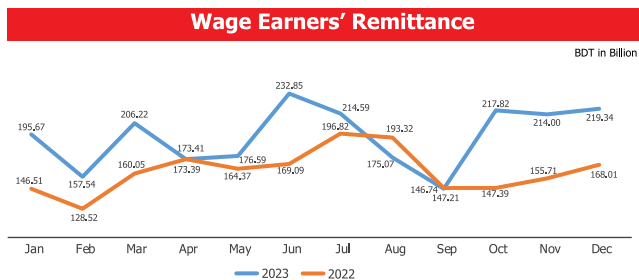
BDT in crore

	2022-23	2021-22	% Change
Total Export Receipts	505,154	453,648	11.35%
Total Import Payments	775,143	772,335	0.36%

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

Remittance

The wage earners' remittance picked up during June 2023. The remittance earnings increased during October 2023. KSA, USA, UK, and UAE continued to be the main source of foreign remittances for Bangladesh. More than 50% of the remittances came from these four destinations.



Source: BB

Business Overview 2023

Corporate Banking

AB Bank has been providing Corporate Banking solutions to the growing Corporate Sectors of the country since its 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 its clients and helps them attain their desired objectives. The prime focus is on building and maintaining long-term mutually beneficial relationships with the clients and being a part of their journey towards development and growth. The Corporate Products and Services

of AB Bank PLC. are extended to the Clients of this segment of its various branches through Head Office Corporate Finance Division. AB Bank has always been supporting 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 Bank's innovative and insightful support has transformed a good number of corporate customers, who with the passage of time, have developed themselves as market leaders. AB Bank PLC. 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.

Business Highlight in 2023

Exposure in the Corporate Banking Segment accounted for BDT 28,049 crore or 88% of the Bank's total loan portfolio which as of December 2023 was BDT 31,712 crore. Exposure is largely concentrated in the following three sectors: a) Steel Manufacturing Industry (14%), b) Textile and RMG (13%), and c) Ship Building and Breaking (8%). This implies the Bank's involvement in sectors that are key to Bangladesh economy. The Bank continues to have long-standing relationships with the country's prime names in the corporate sector.

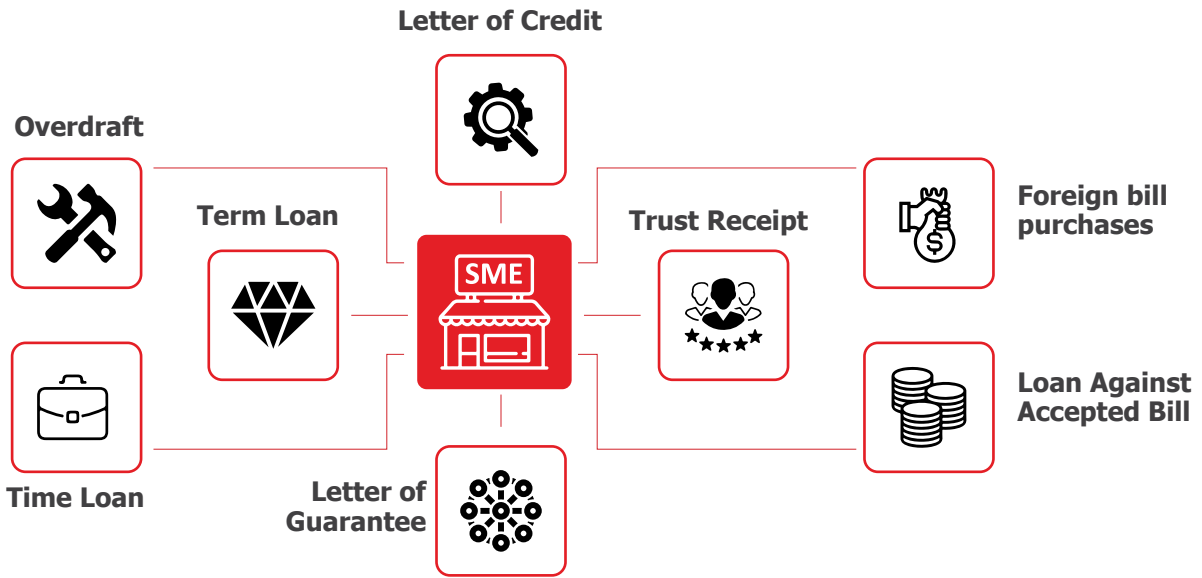
SME Banking

The SME sector in Bangladesh is recognized as a vital component of the economy. It provides significant opportunities for entrepreneurship, innovation, and employment generation. SMEs contribute to poverty alleviation, reduce income disparities, and promote inclusive economic growth. With their ability to adapt quickly to changing market conditions, SMEs play a crucial role in driving economic resilience and sustainability.

Keeping pace with the ongoing progressive changes in SME sector in Bangladesh, AB Bank PLC. has demonstrated a strong commitment to SME banking and providing financial services and support to SME entrepreneurs. AB Bank's management has shown a strong commitment to SME banking, providing appropriate policy guidelines, customized product lines, a consolidated database and a compliance culture that ensures the division's effectiveness.

To provide the comprehensive support and advisory services for CMSME customers (Cottage, Micro, Small and Medium Enterprise), AB Bank PLC. has also taken a proactive approach. The bank has established dedicated CMSME focal person across the country through its extensive branch network. These focal persons are well trained to cater to the unique needs of the CMSMEs customers.

SME Facilities and Products



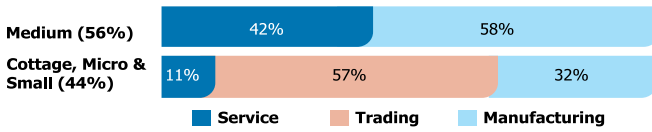
Gati	Proshar	Digun	Sathi	Chhotopuji
Uddog	Awparajita	Uttaran	ABe-Money	Progati Deposit product



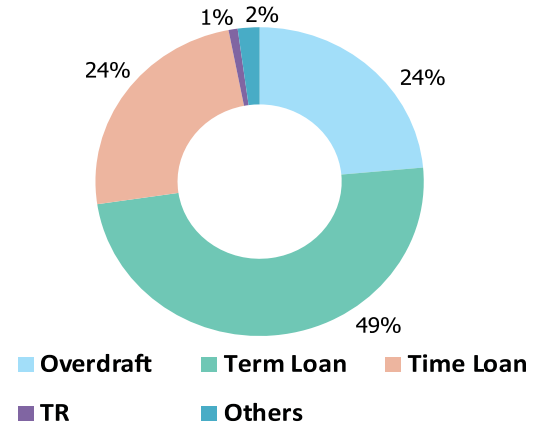
MoU signing with Joyeta Foundation

SME Portfolio Mix

SME Portfolio in 2023



SME Portfolio Segmentation in 2023



Agricultural & Rural Credit

AB has gradually increased its portfolio in agricultural and rural credit with a focus on Crop cultivation, Fisheries and Livestock areas. AB also financed in agricultural Credit at concessional Interest rate for the purpose of Cultivation of Pulses, Oil, Seeds, Spices and Maize.

In 2023, in addition to regular loan disbursement, the bank disbursed Agricultural Credit to 27,000 marginal farmers through AB smart Card by conducting numbers of open credit disbursement programs in different areas including Gopalganj, Tungipara, Barishal, Pabna, Chittagong (Rangunia), Kushtia, Tangail (Modhupur), Brahmanbaria (Kosba), Sirajganj (Kajipur), Dinajpur, Bogura and Bhola (Borhanuddin), Khulna with the presence of local elites.



AB Bank disburses loans to the marginal farmers and women entrepreneurs at Tungipara, Gopalganj

Retail Banking

AB Retail Banking reflects our steadfast commitment to fostering enduring relationships with our customers over the past four decades. Our journey has been defined by the continuous trust and loyalty bestowed upon us by our esteemed clientele, which has propelled us to new heights in delivering exceptional banking services.

Throughout this period, we have continuously strived to provide better customer experiences, underpinned by seamless and intelligent banking solutions. Our relentless pursuit of excellence has resulted in a differentiated banking experience, ensuring the satisfaction and loyalty of our valued customers.

Our Retail Banking Business has evolved to encompass a diverse geographical footprint, encompassing AB Branches, Sub-Branches, Agent outlets as well as Digital Platforms. This expanded network, coupled with an efficient workforce, dedicated Direct Sales, and innovative Alternative Delivery Channels (ADCs), reflects our unwavering commitment to bringing banking services to the doorstep of our customers.

In alignment with our strategic objectives, we have fortified our Retail Business Model over the past five years, placing paramount emphasis on customer-centricity, scalability, and diversification. This strategic focus has not only enabled us to achieve sustainable growth but has also facilitated our efforts in supporting the underserved segments of society.

The stellar results achieved in 2023 underscore the efficacy of our Retail Business Model, particularly in advancing the cause of financial inclusion for marginalized communities. We have successfully implemented a cross-functional framework for managing Retail Business & Financial Inclusion, aimed at enhancing productivity, fostering greater engagement, and bolstering our attractiveness in the marketplace.

As we venture into the next chapter of our evolution, our dedication to enriching the lives of our stakeholders, fostering innovation, and igniting positive transformations within the communities we serve remains unwavering. In the year ahead, our focus will be on enhancing Digital Services through the establishment of a specialized Digital Banking Unit. This initiative will introduce pioneering digital products and services tailored to meet the demands of contemporary banking, thus offering enhanced convenience and flexibility to our customers as we collectively work towards realizing the vision of a Cashless Bangladesh. Card Division has achieved some remarkable achievements and milestones in the year 2023. This past year has been characterized by exceptional growth and innovation, reaffirming our commitment to excellence and our pivotal role in shaping the future of banking in Bangladesh.

Card Division

One of our proudest accomplishments in 2023 was the issuance of 15,147 new credit cards, marking a phenomenal 100% growth compared to the previous year. This milestone not only represents the highest number of new credit cards produced in a single year in the history of the Bank but also signifies our unwavering dedication to meeting the evolving needs of our customers. By the end of 2023, we successfully expanded our live card base to 30,400; further solidifying our position in the market.

Furthermore, our card portfolio witnessed significant growth, reaching BDT 244 crore by the end of the year, with a remarkable transaction volume of over BDT 1,085 crore made through AB Bank cards. This outstanding achievement was made possible through our strategic partnerships with over 1,000 discount and EMI merchants, underscoring our commitment to enhancing customer experiences and driving financial inclusion.

In recognition of our exceptional performance, AB Bank was honored with five prestigious MasterCard Excellence Awards in various categories, including Debit Business (International), Credit Business (International and Domestic), Business Growth, and Financial Inclusion. This recognition is a testament to our relentless pursuit of excellence and innovation in the banking sector.

QR Codes

Another significant milestone in 2023 was the launch of our QR business, encompassing both acquiring and issuing services. With approximately 6,100 QR merchants and a transaction volume of more than 110 Crore BDT, we have successfully embraced digital payment solutions, further contributing to the vision of a Cashless Bangladesh.

Moreover, we are proud to have actively participated in initiatives such as the "Cashless Bangladesh" program and the "Cashless Gopalganj" campaign, demonstrating our commitment to supporting the government's vision of a smarter and digitally inclusive Bangladesh.

In line with our commitment to supporting economic growth and empowerment, we disbursed agricultural loans to farmers and to women entrepreneurs across the country through our Smart Card initiative.

In the upcoming year, we anticipate sustaining the momentum in both our Credit Card and QR Merchant segments by leveraging our diverse channels and forging strategic alliances with industry frontrunners. To propel this growth trajectory forward, we are set to embark on several initiatives aimed at expanding our Credit Card base. These initiatives will not only facilitate

the acquisition of new customers but also encourage existing ones to embrace Credit Card usage. Some of the planned strategies include targeted marketing campaigns, incentive programs, gifts and streamlined digital onboarding processes.

As we reflect on the achievements of the past year, we remain steadfast in our commitment to driving innovation, fostering inclusive growth and delivering value to all our stakeholders.

Employee Banking & School Banking

Embracing the transformative power of technology, AB Bank proudly offers AB School Banking, pioneering technological adaptations to enhance convenience and accessibility for our valued customers. Our AB Student Products, namely "AB Minor" and "AB Major," have been specifically designed to promote financial literacy and instill prudent savings habits among the youth. Currently, we have successfully onboarded 51,970 number accounts under the AB Student account, empowering students with the tools they need for a financially secure future. Moreover, our comprehensive fee collection and management solution cater to the needs of educational institutions, providing round-the-clock payment portals for students and guardians, alongside a robust fee management system for institutional administrators. Presently, we serve 28 esteemed educational institutions nationwide, facilitating seamless financial transactions and enhancing operational efficiency.

In recognition of the diverse financial needs of today's workforce, AB Employee Banking offers an exclusive payroll service management platform tailored to the unique requirements of corporate organizations. Our dedicated customized banking facilities ensure smooth and seamless salary processing, coupled with a curated package of retail products at preferential rates. With a deep understanding of the complexities involved in managing employee finances, we provide reliable and hassle-free banking solutions for employees across 421 renowned organizations nationwide.

In an effort to promote financial literacy among students, AB Bank PLC. took the lead in organizing the School Banking Conference in Rajshahi on May 27, 2023. The event drew participation from 300 students representing 46 schools within the district. With the primary goal of fostering a culture of savings and nurturing sound financial habits among the youth, the conference served as an invaluable platform.

School banking stands out as a remarkable concept aimed at enhancing the financial inclusion of students, and AB Bank PLC.'s proactive approach in organizing such conferences underscores its commitment to this cause. Furthermore, the bank extended its reach by

participating in 18 individual student conferences held across 18 distinct districts nationwide, as part of an extensive awareness campaign. This concerted effort has not only empowered students with essential financial knowledge but also underscored the bank's dedication to fostering a financially literate generation.

Our Employee Banking and School Banking initiatives exemplify our commitment to leveraging technology to drive financial inclusion and empower individuals and institutions alike. We remain dedicated to delivering innovative solutions that enhance financial well-being and promote sustainable growth in the communities we serve.

Agent Banking

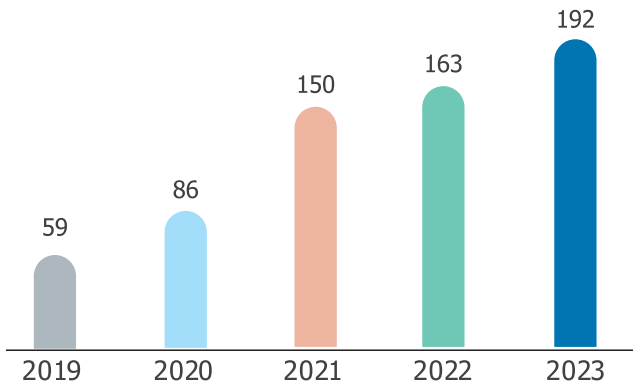
Agent Banking channel has demonstrated sustainable progress, marking significant milestones in the year 2023. The division has achieved a total deposit growth of 15% in the year 2023 out of which 46% was contributed in the form of Current and Savings deposit.

AB Bank is providing one of the best services amongst the Agents in comparison to the industry. A dedicated Service team has been established to provide prompt services to agents. Regional Coordinators under the Business and Acquisition team has been established to monitor and work for Business Development and for liaising with Regional Field Forces as well as with the Agents.

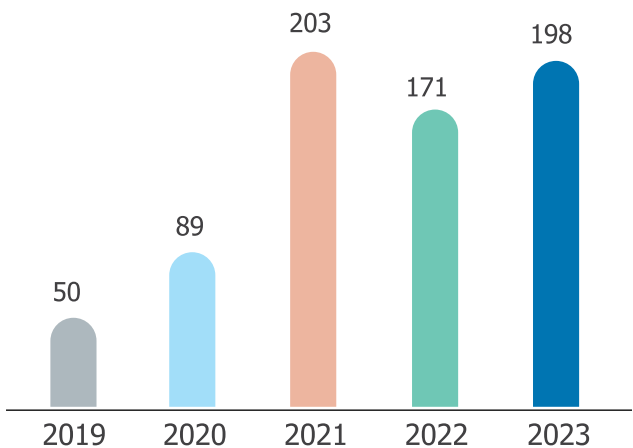
Agents for AB Bank exhibit a deep commitment to sustainability, maintaining a strong sense of excellent customer service with commitment to enhance the bank's reputation, fostering trust and loyalty within the community. With a strategic focus on expanding its Agent network, AB Bank has scaled up its operations to encompass 192 agent outlets, managing a total deposit of BDT 197.6 crore. Sustainability of agents and this expansion is indicative of the Bank's commitment to reaching underprivileged communities and fostering financial inclusion on a broader scale.

In view of the planned expansion of the network up to Union level, the Division implemented Regional Structure across the country where Regional Field forces work for acquisition, business development as well as for monitoring of the Agent Outlets. Since, Agent Banking business poses a few risks which could very well lead to reputational risk, such as Pocket Banking, this newly implemented Regional Team has been playing a pivotal role in creating an awareness among the locals and thus playing a significant role in minimizing those risks. An initiative called Kachari Boithok has also been in practice for increasing Financial Literacy and Agent Banking awareness especially in the Rural Demography.

Agent Outlet Growth Trend



Agent Banking Deposit Trend (BDT in crore)



In line with its commitment to fostering economic growth, the Bank has extended loan facilities through Agent Banking, catering to the diverse needs of rural customers. The Bank's door-to-door loan services have facilitated access to credit, empowering individuals and driving socio-economic development in rural communities.

In coming years, Agent Banking Division will continue to work on acquiring more Agent Outlets to provide financial services to the unbanked population. In order to streamline the operation and for incorporating modern banking facilities, a new Agent Banking Software is going to be implemented soon.

As we reflect on the achievements of AB Bank's Agent Banking in 2023, it is evident that the initiatives have not only expanded access to financial services but also catalyzed empowerment and contributed to inclusive growth. Looking ahead, AB Bank remains steadfast in its mission to enhance financial inclusion and drive positive change through its innovative business model.

AB Bank Alternate Delivery Channel

With four decades of banking excellence, AB Bank PLC. is a splendid name in the banking arena with a country wide network of ATMs located at urban and rural areas. At present, the Bank's Electronic Business (eBiz) Division is enriched with Visa Debit Cards, MasterCard Credit Cards, ATMs, SMS Banking, Branch POS and Internet Banking, Mobile App with a 24-hour call center.

Automated Teller Machines (ATMs)

AB Bank now has vast 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's 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's 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 in 2023. 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.

AB Direct Internet Banking & Mobile App

To facilitate modern banking services, AB Bank 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, can be downloaded from <https://abbl.com/app/> "Banking everywhere, never at a bank" – believing in this mantra, AB Bank brings following benefits with AB Direct:

- 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

As part of the AB Direct initiative, AB Bank also has Internet Banking services for its corporate customers. 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.

Major Update Planned

The Bank has taken the initiative to revamp its entire AB Direct offering with all new features and customer benefits. The project is supposed to be completed in the year 2024.

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 Sewerage Authority (CTG WASA)
- Northern Electricity Supply Company PLC (NESCO)
- AB Bank customers are also able to pay these utility bills from Internet Banking and SMS Banking.

Social Media Presence

AB Bank has social media presence 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 sites using following URLs:

- Facebook: <https://facebook.com/abbplc>
- Instagram: <https://instagram.com/abbplc>
- Twitter: <https://twitter.com/abbankplc>
- YouTube: <https://youtube.com/@abbankplc>

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 2023:

- Replaced CBS-vendor provided signature capture and verification solution with in-house developed one, thus significantly reducing Bank's expense
- Increased core banking system's capacity for customer and account numbers – this was done through internal customization and configuration changes in the CBS
- Discontinued age-old CBS online report viewing solution which was obsolete and posed security risks. Replaced with in-house developed modern online report viewing solution. This also resulted in discontinuation of daily printed reports, significantly reduced operating costs
- Bank DR site successfully shifted from Progoti Shoroni to Felicity IDC data center at Kaliakoir, Gazipur

Call Center

The Call Center accessed through the short code 16207 established by IT & eBiz Division is serving a high number of AB Bank customers for any electronic banking related queries.

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) endeavors to ensure that the bank has a strict control mechanism in place to act as shield against financial crime. The policy framework is built on the BFIU Master Circular No 26 and circulars and guidelines from time to time broadcasted by regulators. The Division set benchmark through various policies, standards, SOPs on the following activities:

- Before onboarding new relationship, ensure implementation of CDD/EDD & KYC policies and procedures

- Monitor odd or doubtful activities of accounts, reporting and investigating suspicious transactions
- Educate stakeholders about internal AML/CFT policies & practices, arrange awareness to Banking community as Lead Bank about AML CFT
- Respond to queries of relevant regulators and convey necessary instructions to the branches about latest updates from time to time
- Extend cooperation to Internal/External Audit & inspection Team and relevant Law Enforcement Agencies
- Monitor Self-Assessment testing for AML/CFT compliance and taking precautionary actions
- Conduct Activity Review in branches regarding AML/CFT compliance
- Organizing Central Compliance Committee meeting in specified frequency and implement action plans
- Manage timely AML/CFT reporting in compliance with relevant stakeholder's requirements
- KYC documentation for Corresponding Banking
- Establish separate KYC, AML & CFT Policy and policy on prevention and reporting of fraud for Bank's Indian Operations
- ACCD is now heavily involved with AML software upgradation that covers Trade, Credit, General Banking, Digital Banking activity monitoring and strengthen overall supervision

In addition, ACCD is also working to build compliance culture in respect of AML in the bank in order to ensure that the facilities offered by bank are not utilized to launder money obtained via illegal means and that every employee is conscious about his/her responsibilities and the need to keep up their vigilance in the fight against ML & TF.

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. 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.

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:

1. Audit and Inspection Division
2. Compliance Division
3. 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 three Divisions are as follows:

a. 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 and CFT issues and interest waiver including the cost of the fund as per Bangladesh Bank circular by the Division, alongside the division carries out Special Investigation works as and when required. Moreover, the Division lays out 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 and inspection teams during the audit and inspection and presents those before the Audit Committee (AC) 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 2023, Audit and Inspection Division conducted the following audit and inspections activities:

Annual Comprehensive Audit on Branches including Risk-Based Audit (RBA)	:	105 Branches
Annual Comprehensive Audit of Div./Dept.	:	15 Divisions / Departments
Special Inspection on AML & CFT activities	:	12 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		

b. Compliance Division

The Compliance Division under DICC is mainly responsible for ensuring compliance with applicable laws, regulations, guidelines, instructions, and circulars of Bangladesh Bank and Reserve Bank of India (for Mumbai, India operations), the primary regulatory authorities' side by side with other regulatory authorities viz. Bangladesh Financial Intelligence Unit (BFIU), Bangladesh Securities & Exchange Commission, National Board of Revenue, etc. accurately, completely, and on time. It also oversees and monitors the compliance of various policies of the Bank and circular issues on various aspects from time to time. It follows a compliance calendar so that compliance can be submitted within the stipulated time frame. The ultimate objective of compliance is to ensure a compliance culture and control environment to confirm good governance within the organization.

Highlights of the performance of major Compliance Activities are stated below:

Sl#	Category	Compliance Performed
01	Bangladesh Bank	<ul style="list-style-type: none"> i. Comprehensive Inspection Reports on Branches ii. Surprise Inspection on Cash Department on Branches iii. Special Inspection on Foreign Exchange Transactions of Branches iv. Special Inspection on SME Business on Branches v. Special Investigation on Specific Purpose
02.	External Audit	<ul style="list-style-type: none"> i. LFR by the Bank's appointed External Auditors
03.	Internal Audit	<ul style="list-style-type: none"> i. Annual Audit and Inspection of Branches ii. Surprise Inspection on Branches iii. Annual Audit and Inspection of risk areas of Head Office Departments and Divisions.
04.	Reserve Bank of India (RBI)	<ul style="list-style-type: none"> i. Annual Inspection Report of RBI ii. Inspection Reports on AB Mumbai Branch. iii. Long Form Audit Report (LFAR) of External Auditors iv. Concurrent Audit Report v. Periodic Review of Policies

c. Monitoring Division Activities

The Monitoring Division under the DICC of the bank plays a vital role in overseeing various aspects of the Banking Operations through review of different internal control tools such as Departmental Control Function Checklist (DCFCL), Security Compliance Checklist (SCCL) Quarterly Operations Report (QOR), Self-Assessment Anti-Fraud Internal Controls (SAAFIC) Statement, Self-assessment Report on AML & CFT, etc. The division monitors the effectiveness of the internal control system and operational activities by ensuring the implementation of DCFCL, SCCL, and Self-assessment on AML & CFT at both branches as well as at Department/ Division at Head Office

levels. They review the QOR quarterly to find out the operational lapses and submit the review report to the competent authority for taking appropriate measures. They review the SCCL quarterly to find documentation lapses and submit the report to the Board Audit Committee (BAC). The division reviews the Self-assessment on the AML & CFT Report on a half-yearly basis to find out deficiencies in AML & CFT related issues and submit the review report to the AML & CFT Compliance Division (ACCD) of the Bank 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 Departments/ Divisions of the bank. For effective monitoring of internal control tools, the Division also conducts Surprise Inspections at the branches. During 2023 Monitoring Division has extended its number of Surprise Inspections to 104 Branches from 35 in the year 2022, to ensure effective monitoring of Branch operations. Monitoring Division summarizes the decisions of Board Audit Committee (BAC) meetings and submits the same along with the compliance status to the Audit Committee in the following meeting. They also monitor transactions of the staff salary accounts.

General Banking Operations

The General Banking Operations Division aims to ensure overall supervision of General Banking operational activities of the Bank in an effective and efficient way. This Division is responsible for setting certain standards in delivery of products and services within a controlled culture. It continuously monitors activities of Branches and Sub-Branches to mitigate the associated risks, ensure regulatory compliance, support business and other functional departments as well as provides necessary support to all Branches and Sub-Branches as and when required.

General Banking Operations Division continued to take different initiatives throughout the year to ensure service standards, effective operational controls, improved process flows and regulatory operational compliances.

Some of the key initiatives have been taken by the Division during 2023 were as follows:

- To ensure flawless customer service and to mitigate associate risk, introduced centralized processes for activation of Dormant Accounts.
- Centralized management of AB Smart Accounts are in full operation. These accounts are opened through online platform where the customer can open savings account without visiting the Branch.
- Expanding the AB network and providing modern Banking services to the unbanked population

through established 49 (forty nine) Sub-Branches at different locations.

- Arranged "Customer Awareness Program" at different branches to familiarize our customers with the wide range of AB Products and Services as well as with banking norms and practices. This effort was undertaken to bridge the information and communication gap between customers and bankers.
- Arranged meetings with all 104 Branches through online platform to discuss and guide branches on various operational issues.
- Ensuring seamless customer service, timely resolution of complaints and managing feedbacks.
- Organized trainings on major operational processes e.g. training for Sub-Branch officials, refreshers training for current and prospective Operations Managers, Cash Officials and Customer Service Officials.
- Conducted surprise visits at different AB Branches and Sub-Branches as part of compliance.
- Reviewed various processes & practices and issued circulars/email instructions to the Branches and Sub-Branches.
- Continued Awareness Building Activities during the year as precautions against fraud-forgery, fake notes etc.

Department of Human Resource Management & Development

Through strategic investments in talent acquisition, training and development, employee engagement, and diversity and inclusion, the HR department played a pivotal role in driving organizational success and fostering a culture of excellence. As AB Bank looks towards the future, its HR initiatives will continue to serve as a cornerstone of its growth and sustainability in the dynamic banking industry. Some HR initiatives for the year 2023 is given below:

- 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.

- A total of 147 number of employees were provided promotion for their exceptional performance and contributions to the organization with opportunities for career advancement and professional growth
- From specialized skillsets to diverse backgrounds, the new talent infusion enriched the bank's capabilities and contributed to its competitive edge. In 2023, we have on-boarded 217 nos. deserving candidates in different positions.
- Through a blend of in-house workshops, online courses, and external training programs, employees were equipped with the knowledge and skills needed to excel in their roles and adapt to evolving market trends. Moreover, personalized development plans were implemented to nurture leadership potential and cultivate a pipeline of future leaders within the organization.

Training (Year 2023)	No. of Courses	No. of Participants
Internal Training	69	3,440
External Training	52	156
Total	121	3,596

Diversity and Inclusion: In line with its commitment to diversity and inclusion, AB Bank took proactive steps to create an inclusive workplace where every individual feel valued and respected. Through targeted initiatives and policies aimed at promoting diversity in hiring and advancement opportunities, the bank celebrated the unique perspectives and contributions of its diverse workforce. By fostering a culture of inclusivity, AB Bank not only enhanced employee satisfaction but also drove innovation and creativity across the organization.

Age Group Wise Employee Ratio		
Age Group	31.12.2023	
	Number	Mix (%)
Up to 30 years	357	15.37
Above 30 years to up to 40 years	777	33.45
Above 40 years to up to 50 years	812	34.95
Above 50 years to up to 60 years	373	16.06
Above 60 years	04	0.17
Total	2,323	100

Gender Diversity of Employee			
Year	Number of Male Employee	Number of Female Employee	Number of Total Employee
2021	1,686	594	2,280
2022	1,669	593	2,262
2023	1,704	619	2,323

Operating Performance 2023

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 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 providing clential 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 to contribute 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.

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 PLC.'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 2023, 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 2023 AB has experienced positive growth in import and export business compared to previous year.

Import Business has increased by 7.77% to BDT 5,437 Crore in 2023 from BDT 5,045 Crore in 2022. 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 2.98% percent growth in the year 2023 compared to the previous year. Total Export was BDT 4,129 Crore at the end of the year 2023 which was BDT 4,010 Crore in 2022. 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 PLC., Mumbai Branch, India and AB International Finance Limited (ABIFL), Hong Kong.

During the year 2023, 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 2023. AB is focusing on excellence in customer service through a network of Branches, Sub-Branches 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 2023 was USD 343 million compared to USD 289 million in 2022.

Overseas Operations

Mumbai Branch

AB Bank PLC., Mumbai Branch, India 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 document of export from India to Bangladesh in addition to retail banking activities. The branch also provides confirmation, negotiation and discounting services to its customers. In 2023, AB Mumbai has also offered opening of Special Rupee Vostro Account (SRVA) for conducting bilateral trade between Bangladesh & India in Indian Rupees.

At present, our Mumbai Branch is maintaining VOSTRO accounts of 47 Bangladeshi Banks. Mumbai Branch's Operating Profit at the year-end of 2023 was INR 235.29 Million.

Highlights of Mumbai Branch Business

INR in Million	2023	2022	2021	2020	2019
Total Assets	3,297	3,636	2,891	2,915	2,577
Total Loans and Advances	501	618	510	468	567
Total Deposits	1,868	2,233	1,974	1,828	1,451
CRAR- Overall	74.32%	52.91%	36.93%	36.65%	36.51%
CRAR- Tier I	73.51%	52.35%	36.49%	36.25%	36.30%
CRAR- Tier II	0.81%	0.56%	0.43%	0.40%	0.21%
Fee based income to Total income	69.03%	80.80%	86.69%	82.24%	82.73%
Return on Total Assets	3.85%	2.95%	3.33%	1.50%	3.60%

Operating results of Mumbai Branch

INR in Million	2023	2022	2021	2020	2019
Operating Profit	235	194	159	21	159
Profit after Tax (PAT)	134	96	97	41	92
Return on Assets (%)	3.85	2.95	3.33	1.50	3.60
Return on Equity (%)	10.56	9.28	10.64	4.15	9.59

Credit Risk Management (CRM)

CRM Division manages the credit risks of the Bank as per the CRM Policy formulated in accordance with guidelines, manuals and other related circulars issued by Bangladesh Bank from time to time. The Division implements specific risk mitigating tools that include understanding customers [KYC], their past track record, financial soundness, management ability, outlook of business and industry, collateral arrangement etc. AB has diversified its credit portfolio into Corporate, SME and Retail. There are separate policies for each such segment with clearly defined tools for risk management in line with exposure, purpose, type, industry etc. A uniform Credit processing matrix is in place which has been disseminated to the Branch level. Clear segregation of Credit Relationship and Credit Administration streams across the Bank has been established to ensure effective credit risk management. This setup has also ensured sound practices in overall credit management viz. credit processing/appraisal, approval, documentation, disbursement, monitoring and control. The Division regularly reviews and updates Credit Risk Management Policy and Lending Guidelines as and when warranted to accommodate the continuous changes in the business, economic, market conditions, social and political environments, government policy, industry demand, central bank regulation and experience of the bank for better management credit risks.

Credit Administration Management (CAM)

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

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 PLC. recognizes the need for risk management to feature as a consideration in

strategic and operational planning. As per Bangladesh Bank guidelines, AB Bank PLC. 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 there-by 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 PLC. 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 2023 is presented below:

Particulars	2023	2022	2021
Operating Profit-HKD Million	15.63	11.00	10.12
Profit after tax (PAT)- HKD Million	13.23	9.36	8.62
Return on assets (%)	10.77	7.76	6.91
Return on equity (%)	64.76	51.69	51.12
Earnings per share-HKD	132.25	93.64	86.17

AB Securities Limited (ABSL)

ABSL is a corporate TREC Holder of both Dhaka Stock Exchange PLC. and Chittagong Stock Exchange PLC. Total number of clients of ABSL is around 3,200 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 2023, total turnover of ABSL was around BDT24.85 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 BDT Account (NITA), BO Account opening and trading at DSE and CSE.

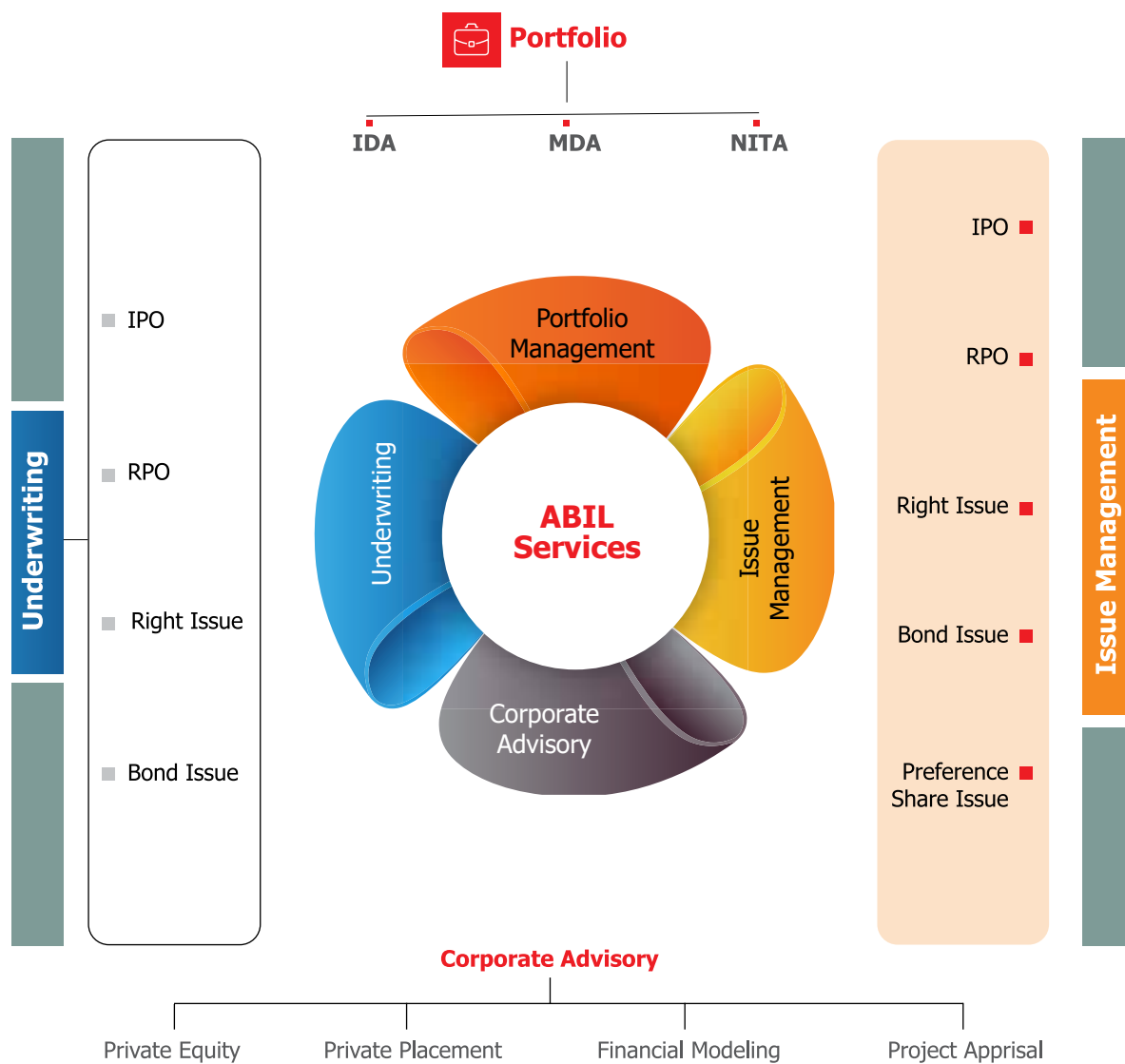
Performance of ABSL

Particulars	2023	2022	2021
Number of Clients	3,200	3,191	3,117
Operating Income (mn in BDT)	109.98	130.89	164.41
Operating Profit (mn in BDT)	40.19	56.53	91.92
Earnings Per Share-EPS (BDT)	0.03	0.10	0.23
Total Turnover-Trade (Billion BDT)	24.85	45.76	46.29

AB Investment Limited

After incorporation on 24th day of December 2009 AB Investment Limited (ABIL), a wholly owned subsidiary company of AB Bank PLC., 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 2,234 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 BDT 5.40 billion in 2023 which is 0.07 % (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	2023	2022	2021	2020
Number of Clients	2,234	2,254	2,306	2,326
Margin Loan to Clients (mn in BDT)	6,918	7,279	7,257	6,957
Operating Income (mn in BDT)	157	223	449	175
Operating Profit (mn in BDT)	96	156	376	100
Net Profit (mn in BDT)	8	33	68	(4)
Earnings Per Share (BDT)	0.01	0.05	0.10	(0.006)

Cashlink Bangladesh Limited (CBL)

CBL is a subsidiary of AB Bank PLC. 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

BDT in lac

Particulars	2023	2022	2021	2020	2019
Total Operation Income	31.55	24.60	30.73	40.31	135.55
Total Operation Expense	1.90	3.16	4.41	4.19	4.53
Profit After Tax	21.50	15.55	18.42	24.38	127.37
Total Shareholders' Equity	824.51	803.01	787.46	769.04	744.66
Total Asset	933.93	904.22	882.72	856.41	823.94

Arab Bangladesh Bank Foundation (ABBF)

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

Financial Performance Highlights

As one of the most highly regulated industries in the world, investors have some level of assurance in the soundness of the banking system. As a result, investors can focus most of their efforts on how a bank will perform in different economic environments. In 2023, the Banking Sector as a whole experienced adverse effect for Russia-Ukraine war, Middle East and associated commodity market disruptions, financial stress amid elevated debt and high borrowing costs, persistent inflation and trade fragmentation. Within these challenging economic and business environments, the Bank registered following financials:

BDT in crore

Particulars	Consolidated		Change	Solo		Change
	2023	2022	%	2023	2022	%
Interest income/profit on investments	2,578.82	2,163.97	19%	2,550.86	2,145.56	19%
Interest paid/profit on deposits and borrowings, etc.	2,063.04	1,708.06	21%	2,062.31	1,707.39	21%
Net Interest Income	515.78	455.91	13%	488.56	438.17	11%
Other Income	646.88	734.59	-12%	621.51	709.90	-12%
Operating Expenses	628.19	618.70	2%	608.93	599.88	2%
Operating Profit	534.46	571.80	-7%	501.14	548.19	-9%
Provisions for loans & others	269.52	287.16	-6%	260.13	273.29	-5%
Profit before Taxation	264.94	284.63	-7%	241.01	274.89	-12%
Provisions for Tax	175.56	213.20	-18%	168.83	207.17	-19%
Profit after Tax	89.37	71.44	25%	72.18	67.72	7%
Earnings Per Share (BDT)	1.02	0.81	0.20	0.82	0.77	0.05

In the year 2023, Interest Income increased by 19% and Interest Expenses also increased by 21%. Thus, Net Interest Income increased by 13% and 11% on consolidated and solo basis respectively. Other income has decreased by 12% on consolidated and solo basis for impact of foreign exchange. 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 25% and 7% growth and stood BDT 89 crore and BDT 72 crore in Profit after Tax on consolidated and solo basis respectively.

Asset Quality

BDT in crore

Particulars	Consolidated		Change	Solo		Change
	2023	2022	%	2023	2022	%
Total Loans and Advances	32,543.30	32,041.07	1.57%	31,712.26	31,206.81	1.62%
Unclassified	23,029.60	25,728.88	-10.49%	22,198.55	24,894.62	-10.83%
Standard	22,412.43	25,112.70	-10.75%	21,581.39	24,278.45	-11.11%
Special Mention Account	617.17	616.17	0.16%	617.17	616.17	0.16%
Classified	9,513.70	6,312.19	50.72%	9,513.70	6,312.19	50.72%
Sub-standard	57.98	18.02	221.77%	57.98	18.02	221.77%
Doubtful	266.82	324.50	-17.77%	266.82	324.50	-17.77%
Bad Loss	9,188.90	5,969.67	53.93%	9,188.90	5,969.67	53.93%

Considering clients repayment, Bangladesh Bank has newly classified few loans in December 2023. As a result, CL ratio stood at 30.00% in 2023 from 20.23% of 2022.

Capital Position

BDT in crore

Particulars	Consolidated		Change	Solo		Change
	2023	2022	%	2023	2022	%
Risk Weighted Assets	37,482.85	35,519.88	5.53%	37,099.62	35,109.91	5.67%
Credit Risk	34,767.82	32,558.90	6.78%	34,547.96	32,316.72	6.90%
Market Risk	889.90	1,088.93	-18.28%	808.57	995.27	-18.76%
Operational Risk	1,825.13	1,872.06	-2.51%	1,743.09	1,797.91	-3.05%
Regulatory Requirement	12.50%	12.50%		12.50%	12.50%	
Capital Requirement	4,685.36	4,439.99		4,637.45	4,388.74	
Capital Maintained	4,078.56	3,906.18	4.41%	3,806.28	3,619.53	5.16%
Tier-I	2,813.20	2,640.36	6.55%	2,658.58	2,500.70	6.31%
CET-I	2,250.95	2,107.56	6.80%	2,102.08	1,974.05	6.49%
Add. Tier-I	562.24	532.80	5.53%	556.49	526.65	5.67%
Tier-II	1,265.36	1,265.82	-0.04%	1,147.71	1,118.82	2.58%
Capital Surplus/ (deficit)	(606.79)	(533.81)		(831.17)	(769.21)	
Capital to Risk Weighted Asset Ratio (CRAR)	10.88%	11.00%		10.26%	10.31%	
Tier-I	7.51%	7.43%		7.17%	7.12%	
Tier-II	3.38%	3.56%		3.09%	3.19%	

Bank was able to maintain CRAR @ 10.88% and 10.26% on consolidated and solo basis respectively against 12.50% (10% minimum and 2.50% capital conservation buffer) regulatory requirement. In 2023, Risk Weighted Assets and capital increased by 5.67% and 5.16% respectively.

Cash Flow Position

BDT in crore

Particulars	Consolidated		Change	Solo		Change
	2023	2022	%	2023	2022	%
Net cash flow from operating activities	983.19	(1,679.05)	158.56%	1,080.88	(1,742.48)	162.03%
Net cash flow from investing activities	(237.91)	1,306.18	-118.21%	(240.43)	1,323.99	-118.16%
Net cash flow from financing activities	(181.91)	(253.00)	-28.10%	(181.91)	(253.00)	28.10%
Net decrease in cash	563.36	(625.86)	-190.01%	658.54	(671.49)	198.07%
Net Operating Cash Flow Per Share (NOCFPS) (BDT)	11.20	(19.12)	30.32	12.31	(19.84)	32.15

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 included in cash flow from operating activities.

Key Ratio

Particulars	2023	2022
Capital to Risk Weighted Assets Ratio	10.26%	10.31%
Loan Deposit Ratio	85.32%	92.26%
Cost Income Ratio	54.86%	52.25%
CL Ratio	30.00%	20.23%
Return on Investment (ROI)	7.40%	6.86%
Return on Assets (ROA)	0.17%	0.17%
Return on Equity (ROE)	2.95%	2.78%
Assets Utilization Ratio	65.97%	75.94%
Operating Profit Per Employee (Lac/BDT)	21.55	24.33

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:

- Parent / Subsidiary / Associated Companies and other related parties: N/A
- Shares held by Directors including nominating Individual and Institutions, Chief Executive Officer, Company Secretary, Chief Financial Officer and Head of Internal Audit and their Spouses and Minor Children are as follows:

Status as of December 31, 2023

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 Ltd.	Chairman	85,895,978	9.78%	Ms. Mariya Rakhi Chowdhury	-	-
Mr. Feroz Ahmed	Director	18,220,070	2.07%	Ms. Salvana Ahmed	359,640	0.04%
Mr. Shajir Ahmed Nominated by Hexagong Chemical Complex Ltd.	Director	20,052,848	2.28%	Ms. Fahmida Islam	-	-
Mr. Md. Maqsubul Huq Khan Nominated by Emkay Holdings Ltd.	Director	17,953,440	2.04%	Ms. Kazi Homaira Nirjhar	-	-
Mr. Shafiqul Alam	Independent Director	-	-	Ms. Najma Shafiq	-	-
Mr. Md. Eskandar Miah	Independent Director	-	-	Mrs. Hemanti Haider	-	-
Mr. Tarique Afzal	Managing Director & CEO	-	-	Ms. Ornita Afzal	-	-
Mr. K.M. Mohiuddin Ahmed	Chief Finance 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	DMD & Head of Credit	-
2.	Mr. Syed Mizanur Rahman	DMD & Head of Retail, Islamic & Agent Banking	-
3.	Mr. Md. Aminur Rahman	DMD & Chief Operations Officer	-
4.	Mr. Zahiruddin Mohammad Babar Khan	SEVP & Head of CRM	-
5.	Mr. M. N. Azim	SEVP & Head of FI&T	-

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

Dividend

The Board in its 786th Meeting held on April 29, 2024, continuation on April 30, 2024 and again continuation on May 02, 2024 has recommended 2.00% Stock Dividend to all the shareholders subject to approval of Bangladesh Securities & Exchange Commission. Stock Dividend is subject to shareholders approval in the 42nd Annual General Meeting scheduled to be held on June 12, 2024, Wednesday at 10:30 a.m. through Hybrid System, Physical Attendance at Sena Malancha, Dhaka Cantonment, Dhaka, May 26, 2024, Sunday, set as Record Date to attend the AGM.

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

Board of Directors

At present, AB Board comprises 07 (seven) members including Managing Director & CEO. Board also has three Committees in operation viz. Audit Committee, Risk Management Committee and Executive Committee in compliance with Bangladesh Bank BRPD circular no: 2 dated February 11, 2024 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, Managing Director & CEO

Board Meeting/Committees Meeting and Attendance

Board Meeting

26 (Twenty Six) Board Meeting held during the year 2023. 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 2023	Number of Meeting attended in 2023
Barrister Khairul Alam Choudhury	Chairman	26	26
Mr. Feroz Ahmed	Director	26	23
Mr. Shajir Ahmed	Director	26	24
Mr. Shafiqul Alam	Independent Director	26	26
Mr. Md. Maqsudul Huq Khan	Director	26	25
Mr. Md. Eskandar Miah	Independent Director	26	26

Total number of Board Meeting held = 26 (Twenty Six)

Audit Committee Meeting

07 (seven) Meetings of the Audit Committee were held during the year 2023. Below is the table of Members' attendance in the Meeting based on their tenure:

Name of Members	Status	Number of Meeting	
		Held	Attended
Mr. Shafiqul Alam	Chairman	07	07
Mr. Feroz Ahmed*	Member	02	01
Mr. Shajir Ahmed**	Member	05	05
Mr. Md. Maqsudul Huq Khan**	Member	05	05
Mr. Md. Eskandar Miah	Member	07	07

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

*Mr. Feroz Ahmed was appointed as Member of Audit Committee on 771st Board Meeting held on September 20, 2023.

**Audit Committee was reconstituted in the 771st Board Meeting held on September 20, 2023 where Mr. Shajir Ahmed and Mr. Md. Maqsudul Huq Khan were outgoing members.

Risk Management Committee Meeting

07 (seven) Meeting of the Risk Management Committee were held during the year 2023. Below is the table of Members' attendance in the Meeting based on their tenure:

Name of Members	Status	Number of Meeting	
		Held	Attended
Mr. Shafiqul Alam	Chairman	07	07
Mr. Feroz Ahmed	Member	07	07
Mr. Md. Maqsudul Huq Khan*	Member	05	05
Mr. Md. Eskandar Miah**	Member	02	02

Total number of Risk Management Committee Meeting held = 07 (Seven)

* Risk Management Committee was reconstituted in the 771st Board Meeting held on September 20, 2023 where Mr. Md. Maqsudul Huq Khan was outgoing members.

**Mr. Md. Eskandar Miah was appointed as member of the Committee on 771st Board Meeting held on September 20, 2023.

Remuneration paid to Directors

During the year 2023, total remuneration paid to the Directors including Independent Directors was BDT 1,699,200 (BDT Sixteen Lac Ninety Nine Thousand and Two Hundred) only.

Rotation 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 Managing Director & CEO and Independent Directors to be retired. Barrister Khairul Alam Choudhury, nominated by Pacific Industries Limited will retire in the following 42nd Annual General Meeting and be eligible for re-election.

Protection to Minority Shareholders

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

Related Party Transaction Disclosure

A party is related to the company if:

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

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

Name of contract	Name of the party	Name of Director and related by	Relationship
Lease agreement with Mohakhali and Savar Branch of AB Bank	Pacific Industries Ltd	Mr. Khairul Alam Choudhury	Nominated Director of Pacific Industries Ltd. in AB Bank Board
Telemarketing Service	Supertel Limited	Mr. Shajir Ahmed	Director

b) Related party transactions:

Name of related party	Relationship	Nature of transaction	Amount in BDT
Pacific Industries Ltd.	Common Director	Office Rent	14,629,986
Supertel Limited	Common Director	Telemarketing	2,640,000

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

Sl. No.	Name of the party	Connection with party	Nature of transaction	Amount in BDT
01	AB Investment Limited	99.99%	Loans and advances	756,515,861
02	AB Securities Limited	99.91% owned Subsidiary	Loans and advances	157,599,536
03	AB International Finance Limited	Fully owned (100%) Subsidiary	Placement through OBU	1,585,887,500
Total loans/placement to subsidiary				2,842,263,759

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 their ratings is given below:

Surveillance Rating	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.

42nd 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 26, 2024, Sunday, shall be eligible to attend the AGM.

The 42nd Annual General Meeting will be held on June 12, 2024 (Wednesday) through Hybrid System, Physical presence at Sena Malancha, Dhaka Cantonment, Dhaka at 10:30 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 72 (seventy two) hours before the time fixed for the meeting otherwise Proxy Form will not be treated as valid.

Country Outlook

In the short term, there is no positive signals that indicates that global uncertainties will calm down, which will adversely affect growth. The International Monetary Fund (IMF) has projected global growth to be 2.9 percent for 2024. The growth outlook for Bangladesh for the 2023-24 fiscal year by international organizations is projected to be lower than that by the government. Notably, the government ambitiously

projected that GDP growth would be 7.5 percent for FY24 even though there were difficulties towards the end of FY23. However, the IMF projected that our GDP growth would be 6 percent, while the World Bank estimated it would be 5.6 percent in FY24.

Another concern is the instability in the banking sector - industry-wise huge non-performing loans, frequent fluctuations in policies and rates are hindrances to formulate long term business plan, Prompt Corrective Action, banking merger- a lot of questions are yet to be answered. Without a stable banking industry, running a stable economy is impossible. Maintaining balance of payment and Forex Reserve is important but as most of the export and production of the country is depended on import, restriction of import of capital machineries and intermediate goods should be relaxed. Lower imports will have negative effects on GDP through low investment, employment and production.

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, Bangladesh securities & Exchange Commission, Dhaka Stock Exchange PLC., Chittagong Stock Exchange PLC, Registrar of Joint Stock Companies and Firms, and other related entities for their continued guidance and support.

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'S DISCUSSION AND ANALYSIS

Performance of the Bank - Comparative analysis

Business Position

BDT in crore

Particulars	2023	2022	2021	2020	2019
Loans & Advances	31,712	31,207	29,046	27,483	25,651
Deposit	35,477	31,670	29,837	29,072	27,946
Export	4,129	4,010	5,559	4,680	5,511
Import	5,437	5,045	4,862	3,265	4,737
Remittance (crore USD)	34	29	38	29	27

Financial and operational performance

BDT in crore

Particulars	2023	2022	2021	2020	2019
Interest income/profit on investments	2,551	2,146	2,038	2,429	2,672
Interest paid/profit on deposits and borrowings, etc.	2,062	1,707	1,582	2,013	1,885
Net Interest Income	489	438	456	416	787
Other Income	622	710	728	799	502
Operating Expenses	609	600	571	568	643
Operating Profit	501	548	613	647	645
Provisions for loans & others	260	273	433	514	514
Profit before Taxation	241	275	181	132	131
Provisions for Tax	169	207	116	93	114
Profit after Tax	72	68	64	39	17
Earnings Per Share (BDT)	0.82	0.77	0.73	0.45	0.19

Equity Position

BDT in crore

Particulars	2023	2022	2021	2020	2019
Paid-up capital	878	861	836	796	758
Retained earnings	350	410	481	569	582
Statutory reserve	852	805	748	714	687
Other reserves	366	367	365	370	257
Total	2,447	2,443	2,431	2,449	2,284

Cash flow Movement

BDT in crore

Particulars	2023	2022	2021	2020	2019
Net cash flow from operating activities	1,081	(1,742)	301	(383)	2,870
Net cash flow from investing activities	(240)	1,324	59	(194)	(1,846)
Net cash flow from financing activities	(182)	(253)	355	366	(140)
Net Operating Cash Flow Per Share (NOCFPS)	12.31	(19.84)	3.42	(4.36)	32.69

Key Ratios

Particulars	2023	2022	2021	2020	2019
Capital to Risk Weighted Assets Ratio	10.26%	10.31%	10.74%	10.84%	10.12%
Loan Deposit Ratio	85.32%	92.26%	86.27%	85.26%	84.28%
Cost Income Ratio	54.86%	52.25%	48.22%	46.71%	41.35%
Return on Investment (ROI)	7.40%	6.86%	8.47%	10.34%	6.07%
Return on Assets (ROA)	0.17%	0.17%	0.16%	0.10%	0.05%
Return on Equity (ROE)	2.95%	2.78%	2.63%	1.65%	0.74%
Assets Utilization Ratio	65.97%	75.94%	79.82%	78.62%	77.80%

a) Accounting policies and estimation for preparation of financial statements

The consolidated and separate financial statements of the Bank have been prepared for the year ended December 31, 2023 in accordance with the measurement and recognition requirements of International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS).

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 Companies Act, 1991 (amendment up to 2023); 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

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

In 202nd meeting of the Audit Committee, financial statements have been analyzed. After reviewing the financials, Audit Committee recommended the Board for their approval. Accordingly, Financials Statements has been approved by the Board of Director in its 786th meeting.

c) Key Risks Impacting the Bank's Business

Bangladesh economy to grow moderately amid global economic slowdown. The slower growth forecast reflects subdued domestic demand and weaker export expansion due to slow global growth following the Russian invasion of Ukraine. Inflation is forecast to accelerate from 6.2% in FY2022 to 8.7% in FY2023. The current account deficit is anticipated to narrow from 4.1% of GDP in FY2022 to 1.6% of GDP in FY2023 as imports loosen and remittances grow. The main risk to this growth projection is a greater economic slowdown in Bangladesh's major export destinations driven by global uncertainty over the prolonged political tensions.

The banking system is expected to be impacted by lower lending opportunities and revenues in the short to medium term and an increase in credit costs. The impact of the Covid-19 pandemic on Bank's results remains uncertain and dependent on the spread of Covid-19, further steps taken by the government and the central bank to mitigate the economic impact, steps taken by the Bank and the time it takes for economic activities to resume at normal levels.

Risk	Mitigations
Credit Risk: The Bank's core business is lending which exposes it to various types of credit risks, especially failure in repayments and increase in non-performing loans.	The credit portfolio of the Bank has been operating by the Bangladesh Bank guidelines and board approved policy. The Bank measures, monitors and manages credit risks at an individual borrower level and at the portfolio level. Bank has maintained required provision in its books. Bank has also taken various steps to minimize the NPL at a reasonable level.

Risk	Mitigations
<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 @ 10.26% and 10.88% on solo and consolidated basis respectively.</p>	<p>In addition to internal capital generation, Board of Directors of the Bank in its 771st meeting held on September 20, 2023 approved to issue BDT 500 crore Sub-ordinated Bonds subject to approval of regulatory authorities. Bangladesh Bank vide Letter No. BRPD(BS) 661/14B(P)/2024/89 dated January 03, 2024 has given NOC for issuance of such bonds. BSEC approval is under processing. Besides, 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 Bank	Peer Bank
Total Loans and advances	31,712	29,108
Total Assets	43,428	41,213
Total Deposits	35,477	31,099
Total equity	2,447	2,584
Total Off-Balance Sheet items	5,278	12,364

Financial Performance

BDT in crore

Particulars	AB Bank	Peer Bank
Net Interest Income	489	457
Total Operating Income	1,110	1,394
Operating Expenses	609	839
Profit Before Provision	501	556
Net Profit After Tax	72	116

Cash Flow

BDT in crore

Particulars	AB Bank	Peer Bank
Net cash flow from operating activities	1,081	309
Net cash (used in)/flow from investing activities	(240)	(548)
Net cash flow from Financing activities	(182)	(476)
Net cash flow	659	(715)

Horizontal and Vertical Analysis

Horizontal analysis helps unveil trends and growth patterns over multiple periods, offering valuable insights for long-term strategic planning. Meanwhile, vertical analysis provides a snapshot of the internal composition of financial statements, aiding in understanding the proportional significance of each component.

Horizontal Analysis

Comparative Balance Sheet

BDT in crore

Particulars	31.12.23	Change in %	31.12.22	Change in %	31.12.21	Change in %	31.12.20	Change in %	31.12.19	Change in %
Cash	2,416	16.88%	2,067	-9.27%	2,278	8.83%	2,093	5.32%	1,987	20.93%
Balance with other banks and fis	695	43.80%	483	-38.38%	784	79.65%	436	-16.86%	525	65.14%
Money at call and on short notice	230	19.11%	193	-55.65%	435	74.07%	250	-47.67%	478	234.30%
Investments	5,413	4.47%	5,181	-20.55%	6,521	2.28%	6,376	3.54%	6,158	41.26%
Loans, advances and lease/investments	31,712	1.62%	31,207	7.44%	29,046	5.69%	27,483	7.14%	25,651	6.41%
Fixed assets including premises, furniture & fixtures	286	-12.13%	325	-10.55%	363	-19.09%	449	-7.85%	487	37.48%
Other assets	1,411	-0.62%	1,419	-9.63%	1,571	5.57%	1,488	20.31%	1,237	-4.41%
Non-banking assets	1,267	3690.30%	33	0.00%	33	0.00%	33	-2.57%	34	0.00%
Total Assets	43,428	6.16%	40,909	-0.30%	41,032	6.28%	38,609	5.61%	36,557	13.35%
Borrowings from other banks, fis & agents	284	-73.57%	1,075	-63.96%	2,983	56.13%	1,911	28.93%	1,482	-18.89%
AB Bank Subordinated Bond	1,072	-6.77%	1,150	-2.65%	1,181	26.31%	935	26.35%	740	-14.94%
Deposits and other accounts	35,477	12.02%	31,670	6.14%	29,837	2.63%	29,072	4.03%	27,946	18.69%
Other liabilities	4,147	-9.27%	4,571	-0.61%	4,599	8.42%	4,242	3.34%	4,105	9.59%
Total Liabilities	40,981	6.54%	38,466	-0.35%	38,601	6.75%	36,160	5.51%	34,273	14.29%
Total Equity	2,447	0.18%	2,443	0.49%	2,431	-0.73%	2,449	7.21%	2,284	0.84%
Total Liabilities and Shareholders' Equity	43,428	6.16%	40,909	-0.30%	41,032	6.28%	38,609	5.61%	36,557	13.35%
Off-Balance Sheet Items	5,278	2.15%	5,167	22.08%	4,232	-28.50%	5,919	23.74%	4,784	-16.38%

Comparative Profit & Loss Account

Particulars	2023	Change in %	2022	Change in %	2021	Change in %	2020	Change in %	2019	Change in %
Interest income/profit on investments	2,551	18.89%	2,146	5.26%	2,038	-16.09%	2,429	-9.07%	2,672	37.23%
Interest/profit paid on deposits and borrowings, etc.	(2,062)	20.79%	(1,707)	7.91%	(1,582)	-21.42%	(2,013)	6.83%	(1,885)	7.34%
Net Interest Income	489	11.50%	438	-3.95%	456	9.75%	416	-47.17%	787	311.94%
Total non-interest income	622	-12.45%	710	-2.51%	728	-8.86%	799	59.30%	502	-25.56%
Total operating income	1,110	-3.31%	1,148	-3.06%	1,184	-2.49%	1,215	-5.73%	1,288	48.98%
Total operating expenses	609	1.51%	600	5.05%	571	0.55%	568	-11.73%	643	15.46%
Profit before provision	501	-8.58%	548	-10.62%	613	-5.17%	647	0.27%	645	109.74%
Total provision	260	-4.82%	273	-36.83%	433	-15.91%	514	0.09%	514	104.06%
Profit before tax	241	-12.33%	275	52.19%	181	36.63%	132	0.99%	131	135.47%
Provision for taxation	169	-18.51%	207	77.84%	116	25.17%	93	-18.47%	114	112.29%
Net profit after tax	72	6.58%	68	5.59%	64	63.86%	39	133.35%	17	815.44%

Vertical Analysis

Comparative Balance Sheet

BDT in crore

Particulars	31.12.23	Mix in %	31.12.22	Mix in %	31.12.21	Mix in %	31.12.20	Mix in %	31.12.19	Mix in %
Cash	2,416	5.56%	2,067	5.05%	2,278	5.55%	2,093	5.42%	1,987	5.44%
Balance with other banks and financial institutions	695	1.60%	483	1.18%	784	1.91%	436	1.13%	525	1.44%
Money at call and on short notice	230	0.53%	193	0.47%	435	1.06%	250	0.65%	478	1.31%
Investments	5,413	12.46%	5,181	12.67%	6,521	15.89%	6,376	16.51%	6,158	16.84%
Loans, advances and lease/investments	31,712	73.02%	31,207	76.28%	29,046	70.79%	27,483	71.18%	25,651	70.17%
Fixed assets incl. premises, furniture & fixtures	286	0.66%	325	0.79%	363	0.89%	449	1.16%	487	1.33%
Other assets	1,411	3.25%	1,419	3.47%	1,571	3.83%	1,488	3.85%	1,237	3.38%
Non-banking assets	1,267	2.92%	33	0.08%	33	0.08%	33	0.09%	34	0.09%
Total Assets	43,428	100.00%	40,909	100.00%	41,032	100.00%	38,609	100.00%	36,557	100.00%
Borrowings from other banks, fin. inst. & agents	284	0.65%	1,075	2.63%	2,983	7.27%	1,911	4.95%	1,482	4.05%
AB Bank Subordinated Bond	1,072	2.47%	1,150	2.81%	1,181	2.88%	935	2.42%	740	2.02%
Deposits and other accounts	35,477	81.69%	31,670	77.42%	29,837	72.72%	29,072	75.30%	27,946	76.44%
Other liabilities	4,147	9.55%	4,571	11.17%	4,599	11.21%	4,242	10.99%	4,105	11.23%
Total Liabilities	40,981	94.37%	38,466	94.03%	38,601	94.08%	36,160	93.66%	34,273	93.75%
Total Equity	2,447	5.63%	2,443	5.97%	2,431	5.92%	2,449	6.34%	2,284	6.25%
Total Liabilities and Shareholders' Equity	43,428	100.00%	40,909	100.00%	41,032	100.00%	38,609	100.00%	36,557	100.00%
Off-Balance Sheet Items	5,278	12.15%	5,167	12.63%	4,232	10.31%	5,919	15.33%	4,784	13.09%

Comparative Profit & Loss Account

Particulars	2023	Mix in %	2022	Mix in %	2021	Mix in %	2020	Mix in %	2019	Mix in %
Interest income/profit on investments	2,551	80.41%	2,146	75.14%	2,038	73.68%	2,429	75.25%	2,672	84.19%
Interest/profit paid on deposits & borrowings, etc.	(2,062)	-65.01%	(1,707)	-59.79%	(1,582)	-57.19%	(2,013)	-62.37%	(1,885)	-59.40%
Net interest income	489	15.40%	438	15.35%	456	16.49%	416	12.88%	787	24.80%
Total non-interest income	622	19.59%	710	24.86%	728	26.32%	799	24.75%	502	15.81%
Total operating income	1,110	34.99%	1,148	40.21%	1,184	42.81%	1,215	37.63%	1,288	40.60%
Total operating expenses	609	19.19%	600	21.01%	571	20.64%	568	17.59%	643	20.28%
Profit before provision	501	15.80%	548	19.20%	613	22.17%	647	20.03%	645	20.33%
Total provision	260	8.20%	273	9.57%	433	15.64%	514	15.94%	514	16.20%
Profit before tax	241	7.60%	275	9.63%	181	6.53%	132	4.10%	131	4.13%
Provision for taxation	169	5.32%	207	7.26%	116	4.21%	93	2.88%	114	3.60%
Net profit after tax	72	2.28%	68	2.37%	64	2.32%	39	1.21%	17	0.53%

(Profit and Loss Account have been presented based on Gross Income (Interest income + Non-interest income))

The above Management Discussion and Analysis (MD&A) provides valuable perceptions of the Bank's performance, strategies, and future prospects. By bridging the gap between financial statements and the overall business operations, the MD&A offers shareholders, investors, and stakeholders a deeper understanding of the Bank.



Tarique Afzal
Managing Director & CEO

KEY EVENTS







"Remembering Bangabandhu" AB offers Shohoj Loan for women entrepreneurs



AB Bank disburses loans to the marginal farmers and women entrepreneurs at Kotalipara, Tungipara and Gopalganj



AB Bank inaugurates its Sub-Branch at Bhola Sadar



AB Bank inaugurates its Sub-Branch at Tajmahal Road, Mohammadpur, Dhaka



AB Bank launches 'Ahlan'- A complete shariah based Islamic Banking service



AB Bank participates in a Debut Trading and Ring the Bell occasion of commencement of the trading of AB Bank Perpetual Bonds at Dhaka Stock Exchange PLC. (DSE)



AB Bank introduces Smart Card Loan for women entrepreneurs



AB Bank celebrates International Women's Day



AB Bank wins award as one of the highest taxpayers in banking sector for 2022-23 Tax year at the Large Taxpayers Unit (LTU)



AB Bank wins MasterCard Excellence Awards in five categories

The image features a dark teal background with a light teal grid. In the center, there is a 3D illustration of a bar chart where the bars are stacks of white, rounded rectangular blocks. The height of the stacks increases from left to right. A white line graph is overlaid on the blocks, showing an overall upward trend. A white arrow points from the top of the tallest stack towards the upper right corner of the grid. A large, semi-transparent red circular graphic with a stylized, swirling pattern is centered over the blocks. In the top right corner, there is a faint, large-scale version of the same red circular pattern.

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.

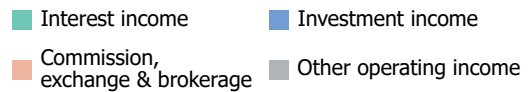
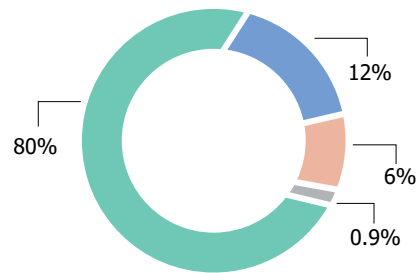
Economic impact related to a bank as an institution and ordained activities of a bank extends beyond the boundaries of any single organization and is linked to both environmental and social development. By analyzing economic impact we seek to understand how a company adds value to society. Bank's direct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

BDT in crore

Source of Income	2023	%	2022	%
Interest income	2,551	80%	2,146	75%
Investment income	392	12%	402	14%
Commission, exchange and brokerage	202	6%	266	9%
Other operating income	28	0.9%	42	1.5%
Total	3,172	100%	2,855	100%

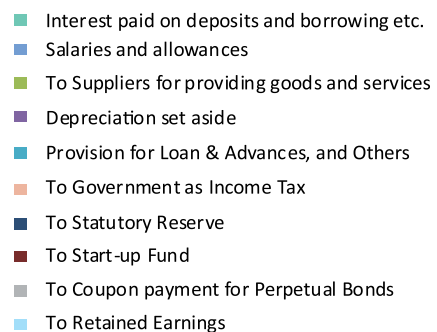
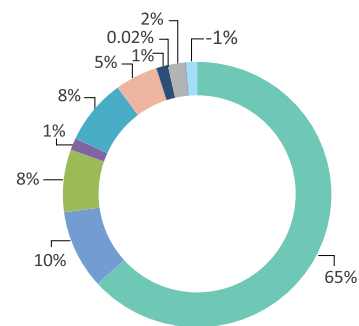
Income Sources



BDT in crore

Distribution of Income	2023	%	2022	%
Interest paid on deposits and borrowing etc.	2,062	65%	1,707	60%
Salaries and allowances	313	10%	315	11%
To Suppliers for providing goods and services	249	8%	229	8%
Depreciation set aside	47	1%	56	2%
Provision for Loan & Advances, and Others	260	8%	273	10%
To Government as Income Tax	169	5%	207	7%
To Statutory Reserve	45	1%	54	2%
To Start-up Fund	1	0%	1	0%
To Coupon payment for Perpetual Bonds	70	2%	35	1%
To Retained Earnings	-44	-1%	-22	-1%
Total	3,172	100%	2,855	100%

Income Distribution



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

A. Maintaining adequate capital

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

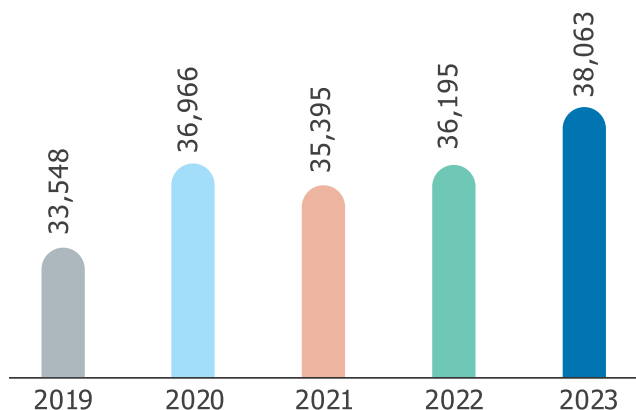
At the end of 2023, Bank's total capital reached at BDT 3,806 Crore as against BDT 3,620 Crore on 31 December 2022.

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

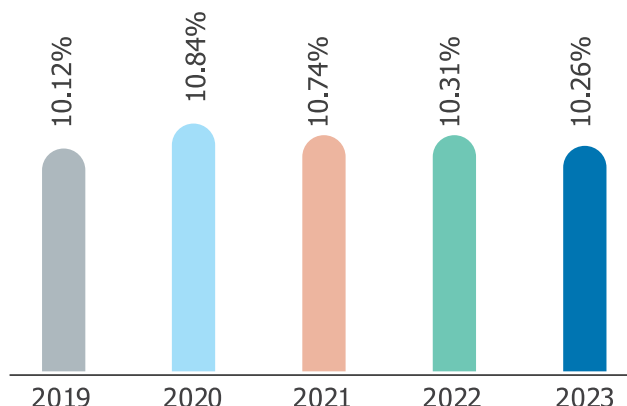
Particulars	BDT in crore	
	2023	2022
Common Equity Tier-I	2,102	1,974
Additional Tier-I	556	527
Tier-I	2,659	2,501
Tier-II	1,148	1,119
Total Capital	3,806	3,620
Risk weighted assets	37,100	35,110
CRAR against:		
Common Equity Tier-I	5.67%	5.62%
Additional Tier-I	1.50%	1.50%
Tier-I	7.17%	7.12%
Tier-II	3.09%	3.19%
Total CRAR	10.26%	10.31%

Total Capital

In Million BDT



Capital To Risk Weighted Assets Ratio (%)



B. Risk Management

Risk management covering Credit Risks, Market Risks, Operational Risks, Foreign Exchange Risks, Interest Rate Risks and Liquidity 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.

The Board of Directors has recommended 2% stock dividend for the year 2023 according to Bangladesh Bank letter no. DOS(CAMS)1157/41(Dividend)/2024-1842 dated 30 April 2024.

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.

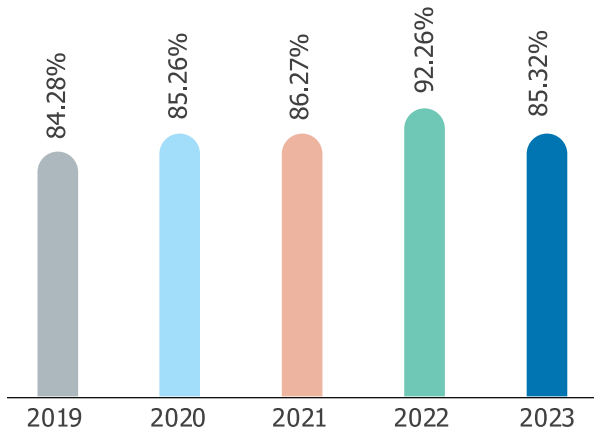
AB maintains positive mismatch in interest earning assets and interest bearing liabilities. Bank has detailed laid down plan for business inflow- outflow to manage liquidity profile and also ensure generation of profitability.

E. Utilization of Resources

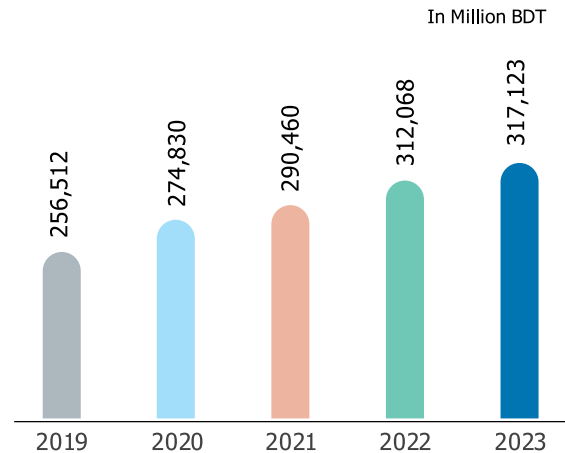
Bank follows a well defined strategy and plan to mobilize resources such as deposits and borrowings besides the capital, cost effective market responsive measures of fund mobilization are adopted for the purpose with due consideration for of profitable investments for bottom line growth.

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.

Loan Deposit (LD) Ratio



Total Loans & Advances



F. Contribution to the National Exchequer

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

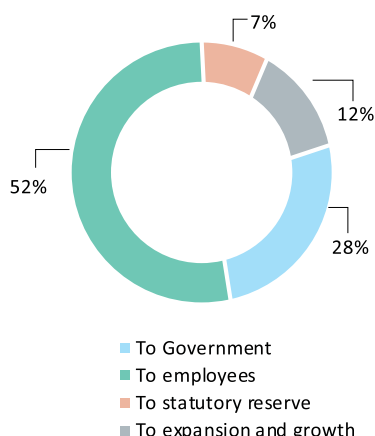
G. VALUE ADDED STATEMENT

Value Added Statement (VAS) for the year ended 31 December 2023

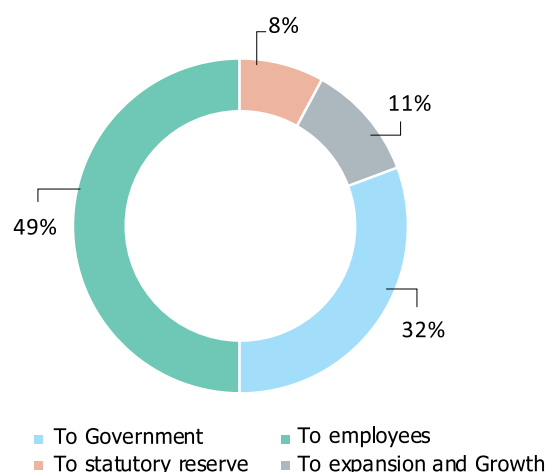
The Value Added Statement for the Bank shows how the value is created and distributed among different stakeholders of the Bank.

	2023 Crore BDT		2022 Crore BDT	
Income from Banking Services/Total Income	3,172.38		2,855.46	
Less: Cost of services & supplies				
Interest paid on deposits and borrowings, etc	2,062.31		1,707.39	
Total operating expenses excluding salary and allowances, loan loss charges and depreciation & amortization	248.65		228.56	
	2,310.96		1,935.95	
Less: Provision for loans & advances and others	260.13		273.29	
Total value added	601.29		646.22	
Distribution of added value				
To Government	168.83	28%	207.17	32%
To Employees	312.82	52%	315.31	49%
To Statutory Reserve	45.03	7%	53.59	8%
To Expansion and Growth	74.62	12%	70.14	11%
Retained Earning	-43.74		-21.68	
Start-up Fund	0.72		0.68	
Coupon payment for Perpetual Bonds	70.18		35.14	
Depreciation & Amortization	47.46		56.01	
	601.29		646.22	

Distribution of Value Addition 2023



Distribution of Value Addition 2022



H. ECONOMIC VALUE ADDED STATEMENT

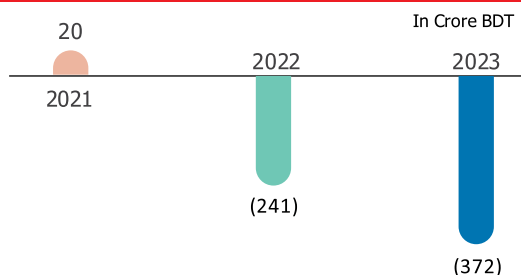
EVA Statement for the year ended 31 December 2023

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

	2023	2022	2021
Shareholder's equity	2,447	2,443	2,431
Add: Cumulative provisions	3,058	3,113	2,986
Total Invested fund by shareholders	5,505	5,556	5,417
Average Shareholder's equity [A]	5,530	5,486	5,076
Earnings for the year			
Profit after taxation	72	68	64
Add: Total provisions excluding taxation	260	273	433
Earning for the year [B]	332	341	497
Average Cost of Equity (based on rate of 10 years T-Bond plus 2% risk premium) [C]	12.74%	10.60%	9.40%
Cost of average equity [D=A X C]	705	582	477
Economic Value Added [B-D]	-372	-241	20

Economic Value Added



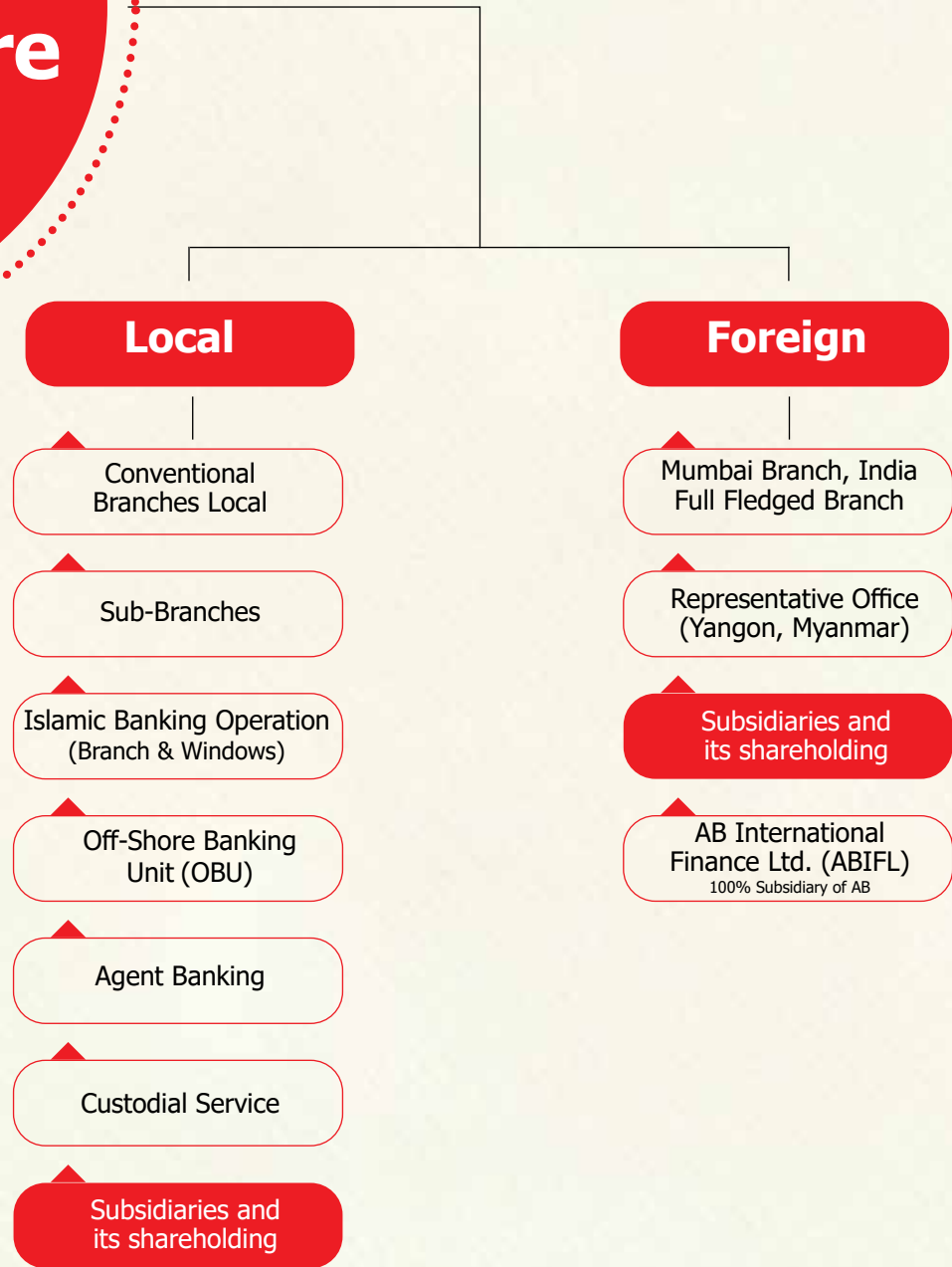
I. MARKET VALUE ADDED (MVA)

Market Value Added (MVA) Statement for the year ended 31 December 2023

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 BDT 852 crore whereas the book value of the Shareholder's Equity stood at BDT 2,447 crore.

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 Bangladesh Securities & 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.

The Board of Directors of AB Bank comprises of 07 (seven) Members including Managing Director & CEO. The Board of Directors of AB Bank is a professionally run forum having Members from various backgrounds and professions.

The 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 2023, Board Meeting held at least once in a month.

Audit Committee comprises of 3 (three) Members. Chairman of the Audit Committee is an 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 Code.

Risk Management Committee (RMC) of the Bank has been formed in compliance of Bank Companies Act, 1991 (amended up to 2023) under Section 15 Kha, and subsequent BRPD Circular No. 02 dated February 11, 2024. 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.

Executive Committee of the Bank has been formed with compliance of BRPD Circular No.02 dated February 11, 2024. At present, Executive Committee comprises of 03 (three) Board members and run as per terms of references set by the Board.

Shariah Supervisory Committee of the Bank has 6 (six) 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 forthwith disclosed through the adherence of proper rules/guidelines/directives in the form of Price Sensitive Information (PSI). Bank also ensures submission of returns to Regulatory Bodies in full-compliance of the requirements and appropriate disclosures ensuring transparency and accountability.

The 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. The 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.

Managing Director & CEO 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), AB Securities Limited (ABSL) and Cashlink Bangladesh Limited (CBL) governed by rules and regulations of the Bangladesh Securities & Exchange Commission (BSEC) mostly. Arab Bangladesh Bank Foundation, philanthropic entity of the Bank is being conducted under the Society Registration Act, 1860.

Business Plan vs Achievements in 2023

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 2023 with respect to Business Plan Target are given below:

BDT in crore

Performance	BGT 2023	ACT 2023	Variance	
			Amount	%
Operating Profit	690	501	(188)	(27)
Provisions for loans and others	354	260	(94)	(27)
Profit before Tax	335	241	(94)	(28)
Provision for Tax	260	169	(91)	(35)
Net Profit After Tax	75	72	(3)	(4)
Loans and Advances	32,715	31,712	(1,003)	(3)
Deposits	35,969	35,477	(492)	(1)
Import	6,000	5,437	(563)	(9)
Export	4,188	4,129	(59)	(1)
Guarantee	1,123	893	(230)	(20)
Inward Remittance (USD)	34	34	(0)	(0)

Inspection by Bangladesh Bank

Bangladesh Bank conducted comprehensive inspection for the year ended December 31, 2023. Tripartite meeting among Bangladesh Bank, External Auditors and Management of AB Bank held for finalization of Annual Financial Statements.

External Audit

External Auditors covered 8 (eight) Branches and Head Office as part of the Annual Audit Program. Auditors covered 86% 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 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 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:

Annexure-A

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)	√		
1(2)	Independent Directors			
1(2)(a)	At least one fifth (1/5) of the total number of Directors shall be Independent Directors	√		
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	√		
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 and 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 BDT 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 BDT 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, Managing Director & CEO
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	√		
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 ("√"/)		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 ("√"/)		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	-		As per BRPD Circular No. 02 dated February 11, 2024 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. With reference to BRPD Circular Letter No. 21 dated May 12, 2024 Audit Committee will perform the responsibilities of NRC Committee.
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 ("√"/)		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	-		As per BRPD Circular No. 02 dated February 11, 2024 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. With reference to BRPD Circular Letter No. 21 dated May 12, 2024 Audit Committee will perform the responsibilities of NRC Committee.

Condition No	Title	Compliance Status ("√"/ "Not Complied")		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 ("√"/)		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	-		As per BRPD Circular No. 02 dated February 11, 2024 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. With reference to BRPD Circular Letter No. 21 dated May 12, 2024 Audit Committee will perform the responsibilities of NRC Committee.
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	-		As per BRPD Circular No. 02 dated February 11, 2024 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. With reference to BRPD Circular Letter No. 21 dated May 12, 2024 Audit Committee will perform the responsibilities of NRC Committee.
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	-		

Condition No	Title	Compliance Status ("√"/)		Remarks (if any)
		Complied	Not Complied	
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	-		As per BRPD Circular No. 02 dated February 11, 2024 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. With reference to BRPD Circular Letter No. 21 dated May 12, 2024 Audit Committee will perform the responsibilities of NRC Committee.
6(3)(b)	In the absence of the Chairperson of the NRC, the remaining members elected one of themselves as Chairperson for that particular meeting, the reason of absence of the regular Chairperson is duly recorded in the minutes	-		
6(3)(c)	The Chairperson of the NRC attended the annual general meeting (AGM) to answer the queries of the shareholders	-		
6(4)	Meeting of the NRC			

Condition No	Title	Compliance Status ("√" has been put in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
6(4)(a)	The NRC has conducted at least one meeting in a financial year	-		As per BRPD Circular No. 02 dated February 11, 2024 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. With reference to BRPD Circular Letter No. 21 dated May 12, 2024 Audit Committee will perform the responsibilities of NRC Committee.
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			As per BRPD Circular No. 02 dated February 11, 2024 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. With reference to BRPD Circular Letter No. 21 dated May 12, 2024 Audit Committee will perform the responsibilities of NRC Committee.
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:	-		As per BRPD Circular No. 02 dated February 11, 2024 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. With reference to BRPD Circular Letter No. 21 dated May 12, 2024 Audit Committee will perform the responsibilities of NRC Committee.
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	√		

Condition No	Title	Compliance Status ("√") has been put in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
7(1)(iv)	Non-engagement in Broker-dealer services	√		
7(1)(v)	Non-engagement in actuarial services	√		
7(1)(vi)	Non-engagement in internal audit services	√		
7(1)(vii)	Non-engagement in any other services that the Audit Committee determines	√		
7(1)(viii)	Non-engagement in audit or certification services on compliance of corporate governance as required under condition No. 9(1); and	√		
7(1)(ix)	Non-engagement in any other service that creates conflict of interest	√		
7(2)	No partner or employees of the external audit firms possesses any share of the company during the tenure of their assignment	√		
7(3)	Representative of external or statutory auditors remained present in the Shareholders' Meeting (Annual General Meeting or Extraordinary General Meeting) to answer the queries of the shareholders	√		
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	√		

Report to the Shareholders of AB Bank PLC. On compliance with the Corporate Governance Code

Certificate as per condition no. 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 PLC. ("The Bank") for the year ended on 31 December 2023. This Code relates to the Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June 2018 of Bangladesh Securities and Exchange Commission (BSEC).

Such compliance with Corporate Governance Code is the responsibility of the Bank. 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 Bank has complied with the conditions of Corporate Governance Code as stipulated in above mentioned Corporate Governance Code issued by the BSEC; except condition nos. 1(7), 4(ii) and 6 due to Bangladesh Bank's regulations, BRPD Circular No. 02 dated 11 February 2024 restricting to form any committee other than those allowed by them as stated in Annexure-A. However, the above conditions were replaced by BRPD Circular Letter No. 21 dated 12 May 2024 where audit committee will comply above conditions which do not fall during the period of our reporting;
- (b) The Bank 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 Bank as required under the Companies Act, 1994, the securities laws and other relevant laws; and
- (d) The Governance of the Bank found to be satisfactory.



Dhaka, Bangladesh
Dated, 19 May 2024

Md. Moktar Hossain, FCA
Senior Partner
Enrollment no. 728
S. F. AHMED & CO.
Chartered Accountants

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 Bangladesh Bank (BB), Bangladesh Securities & 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 Companies Act, 1991 (as amendment up to 2023).

The Directors' Report of AB Bank PLC. confirm that Directors' Report together with the Financial Statements in the Annual Report for the year 2023 have been prepared in compliance with laws, rules and regulatory guidelines as per the Companies Act, 1994; The Bank Companies Act, 1991 (as amendment up to 2023), guidelines issued by Bangladesh Bank and BSEC Corporate Governance Code.

The 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. The Board acknowledges its responsibility for establishing Internal Control Systems' efficiency, effectiveness, reliability, timeliness, completeness and compliance with applicable laws and regulations.

The Board of Directors of AB Bank PLC. meets regularly to consider Bank's policies, procedures, risk management and business plan among others. During the year 2023, twenty six (26) meetings of the Board of Directors took place. This report should be read in conjunction with Auditors' Report to the Shareholders of AB Bank PLC. 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

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 2023) 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.

STATEMENT OF UNPAID OR UNCLAIMED DIVIDEND

This statement has been prepared and disclosed in compliance with Clause (3) (vii) of the Bangladesh Securities and Exchange Commission (BSEC) Directive No. BSEC/CMRRCD/2021-386/03, dated 14 January 2021. Dividend of various years remained unpaid or unclaimed due to the presence of stale BO accounts, missing or old delivery addresses or bank accounts, issued dividend warrants are yet to be deposited, etc.

The following tables show the aggregate position of cash & stock dividend remained unpaid or unclaimed in a summarized manner:

Unpaid or Unclaimed Stock Dividend:

S/N	Year	No. of Shares	Remarks
1	Stock Dividend for the year 2005 to 2019	4,580,276	Transferred to the Capital Market Stabilization Fund (CMSF)
2	Stock Dividend for the year-2020	248,508	Less than 3 years balance
3	Stock Dividend for the year-2021	167,569	Less than 2 years balance
4	Stock Dividend for the year-2022	116,088	Less than 1 year balance

Unpaid or Unclaimed Cash / Fractional Dividend:

S/N	Year	No. of Shares	Remarks
1	Fractional Dividend for the year 2014 to 2019	453,534.41	Transferred to the Capital Market Stabilization Fund (CMSF)
2	Fractional Dividend for the year-2020	121,234.06	Less than 3 years balance
3	Dividend for the year-2021	4,083,608.34	Less than 2 years balance
4	Fractional Dividend for the year-2021	70,528.33	Less than 2 years balance
5	Fractional Dividend for the year-2022	66,321.74	Less than 1 year balance

REPORT OF THE AUDIT COMMITTEE

Audit Committee works according to the code issued by Bangladesh Securities & 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 Polices and Principles, Internal Control Risk Management Process.
- Monitor Compliance Culture.
- Recommendation for appointment of external auditor.
- Review compliance with laws and regulations set by the regulatory authorities and internal policies, etc.

Composition of the Audit Committee

The Audit Committee, comprising 3 (three) Directors, including 2 (two) Independent Directors whose are vast experiences in Banking industry and expertise in Accounting, Finance, Economics, Banking, and Strategy, adheres to the requirements of the Code of Corporate Governance issued by Bangladesh Bank and BSEC. Chairman of the Committee is an Independent Director having extensive knowledge, experience and insight, the Committee ensures effective oversight.

SN	Name	Position with the Bank	Position with the Committee	No. of meeting held during the year	No. of meeting attendance during the year
01.	Mr. Shafiqul Alam	Independent Director	Chairman	07	07
02.	Mr. Feroz Ahmed*	Director	Member	02	01
03.	Mr. Shajir Ahmed**	Director	Member	05	05
04.	Mr. Md. Maqsubul Huq Khan**	Director	Member	05	05
05.	Mr. Md. Eskandar Miah	Independent Director	Member	07	07

Total number of Audit Committee Meeting held = 07 (seven)

*Mr. Feroz Ahmed was appointed as Member of Audit Committee on 771st Board Meeting held on September 20, 2023.

**Audit Committee was reconstituted in the 771st Board Meeting held on September 20, 2023 where Mr. Shajir Ahmed and Mr. Md. Maqsubul Huq Khan were outgoing members.

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

The Audit Committee attentively fulfills its oversight responsibilities in accordance with the directives of the Board, ensuring compliance with the Corporate Governance Code issued by BSEC, Guidelines of Bangladesh Bank and pertinent laws and directives issued by regulatory authorities.

- Reviewed the Internal Audit Plan for the year 2023.
- 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 Anti-fraud 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 2023 prepared by the Management and its audited by the External Auditor, M M Rahman & Co. 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 Bank 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 RISK MANAGEMENT COMMITTEE (RMC)

Risk Management Committee (RMC) provides oversight and supervision with regards to the identification and evaluation of major strategic, operational, regulatory, external & internal and credit risks inherent in the Bank's business and the control processes with respect to such risks. Assistance is extended to review, guide and manage various risks resulting from the implementation of strategies and action plans approved by the Board of Directors.

Formation of the RMC

Pursuant to Section 15 Kha (3) of the Bank Companies Act, 1991 (amended up to 2023) and in compliance with BRPD Circular No. 02, dated February 11, 2024 of Bangladesh Bank, the Board of Directors formed a Risk Management Committee (RMC) to carry out an effective role in mitigating impending risks arising out of strategies and policies formulated by the Board.

The objective of the committee is also to ensure proper risk governance; overseeing, directing and setting policies and reducing probable risks arising during implementation of policies, procedures and strategies. Periodic review of adequacy of capital and provisions against the identified risks are the focus area of RMC of the Board.

Composition of the RMC

The Risk Management Committee of the Board comprises 3 (three) non-executive directors including 2 (two) Independent Directors solely nominated by the Board of Directors in compliance with the relevant provisions of the Bangladesh Bank. The Company Secretary acts as the Secretary of the Committee. The name of members, their status in RMC and attendance in the meetings are noted below:

SN	Name	Position with the Bank	Position with the Committee	No. of meeting held during the year	No. of meeting attendance during the year
01.	Mr. Shafiqul Alam	Independent Director	Chairman	07	07
02.	Mr. Feroz Ahmed	Director	Member	07	07
03.	Mr. Md. Maqsudul Huq Khan	Director	Member	05	05
04.	Mr. Md. Eskandar Miah	Independent Director	Member	02	02

Total number of Risk Management Committee Meeting held = 07 (seven)

* Risk Management Committee was reconstituted in the 771st Board Meeting held on September 20, 2023 where Mr. Md. Maqsudul Huq Khan was outgoing members.

**Mr. Md. Eskandar Miah was appointed as member of the Committee on 771st Board Meeting held on September 20, 2023.

Roles and responsibilities of RMC

The roles and responsibilities of RMC have been framed in line with the BRPD Circular No. 02, Dated February 11, 2024 Bangladesh Bank, Some important roles and responsibilities are highlighted below:

- Risk Identification & Control Policy: The Committee formulate and implement appropriate strategies for risk identification, assessment and its control. The Committee monitors Risk management policies & methods and amend it if necessary. The Committee reviews the risk management process to ensure effective prevention and control measures.
- Construction of Organizational Structure: The Committee ensures an adequate organizational structure for managing risk within the bank. The Committee supervises formation of separate management level committees and monitors their activities for the compliance of instructions of lending risk, foreign exchange transaction risk, internal control & compliance risk, money laundering risk, information & communication risk including other risk related guidelines.

- Analysis and Approval of Risk Management Policy: The Committee reviews the Risk Management policies & guidelines of the bank annually and amends if necessary and sends it to the Board of Directors for their approval. Besides, they review the lending limit at once annually.
- Storage of Data & Reporting System: The Committee ensures adequate record keeping & reporting system developed by the bank management. The Committee minutes its proposal, suggestions and summary in a specific format and informs the Board of Directors.
- Monitoring the implementation of overall Risk Management Policy: The Committee observes proper implementation of comprehensive risk management policies. They monitor whether proper steps have been taken to mitigate all risks including lending risk, market risk, and management risk.
- Other Roles and Responsibilities: The Committee submits the decision and suggestions to the Board of Directors quarterly in brief. The Committee complies with instructions issued from time to time by controlling authorities. Whenever required, the Committee collects evaluation reports from the Chief Risk Officer, internal and external auditors.

Major activities during the year:

- Reviewed Monthly Risk Management Reports, half yearly Comprehensive Risk Management Reports (CRMR) with certain recommendations and directions endorsed the same for onward submission to Bangladesh Bank (BB).
- Reviewed Stress Test Reports in quarter ending March, June, September and December 2023 and given their recommendations to approve the same by the Board.
- Reviewed the reports on Risk Management Policies of AB Bank and ensure effectiveness of risk management functions in the Bank for the year 2023.
- Reviewed the BASEL-III Report in quarter ending March, June, September and December 2023 and given their recommendations to approve the same by the Board.

Acknowledgement

The members of Risk Management Committee of AB Bank express their appreciation and thanks to the members of the Board, the Management Team, and the different Risk Committee for their unwavering and constructive support for discharging their duties and responsibilities.



Shafiqul Alam
Chairman
Risk Management Committee

REPORT OF THE SHARI'AH SUPERVISORY COMMITTEE FOR THE YEAR 2023

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

To the Shareholders,
As-salamu Alaykum Wa Rahmatullah.

Report of AB Bank Shari'ah Supervisory Committee for the year-2023.

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

During the Year 2023, AB Bank Shari'ah Supervisory Committee met physically 03 (Three) times and reviewed different operational issues including those referred to it by the Management of the Bank and gave opinion and decisions related to Islamic Shari'ah.

The important issues attended by the AB Bank Shari'ah Supervisory Committee as follows:

1. Reviewing the yearly Shari'ah Audit Report 2022 of Islami Banking Branch.
2. Approving the Final Accounts, 2022 of Islami Banking Branch.
3. Approving the Annual Report of Shari'ah Supervisory Committee for the year 2022 on Islamic Banking.
4. Approving the brand of 'Ahlan' for Islamic Banking Operation.
5. Expansion of Islamic Banking activities through window operations over the country (Already obtained of 08 (Eight) Windows in 08 (Eight) Division Cities)

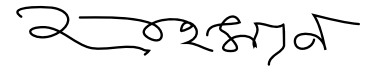
The Supervisory Committee after reviewing the Shari'ah Inspection Reports, Balance Sheet and Profit & Loss Account Statement (as on the 31st December, 2022) of Islamic banking operation of the Bank for the year 2023 gave the following opinion:

1. In Bai Murabaha /Muajjal mode, buying and selling are being done by ensuring physical / constructive possession of the goods.

2. The agreements for investment and transactions entered into by Islami Banking Branch during the period concerned have been made in accordance with the Principles of Islamic Shari'ah.
3. Profit distributed to Mudaraba Depositors has been made following the weightage system (PSR).
4. The officials of Islami Banking Branch are committed to comply with the Shari'ah directives.
5. In 2023, Compensation Realized Fund being used for educational purpose and towards upholding the necessities of human mankind.

To the best of our knowledge no gross violation and lapses in the Islamic banking operations of the Branch have been detected.

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



(Justice Siddiqur Rahman Miah)

Chairman
AB Bank Shari'ah Supervisory Committee

RISK MANAGEMENT REPORT



1. Risk Management in Banking sector

Risk Management is crucial for a Bank to ensure its profitability and stability. It refers to the practice of identifying probable risks in advance, analyzing them and taking necessary precautionary measures to reduce it. Efficient tradeoff between risk and reward is compulsory for any financial institution to maximize its risk-adjusted returns within stipulated boundaries. The globalization of financial markets, rapid technological advancements, and intensifying competition have significantly impacted the banking industry, underscoring the critical importance of effective risk management in today's environment.

AB Bank PLC. acknowledges the critical importance of incorporating risk management into its strategic and operational planning. To address this, the Bank has established a dedicated Risk Management Division (RMD) to oversee all risk management matters. The Bank fosters a robust, disciplined, and inclusive risk management culture, where responsibility for risk management is shared among all employees and integrated across all functions. The RMD plays a pivotal role in ensuring the Bank's stability and security by not only implementing it but also maintaining adequate systems and processes to manage risks in accordance with established guidelines.

2. Risks Areas in Banking

Core Risk Areas	Other Material risk
<ul style="list-style-type: none">• Credit risk• Market risk• Operational risk• Liquidity risk• Money Laundering risk• ICT risk	<ul style="list-style-type: none">• Business Risk• Reputational Risk• Residual Risk• Settlement Risk• Strategic Risk• Human Resources• Turnover Risk• Environmental And Climate Change Risk

3. Risk Culture in AB Bank PLC.

A sound and consistent risk culture is essential for effective risk management within AB Bank PLC. Recognizing this, the Bank strives to build and maintain a robust risk culture to gain a competitive edge in the industry. The Board of Directors and Bank Management promote a culture of accountability, ensuring adherence to risk management protocols. Responsibility for risk management originates with the Board of Directors, cascades to Senior Management, and extends throughout the organization. The importance of risk culture and its impact on effective risk management is a top priority for the Board and Senior Management. The Bank has implemented relevant policies, guidelines, and manuals for various functional areas in line with Central Bank guidelines and regulations.

4. 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 & procedures to follow up on breaches and deviations.

a. Risk Appetite Framework

AB Bank has its yearly Risk Appetite 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 its Board approved Risk Appetite Statement (RAS) for the year-2023.

b. Policies & Guidelines

AB Bank PLC. 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 & 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 as well as 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 for implementation 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) play a vital role in Bank's risk management monitoring process.

5. Risk Management

a) Credit Risk Management:

Credit risk is one of the most evident risks in the banking industry, making Credit Risk Management a critical focus area for every bank. AB Bank consistently implements the most effective measures to ensure customers repay their dues 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.

In addition to the CRM division, AB Bank has dedicated credit teams at both branch and business division levels. These teams conduct thorough analyses of prospective borrowers' financial health, cash flow trends, business status, market reputation, and industry experience. The Bank also employs various risk mitigation tools, including customer credit rating, centralized credit limit activation, and a software-based credit monitoring system.

b) Market Risk Management

Managing Market Risk is essential for all the banks due to the volatile nature of the current markets. AB Bank has a dedicated Asset Liability Committee (ALCO) 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 for taking 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 & transparent business growth while minimizing non-traded market risk.

c) Operational Risk Management

AB Bank is always cautious about the Operational risk issues, as this is the risk that comes from the within. The Bank has been diligently addressing operational risk issues with the highest priority.

To avoid direct or indirect operational losses, Bank deploys adequate internal controls and resource accountability. AB Bank believes that Operational risk management is not solely about internal control; rather a sound internal control mechanism which can complement the operational risk management of the organization very well. The Bank is committed to mitigating this type of risk through comprehensive, approved operational guidelines and a dedicated team to implement policies at all levels. This is achieved through meticulous checks and balances, frequent audits, and extensive training and meetings to enhance awareness across the organization.

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 turned out to be insufficient to meet maturing obligations. AB Bank PLC. 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 PLC. 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 PLC has consistently responded in accordance with directives from the central bank, placing strong emphasis on combating money laundering and the financing of terrorism through continuous awareness programs and year-round training sessions for all staff members. To avoid all sorts of risks that are directly associated with 'money' & to safeguard the bank from all possible threats, AB Bank PLC. 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) & 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 reviews 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 PLC. 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 PLC. has 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 /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 PLC. emphasizes on Reputation Risk and Settlement Risk management, being these two as one of the main measures of the Internal Capital Adequacy Assessment Process (ICAAP) 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 PLC has played a significant role in ensuring the smooth operation of foreign exchange activities, earning appreciations from external entities for its efficient management of accepted liability bills.

In a nutshell, the Bank's Risk Management function aims to safeguard its reputation as a whole, so that the institution does not lose its consumer or trust of stakeholder.

6. 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 (rating related to Capital adequacy, Asset quality, Management capability, Earnings, Liquidity and Sensitivity). To have a cushion to absorb any unforeseen shock, the capital adequacy position and assessment is reported to the Board of Directors as well 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.

7. 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, 2023 has been approved by the Board of Directors of the Bank and submitted to Bangladesh Bank accordingly.

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

Supervisory Review Process (SRP) gives emphasis on 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 PLC. 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 Companies (Amendment up to 2023) Act, 1991

AB Bank PLC annually prepares the Internal Capital Adequacy Assessment Process (ICAAP) document, ensuring adherence to all regulatory standards. Upon completion, the document undergoes necessary approval from the Board of Directors before being submitted to Bangladesh Bank for further review and discussion during the Supervisory Review and Evaluation Process (SRP-SREP) dialogue.

9. Executive Risk Management Committee (ERMC)

To strengthen the Risk Management system of the Bank, AB Bank PLC. has constituted Executive Risk Management Committee (ERMC) as per Bangladesh Bank guidelines. 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 PLC. comprises of its senior level executives, who heads 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 convener, 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.

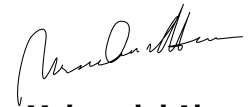
ERMC focused areas of discussion- year 2023:

- All Monthly Risk Management Reports (MRMRs) & Comprehensive Risk Management Reports (CRMRs) 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
- Discussed on Bank's Risk Appetite of the year through the yearly Risk Appetite Statement.
- Monitored periodical Risk KRIs of the Bank in comparison to the yearly approved Risk Appetite Statement.

- Raised awareness on contemporary economic issues, both regional and global, for planning on LC openings, payments and other Foreign Exchange (FX) dealings.
- Emphasized on ICT Security related issues and recommended on strengthening ICT Security Unit of the Bank.
- The committee also put emphasis on operational issues to ensure increased safety & security measure, so that no fraud forgeries can occur.
- ERMCM also discussed on all other contemporary issues as it deemed necessary time to time.

10. 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 PLC. is holding in the Banking industry for long 42 years, the Bank is considering Risk Management as core part of Bank's strategic planning. Along with the business growth and profit maximization, 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

STATEMENT FROM MANAGING DIRECTOR & CEO AND CHIEF FINANCIAL OFFICER

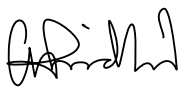
Pursuant to the condition No. 1(5)(xxvi) imposed vide the Commission's Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June 2018 under section 2CC of the Securities and Exchange Ordinance, 1969, we do hereby declare that:

1. The Financial Statements of AB Bank PLC. for the year ended on December 31, 2023 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, 2023 and that to the best of our knowledge and belief:
 - (a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (b) these statements collectively present true and fair view of the Bank's affairs and are in compliance with existing accounting standards and applicable laws.
- (ii) There are, to the best of knowledge and belief, no transactions entered into by the Bank during the year which are fraudulent, illegal or in violation of the code of conduct for the Bank's Board of Directors or its members.

This is placed for kind perusal of the Board.



K.M. Mohiuddin Ahmed
DMD & CFO



Tarique Afzal
Managing Director & CEO

AUDITOR'S REPORT AND AUDITED **CONSOLIDATED & SEPARATE FINANCIAL STATEMENTS**



Independent Auditors' Report

To the Shareholders of AB Bank PLC.

Report on the Audit of the Consolidated and Separate Financial Statements

Opinion

We have audited the consolidated financial statements of AB Bank PLC. and its subsidiaries (the "Group") as well as the separate financial statements of AB Bank PLC. (the "Bank"), which comprise the consolidated and separate Balance Sheets as at December 31, 2023, 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 December 31, 2023, 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 the International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' 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 judgement, were of the 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, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below our description of how our audit addressed the matter is provided in that context.

The key audit matter	How the matter was addressed in our audit
<p>Measurement of provision for loans and advances</p> <p>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.</p> <p>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.</p> <p>At December 31, 2023, the Group reported total gross loans and advances of BDT 325,433 million (2022: BDT 320,411 million) and the Bank reported provision for loans and advances of BDT 27,323 million (2022: BDT 28,740 million). Refer to note nos. 7(a), 8(a), & 15(a) to the consolidated financial statements.</p>	<p>We tested the design and operating effectiveness of key controls focusing on the provisioning process and identification of loss events including early warning indicator.</p> <p>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.</p>

The key audit matter	How the matter was addressed in our audit
Valuation of treasury bill and treasury bonds	
<p>The classification and measurement of treasury bills (T-Bills) and treasury bonds (T-Bonds) require judgment and complex estimates.</p> <p>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.</p>	<p>We assessed the processes and controls put in place by the Bank to identify and confirm the existence of treasury bills and treasury bonds.</p> <p>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.</p> <p>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.</p> <p>Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards and Bangladesh Bank's guidelines.</p>
Impairment assessment of unquoted investments	
<p>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.</p>	<p>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 December 31, 2023 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.</p>
Measurement of deferred tax assets	
<p>The Group and Bank have recognized deferred tax assets for deductible temporary difference that it believes are recoverable.</p> <p>We have determined this to be a key audit matter, due to the inherent uncertainty in forecasting the amount and timing of future taxable profits and the reversal of temporary differences where significant judgement is involved.</p> <p>The Bank reports net deferred tax assets totaling to BDT 2,407 million (2022: 3,562 million) as at December 31, 2023.</p> <p>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.</p>	<p>The Group and Bank have recognized deferred tax assets for deductible temporary difference that it believes are recoverable.</p> <p>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.</p> <p>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.</p> <p>Finally, we assessed the appropriateness and presentation of disclosures against IAS 12 – Income Taxes and the instruction of Bangladesh Bank regarding DTA's.</p>
Legal and regulatory matters	
<p>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.</p>	<p>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.</p> <p>We required to those charged with governance to obtain their view on the status of all significant litigation and regulatory matters. We required of the Group's internal legal counsel for all significant litigation and regulatory matters and inspected internal notes and reports. We also received formal confirmations from external counsel.</p>

The key audit matter	How the matter was addressed in our audit
<p>These uncertainties inherently affect the amount and timing of potential outflows with respect to the provisions which have been established and other contingent liabilities.</p> <p>Overall, the legal provision represents the Group's best estimate for existing legal matters that have a probable and estimable impact on the Group's financial position.</p>	<p>We assessed the methodologies on which the provision amounts are based, recalculated the provisions, and tested the completeness and accuracy of the underlying information.</p> <p>We also assessed the Group's provisions and contingent liabilities disclosure.</p>
IT systems and controls	
<p>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.</p> <p>Our areas of audit focus included user access management, developer access to the production environment, and changes to the IT environment. These are keys to ensuring IT dependent and application-based controls are operating effectively.</p>	<p>We tested the design and operating effectiveness of the Group's IT access controls over the information systems that are critical to financial reporting.</p> <p>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.</p> <p>We tested the Group's periodic review of access rights. We inspected requests of changes to systems for appropriate approval and authorization.</p> <p>We considered the control environment relating to various interfaces, configuration and other application layer controls identified as key to our audit.</p>
Carrying value of investments in subsidiaries by the Bank	
<p>The Bank has invested in equity shares of its five subsidiaries, namely AB Investment Limited, AB Securities Limited, Cash link Bangladesh Limited, AB International Finance Limited, Hong Kong and Arab Bangladesh Bank Foundation.</p> <p>As at December 31, 2023 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.</p> <p>Management has conducted an impairment assessment and calculated the recoverable value of its subsidiaries in accordance with IAS 36. Refer to note no. 10 to the financial statements.</p>	<p>We have reviewed management's analysis of impairment assessment and recoverable value calculation of subsidiaries in accordance with IAS 36.</p> <p>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.</p> <p>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.</p>

Other Information

Management is responsible for the other information. The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The Annual Report 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 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 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 the board of directors of the Bank.

Other Matter

1. Please refer to note 1.12 to the Financial Statements, the Bank has to comply with the Bangladesh Bank (BB) Circulars while maintaining the Provision on Loans and Advances, Investments, Other Assets, and Off-Balance Sheet Items. However, the Bank has maintained provisions against these items as per the Bangladesh Bank's DBI letter no: DBI-3/101/2024-656 dated April 30, 2024, and the forbearance letter vide: DOS(CAMS)1157/41(Dividend)/2024-1842 dated April 30, 2024, as explained in Note 15.1, 15.4, 15.6 and 15.7.

2. The financial statements of AB Bank PLC. for the year ended December 31, 2022, were audited by ACNABIN Chartered Accountants who expressed an unmodified opinion on those statements on April 30, 2023.

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.

Auditors' 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 judgement 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 effectiveness of the Group'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 auditor's 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 consolidated and separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' 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, (amended up to date), the Securities and Exchange Rules 2020, the Bank Company Act 1991 (amended up to date), the Financial Reporting Act 2015, 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 9,129 million, BDT 1,637 million, BDT 93 million, BDT 2,020 million, and BDT 592 million respectively as at December 31, 2023 and total revenue of BDT 157 million, BDT 110 million, BDT 3 million, BDT 279 million and BDT 25 million respectively for the year ended December 31, 2023. 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-3/101/2024-656 dated April 30, 2024, and as per forbearance letter vide: DOS(CAMS)1157/41(Dividend)/2024-1842 dated April 30, 2024, 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 covering 8 branches as well as Head office and spent over 2,804 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)/2024-1842 dated April 30, 2024, against the requirement as explained in notes 15.1 and 16.6 (as explained in Annexure-D).

Name of Firm: **M M Rahman & Co.**
Chartered Accountants

Signature of the Auditor 
Name of the Auditor: **Syed Mahmud Ahmad FCA**
Senior Partner

Enrolment No.: 586

Firm's FRC Enlistment No.: **CAF-001-144**

DVC: 2405020586AS767107

Date, Dhaka: May 02, 2024

AB Bank PLC. & Its Subsidiaries
Consolidated Balance Sheet

As at 31 December 2023

	Notes	31.12.2023 Taka	31.12.2022 Taka
PROPERTY AND ASSETS			
Cash			
	3(a)	24,156,750,529	20,667,871,690
In hand (including foreign currencies)	3.1(a)	1,464,612,421	1,727,135,791
Balance with Bangladesh Bank and its agent bank(s) (including foreign currencies)	3.2(a)	22,692,138,107	18,940,735,899
Balance with other banks and financial institutions			
	4(a)	7,257,475,579	5,515,123,076
In Bangladesh	4.1(a)	914,013,009	1,187,972,612
Outside Bangladesh	4.2(a)	6,343,462,570	4,327,150,465
Money at call and on short notice			
	5(a)	712,402,966	922,406,358
Investments			
	6(a)	54,730,762,232	52,466,839,645
Government	6.1(a)	41,702,600,214	38,724,461,083
Others	6.2(a)	13,028,162,018	13,742,378,561
Loans, advances and lease/investments			
		325,432,966,850	320,410,664,586
Loans, cash credits, overdrafts, etc./Investments	7(a)	322,891,674,985	318,459,654,413
Bills purchased and discounted	8(a)	2,541,291,864	1,951,010,172
Fixed assets including premises, furniture and fixtures			
	9(a)	3,346,638,239	3,750,552,029
Other assets			
	10(a)	9,087,821,261	8,479,453,791
Non-banking assets			
	11	12,666,128,470	334,171,836
Total Assets			
		437,390,946,132	412,547,083,011
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from other banks, financial institutions and agents			
	12(a)	2,841,350,611	10,750,218,784
Bonds			
	13	10,719,686,000	11,497,500,000
Deposits and other accounts			
	14(a)	354,389,643,709	316,269,218,590
Current account and other accounts		45,822,615,910	46,910,479,125
Bills payable		1,656,192,999	1,887,785,146
Savings bank deposits		42,102,517,365	41,660,803,630
Fixed deposits		174,133,760,096	141,943,695,828
Other deposits		90,674,557,338	83,866,454,861
Other liabilities			
	15(a)	43,453,842,914	48,256,952,343
Total liabilities			
		411,404,523,234	386,773,889,717
Capital/Shareholders' equity			
Equity attributable to equity holders of the parent company			
		25,973,923,398	25,760,909,681
Paid-up capital	16	8,781,321,070	8,609,138,310
Statutory reserve	17	8,523,141,014	8,050,124,639
Other reserve	18(a)	3,855,886,879	3,856,208,923
Retained earnings	19(a)	4,813,574,434	5,245,437,808
Non- controlling interest	19(b)	12,499,505	12,283,617
Total equity			
		25,986,422,904	25,773,193,298
Total Liabilities and Shareholders' Equity			
		437,390,946,132	412,547,083,011

AB Bank PLC. & Its Subsidiaries
Consolidated Balance Sheet

As at 31 December 2023

Notes	31.12.2023 Taka	31.12.2022 Taka
Off-Balance Sheet Items		
Contingent liabilities	53,871,346,210	52,641,472,323
Acceptances and endorsements	7,873,986,033	8,065,947,969
Letters of guarantee	15,494,312,313	14,285,640,393
Irrevocable letters of credit	10,983,999,316	6,949,812,040
Bills for collection	8,883,292,027	8,403,053,218
Other contingent liabilities	10,635,756,522	14,937,018,703
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	53,871,346,210	52,641,472,323

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



Tarique Afzal
Managing Director & CEO



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,
May 02, 2024

Signed for & on behalf of
M M Rahman & Co.
Chartered Accountants



Syed Mahmud Ahmad, FCA
Senior Partner

ICAB Enrollment No.: 0586
 Firm's FRC Enlistment No. CAF-001-144
 DVC: 2405020586AS767107

AB Bank PLC. and Its Subsidiaries
Consolidated Profit and Loss Account
For the year ended 31 December 2023

	Notes	2023 Taka	2022 Taka
OPERATING INCOME			
Interest income/profit on investments	22(a)	25,788,193,376	21,639,730,544
Interest/profit paid on deposits and borrowings, etc.	23(a)	(20,630,431,933)	(17,080,619,531)
Net interest income		5,157,761,442	4,559,111,013
Investment income	24(a)	3,926,602,919	3,976,352,040
Commission, exchange and brokerage	25(a)	2,193,168,999	2,874,655,734
Other operating income	26(a)	348,985,434	494,906,959
		6,468,757,352	7,345,914,732
Total operating income (a)		11,626,518,794	11,905,025,746
OPERATING EXPENSES			
Salary and allowances	27(a)	3,217,679,157	3,247,679,962
Rent, taxes, insurance, electricity, etc.	28(a)	750,253,482	631,053,682
Legal expenses	29(a)	19,382,811	24,123,289
Postage, stamps, telecommunication, etc.	30(a)	119,758,084	114,709,213
Stationery, printing, advertisement, etc.	31(a)	170,434,242	128,052,812
Chief executive's salary and fees	27.1	22,700,000	18,958,549
Directors' fees	32(a)	4,302,205	3,054,670
Auditors' fees	33(a)	3,994,218	3,710,113
Depreciation and repairs of Bank's assets	34(a)	634,564,648	742,489,335
Other expenses	35(a)	1,338,878,016	1,273,208,447
Total operating expenses (b)		6,281,946,865	6,187,040,072
Profit before provision (c = (a-b))		5,344,571,929	5,717,985,674
Provision against loans and advances	36(a)	2,123,415,199	2,214,861,712
Provision for investments	37(a)	254,389,358	576,280,660
Other provisions	38(a)	317,407,560	80,500,000
Total provision (d)		2,695,212,117	2,871,642,372
Profit before tax (c-d)		2,649,359,812	2,846,343,302
Provision for taxation		1,755,619,548	2,131,989,347
Current tax		485,703,458	2,194,307,943
Deferred tax		1,269,916,091	(62,318,597)
Net profit after tax		893,740,264	714,353,956
Appropriations			
Statutory reserve		450,257,648	535,933,103
Start-up Fund		7,218,181	6,772,387
Coupon payment for Perpetual Bonds		701,759,257	351,368,346
		1,159,235,087	894,073,836
Retained surplus		(265,494,823)	(179,719,880)
Non- controlling interest		215,642	157,979
Net Profit/(Loss) attributable to the shareholders of parent company		(265,710,465)	(179,877,859)
Consolidated Basic Earnings Per Share (EPS)	40(a)	1.02	0.81

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



Tarique Afzal

Managing Director & CEO



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,
May 02, 2024

Signed for & on behalf of
M M Rahman & Co.
Chartered Accountants



Syed Mahmud Ahmad, FCA
Senior Partner

ICAB Enrollment No.: 0586
Firm's FRC Enlistment No. CAF-001-144
DVC: 2405020586AS767107

AB Bank PLC. and Its Subsidiaries
Consolidated Cash Flow Statement

For the year ended 31 December 2023

	2023 Taka	2022 Taka
Cash Flows from Operating Activities		
Interest receipts	18,058,475,327	16,348,354,323
Interest payments	(19,663,261,862)	(16,780,253,459)
Dividend receipts	126,894,626	168,610,250
Fee and commission receipts	1,732,363,634	1,615,419,585
Recoveries on loans previously written off	242,890,673	354,617,876
Payments to employees	(3,240,379,157)	(3,266,638,511)
Payments to suppliers	(170,434,242)	(128,052,812)
Income taxes paid	(1,285,135,302)	(1,927,700,198)
Receipts from other operating activities	4,609,499,092	5,561,884,898
Payments for other operating activities	(2,627,088,517)	(2,565,639,820)
Operating profit before changes in operating assets & liabilities	(2,216,175,729)	(619,397,869)
Increase/decrease in operating assets and liabilities		
Loans and advances to customers	(13,244,850,618)	(17,718,112,078)
Other assets	(700,484,744)	1,671,052,189
Deposits from other banks	4,579,785,848	1,760,969,742
Deposits from customers	32,573,469,199	16,128,886,812
Trading liabilities (short-term borrowings)	(7,569,322,918)	(17,383,748,837)
Other liabilities	(3,590,561,646)	(630,112,948)
	12,048,035,121	(16,171,065,120)
Net cash flow from/(used in) operating activities (a)	9,831,859,392	(16,790,462,989)
Cash Flows from Investing Activities		
(Purchase)/Sale of government securities	(2,985,237,242)	14,061,357,478
Sale/(Purchase)of trading securities, shares, bonds, etc.	714,216,543	(808,617,406)
Purchase of fixed assets including premises, furniture and fixtures	(108,119,578)	(190,906,165)
Net cash (used in)/flow from investing activities (b)	(2,379,140,277)	13,061,833,907
Cash Flows from Financing Activities		
(Decrease) of long-term borrowings	(1,117,359,254)	(2,010,740,864)
Dividend paid including coupon payment of perpetual bond	(701,759,257)	(519,257,430)
Net cash (used in) Financing activities (c)	(1,819,118,511)	(2,529,998,294)
Net decrease in cash (a+b+c)	5,633,600,604	(6,258,627,375)
Effects of exchange rate changes on cash and cash equivalents	(612,281,453)	(827,921,179)
Cash and cash equivalents at beginning of the Year	27,106,928,824	34,193,477,378
Cash and cash equivalents at end of the Year (*)	32,128,247,975	27,106,928,824
(*) Cash and cash equivalents:		
Cash	1,464,612,421	1,727,135,791
Prize bonds	1,618,900	1,527,700
Money at call and on short notice	712,402,966	922,406,358
Balance with Bangladesh Bank and its agent bank(s)	22,692,138,107	18,940,735,899
Balance with other banks and financial institutions	7,257,475,579	5,515,123,076
	32,128,247,975	27,106,928,824
Net Operating Cash Flow Per Share (NOCFPS)	11.20	(19.12)

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



Tarique Afzal
Managing Director & CEO



Md. Eskandar Miah
Independent Director



Shafiqul Alam
Independent Director



Khairul Alam Choudhury
Chairman

Dhaka,
May 02, 2024

AB Bank PLC. and Its Subsidiaries
Consolidated Statement of Changes in Equity

For the year ended 31 December 2023

Particulars	(Amount in Taka)								
	Paid-up capital	Statutory reserve	General reserve	Assets revaluation reserve	Foreign exchange revaluation reserve on investment in foreign operation	Investment revaluation reserve	Non controlling interest	Retained earnings	Total Equity
Balance at 01 January 2023	8,609,138,310	8,050,124,639	2,952,407,375	758,153,907	2,299,187	143,348,455	12,283,617	5,245,437,808	25,773,193,298
Bonus share issued for 2022	172,182,760	-	-	-	-	-	-	(172,182,760)	-
Net profit after taxation for the period	-	-	-	-	-	-	215,642	893,524,622	893,740,264
Addition/(Adjustment) made during the period	-	450,257,648	280,021	(16,701)	-	(7,189,559)	248	(1,161,295,216)	(717,963,559)
Foreign exchange rate fluctuation	-	22,758,726	6,055,557	-	548,638	-	-	8,089,981	37,452,903
Balance at 31 December 2023	8,781,321,070	8,523,141,014	2,958,742,953	758,137,206	2,847,826	136,158,896	12,499,506	4,813,574,434	25,986,422,904

For the year ended 31 December 2022

Particulars	(Amount in Taka)								
	Paid-up capital	Statutory reserve	General reserve	Assets revaluation reserve	Foreign exchange revaluation reserve on investment in foreign operation	Investment revaluation reserve	Non controlling interest	Retained earnings	Total Equity
Balance at 01 January 2022	8,358,386,710	7,484,909,773	2,935,284,011	758,171,036	(6,937,675)	128,057,444	12,125,636	5,906,433,556	25,576,430,492
Bonus share issued for 2021	250,751,600	-	-	-	-	-	-	(250,751,600)	-
Cash Dividend paid for 2021	-	-	-	-	-	-	-	(167,167,734)	(167,167,734)
Net profit after taxation for the period	-	-	-	-	-	-	157,979	714,195,976	714,353,956
Addition/(Adjustment) made during the period	-	535,933,103	-	(17,129)	-	15,291,011	-	(920,025,330)	(368,818,345)
Foreign exchange rate fluctuation	-	29,281,763	17,123,364	-	9,236,862	-	-	(37,247,061)	18,394,928
Balance at 31 December 2022	8,609,138,310	8,050,124,639	2,952,407,375	758,153,907	2,299,187	143,348,455	12,283,617	5,245,437,808	25,773,193,298

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



Tarique Afzal

Managing Director & CEO



Shafiqul Alam

Independent Director



Khairul Alam Choudhury

Chairman

Dhaka,
May 02, 2024

AB Bank PLC.
Balance Sheet
As at 31 December 2023

	Notes	31.12.2023 Taka	31.12.2022 Taka
PROPERTY AND ASSETS			
Cash	3	24,156,109,070	20,667,539,978
In hand (including foreign currencies)	3.1	1,463,970,963	1,726,804,079
Balance with Bangladesh Bank and its agent bank(s) (including foreign currencies)	3.2	22,692,138,107	18,940,735,899
Balance with other banks and financial institutions	4	6,946,291,308	4,830,559,266
In Bangladesh		611,320,686	525,610,648
Outside Bangladesh		6,334,970,622	4,304,948,618
Money at call and on short notice	5	2,298,290,466	1,929,552,107
Investments	6	54,129,811,953	51,812,774,278
Government	6.1	41,702,600,214	38,724,461,083
Others	6.2	12,427,211,739	13,088,313,195
Loans, advances and lease/investments	7	317,122,559,016	312,068,149,520
Loans, cash credits, overdrafts, etc./Investments		316,466,975,518	311,356,394,628
Bills purchased and discounted	8	655,583,498	711,754,892
Fixed assets including premises, furniture and fixtures	9	2,855,028,355	3,249,162,881
Other assets	10	14,105,364,885	14,193,450,527
Non-banking assets	11	12,666,128,470	334,171,836
Total Assets		434,279,583,525	409,085,360,391
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from other banks, financial institutions and agents	12	2,841,350,611	10,750,218,784
Bonds	13	10,719,686,000	11,497,500,000
Deposits and other accounts	14	354,774,379,687	316,697,269,309
Current accounts and other accounts		45,849,000,507	46,923,030,071
Bills payable		1,656,192,999	1,887,785,146
Savings bank deposits		42,102,517,365	41,660,803,631
Fixed deposits		174,170,888,715	141,978,941,534
Other deposits		90,995,780,101	84,246,708,928
Other liabilities	15	41,474,954,444	45,714,434,841
Total liabilities		409,810,370,743	384,659,422,934
Capital/Shareholders' equity			
Shareholders' equity		24,469,212,783	24,425,937,456
Paid-up capital	16	8,781,321,070	8,609,138,310
Statutory reserve	17	8,523,141,014	8,050,124,639
Other reserve	18	3,660,585,027	3,667,791,039
Retained earnings	19	3,504,165,672	4,098,883,468
Total Liabilities and Shareholders' Equity		434,279,583,525	409,085,360,391

AB Bank PLC.
Balance Sheet
As at 31 December 2023

	Notes	31.12.2023 Taka	31.12.2022 Taka
Off-Balance Sheet Items			
Contingent liabilities			
	20	52,779,894,570	51,667,743,668
Acceptances and endorsements		7,873,986,033	8,065,947,969
Letters of guarantee	20.1	15,494,312,313	14,285,640,393
Irrevocable letters of credit		10,983,999,316	6,949,812,040
Bills for collection		7,791,840,386	7,429,324,563
Other contingent liabilities		10,635,756,522	14,937,018,703
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		52,779,894,570	51,667,743,668

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



Tarique Afzal
Managing Director & CEO



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,
May 02, 2024

Signed for & on behalf of
M M Rahman & Co.
Chartered Accountants



Syed Mahmud Ahmad, FCA
Senior Partner

ICAB Enrollment No.: 0586
Firm's FRC Enlistment No. CAF-001-144
DVC: 2405020586AS767107

AB Bank PLC.**Profit and Loss Account**

For the year ended 31 December 2023

	Notes	2023 Taka	2022 Taka
OPERATING INCOME			
Interest income/profit on investments	22	25,508,636,581	21,455,624,090
Interest paid/profit on deposits and borrow, etc.	23	(20,623,062,566)	(17,073,891,844)
Net interest income		4,885,574,016	4,381,732,245
Investment income	24	3,917,833,612	4,015,765,616
Commission, exchange and brokerage	25	2,021,222,452	2,664,287,768
Other operating income	26	276,077,536	418,902,916
		6,215,133,600	7,098,956,300
Total operating income (a)		11,100,707,616	11,480,688,545
OPERATING EXPENSES			
Salary and allowances	27	3,105,478,566	3,134,167,707
Rent, taxes, insurance, electricity, etc.	28	742,823,587	624,962,498
Legal expenses	29	18,812,685	23,687,189
Postage, stamps, telecommunication, etc.	30	104,967,328	99,621,626
Stationery, printing, advertisement, etc.	31	169,111,950	126,798,999
Chief executive's salary and fees	27.1	22,700,000	18,958,549
Directors' fees	32	2,658,512	1,772,449
Auditors' fees	33	3,032,512	2,857,078
Depreciation and repairs of Bank's assets	34	608,415,523	716,542,206
Other expenses	35	1,311,296,916	1,249,465,558
Total operating expenses (b)		6,089,297,580	5,998,833,861
Profit before provision (c = (a-b))		5,011,410,036	5,481,854,684
Provision against loans and advances	36	2,030,000,000	2,146,178,398
Provision for investments	37	254,189,358	506,247,806
Other provisions	38	317,127,536	80,500,000
Total provision (d)		2,601,316,894	2,732,926,204
Profit before taxation (c-d)		2,410,093,142	2,748,928,481
Provision for taxation		1,688,275,024	2,071,689,766
Current tax		533,277,889	2,075,375,711
Deferred tax		1,154,997,135	(3,685,946)
Net profit after taxation		721,818,118	677,238,715
Appropriations			
Statutory reserve		450,257,648	535,933,103
Start-up Fund		7,218,181	6,772,387
Coupon payment for Perpetual Bonds		701,759,257	351,368,346
		1,159,235,087	894,073,836
Retained surplus		(437,416,969)	(216,835,121)
Earnings Per Share (EPS)	40	0.82	0.77

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


Tarique Afzal


Managing Director & CEO


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,
May 02, 2024Signed for & on behalf of
M M Rahman & Co.
Chartered Accountants

Syed Mahmud Ahmad, FCA
Senior PartnerICAB Enrollment No.: 0586
Firm's FRC Enlistment No. CAF-001-144
DVC: 2405020586AS767107

AB Bank PLC.**Cash Flow Statement**

For the year ended 31 December 2023

	Notes	2023 Taka	2022 Taka
Cash flows from Operating Activities			
Interest receipts		30,445,047,003	16,164,247,869
Interest payments		(19,655,892,494)	(16,773,525,772)
Dividend receipts		382,609,100	477,321,497
Fees and commission receipts		1,563,575,907	1,409,011,169
Recoveries on loans previously written off		242,890,673	354,617,876
Payments to employees		(3,128,178,566)	(3,153,126,256)
Payments to suppliers		(169,111,950)	(126,798,999)
Income taxes paid		(1,244,237,003)	(1,874,135,760)
Receipts from other operating activities	41	4,638,339,373	5,685,926,938
Payments for other operating activities	42	(2,538,195,055)	(2,447,397,672)
Operating profit before changes in operating assets & liabilities		10,536,846,987	(283,859,112)
Increase/decrease in operating assets and liabilities			
Loans and advances to customers		(25,608,914,485)	(17,959,152,113)
Other assets		(1,072,394,091)	1,039,364,662
Deposits from other banks		4,579,785,848	1,760,969,742
Deposits from customers		32,530,154,459	16,263,371,842
Trading liabilities (short-term borrowings)		(7,569,322,920)	(17,383,748,836)
Other liabilities		(2,587,360,864)	(861,740,156)
		271,947,947	(17,140,934,860)
Net cash flow from/(used in) operating activities (a)		10,808,794,935	(17,424,793,972)
Cash Flows from Investing Activities			
(Purchase)/Sale of government securities		(2,985,237,242)	14,061,357,478
Sale/(Purchase) of trading securities, shares, bonds, etc.		661,101,456	(644,644,776)
Purchase of fixed assets incl. premises, furniture and fixtures		(80,128,492)	(176,856,859)
Net cash flow from investing activities (b)		(2,404,264,278)	13,239,855,843
Cash Flows from Financing Activities			
Decrease of long-term borrowings		(1,117,359,254)	(2,010,740,864)
Dividend paid including coupon payment of perpetual bond		(701,759,257)	(519,257,430)
Net cash (used in) Financing activities (c)		(1,819,118,511)	(2,529,998,294)
Net decrease in cash (a+b+c)		6,585,412,145	(6,714,936,422)
Effects of exchange rate changes on cash and cash equivalents		(612,281,453)	(827,921,179)
Cash and cash equivalents at beginning of the year		27,429,179,051	34,972,036,653
Cash and cash equivalents at end of the Year (*)		33,402,309,743	27,429,179,051
(*) Cash and cash equivalents:			
Cash		1,463,970,963	1,726,804,079
Prize bonds		1,618,900	1,527,700
Money at call and on short notice		2,298,290,466	1,929,552,107
Balance with Bangladesh Bank and its agent bank(s)		22,692,138,107	18,940,735,899
Balance with other banks and financial institutions		6,946,291,307	4,830,559,265
		33,402,309,743	27,429,179,051
Net Operating Cash Flow Per Share (NOCFPS)	45	12.31	(19.84)

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


Tarique Afzal

Managing Director & CEO


Md. Eskandar Miah

Independent Director


Shafiqul Alam

Independent Director


Khairul Alam Choudhury

Chairman

Dhaka,
May 02, 2024

AB Bank PLC.**Statement of Changes in Equity**

For the year ended 31 December 2023

Particulars	(Amount in Taka)						
	Paid-up capital	Statutory reserve	General reserve	Assets revaluation reserve	Investment revaluation reserve	Retained earnings	Total Equity
Balance at 01 January 2023	8,609,138,310	8,050,124,639	2,852,199,200	758,153,907	57,437,932	4,098,883,468	24,425,937,456
Bonus share issued for 2022	172,182,760	-	-	-	-	(172,182,760)	-
Net profit after taxation for the year	-	-	-	-	-	721,818,118	721,818,118
Addition/(Adjustment) made during the year	-	450,257,648	-	(16,701)	(7,189,311)	(1,139,914,628)	(696,862,992)
Foreign exchange rate fluctuation	-	22,758,726	-	-	-	(4,438,526)	18,320,201
Balance at 31 December 2023	8,781,321,070	8,523,141,014	2,852,199,200	758,137,206	50,248,621	3,504,165,672	24,469,212,782

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	Total Equity
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	24,307,403,496
Bonus share for 2021	250,751,600	-	-	-	-	(250,751,600)	-
Cash Dividend paid for 2021	-	-	-	-	-	(167,167,734)	(167,167,734)
Net profit after taxation for the year	-	-	-	-	-	677,238,715	677,238,715
Addition/(Adjustment) made during the year	-	535,933,103	-	(17,129)	15,291,011	(920,027,660)	(368,820,675)
Foreign exchange rate fluctuation	-	29,281,763	-	-	-	(51,998,109)	(22,716,346)
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	24,425,937,456

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


Tarique Afzal

Managing Director & CEO


Shafiqul Alam

Independent Director


Khairul Alam Choudhury

Chairman

Dhaka,

May 02, 2024

AB Bank PLC.
Liquidity Statement
Analysis of Maturity of Assets and Liabilities
As at 31 December 2023

Particulars	(Amount in Taka)					Total
	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	10,733,358,162	-	-	-	13,422,750,908	24,156,109,070
Balance with other banks and financial institutions	6,691,281,308	255,010,000	-	-	-	6,946,291,308
Money at call and on short notice	980,315,501	1,290,949,335	27,025,630	-	-	2,298,290,466
Investments	1,424,368,179	5,317,158,332	1,560,322,009	23,088,694,204	22,739,269,228	54,129,811,953
Loans, advances and lease/investments	28,594,782,539	95,174,853,614	150,220,932,643	35,505,565,544	7,626,424,677	317,122,559,017
Fixed assets including premises, furniture and fixtures	-	-	-	-	2,855,028,355	2,855,028,355
Other assets	705,743,185	1,314,293,747	4,987,515,945	5,177,658,808	1,920,153,201	14,105,364,885
Non-banking assets	-	-	-	12,666,128,470	-	12,666,128,470
Total Assets	49,129,848,875	103,352,265,027	156,795,796,227	76,438,047,026	48,563,626,369	434,279,583,525
Liabilities						
Borrowing from Bangladesh Bank, other banks, financial institutions and agents	610,259,148	855,207,997	1,261,942,224	5,122,691,242	5,710,936,000	13,561,036,611
Deposit and other accounts	42,300,634,555	91,621,622,806	168,940,284,455	49,127,434,987	2,784,402,885	354,774,379,687
Provision and other liabilities	887,345,812	881,076,764	902,697,648	6,047,449,934	32,756,384,286	41,474,954,444
Total Liabilities	43,798,239,515	93,357,907,567	171,104,924,328	60,297,576,163	41,251,723,170	409,810,370,742
Net liquidity excess/(shortage)	5,331,609,360	9,994,357,460	(14,309,128,101)	16,140,470,863	7,311,903,199	24,469,212,783

For and on behalf of the Board of Directors of AB Bank PLC.


Tarique Afzal
Managing Director & CEO


Shafiqul Alam
Independent Director


Khairul Alam Choudhury
Chairman

Dhaka,
May 02, 2024

AB Bank PLC.

Notes to the Financial Statements

For the year ended 31 December 2023

1.1 The Bank and its activities

AB Bank PLC. (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 PLC. 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 PLC. 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.

Initially the Bank registered as Arab Bangladesh Bank Limited, which was subsequently renamed as AB Bank Limited. in 2007. With the approval of regulatory authority in 2023 the name of the Bank has changed as AB Bank PLC.

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, 2023 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 2023.

AB Bank PLC.

Notes to the Financial Statements

For the year ended 31 December 2023

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.

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 PLC., 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 PLC.

The Bank invested in Amana Bank PLC., 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.

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 PLC. 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 PLC. 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 PLC.

Notes to the Financial Statements

For the year ended 31 December 2023

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 PLC.. 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 2023 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 PLC.

Notes to the Financial Statements

For the year ended 31 December 2023

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 2023.
- 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 PLC.

Notes to the Financial Statements

For the year ended 31 December 2023

- 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 dated 20 February 2018, BRPD Circular No. 03 dated 21 April 2019, BRPD Circular No. 16 dated 21 July 2020, BRPD Circular letter No. 52 dated 20 October 2020, BRPD Circular letter No. 56 dated 10 December 2020, BRPD Circular letter No. 50 dated 14 December 2021, BRPD Circular letter No. 52 dated 29 December 2021, BRPD Circular letter No. 53 dated 30 December 2021, BRPD Circular letter No. 53 dated 22 December 2022, BRPD Circular letter No. 03 dated 02 February 2023 and BRPD Circular letter No. 06 dated 25 April 2023. 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%	1%	1%	1%, 2% & 5%
	SMA	-	2%	1%	2%	2%	0.25%	1%	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 PLC.

Notes to the Financial Statements

For the year ended 31 December 2023

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.01 dated 24 May 2023, provisions may be made for any loss arising from the diminution in value of investments after netting of gain. Provision against Mutual Fund should also be maintained in accordance with DOS circular letter no. 01 dated May 24, 2023.

Investment in unlisted securities

Investment in unlisted securities is reported at cost under cost method. Provision against Investment in unlisted securities, where applicable, is also maintained as per DOS circular letter no. 01 dated May 24, 2023.

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:

Category of asset	Rate of depreciation
Land	Nil
Building	2.5%
Furniture and fixtures	10%
Electrical appliances	20%
Motor vehicles	12.5%
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.

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.

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 3,806 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 PLC.

Notes to the Financial Statements

For the year ended 31 December 2023

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 PLC.

Notes to the Financial Statements

For the year ended 31 December 2023

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 Act, 2023. 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.

AB Bank PLC.

Notes to the Financial Statements

For the year ended 31 December 2023

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.06 dated 25 April 2023, general provision for Off-Balance Sheet exposure of the Bank as at 31 December 2023 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 PLC.

Notes to the Financial Statements

For the Period ended 31 December 2023

1.10 Segment Reporting

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

Particulars	AB Bank PLC.										(Amount in Crore)	
	Inside Bangladesh					Mumbai Branch, India	Total	Subsidiaries				AB Bank and it's subsidiaries
	Conventional Banking	Islamic Banking	Investment Banking	Off- Shore Banking Unit	Inside Bangladesh			Cash Link Bangladesh Ltd. (CBL)	AB Int. Finance Ltd. (Hong Kong)			
					AB Investment Limited					AB Securities Limited		
Profit and loss account												
Interest income/profit on investment	2,518.39	35.16	-	19.82	12.33	2,550.86	11.63	4.72	0.32	14.12	2,578.82	
Int. paid/profit on deposits & borrowings	2,018.67	48.50	26.96	2.05	0.86	2,062.31	-	0.99	-	2.59	2,063.04	
Net interest income	499.72	(13.34)	(26.96)	17.76	11.47	488.56	11.63	3.73	0.32	11.54	515.78	
Investment income	379.63	1.56	6.00	-	4.59	391.78	1.23	1.70	-	-	392.66	
Commission, exchange and brokerage	165.89	0.61	-	0.01	35.61	202.12	1.84	6.09	-	9.42	219.32	
Other operating income	27.44	0.03	-	-	0.14	27.61	0.96	0.26	-	6.99	34.90	
Total operating income	1,072.68	(11.15)	(20.96)	17.77	51.83	1,110.07	15.66	11.78	0.32	27.94	1,162.65	
Operating Expenses												
Salary and allowances	308.53	1.80	-	0.33	2.16	312.82	3.42	4.18	-	3.62	324.04	
Rent, taxes, insurance, electricity, etc.	70.76	0.08	0.00	0.00	3.44	74.28	0.23	0.35	-	1.08	75.03	
Legal expenses	1.88	-	-	-	-	1.88	-	0.02	-	0.04	1.94	
Postage, stamps, telecom., etc.	9.88	0.02	-	0.00	0.59	10.50	0.08	0.17	-	1.23	11.98	
Stationery, printing, advertisement, etc.	16.72	0.09	-	0.00	0.10	16.91	0.03	0.07	-	0.03	17.04	
Directors' fees	0.26	0.01	-	-	-	0.27	0.05	0.04	0.01	0.06	0.43	
Auditors' fees	0.20	-	-	-	0.10	0.30	0.02	0.01	0.00	0.07	0.40	
Depreciation & repairs of Bank's assets	60.31	0.21	-	0.00	0.32	60.84	1.73	0.82	-	0.06	63.46	
Other expenses	115.60	0.96	0.11	0.03	14.43	131.13	0.56	2.10	0.00	0.25	133.89	
Total operating expenses	584.14	3.18	0.11	0.37	21.13	608.93	6.11	7.76	0.02	6.44	628.19	
Profit before provision	488.55	(14.33)	(21.07)	17.40	30.70	501.14	9.55	4.02	0.30	21.51	534.46	
Provision against loans and advances					203.00						212.34	
Provision for investments					25.42						25.44	
Other provisions					31.71						31.74	
Total provision					260.13						269.52	
Profit before taxation					241.01						264.94	
Provision for taxation					168.83						175.56	
Net profit after taxation					72.18						89.37	

AB Bank PLC.
Notes to the Financial Statements
As at 31 December 2023

By geographical location and segment business (cont.)

Balance Sheet

Particulars	AB Bank PLC.							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	2,388.39	26.81	-	-	0.42	2,415.61	0.00	0.00	0.00	0.06	0.06	2,415.68	
Balance with other banks & fin.institution	476.42	35.84	-	4.29	189.00	694.63	4.61	56.60	4.72	3.47	725.75		
Money at call and on short notice	1,145.24	-	-	160.78	71.24	229.83	-	-	-	-	-	71.24	
Investments	4,771.62	36.23	320.93	211.98	72.21	5,412.98	42.55	17.54	-	-	-	5,473.08	
Loans and advances	30,166.54	701.73	-	778.18	66.02	31,712.26	691.78	76.32	-	188.57	-	32,543.30	
Fixed assets	283.87	1.15	-	-	0.48	285.50	47.67	1.43	-	0.06	-	334.66	
Other assets	2,588.14	22.12	14.40	0.08	35.25	1,410.54	114.40	0.82	3.53	7.52	-	908.78	
Non-banking assets	1,266.61	-	-	-	-	1,266.61	-	-	-	-	-	1,266.61	
Total Assets	43,086.84	823.88	335.34	1,155.32	434.62	43,427.96	901.01	152.72	8.25	199.68	199.68	43,739.09	
LIABILITIES AND CAPITAL													
Liabilities													
Borrowings from other banks, financial institutions and agents	1,418.14	45.26	-	1,150.04	-	1,356.10	109.88	15.76	-	157.98	-	1,356.10	
Deposits and other accounts	34,595.01	645.30	0.00	1.95	246.27	35,477.44	-	-	-	-	-	35,438.96	
Other liabilities	4,369.70	133.31	334.19	24.68	22.66	4,147.50	105.96	84.50	0.00	10.29	10.29	4,345.38	
Total Liabilities	40,382.85	823.88	334.19	1,176.67	268.93	40,981.04	215.84	100.26	0.00	168.27	168.27	41,140.45	
Total Shareholders' Equity	2,704.00	-	1.15	(21.35)	165.68	2,446.92	685.18	52.46	8.25	31.41	-	2,597.39	
Non-controlling interest	-	-	-	-	-	-	-	-	-	-	-	1.25	
Total Liabilities & Shareholders' Equity	43,086.84	823.88	335.34	1,155.32	434.62	43,427.96	901.01	152.72	8.25	199.68	199.68	43,739.09	

AB Bank PLC.**Notes to the Financial Statements**

For the year ended 31 December 2023

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:

Sl 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 Exchanges 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

Sl 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 PLC.**Notes to the Financial Statements**

For the year ended 31 December 2023

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.

AB Bank PLC.**Notes to the Financial Statements**

For the year ended 31 December 2023

Sl 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 PLC.

Notes to the Financial Statements

For the year ended 31 December 2023

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

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 Act 2023 and Rules of 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

SI no.	Name of the entity/segment	Reporting period
1	AB Bank PLC.	01 January 2023 to 31 December 2023
2	Off Shore Banking Unit	01 January 2023 to 31 December 2023
3	Mumbai Branch, India	01 January 2023 to 31 December 2023
4	AB Investment Limited	01 January 2023 to 31 December 2023
5	AB Securities Limited	01 January 2023 to 31 December 2023
6	Cashlink Bangladesh Limited	01 January 2023 to 31 December 2023
7	AB International Finance Limited	01 January 2023 to 31 December 2023
8	Arab Bangladesh Bank Foundation	01 January 2023 to 31 December 2023

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 polices. 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.

AB Bank PLC.

Notes to the Financial Statements

For the year ended 31 December 2023

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 PLC. 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.

AB Bank PLC.

Notes to the Financial Statements

For the year ended 31 December 2023

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
January to December 2022	June 11, 2023	AA-	ST-2
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 occur 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 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 ABBPLC.	Pacific Industries Ltd.	Mr. Khairul Alam Choudhury, Barrister-at-law	Nominated Director of Pacific Industries Ltd. in ABBPLC. Board
Telemarketing Service	Supertel Limited	Mr. Shajir Ahmed	Director

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Notes to the Financial Statements

For the year ended 31 December 2023

b) Related party transactions:

Name of related party	Relationship	Nature of transaction	Amount in BDT
Pacific Industries Ltd.	Common Director	Office Rent	14,629,986
Supertel Limited	Common Director	Telemarketing	2,640,000

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	1,098,776,723
02	AB Securities Limited	99.91% owned Subsidiary	Loans and advances	157,599,536
03	AB International Finance Limited	Fully owned (100%) Subsidiary	Placement through OBU	1,585,887,500
Total loans/placement to subsidiary				2,842,263,759

d) Key Management personnel compensation:

Transactions with Key Management personnel of the Bank for the period January – December 2023 is given below:

Particulars	Amount in BDT
Short-term employee benefit	152,948,407
Post-employment benefits	-
Other long-term employee benefits	-
Termination benefits	-

Key Management personnel includes Managing Director & CEO, 04 nos. Deputy Managing Director including Chief Financial Officer, 10 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 31.12.2023 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. Feroz Ahmed	Director	Member	Since September 20, 2023	B.Com (Accounting)
3	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 period January 2023 to December 2023, 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 2023
- Reviewed Draft Financial Statements and after discussing with the External Auditors recommended it to the Board for their considerations.

AB Bank PLC.

Notes to the Financial Statements

For the year ended 31 December 2023

- 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 2023 of the Bank.
- Reviewed significant internal Audit findings and advised corrective actions.
- Reviewed Comprehensive Inspection Report of Bangladesh Bank including status of compliance thereof.
- Reviewed branch inspection reports and Head Office functions conducted by the Department of Internal Control & Compliance (DICC)

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

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

1.21 Shariah Council

Members of AB Bank Shariah Supervisory Committee are as under:

SI no.	Name	Status with the Committee	Educational/ Professional Qualification
1	Mr. Justice Siddiquir Rahman Miah	Chairman	L.L.B, University of Dhaka. President of Governing body, Islamic Foundation Bangladesh. Former Justice (Appellate Division) Bangladesh Supreme Court and Chairman, DSE.
2	Mr. Tarique Afzal, Managing Director & CEO, ABBPLC.	Vice-Chairman	Masters of Business Administration - MBA (Major: Finance & Marketing), Victoria University, Melbourne, Australia
3	Mr. Dr. Hafiz Muztaba Riza Ahmed	Member	PhD, University of Dhaka. Professor, Department of Islamic Studies, University of Dhaka.
4	Mr. Dr. Muhammad Tuzammel Hoque	Member	PhD, University of Dhaka. Associate Professor, Department of Islamic Studies, Jagannat University
5	Mr. Syed Mizanur Rahman, Haed of Islamic Banking, AB Bank PLC.	Member	MBA with major in fanance, Institute of Busness Administration, University of Dhaka
6	Mr. Moulana Muhammad Musa	Member-Secretary	Prominent author and rechearch Scholar of Quran & Hadith. Kamil, Madrasah Edu. Board, B.Com (Hons) M.Com, Rajshahi University

During the period 2023, 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 2023, are:

- Reviewing the Yearly Shariah Audit Report (January-December, 2022) of Islami Banking Branch and its observations.
- Approving the Final Accounts, 2022 of Islami Banking Branch.
- Approving the Annual Report of Shariah Supervisory Committee for the year 2022 on Islamic banking operation of the Bank.
- Expantion of Islamic Banking activities through window operations.

AB Bank PLC.

Notes to the Financial Statements

For the year ended 31 December 2023

1.22 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 2023 the bank has checked 31% of total loan using the DVS tools.

1.23 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.

1.24 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)."

1.25 Authorization of Financial Statements

The Financial Statements of the Bank for the period ended 31 December 2023 has been authorized by the Board of Directors as on 02 May 2024.

2 General

- i. Figures relating to the previous year included in this report have been rearranged, wherever considered necessary, to make them comparable with those of the current year.
- ii. Figures in these notes and in the annexed financial statements have been rounded off to the nearest Taka.
- iii. These notes form an integral part of the annexed financial statements and accordingly are to be read in conjunction therewith.

AB Bank PLC.**Notes to the Financial Statements**

For the year ended 31 December 2023

		31.12.2023 Taka	31.12.2022 Taka
3. Cash			
Cash in hand	(Note 3.1)	1,463,970,963	1,726,804,079
Balance with Bangladesh Bank and its agent bank(s)	(Note 3.2)	22,692,138,107	18,940,735,899
		24,156,109,070	20,667,539,978
3(a) Consolidated Cash			
AB Bank PLC.		24,156,109,070	20,667,539,978
AB Investments Limited		25,000	25,000
AB International Finance Limited		598,810	287,235
AB Securities Limited		6,019	12,522
Cashlink Bangladesh Limited (CBL)		11,630	6,954
		24,156,750,529	20,667,871,690
3.1 Cash in hand			
In local currency		1,447,298,208	1,704,473,030
In foreign currency		16,672,755	22,331,050
		1,463,970,963	1,726,804,079
3.1(a) Consolidated Cash in hand			
AB Bank PLC.		1,463,970,963	1,726,804,079
AB Investments Limited		25,000	25,000
AB International Finance Limited		598,810	287,235
AB Securities Limited		6,019	12,522
Cashlink Bangladesh Limited (CBL)		11,630	6,954
		1,464,612,421	1,727,135,791
3.2 Balance with Bangladesh Bank and its agent bank(s)			
Balance with Bangladesh Bank			
In local currency		13,797,827,357	15,720,873,458
In foreign currency		8,576,679,649	2,800,610,324
		22,374,507,005	18,521,483,782
Sonali Bank PLC.		317,631,102	419,252,117
(as an agent bank of Bangladesh Bank) - local currency		22,692,138,107	18,940,735,899
3.2.1 Balance with Bangladesh Bank- local currency			
Balance as per Bank Ledger		13,797,827,357	15,720,873,458
<u>Unresponded debit entries</u>		33,004,998	14,273,823
Bangladesh Bank statement		33,004,998	13,780,757
AB Bank's ledger		-	493,066
<u>Unresponded credit entries</u>		76,180,859	219,123,057
Bangladesh Bank statement		29,995,368	215,311,176
AB Bank's ledger		46,185,491	3,811,881
		13,841,003,218	15,925,722,692

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 2023 is given below:

AB Bank PLC.**Notes to the Financial Statements**

For the year ended 31 December 2023

Year of Unreconciliation	Number of unresponded entry		Unresponded BDT	
	Debit	Credit	Debit	Credit
Less than 3 months	4	8	32,704,998	76,180,859
3 months to less than 6 months	-	-	-	-
6 months to less than 12 months	-	-	-	-
12 months and more	1	-	300,000	-
Total	5	8	33,004,998	76,180,859

3.2.2 Balance with Bangladesh Bank-foreign currency

	31.12.2023 Taka	31.12.2022 Taka
Balance as per Bank Ledger	8,576,679,649	2,800,610,324
<u>Unresponded debit entries</u>		
Bangladesh Bank statement	-	-
AB Bank's ledger	-	-
<u>Unresponded credit entries</u>	1,105,874	9,260,755
Bangladesh Bank statement	-	1,945,894
AB Bank's ledger	1,105,874	7,314,860
Balance as per Bangladesh Bank Statement	8,577,785,523	2,809,871,078

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 2023 is given below:

Period of unreconciliation	Number of unresponded entry		Unresponded BDT	
	Debit	Credit	Debit	Credit
Less than 3 months	-	2	-	1,105,874
3 months to less than 6 months	-	-	-	-
6 months to less than 12 months	-	-	-	-
12 months and more	-	-	-	-
Total	-	2	-	1,105,874

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

AB Bank PLC.	22,692,138,107	18,940,735,899
AB Investments Limited	-	-
AB International Finance Limited	-	-
AB Securities Limited	-	-
Cashlink Bangladesh Limited (CBL)	-	-
	22,692,138,107	18,940,735,899

3.3 Statutory deposits**Conventional Banking (inside Bangladesh)****Cash Reserve Requirement and Statutory Liquidity Ratio**

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

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

(a) Cash Reserve Requirement (CRR)

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

i. Daily position as on the reporting date

Required reserve	13,159,287,884	12,248,798,960
Actual reserve maintained	13,566,540,194	15,670,959,659
Surplus	407,252,310	3,422,160,699

AB Bank PLC.**Notes to the Financial Statements**

For the year ended 31 December 2023

31.12.2023
Taka**31.12.2022**
Taka

As per Bank ledger, balance with Bangladesh Bank (local currency) is BDT 13,534,364,333 while as per Bangladesh Bank Statements balance is BDT 13,566,540,194. Difference between the balance as per Bank Ledger and as per the Bangladesh Bank Statement is properly reconciled and adjusted accordingly.

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)

223,707,894,027

208,229,582,320

Actual reserve maintained

227,216,705,134

224,646,227,376

Surplus**3,508,811,107****16,416,645,056****(b) Statutory Liquidity Ratio (SLR)**

Required reserve (13% of total time & demand liabilities)

42,769,002,003

39,809,786,250

Actual reserve maintained

43,307,331,330

43,808,148,257

Total surplus**538,329,327****3,998,362,007**

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 @ 4.12% and @ 13.16% respectively at the year end.

(c) Components of Statutory Liquidity Ratio (SLR)

Cash in hand

1,455,186,796

1,718,992,057

Balance with Sonali Bank

317,631,102

419,252,117

HTM Securities

37,037,353,958

29,158,588,438

HFT Securities

3,934,597,164

8,933,844,945

Other Eligible Securities

155,310,000

155,310,000

Excess Reserve of CRR

407,252,310

3,422,160,699

43,307,331,330**43,808,148,257****Islamic Banking****Cash Reserve Requirement and Statutory Liquidity Ratio**

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

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

(a) Cash Reserve Requirement (CRR)

Required reserve

262,773,789

229,083,000

Actual reserve maintained

263,463,024

243,763,034

Surplus**689,235****14,680,034****(b) Statutory Liquidity Ratio (SLR)**

Total required reserve

361,313,960

314,989,000

Total actual reserve held

362,320,000

475,190,000

Total surplus**1,006,040****160,201,000**

AB Bank PLC.**Notes to the Financial Statements**

For the year ended 31 December 2023

31.12.2023
Taka**31.12.2022**
Taka**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.

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:

(a) Cash Reserve Ratio (CRR)

Required reserve	11,837,257	9,896,173
Actual reserve maintained	82,208,375	75,704,662
Surplus	70,371,118	85,600,835

(b) Statutory Liquidity Ratio (SLR)

Required reserve	389,846,583	386,125,480
Actual reserve maintained	874,786,635	863,871,375
Surplus	484,940,052	477,745,895
Total required reserve	401,683,840	396,021,653
Total actual reserve held	956,995,010	939,576,038
Surplus	555,311,170	543,554,384

4. Balance with other banks and financial institutions

In Bangladesh	(Note: 4.1)	611,320,686	525,610,648
Outside Bangladesh	(Note: 4.2)	6,334,970,622	4,304,948,618
		6,946,291,308	4,830,559,266

4(a) Consolidated balance with other banks and financial institutions

In Bangladesh	(Note: 4.1.a)	914,013,009	1,187,972,612
Outside Bangladesh (Nostro Accounts)	(Note: 4.2.a)	6,343,462,570	4,327,150,465
		7,257,475,579	5,515,123,076

4.1 In Bangladesh**Current Deposits**

The Premier Bank PLC., Motijheel Branch	103,636,649	66,839,454
Agrani Bank PLC., Local Office, Dhaka	24,885	24,885
Islami Bank Bangladesh PLC., Local Office	17,277	17,277
Agrani Bank PLC., Bhairab Bazar Branch	534	534
Janata Bank PLC., M K Road, Jashore Branch	1,155	1,845
Agrani Bank PLC., Choto Bazar, Mymensingh Branch	48,792	-
Agrani Bank PLC., Ishwargonj Bazar, Mymensingh Branch	750,000	-
Trust Bank PLC., Cantonment, Mymensingh Branch	9,656	15,096
Agrani Bank PLC., Narsingdi, Madhabdi	2,429,502	-
Agrani Bank PLC., Kotalipara, Gopalganj	49,540	-
Agrani Bank PLC., Bhanga Bazar, Bhanga	2,249,655	-
Agrani Bank PLC., Shibchar, Madaripur	4,807	-
Agrani Bank PLC., Tungipara, Gopalganj	31,632	-
Agrani Bank PLC., Rangunia, Patherhat	4,930,000	-
Agrani Bank PLC., Maizdee Court Sadar, Noakhali	3,647,690	-
Agrani Bank PLC., Ramgonj, Laxmipur	2,206,850	-
Agrani Bank PLC., Thana Road, Laxmipur	1,512,735	-

AB Bank PLC.**Notes to the Financial Statements**

For the year ended 31 December 2023

Current Deposits (Cont.)

	31.12.2023 Taka	31.12.2022 Taka
Agrani Bank PLC., Raipur Moddho Bazar, Laxmipur	2,295,907	-
Rupali Bank PLC., Birampur, Dinajpur	450,965	-
Janata Bank PLC., Thakurgaon, Dinajpur	2,224	-
Rupali Bank PLC., Kolaroa, Satkhira	409,781	-
Agrani Bank PLC., Sakhipur, Tangail	2,194,747	-
Janata Bank PLC., Kalihati, Tangail	1,211	-
Janata Bank PLC., Bogura Corporate Branch	8,016,576	381
Rupali Bank PLC., Thana Road, Bogura	5,260	5,260
Agrani Bank PLC., Thana Road, Bogura	8,242	58,242
Rajshahi Krishi Unnayan Bank, Bogura Branch	4,304	5,166
Agrani Bank PLC., Shaheb Bazar, Rajshahi	5,000	5,000
Janata Bank PLC., Rajshahi Corporate Branch	5,000	5,000
Rupali Bank PLC., Shaheb Bazar, Boalia, Rajshahi	11,264	11,264
Janata Bank PLC., Rangpur Branch	20,944,830	1,598,027
Janata Bank PLC., Sathibari, Rangpur	1,796,528	-
Rupali Bank PLC., G L Roy Road, Rangpur	614,955	284,175
Janata Bank PLC., Chapai Nawabganj Corporate Branch	974	6,814
Janata Bank PLC., Galimpur, Joypara	2,149,856	-
Janata Bank PLC., Ruppur, Pabna	14,384,540	-
Janata Bank PLC., Kashinathpur, Pabna	3,383,879	-
Agrani Bank PLC., Borhanuddin, Bhola	3,951	-
Agrani Bank PLC., Natun Bazar, Patuakhali	11,770	-
Janata Bank PLC., Bhola Sadar, Bhola	46,367	-
Janata Bank PLC., Jhalokathi, Barishal	631,793	-
Janata Bank PLC., Sirajgonj Branch	-	27
	178,931,280	68,878,445

Special Notice Deposits

Agrani Bank PLC., Rangpur Branch	22,477,266	19,756,806
Agrani Bank PLC., Saidpur Branch	-	850
Agrani Bank PLC., VIP Road Branch, Sylhet	5,099	4,985
Agrani Bank PLC., Bogura Branch	7,530	7,530
Agrani Bank PLC., Pabna Branch	1,000	1,000
Janata Bank PLC., Pabna Branch	1,000	1,000
Agrani Bank PLC., Jhikargachha Branch	17,072,992	30,030,055
Agrani Bank PLC., Sirajgonj Branch	56,638	80,788
Agrani Bank PLC., Khulna Branch	4,425	5,544
Agrani Bank PLC., Naogaon Branch	4,496,137	24,612
Agrani Bank PLC., Jashore Branch	26,606	26,606
Agrani Bank PLC., Moulvi Bazar Branch	57,318	61,468
Agrani Bank PLC., Satkhira Branch	10,491	753,619
Agrani Bank PLC., Principal Branch, Dhaka	19,999,710	3,467,847
Agrani Bank PLC., Barisal Branch	110,020	73,746
Agrani Bank PLC., Charfession, Bhola	258,529	-
Bangladesh Krishi Bank, Barishal Branch	12,523	12,523
Janata Bank PLC., Barishal Branch	21,321	80,718
Islami Bank Bangladesh PLC., Corporate Branch	624,476	604,333

AB Bank PLC.**Notes to the Financial Statements**

For the year ended 31 December 2023

	31.12.2023 Taka	31.12.2022 Taka
Special Notice Deposits (Cont.)		
Bank Asia PLC., Islami Banking Window Branch	39,406	39,378
First Security Islami Bank PLC., Dilkusha Br.	498,218	483,059
Al-Arafah Islami Bank PLC., Dilkusha Branch	6,562,294	59,779
Shahjalal Islami Bank PLC., Dhaka Main Branch	12,654	12,650
The City Bank PLC., Islamic Banking Br, Paltan, Dhaka	360,999	357,088
Bank Alfalah PLC., Main Branch, Dhaka	14,756	15,250
Southeast Bank PLC., Islami Banking Br, Motijheel	52,179	52,688
Agrani Bank PLC., Islami Banking Win, Amin Court Corp. Br.	291,925	283,694
Jamuna Bank PLC., Islami Banking Br, Nayabazar	4,970	6,041
Union Bank PLC., Dilkusha Branch	215,205	214,556
Premier Bank PLC., Islami Banking Br, Mohakhali	23,419	719,252
Pubali Bank PLC., Islamic Branch, 26 Dilkusha, Dhaka	32,314	32,459
EXIM Bank PLC., Motijheel Branch	803,358	217,026
	74,154,780	57,486,948
Savings Deposits		
Social Islamic Bank PLC., Principal Branch	3,223,393	9,217,159
ICB Islamic Bank PLC., Principal Br, Motijheel	1,232	4,096
	3,224,626	9,221,255
Fixed Deposits		
Hajj Finance Company Ltd.	-	35,014,000
Phoenix Finance and Investment Ltd.	230,000,000	230,000,000
Union Capital Ltd.	125,010,000	125,010,000
	355,010,000	390,024,000
	611,320,686	525,610,648
4.1.a Consolidated In Bangladesh		
AB Bank PLC.	611,320,686	525,610,648
AB Investment Limited	46,086,261	125,210,863
AB International Finance Limited	-	-
AB Securities Limited	566,029,688	905,891,350
Cashlink Bangladesh Limited (CBL)	47,200,982	45,354,290
	1,270,637,617	1,602,067,150
<u>Less:</u> Inter company transaction	356,624,607	414,094,538
	914,013,009	1,187,972,612
4.2 Outside Bangladesh		
Current Deposits		
The Bank of Tokyo Mitsubishi Limited	13,944,960	6,428,747
MFT, Yangon	109,750	103,297
JP Morgan Chase Bank	1,960,106,112	793,127,357
Sonali Bank (Kolkata)	484,907	1,406,729
Myanmar Economic Bank	44,998	42,352
Citibank NA	1,087,841,858	52,130,559
Hatton National Bank Limited	1,513,688	4,470,621
Commerz Bank AG	6,088,557	33,932,589
MCB Bank Ltd	4,996,559	4,702,775
Mashreq Bank Psc	588,653,857	1,213,735,046

AB Bank PLC.**Notes to the Financial Statements**

For the year ended 31 December 2023

	31.12.2023 Taka	31.12.2022 Taka
Current Deposits (Cont.)		
Nabil Bank Limited	183,036	229,087
Habib America Bank	708,897,255	115,197,543
Commerz Bank AG	5,153,029	3,323,763
Habib Metro Bank	4,175,613	821,583
Commerz Bank CAD	2,041,918	3,117,961
Commerz Bank CHF	5,906,856	2,727,758
JPMC NY	45,528,832	35,334,915
Commerz Bank AG	1,714,201	1,541,493
Reserve Bank of India	82,207,565	75,704,734
HDFC Bank CSGL	196,330	9,822,447
HDFC Bank Limited	30,865,995	93,105,898
Kotak Mahindra Bank	10,827,480	10,551,731
Habib American Bank Limited	587,980,089	28,273,731
JP CHASE ACU	1,179,163,423	1,813,941,858
Zhei Chou Commercial Bank Co. Ltd.	6,343,755	1,174,046
	6,334,970,622	4,304,948,618
(Details are given in Annexure - A)		
4.2.a Consolidated Outside Bangladesh (Nostro Accounts)		
AB Bank PLC.	6,334,970,622	4,304,948,618
AB Investment Limited	-	-
AB International Finance Limited	34,704,570	34,609,250
AB Securities Limited	-	-
Cashlink Bangladesh Limited (CBL)	-	-
	6,369,675,192	4,339,557,868
Less: Inter company transactions	26,212,622	12,407,403
	6,343,462,570	4,327,150,465
4.3 Account-wise/grouping of balance with other banks and FIs		
Current deposits	6,513,901,901	4,373,827,063
Savings deposits	3,224,626	9,221,255
Short-Notice Deposits	74,154,780	57,486,948
Fixed deposits	355,010,000	390,024,000
	6,946,291,307	4,830,559,266
4.4 Maturity grouping of balance with other banks		
Repayable – on demand	94,968,364	4,440,535,266
– up to 3 months	6,851,322,943	390,024,000
– over 3 months but below 1 year	-	-
– over 1 year but below 5 years	-	-
– over 5 years	-	-
	6,946,291,307	4,830,559,266

AB Bank PLC.**Notes to the Financial Statements**

For the year ended 31 December 2023

		31.12.2023 Taka	31.12.2022 Taka
5. Money at call and on short notice			
In Bangladesh	(Note 5.1)	-	-
Outside Bangladesh	(Note 5.2)	2,298,290,466	1,929,552,107
		2,298,290,466	1,929,552,107
5.1 In Bangladesh			
With banking companies			
Local Currency		-	-
5.2 Outside Bangladesh			
AB International Finance Limited		1,585,887,500	1,007,145,750
Commerzbank AG CHF		-	223,031,246
SVC Bank		65,901,667	62,404,925
Qata National Bank		65,901,667	62,404,925
Kotak Mahindra Bank		250,426,334	262,100,684
HDFC Bank Limited		330,173,298	312,464,577
		2,298,290,466	1,929,552,107
5(a) Consolidated money at call and on short notice			-
AB Bank PLC.		2,298,290,466	1,929,552,107
AB Investment Limited		-	-
AB International Finance Limited		-	-
AB Securities Limited		-	-
Cashlink Bangladesh Limited (CBL)		-	-
		2,298,290,466	1,929,552,107
Less: Inter-group transaction		(1,585,887,500)	(1,007,145,750)
		712,402,966	922,406,358
6. Investments		54,129,811,953	51,812,774,278
Nature wise (Bangladesh operation)			
Held for Trading		3,934,597,164	8,933,844,945
Held to Maturity		37,037,353,958	29,158,588,438
Other Eligible Securities		155,310,000	155,310,000
Others		12,280,416,808	12,879,678,138
		53,407,677,931	51,127,421,522
Nature wise (Mumbai branch)			
Held for Trading/Available for Sale		455,698,494	368,182,816
Held to Maturity		266,435,528	317,169,940
Others		-	-
		722,134,022	685,352,757
Claim wise			
Government securities	(Note 6.1)	41,702,600,214	38,724,461,083
Other investments	(Note 6.2)	12,427,211,739	13,088,313,195
		54,129,811,953	51,812,774,278

AB Bank PLC.
Notes to the Financial Statements

For the year ended 31 December 2023

		31.12.2023 Taka	31.12.2022 Taka
6 (a) Consolidated investments			
AB Bank PLC.		54,129,811,953	51,812,774,278
AB International Finance Limited		-	-
AB Investment Limited		425,529,558	519,327,763
AB Securities Limited		175,420,721	134,737,603
Cashlink Bangladesh Limited (CBL)		-	-
		54,730,762,232	52,466,839,645
6.1 Government securities			
T.Bill-Local-RE.REPO		-	-
T.Bill		3,269,592,181	1,541,305,390
Treasury bonds		37,702,358,942	36,551,127,993
Bangladesh Government Investment Sukuk		155,310,000	155,310,000
Bangladesh Bank Islami Investment bonds		362,320,000	475,190,000
Prize bonds		1,618,900	1,527,700
Collateralized Repo: Liquidity Support adjustment account		211,400,191	-
		41,702,600,214	38,724,461,083
6.1.1 Maturity wise Treasury Bonds			
(a) 30 Days Bangladesh Bank Bill		-	-
(b) Treasury Bill			
(i) 91 Days Treasury Bill		2,234,343,781	-
(ii) 182 Days Treasury Bill		-	338,788,800
(iii) 364 Days Treasury Bill		1,035,248,400	1,202,516,590
Total Treasury Bill		3,269,592,181	1,541,305,390
Treasury Bond			
(i) 02 Years Treasury Bond		500,294,926	1,622,779,060
(ii) 05 Years Treasury Bond		6,390,363,229	5,342,597,035
(iii) 10 Years Treasury Bond		13,991,925,377	13,711,177,059
(iv) 15 Years Treasury Bond		9,582,181,299	8,758,910,976
(v) 20 Years Treasury Bond		7,237,594,111	7,115,663,863
Total Treasury Bond		37,702,358,942	36,551,127,992
6.1(a) Consolidated Government securities			
AB Bank PLC.		41,702,600,214	38,724,461,083
AB Investment Limited		-	-
AB International Finance Limited		-	-
AB Securities Limited		-	-
Cashlink Bangladesh Limited (CBL)		-	-
		41,702,600,214	38,724,461,083
6.2 Other investments			
Shares	(Note 6.2.1)	5,285,252,077	5,307,774,752
Bond	(Note 6.2.2)	4,300,000,000	5,100,000,000
Pinnacle Global Fund Pte Limited	(Note 6.2.3)	2,119,825,640	1,995,185,687
		11,705,077,717	12,402,960,438
Investments -ABBPLC., Mumbai branch			
Treasury bills		722,134,022	685,352,757
		722,134,022	685,352,757
		12,427,211,739	13,088,313,195

AB Bank PLC.

Notes to the Financial Statements

For the year ended 31 December 2023

	31.12.2023 Taka	31.12.2022 Taka
6.2 (a) Consolidated other investments		
AB Bank PLC.	12,427,211,739	13,088,313,195
AB Investment Limited	425,529,558	519,327,763
AB International Finance Limited	-	-
AB Securities Limited	175,420,721	134,737,603
Cashlink Bangladesh Limited (CBL)	-	-
	13,028,162,018	13,742,378,561
6.2.1 Investments in shares		
Quoted (Publicly traded)	4,436,400,032	4,458,922,707
Unquoted	848,852,045	848,852,045
	5,285,252,077	5,307,774,752
Details are given in Annexure-B		
6.2.2 Investment in Bonds		
Investment in subordinated bonds	1,600,000,000	2,400,000,000
Investment in perpetual bonds	2,700,000,000	2,700,000,000
	4,300,000,000	5,100,000,000
6.2.2.1 Investment in subordinated bonds		
United Commercial Bank Ltd.	1,100,000,000	1,650,000,000
National Bank Ltd.	500,000,000	750,000,000
	1,600,000,000	2,400,000,000
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	1,000,000,000
	2,700,000,000	2,700,000,000
6.2.3 Pinnacle Global Fund Pte Limited	2,119,825,640	1,995,185,687
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	6,741,526,512	6,175,334,686
– over 3 months but below 1 year	1,560,322,009	2,972,866,924
– over 1 year but below 5 years	23,088,694,204	22,089,294,903
– over 5 years	22,739,269,228	20,575,277,765
	54,129,811,953	51,812,774,278

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 2023:

Counter party name	Agreement date	Reversal date	Amount (1 st leg cash consideration)
Bangladesh Bank	24/Dec/23	1/Jan/24	2,646,154,019.80
Bangladesh Bank	26/Dec/23	2/Jan/24	2,032,760,618.80

(ii) Disclosure regarding outstanding Reverse Repo as on 31 December 2023:

Counter party name	Agreement date	Reversal date	Amount (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	0.00	12,142,460,000	4,282,774,493
ii) with other banks & FIS	0.00	13,107,750,000	3,904,895,233
Securities purchased under reverse repo:			
i) from Bangladesh Bank	0.00	-	-
ii) from other banks & FIS	0.00	3,172,044,944	105,618,639

AB Bank PLC.**Notes to the Financial Statements**

For the year ended 31 December 2023

	31.12.2023 Taka	31.12.2022 Taka
7. Loans, advances and lease/investments	317,122,559,016	312,068,149,520
7.1 Maturity grouping		
Repayable – on demand	3,100,318,210	1,726,060,512
– upto 3 months	120,669,317,942	121,164,788,543
– over 3 months but below 1 year	150,220,932,643	134,921,171,886
– over 1 year but below 5 years	35,505,565,544	43,086,698,813
– over 5 years	7,626,424,677	11,169,429,766
	317,122,559,017	312,068,149,520
7.2 Broad category-wise breakup excluding bills purchased and discounted In Bangladesh		
Loans	298,252,928,825	293,241,077,481
Overdrafts	18,138,680,490	18,043,083,499
Cash credits	-	-
	316,391,609,315	311,284,160,980
Outside Bangladesh: ABBPLC., Mumbai branch		
Loans	27,240	6,370,811
Overdrafts	-	-
Cash credits	75,338,963	65,862,837
	75,366,204	72,233,648
	316,466,975,518	311,356,394,628
7.3 Product wise loans and advances		
Overdraft	18,138,680,490	17,082,813,602
Cash Credit	75,338,963	65,862,837
Time loan	44,986,466,236	49,602,721,689
Term loan	236,317,635,088	223,022,752,116
Forced loan	8,918,101,562	7,355,753,354
Bills under LC	217,972,624	18,521,469
Trust Receipt	4,695,181,839	5,745,625,406
Loan against accepted bills	13,698,166	28,348,649
Loan-EDF	1,104,488,200	4,531,624,272
Consumer Loan	939,268,149	2,742,062,663
Staff loan	1,060,144,201	1,160,308,571
Bills purchased & discounted	655,583,498	711,754,892
	317,122,559,016	312,068,149,520
7.4 Net loans, advances and lease/investments		
Gross loans and advances	317,122,559,016	312,068,149,520
Less:		
Interest suspense	9,051,419,845	11,773,479,961
Provision for loans and advances	26,136,828,747	27,260,466,185
	35,188,248,591	39,033,946,146
	281,934,310,425	273,034,203,374

AB Bank PLC.**Notes to the Financial Statements**

For the year ended 31 December 2023

7.5 Advances to industries

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

31.12.2023 Taka	31.12.2022 Taka
222,678,676,483	190,875,738,492
93,187,506,274	111,679,730,960
1,256,376,259	9,512,680,068
-	-
317,122,559,016	312,068,149,520

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

Total capital of the Bank

Number of clients

Amount of outstanding advances

Amount of classified advances

Measures taken for recovery*

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

38,062,840,072	36,195,251,975
25	24
168,288,213,900	158,288,188,102
17,137,137,168	20,104,126,643

7.7 Industry-wise loans, advances and lease/investments

Agriculture
Large and medium scale industry
Working capital
Export
Commercial lending
Small and cottage industry
Others

4,896,597,236	4,110,490,113
187,504,810,378	106,307,345,833
23,555,893,730	72,606,267,216
2,274,614,140	5,502,836,121
29,785,226,900	64,321,459,328
10,669,135,265	6,794,908,246
58,436,281,367	52,424,842,663
317,122,559,016	312,068,149,520

7.8 Geographical location-wise (division) distribution**In Bangladesh****Urban branches**

Dhaka
Chattagram
Khulna
Sylhet
Barishal
Rajshahi
Rangpur
Mymensingh

228,666,208,157	228,070,853,119
50,680,459,255	48,285,420,278
12,702,819,899	14,271,146,285
1,064,967,285	1,329,336,143
459,586,264	492,482,467
5,496,000,182	5,132,378,415
9,682,488,561	6,157,870,007
4,261,209,319	4,978,396,856
313,013,738,922	308,717,883,570

Rural branches

Dhaka
Chattagram
Khulna
Sylhet
Barishal
Rajshahi
Rangpur
Mymensingh

1,751,537,617	1,714,435,552
701,251,118	682,279,722
805,950,224	-
125,914,253	123,463,857
-	-
1,061,751	18,746
820,012	601,245
62,124,453	58,011,946
3,448,659,428	2,578,811,068

Outside Bangladesh

ABBPLC., Mumbai branch

660,160,666	771,454,882
317,122,559,016	312,068,149,520

AB Bank PLC.

Notes to the Financial Statements

For the year ended 31 December 2023

**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

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

(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

Opening written off loan

Add: Written off during the year

Cumulative Written off loans

Less: Adjustments/ recoveries/ Settlement up to the period

Closing Balance of Written off loan

The amount of written off loans for which lawsuits have been filed for its recovery

	31.12.2023 Taka	31.12.2022 Taka
	215,153,737,032	242,013,059,024
	6,171,652,296	6,161,735,613
	<u>221,325,389,329</u>	<u>248,174,794,637</u>
	579,832,949	180,200,000
	2,668,203,580	3,245,000,000
	91,888,972,493	59,696,700,000
	<u>95,137,009,022</u>	<u>63,121,900,000</u>
	<u>316,462,398,350</u>	<u>311,296,694,637</u>
	660,160,666	771,454,882
	-	-
	<u>660,160,666</u>	<u>771,454,882</u>
	<u>317,122,559,016</u>	<u>312,068,149,520</u>
	301,785,482,694	285,993,646,545
	-	-
	15,337,076,323	26,074,502,975
	-	-
	<u>317,122,559,016</u>	<u>312,068,149,520</u>
	1,039,656,803	1,160,308,571
	-	-
	1,143,227,240	1,272,630,318
	-	-
	-	-
	-	-
	813,146,155	1,242,385,788
	3,286,137,933	1,642,195,762
	242,890,673	354,617,876
	18,366,331,167	20,703,001,747
	145,172,170	203,861,016
	18,848,367,258	17,206,171,496
	3,286,137,933	1,642,195,762
	22,134,505,191	18,848,367,258
	4,493,176,097	4,241,107,104
	<u>17,641,329,094</u>	<u>14,607,260,155</u>
	17,390,288,651	14,566,407,480

AB Bank PLC.**Notes to the Financial Statements**

For the year ended 31 December 2023

31.12.2023
Taka**31.12.2022**
Taka**7.10 (a)** The amount represents loans Tk. 1,143,230,318 due by the employees of the Bank.**7.11 Securities wise loans, advances and lease/investments**Nature of security

Collateral of movable/immovable assets	255,627,183,621	255,690,467,739
Cash collateral	20,345,291,449	6,028,942,758
Banks and financial institutions guarantee	-	-
Personal guarantee	15,337,076,323	13,568,095,564
Corporate guarantee	5,944,516,553	9,994,886,820
Other securities	19,868,491,070	26,785,756,640
	317,122,559,016	312,068,149,520

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	1,204,848,576
Beximco Ltd.	Term Loan	29-Jun-2027	550,098,232
International Knitwear & Apparels Ltd.	Term Loan	29-Jun-2028	837,478,097
New Dacca Industries Ltd.	Term Loan	29-Jun-2027	3,457,611,616
			6,050,036,521

7(a) Consolidated loans, advances and lease/investments excl. Bills purchased

AB Bank PLC.	316,466,975,518	311,356,394,628
AB Investment Limited	6,917,843,597	7,281,007,296
AB International Finance Limited	-	-
AB Securities Limited	763,232,129	736,367,542
Cashlink Bangladesh Limited (CBL)	-	-
	324,148,051,244	319,373,769,465
Less: Inter company transaction	1,256,376,259	914,115,052
	322,891,674,985	318,459,654,413

8 Bills purchased and discounted

In Bangladesh	70,789,035	12,533,657
Outside Bangladesh - ABBPLC., Mumbai Branch	584,794,463	699,221,235
	655,583,498	711,754,892

8 (a) Consolidated Bills purchased and discounted

AB Bank PLC.	655,583,498	711,754,892
AB Investment Limited	-	-
AB International Finance Limited	1,885,708,366	1,239,255,280
AB Securities Limited	-	-
Cashlink Bangladesh Limited (CBL)	-	-
	2,541,291,864	1,951,010,172

AB Bank PLC.**Notes to the Financial Statements**

For the year ended 31 December 2023

8.1 Maturity grouping of Bills Purchased and discounted

- Repayable – within 1 month
- over 1 month but within 3 months
- over 3 months but within 6 months
- over 6 months

9. Fixed assets including premises, furniture and fixtures**Cost:**

- Land and Building
 - Furniture and fixtures
 - Office appliances
 - Electrical appliances
 - Motor vehicles
 - Intangible Assets
 - Right of Use Assets
- Less: Accumulated depreciation and amortization

9(a) Consolidated Fixed assets including premises, furniture and fixtures**Cost:**

- AB Bank PLC.
- AB Investments Limited
- AB International Finance Limited
- AB Securities Limited
- Cashlink Bangladesh Limited (CBL)

Accumulated depreciation:

- AB Bank PLC.
- AB Investments Limited
- AB International Finance Limited
- AB Securities Limited
- Cashlink Bangladesh Limited (CBL)

10 Other Assets:**Income generating-Equity Investment****In Bangladesh:**

- AB Investment Limited (99.99% owned subsidiary company of ABBPLC.)
- AB Securities Limited (99.91% owned subsidiary company of ABBPLC.)
- Cashlink Bangladesh Limited (90% owned subsidiary company of ABBPLC.)

Outside Bangladesh:

- AB International Finance Ltd., Hong Kong
(wholly owned subsidiary company of ABBPLC.)

	31.12.2023	31.12.2022
	Taka	Taka
	193,962,382	189,327,470
	335,133,560	207,331,301
	219,034,629	315,096,121
	-	-
	748,130,570	711,754,892
	2,271,171,345	2,271,171,345
	342,294,329	349,155,773
	63,155,297	63,105,254
	2,077,084,166	2,155,441,495
	261,151,291	260,944,343
	1,016,993,533	982,430,450
	1,329,421,828	1,329,421,828
	7,361,271,787	7,411,670,487
	4,506,243,432	4,162,507,606
	2,855,028,355	3,249,162,881
	7,361,271,787	7,411,670,487
	687,679,476	687,679,476
	6,868,170	5,864,554
	78,333,211	65,395,047
	-	-
	8,134,152,644	8,170,609,564
	4,506,243,432	4,162,507,606
	210,987,766	193,985,222
	6,243,653	5,770,600
	64,039,553	57,794,107
	-	-
	4,787,514,405	4,420,057,536
	3,346,638,239	3,750,552,029
	5,811,431,750	5,811,431,750
	199,898,000	199,898,000
	212,581,228	212,581,228
	6,223,910,978	6,223,910,978
	5,203,944	5,203,944
	5,203,944	5,203,944
	6,229,114,922	6,229,114,922

AB Bank PLC.**Notes to the Financial Statements**

For the year ended 31 December 2023

	31.12.2023	31.12.2022
	Taka	Taka
Non-income generating		
Arab Bangladesh Bank Foundation (99.60% owned subsidiary company of ABBPLC.)	19,920,000	19,920,000
Net deferred tax assets (Note 10.1)	2,407,418,791	3,562,297,871
Accounts receivable	1,434,650,970	1,667,622,589
Preliminary, formation, organisational, renovation, development, prepaid expenses and others	810,710,572	533,005,552
Exchange for clearing	1,737,271,318	663,210,910
Interest accrued on investment but not collected, commission and brokerage receivable on shares and debentures, and other income receivables	1,224,490,582	1,214,753,020
Security deposits	77,267,665	72,623,086
Advance rent and advertisement (Note 10.2)	122,688,107	159,292,739
Stationery, stamps, printing materials, etc.	41,831,957	71,462,423
Inter-branch adjustment	-	147,414
	7,876,249,963	7,964,335,605
	14,105,364,885	14,193,450,527
10(a) Consolidated Other assets		
AB Bank PLC.	14,105,364,885	14,193,450,527
AB Investment Limited	1,143,973,806	563,197,489
AB International Finance Limited	75,155,059	55,757,677
AB Securities Limited	8,179,576	105,574,309
Cashlink Bangladesh Limited (CBL)	35,278,448	34,974,457
	15,367,951,774	14,952,954,459
Less: Inter-group transaction	6,280,130,503	6,473,500,658
	9,087,821,261	8,479,453,791
10.1 Deferred tax assets		
a) Deferred tax assets for specific provisions of loans and advances		
Opening Deferred Tax Assets	3,651,352,921	4,197,545,038
Add: Deferred Tax Income during the year	-	-
Less: Write-Off adjustment	1,181,180,621	546,192,117
Less: Adjustment during the year	-	-
Closing deferred tax assets	2,470,172,300	3,651,352,921
b) Deferred tax liabilities against property, plant & equipment		
Balance at 01 January	89,055,050	92,941,021
Add: Provision made during the year	(26,183,485)	(3,685,946)
Add/(Less): Adjustment for Rate Fluctuation during the year	(118,055)	(200,026)
Closing deferred tax liabilities	62,753,510	89,055,050
Net Deferred Tax Assets (a-b)	2,407,418,791	3,562,297,871
Net Deferred Tax Income during the year	(1,154,997,135)	3,685,946
Deferred tax liabilities against Property, Plant & Equipment		
Accounting base of Property, Plant & Equipment	2,724,509,033	2,892,265,617
Tax base of Property, Plant & Equipment	2,552,119,664	2,651,226,386
Difference	172,389,370	241,039,231
(Deductible)/Taxable Temporary Difference	172,389,370	241,039,231
Effective Tax Rate	37.50%	37.50%
Deferred Tax (Assets)/Liabilities	64,646,014	90,389,712
Deferred Tax (Assets)/Liabilities of Mumbai Branch	(1,892,504)	(1,334,662)
Closing Deferred Tax Liabilities	62,753,510	89,055,050

AB Bank PLC.**Notes to the Financial Statements**

For the year ended 31 December 2023

10.1.1 Consolidated deferred tax liabilities

AB Bank PLC.
AB Investment Limited

	31.12.2023 Taka	31.12.2022 Taka
	62,753,510	89,055,050
	-	-
	62,753,510	89,055,050

10.1.2 Consolidated deferred tax assets

AB Bank PLC.
AB Securities Limited
AB Investment Limited

	2,470,172,300	3,651,352,921
	1,792,040	1,708,138
	36,608,486	151,693,198
	2,508,572,826	3,804,754,257

10.2 Advance rent and advertisement

Advance rent BDT 6,189,708 as on 31 December 2023 is included with Right of Use (ROU) assets as per IFRS 16 Leases.

11 Non-Banking Assets

12,666,128,470 **334,171,836**

The Bank has obtained absolute ownership of 125 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 Companies 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	-	-	86	6,509,060,887
2	Building	-	-	39	6,157,067,583
	Total	-	-	125	12,666,128,470

12. Borrowings from other banks, financial institutions and agents

In Bangladesh (Note 12:1)
Outside Bangladesh

	2,841,350,611	10,750,218,784
	-	-
	2,841,350,611	10,750,218,784

12.1 In Bangladesh:**12.1.1 Bangladesh Bank**

Export Development Fund
Islamic Investment Bond
Refinance against IPFF
Refinance against Women Entr., Small Enterprise, ETP, Covid 19 & Others

	759,086,947	3,856,632,492
	452,632,639	503,159,722
	152,726,208	190,938,429
	1,039,233,758	1,340,566,790
	2,403,679,551	5,891,297,433

12.1.2 Call & Term Borrowing from

The Premier Bank PLC.
Basic Bank Limited
Agrani Bank PLC.
Shimanto Bank PLC.
Bangladesh Development Bank PLC.
Rupali Bank PLC.
Community Bank PLC.
Uttara Bank PLC.
One Bank PLC.
Accrued interest
Accrued Interest Repo-Other Bank

	100,000,000	-
	-	1,200,000,000
	-	2,300,000,000
	130,000,000	350,000,000
	200,000,000	-
	-	500,000,000
	-	-
	-	-
	-	500,000,000
	492,222	3,868,444
	7,178,837	5,052,907
	437,671,060	4,858,921,351
	2,841,350,611	10,750,218,784

Total in Bangladesh

AB Bank PLC.**Notes to the Financial Statements**

For the year ended 31 December 2023

	31.12.2023	31.12.2022
	Taka	Taka
12.2 Analysis by security		
Secured (assets pledge as security for liabilities)	-	-
Unsecured	2,841,350,611	10,750,218,784
	2,841,350,611	10,750,218,784
12.3 Repayment pattern		
Repayable on demand	-	-
Repayable on maturity (Note 12.3.1)	2,841,350,611	10,750,218,784
	2,841,350,611	10,750,218,784
12.3.1 Repayable on maturity		
<u>Bangladesh Bank:</u>		
Export Development Fund	759,086,947	3,856,632,492
Islamic Investment Bond	452,632,639	503,159,722
Refinance against IPFF	152,726,208	190,938,429
Refinance against Women Entr., Small Ent., ETP & Others	1,039,233,758	1,340,566,790
	2,403,679,551	5,891,297,433
<u>Term Borrowings:</u>		
Agrani Bank PLC.	-	2,300,000,000
Community Bank PLC.	-	-
Uttara Bank PLC.	-	-
Bangladesh Development Bank PLC.	200,000,000	-
Rupali Bank PLC.	-	500,000,000
Shimanto Bank PLC.	130,000,000	350,000,000
Basic Bank PLC.	-	1,200,000,000
One Bank PLC.	-	500,000,000
The Premier Bank PLC.	100,000,000	-
Accrued interest	7,671,060	8,921,351
	437,671,060	4,858,921,351
	2,841,350,611	10,750,218,784
12(a) Consolidated Borrowings from other banks, financial institutions and agents		
AB Bank PLC.	2,841,350,611	10,750,218,784
AB Investment Limited	1,098,776,723	756,515,861
AB International Finance Limited	1,579,785,618	1,001,325,144
AB Securities Limited	157,599,536	157,599,191
Cashlink Bangladesh Limited (CBL)	-	-
	5,677,512,488	12,665,658,980
<u>Less: Intercompany transactions</u>	2,836,161,877	1,915,440,196
	2,841,350,611	10,750,218,784
13 Bonds		
Tier-II subordinated bond (note-13.1)	5,008,750,000	6,097,500,000
Perpetual bond - additional Tier-I capital (note-13.2)	5,710,936,000	5,400,000,000
	10,719,686,000	11,497,500,000

AB Bank PLC.**Notes to the Financial Statements**

For the year ended 31 December 2023

13.1 Tier-II subordinated bond

	31.12.2023 Taka	31.12.2022 Taka
AB Bank Subordinated Bond-I	-	-
AB Bank Subordinated Bond-II	-	-
AB Bank Subordinated Bond-III	1,758,750,000	2,847,500,000
AB Bank Subordinated Bond-IV	3,250,000,000	3,250,000,000
	5,008,750,000	6,097,500,000

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 PLC.	1,207,500,000	1,955,000,000
Sonali Bank PLC.	1,500,000,000	1,500,000,000
National Credit & Commerce Bank PLC.	551,250,000	892,500,000
Janata Bank PLC.	1,000,000,000	1,000,000,000
Agrani Bank PLC.	750,000,000	750,000,000
	5,008,750,000	6,097,500,000

13.2 Perpetual bond - additional Tier-I capital

The Bank has successfully launched subscription of the Perpetual Bond as additional Tier-1 capital. The bank has obtained necessary approvals from the regulators duly and raised subscription of BDT 540 crore through private placement and BDT 31.09 crore through public issue. The total issue size Bond is BDT 571.09 crore including public offer of BDT 31.09 crore. Basic features of the perpetual bonds are;

Coupon rate: Reference rate Plus Coupon margin

Here, reference rate is the latest available 20 years treasury bond rate as published by Debt Management Department of Bangladesh Bank on the quotation day and coupon margin is 2%.

Coupon range: 6.0% to 10.0%

Contingent Convertible feature: This bonds are contingent convertible and this conversion will only be executed if banks's consolidated common equity Tier-I (CET-I) falls below 4.5% and the conversion amount will be to the extent of shortfall amount for reaching CET-I @ 4.5%.

Subscriber wise perpetual bonds are:

The Premier Bank PLC.	1,050,000,000	1,050,000,000
IFIC Bank PLC.	1,000,000,000	1,000,000,000
NCC Bank PLC.	650,000,000	650,000,000
Trust Bank PLC.	890,000,000	890,000,000
Uttara Bank PLC.	100,000,000	100,000,000
Subscribers other than Banks	2,020,936,000	1,710,000,000
	5,710,936,000	5,400,000,000

14. Deposit and other accounts

Inter-bank deposits	12,374,826,100	7,795,040,252
Other deposits	342,399,553,588	308,902,229,058
	354,774,379,687	316,697,269,309

14(a) Consolidated Deposit and other accounts

AB Bank PLC.	354,774,379,687	316,697,269,309
AB Investment Limited	-	-
AB International Finance Limited	-	-
AB Securities Limited	-	-
Cashlink Bangladesh Limited (CBL)	-	-
	354,774,379,687	316,697,269,309
Less: Inter-group transaction	384,735,978	428,050,718
	354,389,643,709	316,269,218,590

AB Bank PLC.**Notes to the Financial Statements**

For the year ended 31 December 2023

14.1 Maturity analysis of inter-bank deposits

Repayable – on demand
– within 1 month
– over 1 month but within 3 months
– over 3 months but within 1 year
– over 1 period but within 5 years

31.12.2023 Taka	31.12.2022 Taka
2,123,985,140	3,489,541,703
6,087,606,307	2,030,265,628
4,111,229,444	2,232,158,607
52,005,208	43,074,314
-	-
12,374,826,100	7,795,040,252

14.2 Maturity analysis of other deposits

Repayable – on demand
– within 1 month
– over 1 month but within 3 months
– over 3 months but within 1 year
– over 1 year but within 5 years
– over 5 years

2,986,818,464	2,959,098,975
31,100,694,925	29,049,858,867
87,510,393,361	80,442,051,455
168,888,279,247	149,751,835,938
49,127,434,987	44,169,176,286
2,785,932,604	2,530,207,536
342,399,553,588	308,902,229,058

14.3 Demand and time deposits**a) Demand Deposits**

Current accounts and other accounts
Savings Deposits (9%)
Bills Payable

51,294,420,069	52,560,287,543
45,849,000,507	46,923,030,071
3,789,226,563	3,749,472,327
1,656,192,999	1,887,785,146

b) Time Deposits

Savings Deposits (91%)
Short Notice Deposits
Fixed Deposits
Other Deposits

303,479,959,618	264,136,981,766
38,313,290,802	37,911,331,304
25,327,696,584	27,860,915,473
174,170,888,715	141,978,941,534
65,668,083,516	56,385,793,454

Total Demand and Time Deposits

354,774,379,687	316,697,269,309
------------------------	------------------------

14.4 Sector-wise break up of deposits and other accounts

Government
Deposit money Banks
Autonomous & Semi-Autonomous Bodies
Public Non-Financial Organisation
Other Public
Foreign Currency
Private

8,739,493,611	7,801,504,055
8,136,155,330	7,262,920,670
7,323,161,565	6,537,183,639
49,852,593,644	44,502,030,527
4,483,404,140	4,002,210,784
31,879,547,621	28,457,989,800
244,360,023,776	218,133,429,834

354,774,379,687	316,697,269,309
------------------------	------------------------

15. Other liabilities

Accumulated provision against loans and advances	(Note 15.1)
Inter-branch adjustment	
Provision for current tax (net of advance tax)	(Note 15.2)
Interest suspense account	(Note 15.3)
Provision against other assets	(Note 15.4)
Accounts payable - Bangladesh Bank	
Accrued expenses	
Lease Liabilities	(Note 15.5)
Provision for off balance sheet items	(Note 15.6)
Provision against investments	(Note 15.7)
Start-up Fund *	
Unclaimed Dividend Account	
Others **	

26,136,828,747	27,260,466,185
805,562	-
345,396,221	1,126,116,056
9,051,419,845	11,773,479,961
380,332,173	334,959,106
17,829,020	17,503,601
109,212,630	117,779,412
90,070,083	317,024,275
1,447,600,000	1,180,000,000
2,612,666,246	2,358,476,593
24,318,578	17,100,551
4,286,949	4,466,473
1,254,188,392	1,207,062,630

41,474,954,444	45,714,434,841
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* 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, Provision for NBA, etc.

AB Bank PLC.**Notes to the Financial Statements**

For the year ended 31 December 2023

	31.12.2023 Taka	31.12.2022 Taka
15.1 Accumulated provision against loans and advances		
The movement in specific provision for bad and doubtful debts		
Opening Balance	21,641,247,373	20,953,453,433
Fully provided debts written off during the period (-)	(3,149,814,988)	(1,456,512,311)
Transferred to Non-Banking Assets (-)	(4,074,215)	-
Transferred from retained earnings (+)	-	-
Specific provision made during the Year (+)	890,000,000	2,144,306,250
	(2,263,889,204)	687,793,939
Closing Balance	19,377,358,169	21,641,247,373
Provision made by ABBPLC., Mumbai Branch	-	-
Total provision on classified loans and advances	19,377,358,169	21,641,247,373
<u>On unclassified loans</u>		
Opening Balance	5,614,725,658	6,344,725,658
Transferred from Investment provisions (+)	-	(730,000,000)
General provision made during the Year (+)	1,140,000,000	-
	1,140,000,000	(730,000,000)
Closing Balance	6,754,725,658	5,614,725,658
Provision made by ABBPLC., Mumbai Branch	4,744,920	4,493,155
Total provision on un-classified loans and advances	6,759,470,578	5,619,218,812
Total provision on loans and advances	26,136,828,747	27,260,466,185
Provision against loans and advances has been maintained as per Bangladesh Bank letter no. DBI-3/101/2024-656 dated 30 April 2024 and DOS(CAMS)1157/41(Dividend)/2024-1842 dated 30 April 2024 respectively. According to those letters, there is a provision shortfall of Tk. 8,041.81 crore (Total requirement is BDT 10,655.02 crore and total maintained is BDT 2,613.21 crore) against loans and advances which requires to be kept within 2024.		
15.1.1 Special General Provision -Covid-19	223,500,000	370,514,704
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.		
15.1.1 Details of provision kept for loans and advances		
General Provision	6,754,725,658	5,617,266,497
Standard	6,631,844,677	5,494,065,308
Special Mention Account	122,880,981	123,201,190
Specific Provision	19,377,358,169	21,638,734,690
Substandard	96,297,892	12,082,938
Doubtful	914,729,110	923,650,005
Bad/Loss	18,366,331,167	20,703,001,747
15.2 Provision for current tax (net of advance tax)		
Current Tax (note 15.2.1)	9,164,258,672	8,701,098,195
Advance Income Tax (note 15.2.2)	8,818,862,452	7,574,982,140
Provision for current tax (net of advance tax)	345,396,221	1,126,116,056
15.2.1 Provision for current tax		
Opening Balance	8,592,933,385	7,180,209,315
Add: Provision made during the year	399,304,578	1,958,916,186
Less: Adjustment/transferred during the year	-	-
Less: Write-off adjustment	-	(546,192,117)
Closing Balance	8,992,237,963	8,592,933,385
Provision held by ABBPLC., Mumbai Branch	172,020,709	108,164,809
	9,164,258,672	8,701,098,195

Corporate income tax assessment of the Bank is completed up to the income year ended 31 December 2022 (Assessment Year 2023-24). Corporate income tax return for the year 2020, 2021 and 2022 submitted under section 82BB corresponding to Assessment Years 2021-22 and 2022-2023. Tax assessments for the income year 2019 is completed but under review of appellate commission. 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.

AB Bank PLC.**Notes to the Financial Statements**

For the year ended 31 December 2023

	31.12.2023 Taka	31.12.2022 Taka
15.2.1a Reconciliation of Provision for Current Tax made during the period (Bangladesh Operation)		
Income tax @ 37.50% on estimated taxable Business Profit	460,868,356	1,806,586,157
Income tax @ 20.00% on Dividend Income	72,409,533	73,422,242
Income tax @ 10% on Capital Gain on Sale of Shares	-	31,097,787
Estimated Total Provision Required	533,277,889	1,911,106,186
Effective Tax Rate on Profit before Provision	10.64%	34.86%
15.2.2 Advance corporate income tax		
In Bangladesh:		
Opening Balance	7,434,630,513	5,602,298,832
Paid during the year	1,171,450,723	1,832,331,682
Closing balance (Bangladesh operations)	8,606,081,236	7,434,630,513
Advance tax of ABBPLC., Mumbai Branch	212,781,215	140,351,627
	8,818,862,452	7,574,982,140
15.3 Interest suspense account		
Balance at 01 January	11,773,479,961	13,171,406,144
Add. Transferred during the the year	145,172,170	203,861,016
Less: Recovery/adjustment/waivered during the year	(2,730,909,090)	(1,416,103,748)
Less: Written off during the year	(136,323,196)	(185,683,451)
Balance at 31 December	9,051,419,845	11,773,479,961
15.4 Provision against other assets		
<u>Provision for</u>		
Prepaid legal expenses	209,726,000	156,626,000
Protested bills	76,875,678	73,875,678
Others	93,730,495	104,457,428
	380,332,173	334,959,106

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

15.4.1 Calculation of Provision against other assets

	Outstanding amount	Base for Provision	Rate	Provisions Requirement	Provisions Maintained
Prepaid legal exp.	207,940,388	52,770,418	50%	26,385,209	26,385,209
		185,967,889	100%	185,967,889	183,340,791
Protested bills	76,614,116	76,614,116	100%	76,614,116	76,875,678
Others	99,163,564	15,597,210	50%	7,798,605	7,798,605
		83,566,354	100%	83,566,354	85,931,890
Required provision for other assets				380,332,173	380,332,173
Total provision requirement					380,332,173
Total provision maintained					380,332,173
Excess provision maintained at the reporting date					-

15.5 Leasehold Liabilities

Opening balance of present value of lease liability	317,024,275	508,571,819
Finance Cost @ 8%	17,327,489	35,034,137
Rental payment during the Year	244,281,681	226,581,681
Closing balance of lease liability	90,070,083	317,024,275

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.

AB Bank PLC.**Notes to the Financial Statements**

For the year ended 31 December 2023

15.6 Provision for off balance sheet items

Opening balance

Add: Addition during the period

	31.12.2023 Taka	31.12.2022 Taka
	1,180,000,000	330,000,000
	267,600,000	850,000,000
	1,447,600,000	1,180,000,000

15.6.1 Particulars of required provision for Off-Balance Sheet Items

	Base for Provision	Rate (%)	31 December 2023	31 December 2022
Acceptances and endorsement	7,791,854,700	1%,2%,5%	89,917,755	79,682,164
Letters of guarantee	15,493,215,577	1%,2%,5%	1,126,210,995	881,149,528
Irrevocable letters of credit	10,983,999,316	1%,2%,5%	125,113,685	69,498,120
Others	10,635,756,522	1%	106,357,565	149,370,187
Total Off Balance Sheet Items & required provision	44,904,826,115		1,447,600,000	1,179,700,000
Total provision maintained			1,447,600,000	1,180,000,000
Excess provision at the reporting date			-	300,000

Provision requirement is calculated as per BRPD circular no. 06 dated 25 April 2023. Provision is not required against Off Balance Sheet items of Mumbai Branch BDT 5,936,560,922 as per Reserve Bank of India (RBI) guidelines.

*Provision Requirement for Letter of Guarantee in excess of BRPD circular no. 06 dated 25 April 2023 is determined as per BB letter no. DBI-3/101/2023-656 dated 30 April 2024.

15.7 Provision against investments**Provision against quoted shares:**

Opening balance

Add: Provision made at the end of the period

	1,082,051,075	940,353,000
	64,486,544	141,698,075
	1,146,537,619	1,082,051,075

Total provision maintained for Investment in quoted shares

Total provision requirement for Investment in quoted shares

	1,146,537,619	1,082,051,075
	1,146,537,619	1,082,051,075

Excess provision

	-	-
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Provision for Pinnacle Global Fund Pte Limited:

Opening balance

Add: Provision made during the period

	820,000,136	649,250,000
	186,202,814	170,750,136
	1,006,202,950	820,000,136

Provision for Pinnacle Global Fund Pte Limited of BDT 111.35 crore has been deferred as per Bangladesh Bank letters no. DBI-3/101/2024-656 dated 30 April 2024 and DOS(CAMS)1157/41(Dividend)/2024-1842 dated 30 April 2024 respectively. This provision shortfall requires to be kept within 2024.

Provision for Amana Bank PLC., Srilanka:

Opening balance

Add: Provision made during the Year

	456,425,382	265,121,984
	3,500,000	191,303,398
	459,925,382	456,425,382

Total Provision maintained against investment:

Provision against quoted shares

Provision for Pinnacle Global Fund Pte Limited

Provision for Amana Bank PLC., Srilanka

	1,146,537,619	1,082,051,075
	1,006,202,950	820,000,136
	459,925,382	456,425,382
	2,612,666,246	2,358,476,593

15(a) Consolidated Other liabilities

AB Bank PLC.

AB Investment Limited

AB International Finance Limited

AB Securities Limited

Cashlink Bangladesh Limited (CBL)

Less: Inter-group transaction

	41,474,954,444	45,714,434,841
	1,059,593,725	1,382,478,229
	102,919,599	83,653,804
	844,992,537	1,209,050,766
	40,250	34,500
	43,482,500,555	48,389,652,139
	28,657,641	132,699,796
	43,453,842,914	48,256,952,343

AB Bank PLC.**Notes to the Financial Statements**

For the year ended 31 December 2023

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

	31.12.2023 Taka	31.12.2022 Taka
	8,781,321,070	8,609,138,310
	15,000,000,000	15,000,000,000
	100,000,000	100,000,000
	50,000,000	50,000,000
	8,631,321,070	8,459,138,310
	8,781,321,070	8,609,138,310

16.3 Percentage of shareholdingSponsors and public
Govt.

	As at 31 December 2023		As at 31 December 2022	
	No. of shares	%	No. of shares	%
	873,098,570	99.43	855,978,990	99.43
	5,033,537	0.57	4,934,841	0.57
	878,132,107	100.00	860,913,831	100.00

16.4 Classification of shareholders by holding

Holding	No. of holders		% of total holding	
	31 Dec 2023	31 Dec 2022	31 Dec 2023	31 Dec 2022
Upto 500	25,674	25,495	42.31	42.25
501 to 5,000	24,639	24,644	40.60	40.84
5,001 to 10,000	4,495	4,476	7.40	7.42
10,001 to 20,000	2,825	2,761	4.66	4.58
20,001 to 30,000	1,049	1,019	1.73	1.69
30,001 to 40,000	531	515	0.87	0.85
40,001 to 50,000	279	294	0.46	0.49
50,001 to 100,000	610	596	1.01	0.99
100,001 to 1,000,000	514	482	0.85	0.80
Over 1,000,000	67	64	0.11	0.11
	60,683	60,346	100	100

16.5 Names of the Directors and their shareholding as at 31 December 2023

Name of the Director	Status	No. of Shareholding including nominating institution/individual	
		31 Dec 2023	31 Dec 2022
Barrister Khairul Alam Choudhury Nominated by Pacific Industries Limited	Chairman	85,895,978	84,211,744
Mr. Feroz Ahmed	Director	18,220,070	17,862,814
Mr. Shajir Ahmed Nominated by Hexagon Cehmical Complex Ltd.	Director	20,052,848	23,581,224
Mr. Md. Maqsudul Huq Khan Nominated by Emkay Holdings Limited	Director	17,953,440	17,601,412
Mr. Shafiqul Alam	Independent Director	-	-
Mr. Md. Eskandar Miah	Independent Director	-	-
Mr. Tarique Afzal	Managing Director & CEO	-	-

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, 2023 is Taka 46,853,561,301 as against available Total Tier-I Capital of Taka 28,131,977,030 and Total Tier-2 Capital available of Taka 12,653,639,206 that is, a total of Taka 40,785,616,236 thereby showing a deficit capital of Taka 6,067,945,065 at that date. Details are shown below:

AB Bank PLC.
Notes to the Financial Statements

For the year ended 31 December 2023

Tier I Capital (Going-Concern Capital)
Common Equity Tier-I Capital

Fully Paid-up Capital/Capital Deposited with BB

Statutory Reserve

Non-repayable share premium account

General Reserve

Retained earnings

Minority interest in Subsidiaries

Non-Cumulative irredeemable Preference shares

Dividend Equalization Account

Regulatory adjustment:

Goodwill and all other Intangible Assets

Shortfall in provisions required against Non Performing Loans (NPLs)

Shortfall in provisions required against investment in shares

Remaining deficit on account of revaluation of investments in securities after netting off from any other surplus on the securities.

Deferred Tax Assets (DTA)

Defined benefit pension fund assets

Gain on sale related to securitization transactions

Investment in own CET-1 Instruments/Shares

Reciprocal crossholdings in the CET-1 capital of Banking, Financial and Insurance Entities

Any investment exceeding the approved limit under section 26(2) of Bank Company Act, 1991.

Investments in subsidiaries which are not consolidated- 50% of Investment

Other if any

Total Common Equity Tier-I Capital
Additional Tier-I Capital

Perpetual bond

Maximum limit of additional Tier 1 capital

Excess amount over maximum limit of AT 1

Total Admissible additional Tier 1 capital
Total Tier-1 Capital
Tier-2 Capital (Gone concern Capital)

General Provision/General loan-loss reserve

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)

Minority Interest

HO borr. in for. Curr. Rec. that meet the criteria of T 2 debt capital

Revaluation Reserves as on 31 December, 2014 (50% of Fixed Assets and Securities & 10% of Equities)

Other (if any item approved by Bangladesh Bank)

Sub-Total
Regulatory Adjustments:

Revaluation Reserves for Fixed Assets, Securities & Equity Securities

Investment in own T-2 Instruments/Shares

Reciprocal crossholdings in the T-2 capital of Banking, Financial and Insurance Entities

Any investment exceeding the approved limit under section 26(2) of Bank Company Act, 1991. (50% of Investment)

Investments in subsidiaries which are not consolidated- 50% of Investment

Other (if any)

Total Tier-2 Capital Available

	31.12.2023 Taka	31.12.2022 Taka
Fully Paid-up Capital/Capital Deposited with BB	8,781,321,070	8,609,138,310
Statutory Reserve	8,523,038,323	8,050,124,639
Non-repayable share premium account	-	-
General Reserve	3,044,729,542	3,038,393,964
Retained earnings	4,813,677,126	5,245,437,808
Minority interest in Subsidiaries	12,499,505	12,283,616
Non-Cumulative irredeemable Preference shares	-	-
Dividend Equalization Account	-	-
	25,175,265,567	24,955,378,338
Regulatory adjustment:		
Goodwill and all other Intangible Assets	140,220,046	191,381,492
Shortfall in provisions required against Non Performing Loans (NPLs)	-	-
Shortfall in provisions required against investment in shares	15,755,615	-
Remaining deficit on account of revaluation of investments in securities after netting off from any other surplus on the securities.	-	-
Deferred Tax Assets (DTA)	2,470,172,300	3,651,352,921
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	29,607,931	27,064,542
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	-	-
	2,665,715,893	3,879,758,955
	22,509,549,674	21,075,619,383
Total Common Equity Tier-I Capital		
Additional Tier-I Capital		
Perpetual bond	5,710,936,000	5,400,000,000
Maximum limit of additional Tier 1 capital	5,622,427,356	5,327,982,450
Excess amount over maximum limit of AT 1	88,508,644	72,017,550
Total Admissible additional Tier 1 capital	5,622,427,356	5,327,982,450
Total Tier-1 Capital	28,131,977,030	26,403,601,833
Tier-2 Capital (Gone concern Capital)		
General Provision/General loan-loss reserve	9,393,599,206	8,279,147,141
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)	3,270,000,000	4,389,000,000
Minority Interest	-	-
HO borr. in for. Curr. Rec. that meet the criteria of T 2 debt capital	-	-
Revaluation Reserves as on 31 December, 2014 (50% of Fixed Assets and Securities & 10% of Equities)	-	-
Other (if any item approved by Bangladesh Bank)	-	-
Sub-Total	12,663,599,206	12,668,147,141
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	12,653,639,206	12,658,187,141

AB Bank PLC.**Notes to the Financial Statements**

For the year ended 31 December 2023

	31.12.2023 Taka	31.12.2022 Taka
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)	14,993,139,616	14,207,953,201
Excess amount over maximum limit of Tier-2 Capital	-	-
Total admissible Tier 2 Capital	12,653,639,206	12,658,187,141
Total Eligible Capital	40,785,616,236	39,061,788,975
Total assets including off-Balance Sheet items	491,262,292,343	465,188,555,334
Total risk-weighted assets (RWA)	374,828,490,409	355,198,830,022
B. Total required capital (12.50% of Total RWA)	46,853,561,301	44,399,853,753
Capital Surplus / (Shortfall) [A-B]	(6,067,945,065)	(5,338,064,778)
Capital to Risk Weighted Assets Ratio (CRAR)	10.88%	11.00%

Solo - Capital to Risk Weighted Assets Ratio (CRAR)

In terms of section 13(2) of the Bank Company Act, 1991 (Amendment up to date) and Bangladesh Bank BRPD Circular no. 18 dated 21 December 2014, required capital of the Bank on Solo basis at the close of business on 31 December 2023 is BDT 46,374,523,468 as against available Common Equity Tier-I capital of BDT 26,585,769,495 and Total Tier-2 Capital Available capital of BDT 11,476,970,578 that is, a total of BDT 38,062,840,072 thereby showing a deficit capital of BDT 8,311,683,396 at that date. Details are shown below:

Tier I Capital (going-concern capital)**Common Equity Tier-I Capital**

Fully Paid-up Capital/Capital Deposited with BB	8,781,321,070	8,609,138,310
Statutory Reserve	8,523,038,323	8,050,124,639
Non-repayable share premium account	-	-
General Reserve	2,852,199,200	2,852,199,200
Retained earnings	3,504,268,363	4,098,883,468
Minority interest in Subsidiaries	-	-
Non-Cumulative irredeemable Preferences shares	-	-
Dividend Equalization Account	-	-
	23,660,826,956	23,610,345,617

Regulatory adjustment :

Goodwill and all other Intangible Assets	140,220,046	191,381,492
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)	2,470,172,300	3,651,352,921
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	29,607,931	27,064,542
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	-	-
	2,640,000,278	3,869,798,955
	21,020,826,678	19,740,546,662

Total Common Equity Tier-I Capital**Additional Tier-I Capital**

Perpetual bond	5,710,936,000	5,400,000,000
Maximum limit of additional Tier 1 capital	5,564,942,816	5,266,486,500
Excess amount over maximum limit of AT 1	145,993,184	133,513,500
Total Admissible additional Tier 1 capital	5,564,942,816	5,266,486,500
Total Tier-1 Capital	26,585,769,495	25,007,033,162

AB Bank PLC.
Notes to the Financial Statements

For the year ended 31 December 2023

	31.12.2023 Taka	31.12.2022 Taka
Tier-2 Capital (Gone concern Capital)		
General Provision/General loan-loss reserve	8,207,070,578	6,799,218,812
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)	3,270,000,000	4,389,000,000
Non-controlling interest	-	-
HO borrowings in foreign currency received that meet the criteria of Tier 2 debt capital	-	-
Revaluation Reserves as on 31 December, 2014(50% of Fixed Assets and Securities & 10% of Equities)	-	-
Other (if any item approved by Bangladesh Bank)	-	-
Sub-Total	11,477,070,578	11,188,218,812
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	11,477,070,578	11,188,218,812
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)	14,839,847,510	14,043,964,000
Excess amount over maximum limit of Tier 2 Capital	-	-
Total admissible Tier 2 Capital	11,477,070,578	11,188,218,812
Total Eligible Capital	38,062,840,072	36,195,251,975
Total assets including off-Balance Sheet items	487,059,478,095	460,753,104,058
Total risk-weighted assets (RWA)	370,996,187,745	351,099,099,998
B. Total required capital (12.50% of Total RWA)	46,374,523,468	43,887,387,500
Capital Surplus / (Shortfall) [A-B]	(8,311,683,396)	(7,692,135,525)
Capital to Risk Weighted Assets Ratio (CRAR)	10.26%	10.31%
17. Statutory reserve		
In Bangladesh		
Opening balance	7,643,958,957	7,139,362,087
Add: Addition during the year	420,633,601	504,596,869
	8,064,592,558	7,643,958,957
Outside Bangladesh - ABBPLC., Mumbai Branch		
Opening balance	406,165,683	345,547,686
Add: Addition during the period	29,624,047	31,336,234
Add/(Less): Adjustment for Foreign Exchange Rate Fluctuation	22,758,726	29,281,763
	458,548,456	406,165,683
	8,523,141,014	8,050,124,639
18. Other reserve		
General reserve (Note 18.1)	2,852,199,200	2,852,199,200
Assets revaluation reserve (Note 18.2)	758,137,206	758,153,907
Investment revaluation reserve (Note 18.3)	50,248,621	57,437,932
	3,660,585,027	3,667,791,039

AB Bank PLC.**Notes to the Financial Statements**

For the year ended 31 December 2023

	31.12.2023 Taka	31.12.2022 Taka
18.1 General reserve		
Opening balance	2,852,199,200	2,852,199,200
Addition/(adjustment) during the Year	-	-
	2,852,199,200	2,852,199,200
18.2 Assets revaluation reserve		
Opening balance	758,153,907	758,171,036
Less: Transferred to retained earnings	(16,701)	(17,129)
	758,137,206	758,153,907
18.3 Investment revaluation reserve (T.Bills & T.Bonds)		
In Bangladesh		
Revaluation Reserve for:		
Held to Maturity (HTM) Note (18.3.1)	16,581,708	17,365,671
Held for Trading (HFT) Note (18.3.2)	24,635,880	32,323,508
	41,217,588	49,689,179
Outside Bangladesh		
ABBPLC., Mumbai Branch	9,031,033	7,748,753
	50,248,621	57,437,932
18.3.1 Revaluation Reserve for Held to Maturity (HTM)		
Opening balance	17,365,671	3,622,914
Add: Addition during the Year	-	15,629,130
	17,365,671	19,252,044
Less: Adjustment during the Year	783,963	1,886,373
	16,581,708	17,365,671
18.3.2 Revaluation Reserve for Held for Trading (HFT)		
Opening balance	32,323,508	33,681,782
Add: Addition during the Year	112,709,032	427,169,416
	145,032,540	460,851,198
Less: Adjustment during the Year	120,396,660	428,527,690
	24,635,880	32,323,508
18(a) Consolidated Other reserve		
AB Bank PLC.	3,660,585,027	3,667,791,039
AB Investment Limited	-	-
AB International Finance Limited	109,111,557	102,507,362
AB Securities Limited	86,190,296	85,910,523
Cashlink Bangladesh Limited (CBL)	-	-
	3,855,886,879	3,856,208,923
19. Retained earnings		
Opening balance	4,098,883,468	4,811,589,856
Add: Post-tax profit for the Year	721,818,118	677,238,715
Less: Transfer to statutory reserve	(450,257,648)	(535,933,103)
Bonus Share Issued	(172,182,760)	(250,751,600)
Cash dividend Paid	-	(167,167,734)
Start-up Fund	(7,218,181)	(6,772,387)
	4,191,042,997	4,528,203,746
Add: Transferred from Assets Revaluation Reserve	16,701	17,129
Add: Adjustment made during the year	(682,455,500)	(377,339,298)
Less: Foreign Exchange Translation loss	(4,438,526)	(51,998,109)
	3,504,165,672	4,098,883,468

AB Bank PLC.**Notes to the Financial Statements**

For the year ended 31 December 2023

19(a) Consolidated Retained earnings

	31.12.2023 Taka	31.12.2022 Taka
AB Bank PLC.	3,504,165,672	4,098,883,468
AB Investment Limited	394,879,674	386,568,765
AB International Finance Limited	193,769,967	131,564,660
AB Securities Limited	166,261,226	165,505,837
Cashlink Bangladesh Limited (CBL)	(159,749,191)	(161,898,799)
	4,099,327,349	4,620,623,931
<u>Add/(Less):</u> Adjustment made during the Year	698,419,846	608,770,996
Non-controlling Interest	15,827,240	16,042,881
	4,813,574,434	5,245,437,808

19(b) Non-controlling interest

AB Investment Limited	10,367	10,355
AB Securities Limited	464,057	463,141
Cashlink Bangladesh Limited	12,025,081	11,810,120
	12,499,505	12,283,617

20. Contingent liabilities

	52,779,894,570	51,667,743,668
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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	12,550,000	24,002,638
Others	15,481,762,313	14,261,637,755
	15,494,312,313	14,285,640,393

21. Profit and loss accountIncome:

	2023 Taka	2022 Taka
Interest, discount and similar income	29,212,551,711	25,442,986,562
Dividend income	112,609,099	226,123,112
Dividend on Perpetual Bonds	270,000,001	251,198,385
Fee, commission and brokerage	1,563,575,907	1,409,011,169
Gains less losses arising from investment securities	(15,719,590)	155,488,934
Gains less losses arising from dealing in foreign currencies	457,646,545	1,255,276,599
Other operating income	276,077,536	418,902,916
Gains less losses arising from dealing securities	(152,971,028)	(604,407,287)
	31,723,770,182	28,554,580,390

Expenses:

Interest, fee and commission	20,623,062,566	17,073,891,844
Administrative expenses	4,303,404,463	4,189,226,730
Other operating expenses	1,311,296,916	1,249,465,558
Depreciation and amortization on banking assets	474,596,200	560,141,573
	26,712,360,145	23,072,725,706
	5,011,410,036	5,481,854,684

AB Bank PLC.**Notes to the Financial Statements**

For the year ended 31 December 2023

	2023 Taka	2022 Taka
22. Interest income/profit on investments		
Interest on loans and advances:		
Loans and advances	25,190,738,193	21,278,501,118
Bills purchased and discounted	9,482,123	14,348,790
	<u>25,200,220,316</u>	<u>21,292,849,908</u>
Interest on:		
Calls and placements	103,547,681	110,702,653
Balance with foreign banks	155,182,432	36,617,776
Reverse Repo	6,821,654	10,306,268
Balance with Bangladesh Bank	42,864,499	5,147,485
	<u>308,416,265</u>	<u>162,774,182</u>
	<u>25,508,636,581</u>	<u>21,455,624,090</u>
22(a). Consolidated Interest income/profit on investments		
AB Bank PLC.	25,508,636,581	21,455,624,090
AB International Finance Limited	141,240,302	69,038,538
AB Investment Limited	116,349,359	117,208,906
AB Securities Limited	47,205,874	18,466,461
Cashlink Bangladesh Limited (CBL)	3,155,202	2,460,618
	<u>25,816,587,318</u>	<u>21,662,798,612</u>
Less: Intercompany transactions	28,393,943	23,068,068
	<u>25,788,193,376</u>	<u>21,639,730,544</u>
23. Interest/profit paid on deposits, borrowings, etc.		
Interest on deposits:		
Fixed deposits	11,170,202,345	8,493,768,392
Savings deposits	1,145,285,123	1,048,699,600
Special notice deposits	1,380,297,036	1,413,417,147
Other deposits	4,768,583,893	4,137,903,506
	<u>18,464,368,398</u>	<u>15,093,788,645</u>
Interest on borrowings:		
Local banks, financial institutions including BB	1,681,946,990	1,425,862,635
Subordinated Bond	476,747,179	554,240,564
	<u>2,158,694,169</u>	<u>1,980,103,200</u>
	<u>20,623,062,566</u>	<u>17,073,891,844</u>
23(a). Consolidated Interest/profit paid on deposits, borrowings, etc.		
AB Bank PLC.	20,623,062,566	17,073,891,844
AB Investment Limited	-	-
AB International Finance Limited	25,885,184	20,862,620
AB Securities Limited	9,878,126	8,933,135
Cashlink Bangladesh Limited (CBL)	-	-
	<u>20,658,825,876</u>	<u>17,103,687,599</u>
Less: Inter-company transactions	28,393,943	23,068,068
	<u>20,630,431,933</u>	<u>17,080,619,531</u>
24. Investment income		
Capital gain on sale of shares	(15,719,590)	155,488,934
Interest on treasury bills	130,053,383	158,728,143
Dividend on shares	112,609,099	226,123,112
Dividend on Perpetual Bonds	270,000,001	251,198,385
Interest on treasury bonds	3,340,493,304	3,529,889,064
Gain/(Loss) on treasury bills and treasury bonds	(152,971,028)	(604,407,287)
Interest on other bonds & others	233,368,442	298,745,266
	<u>3,917,833,612</u>	<u>4,015,765,616</u>

AB Bank PLC.**Notes to the Financial Statements**

For the year ended 31 December 2023

	2023 Taka	2022 Taka
24(a). Consolidated Investment income		
AB Bank PLC.	3,917,833,612	4,015,765,616
AB Investment Limited	12,329,914	49,276,035
AB International Finance Limited	-	-
AB Securities Limited	17,000,830	21,520,675
Cashlink Bangladesh Limited (CBL)	-	-
	3,947,164,355	4,086,562,326
<u>Less: Intercompany transactions</u>	20,561,436	110,210,286
	3,926,602,919	3,976,352,040
25. Commission, exchange and brokerage		
Other fees, commission and service charges	1,038,636,715	890,552,342
Commission on letters of credit	430,164,681	419,998,937
Commission on letters of guarantee	94,774,511	98,459,890
Exchange gains less losses arising from dealings in foreign currencies	457,646,545	1,255,276,599
	2,021,222,452	2,664,287,768
25(a). Consolidated Commission, exchange and brokerage		
AB Bank PLC.	2,021,222,452	2,664,287,768
AB Investment Limited	18,358,068	46,177,019
AB International Finance Limited	94,218,704	70,644,059
AB Securities Limited	60,903,998	94,997,928
Cashlink Bangladesh Limited (CBL)	-	-
	2,194,703,223	2,876,106,774
<u>Less: Intercompany transactions</u>	(1,534,224)	(1,451,039)
	2,193,168,999	2,874,655,734
26. Other Income		
Locker rent, insurance claim and others	5,249,790	8,211,686
Recoveries on loans previously written off	242,890,673	354,617,876
Recoveries on telex, telephone, fax, etc.	20,831,179	23,578,545
Recoveries on courier, postage, stamp, etc.	5,395,351	5,708,068
Non-operating income (*)	1,710,544	26,786,741
	276,077,536	418,902,916
(*) Non-operating income includes sale of scrap items, Gain on sale of properties etc.		
26(a). Consolidated other income		
AB Bank PLC.	276,077,536	418,902,916
AB Investment Limited	9,575,345	10,293,970
AB International Finance Limited	69,861,949	70,394,064
AB Securities Limited	2,587,124	4,432,529
Cashlink Bangladesh Limited (CBL)	-	-
	358,101,954	504,023,479
<u>Less: Inter company transactions</u>	9,116,520	9,116,520
	348,985,434	494,906,959
27. Salary and allowances		
Basic salary, provident fund contribution and all other allowances	2,883,202,569	2,954,039,920
Festival and incentive bonus	222,275,997	180,127,787
	3,105,478,566	3,134,167,707
27.1 Chief executive's salary and fees	22,700,000	18,958,549

AB Bank PLC.**Notes to the Financial Statements**

For the year ended 31 December 2023

	2023 Taka	2022 Taka
27(a). Consolidated salary and allowances		
AB Bank PLC.	3,105,478,566	3,134,167,707
AB Investment Limited	34,178,626	36,403,945
AB International Finance Limited	36,222,970	32,322,011
AB Securities Limited	41,798,995	44,786,298
Cashlink Bangladesh Limited (CBL)	-	-
	3,217,679,157	3,247,679,962
28. Rent, taxes, insurance, electricity, etc.		
Rent, rates and taxes (Note 28.1)	429,244,235	317,103,178
Electricity, gas, water, etc.	105,743,875	98,716,027
Insurance	207,835,476	209,143,293
	742,823,587	624,962,498
28.1 Rent, rates and taxes		
Right of Use (ROU) assets has been calculated for the period ended 31 December 2023 as per IFRS-16 leases considering monthly rental expenses excluding low value assets.		
28(a). Consolidated Rent, taxes, insurance, electricity, etc.		
AB Bank PLC.	742,823,587	624,962,498
AB Investment Limited	2,270,854	2,592,123
AB International Finance Limited	10,787,566	9,331,583
AB Securities Limited	3,487,996	3,283,998
Cashlink Bangladesh Limited (CBL)	-	-
	759,370,002	640,170,202
Less: Inter company transactions	9,116,520	9,116,520
	750,253,482	631,053,682
29. Legal expenses		
Legal expenses	18,812,685	23,687,189
29(a). Consolidated legal expenses		
AB Bank PLC.	18,812,685	23,687,189
AB Investment Limited	-	-
AB International Finance Limited	371,506	292,249
AB Securities Limited	198,620	140,250
Cashlink Bangladesh Limited (CBL)	-	3,600
	19,382,811	24,123,289
30. Postage, stamp, telecommunication, etc.		
Telex, fax, internet, wireless link, SWIFT, etc.	83,356,173	75,896,394
Telephone	6,253,863	6,477,515
Postage, stamp and shipping	15,357,292	17,247,717
	104,967,328	99,621,626
30(a). Consolidated Postage, stamp, telecommunication, etc.		
AB Bank PLC.	104,967,328	99,621,626
AB Investment Limited	816,169	801,319
AB International Finance Limited	12,293,724	12,606,741
AB Securities Limited	1,680,864	1,679,327
Cashlink Bangladesh Limited (CBL)	-	200
	119,758,084	114,709,213
31. Stationery, printing, advertisements, etc.		
Printing and stationery	116,752,873	112,103,172
Publicity, advertisement, etc.	52,359,078	14,695,828
	169,111,950	126,798,999

AB Bank PLC.**Notes to the Financial Statements**

For the year ended 31 December 2023

	2023 Taka	2022 Taka
31(a). Consolidated Stationery, printing, advertisements, etc.		
AB Bank PLC.	169,111,950	126,798,999
AB Investment Limited	315,997	357,245
AB International Finance Limited	340,523	229,844
AB Securities Limited	665,772	666,724
Cashlink Bangladesh Limited (CBL)	-	-
	170,434,242	128,052,812
32. Directors' fees		
Directors' fees	1,699,200	1,537,600
Meeting expenses	959,312	234,849
	2,658,512	1,772,449
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 PLC.	2,658,512	1,772,449
AB Investment Limited	476,684	256,676
AB International Finance Limited	623,509	451,878
AB Securities Limited	440,000	366,667
Cashlink Bangladesh Limited (CBL)	103,500	207,000
	4,302,205	3,054,670
33. Auditors' fees		
Statutory	1,496,834	1,460,524
Others	1,535,679	1,396,554
	3,032,512	2,857,078
33(a). Consolidated Auditors' fees		
AB Bank PLC.	3,032,512	2,857,078
AB Investment Limited	161,000	161,000
AB International Finance Limited	660,456	569,535
AB Securities Limited	100,000	88,000
Cashlink Bangladesh Limited (CBL)	40,250	34,500
	3,994,218	3,710,113
34. Depreciation and repairs of Bank's assets		
<u>Depreciation :</u>		
Electrical appliances	124,129,939	128,350,471
Furniture and fixtures	17,512,853	18,383,090
Office appliances	1,649,080	1,601,311
Building	14,316,407	14,683,495
Motor vehicles	11,862,854	32,767,889
	169,471,133	195,786,256
Depreciation of ROU (Right Of Use) assets	220,799,987	289,199,987
<u>Repairs:</u>		
Motor vehicles	10,224,254	9,886,622
Electrical appliances	53,470,928	58,567,167
Office premises and others	62,767,371	80,417,300
Furniture and fixtures	1,766,480	2,282,649
Office appliances	5,590,289	5,246,895
	133,819,323	156,400,634
	524,090,443	641,386,877
Amortization of Intangible Assets	84,325,080	75,155,330
	608,415,523	716,542,206

AB Bank PLC.**Notes to the Financial Statements**

For the year ended 31 December 2023

	2023 Taka	2022 Taka
34(a). Consolidated Depreciation and repairs of Bank's assets		
AB Bank PLC.	608,415,523	716,542,206
AB Investment Limited	17,284,750	17,736,661
AB International Finance Limited	615,524	408,453
AB Securities Limited	8,248,851	7,802,014
Cashlink Bangladesh Limited (CBL)	-	-
	634,564,648	742,489,335
35. Other expenses		
Contractual service	513,224,639	439,710,298
Petrol, oil and lubricant	80,356,647	78,872,394
Software expenses	225,784,647	200,836,832
Entertainment	48,588,652	39,039,485
Travelling	21,682,804	13,341,032
Subscription, membership and sponsorship	41,029,945	12,967,724
Training, seminar and workshop	4,458,773	7,055,931
Local conveyance	15,073,252	11,587,188
Professional charges	55,297,109	39,733,958
Books, newspapers and periodicals	1,175,421	1,084,271
Finance charge under lease liability	17,327,489	35,034,137
Donation	70,534,198	139,924,849
Bank Charges	20,687,752	14,569,279
Sundry expenses (*)	196,058,395	215,708,181
	1,311,296,916	1,249,465,558
(*) Sundry expenses includes business promotion, rebate to foreign correspondents and dress of support staff etc.		
35(a). Consolidated other expenses		
AB Bank PLC.	1,311,296,916	1,249,465,558
AB Investment Limited	5,595,580	8,929,589
AB International Finance Limited	2,464,261	1,050,648
AB Securities Limited	21,009,008	15,142,546
Cashlink Bangladesh Limited (CBL)	46,475	71,145
	1,340,412,240	1,274,659,486
Less: Inter company transactions	1,534,224	1,451,039
	1,338,878,016	1,273,208,447
36. Provision against loans and advances		
On un-classified loans	1,140,000,000	1,872,148
On classified loans	890,000,000	2,144,306,250
	2,030,000,000	2,146,178,398
36(a). Consolidated provision against loans and advances		
AB Bank PLC.	2,030,000,000	2,146,178,398
AB Investment Limited	80,000,000	65,000,000
AB International Finance Limited	-	-
AB Securities Limited	13,415,199	3,683,314
Cashlink Bangladesh Limited (CBL)	-	-
	2,123,415,199	2,214,861,712
37. Provisions for investments		
Provision for quoted shares in Bangladesh operations	65,000,000	141,698,075
Provision for Pinnacle Global Fund Pte Limited	185,689,358	170,750,136
Provision for Amana Bank PLC.	3,500,000	191,303,398
Provision for investment in treasury Bills by Mumbai Branch	-	2,496,197
Total provision for investments	254,189,358	506,247,806

AB Bank PLC.**Notes to the Financial Statements**

For the year ended 31 December 2023

	2023 Taka	2022 Taka
37(a). Consolidated provisions for diminution in value of investments		
AB Bank PLC.	254,189,358	506,247,806
AB Investment Limited	-	68,716,168
AB International Finance Limited	-	-
AB Securities Limited	200,000	1,316,686
Cashlink Bangladesh Limited (CBL)	-	-
	254,389,358	576,280,660
38. Other provision		
Provision for off balance sheet items	267,600,000	120,000,000
Provision for Other assets	49,527,536	(39,500,000)
	317,127,536	80,500,000
Provision for other assets included prepaid legal expenses, protested bills and others has been made as per Bangladesh Bank BRPD Circular # 04 dated 12 April 2022.		
38(a). Consolidated other provisions		
AB Bank PLC.	317,127,536	80,500,000
AB Investment Limited	-	-
AB International Finance Limited	-	-
AB Securities Limited	280,024	-
Cashlink Bangladesh Limited (CBL)	-	-
	317,407,560	80,500,000
	31.12.2023 Taka	31.12.2022 Taka
39. Appropriations		
Retained earnings - brought forward	4,098,883,468	4,811,589,856
Add: Post-tax profit for the year	721,818,118	677,238,715
	4,820,701,586	5,488,828,571
Less: Cash dividend	-	167,167,734
Less: Dividend-Bonus shares issued	172,182,760	250,751,600
	4,648,518,826	5,070,909,237
Transferred to		
Statutory reserve	450,257,648	535,933,103
Start-up Fund	7,218,181	6,772,387
	457,475,830	542,705,490
Retained earnings	4,191,042,996	4,528,203,746
Add: Transferred from Assets Revaluation Reserve	16,701	17,129
Add/Less: Adjustment during the year	(682,455,500)	(377,339,298)
Add: Foreign Exchange translation gain/(Loss)	(4,438,526)	(51,998,109)
	3,504,165,672	4,098,883,468

AB Bank PLC.**Notes to the Financial Statements**

For the year ended 31 December 2023

40 Basic Earnings Per Share (EPS)

	2023 Taka	2022 Taka
Profit after taxation	721,818,118	677,238,715
Number of ordinary shares outstanding	878,132,107	878,132,107
Basic Earnings Per Share	0.82	0.77

40.(a) Consolidated Basic Earnings Per Share

Net Profit/(Loss) attributable to the shareholders of parent company	893,524,622	714,195,976
Number of ordinary shares outstanding	878,132,107	878,132,107
Consolidated Basic Earnings Per Share	1.02	0.81

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, 2023.

41. Receipts from other operating activities

Interest on treasury bills, bonds, debenture and others	3,535,224,512	3,538,444,119
Exchange earnings	1,069,927,998	2,083,197,778
Recoveries on telex, telephone, fax, etc.	20,831,179	23,578,545
Recoveries on courier, postage, stamp, etc.	5,395,351	5,708,068
Non-operating income	1,710,544	26,786,741
Others	5,249,790	8,211,686
	4,638,339,373	5,685,926,938

42. Payments for other operating activities

Rent, taxes, insurance, electricity, etc.	980,935,268	948,627,275
Postage, stamps, telecommunication, etc.	104,967,328	99,621,626
Repairs of Bank's assets	133,819,323	156,400,634
Legal expenses	18,812,685	23,687,189
Auditor's fees	3,032,512	2,857,078
Directors' fees	2,658,512	1,772,449
Other Expenses	1,293,969,427	1,214,431,421
	2,538,195,055	2,447,397,672

43. Increased/(Decrease) in other assets

Investment in subsidiaries	6,229,114,922	6,229,114,922
Advance rent and advertisement	128,877,815	159,881,795
Stationery, stamps, printing materials, etc.	41,831,957	71,462,423
Security deposits	77,267,665	72,623,086
Commission and brokerage receivable on shares and debentures, and other income receivables	1,224,490,582	1,214,753,020
Accounts receivable	1,434,650,970	1,667,622,589
Preliminary, formation, organizational, renovation, development and prepaid expenses	810,710,572	533,005,552
Exchange for clearing	1,737,271,318	663,210,910
Inter-branch adjustment	-	147,414
Arab Bangladesh Bank Foundation	19,920,000	19,920,000
	11,704,135,803	10,631,741,712
Net (Decrease)/ Increase	1,072,394,091	(1,039,364,662)

AB Bank PLC.**Notes to the Financial Statements**

For the year ended 31 December 2023

	2023 Taka	2022 Taka
44. Increase/(decrease) in other liabilities		
Accumulated provision against loans and advances	26,136,828,747	27,260,466,185
Provision for current tax	345,396,221	1,126,116,056
Interest suspense account	9,051,419,845	11,773,479,961
Accounts payable - Bangladesh Bank	17,829,020	17,503,601
Provision against other assets	380,33 2,173	334,959,106
Accrued expenses	109,212,630	117,779,412
Provision against investments	2,612,666,246	2,358,476,593
Provision against off balance sheet items	1,447,600,000	1,180,000,000
Others	1,254,188,392	1,207,062,630
	41,355,473,273	45,375,843,544
<u>Less: Adjustment for provision and others</u>	32,901,558,458	32,921,768,458
	9,866,714,222	12,454,075,086
Net Decrease	(2,587,360,864)	(896,140,156)
45. Net Operating Cash Flow Per Share (NOCFPS)		
Net Operating Cash Flow	10,808,794,935	(17,424,793,972)
Weighted average number of shares	878,132,107	878,132,107
Net Operating Cash Flow Per Share (NOCFPS)	12.31	(19.84)
45(a) Consolidated Net Operating Cash Flow Per Share (NOCFPS)		
Net Operating Cash Flow	9,831,859,392	(16,790,462,989)
Weighted average number of shares	878,132,107	878,132,107
Net Operating Cash Flow Per Share (NOCFPS)	11.20	(19.12)
46 Net Asset Value Per Share (NAVPS)		
Net Asset Value	24,469,212,783	24,425,937,456
Number of shares outstanding a the end of the period	878,132,107	878,132,107
Net Asset Value Per Share (NAVPS)	27.87	27.82
46(a) Consolidated Net Asset Value Per Share (NAVPS)		
Net Asset Value	25,973,923,398	25,760,909,681
Number of shares outstanding a the end of the Year	878,132,107	878,132,107
Net Asset Value Per Share (NAVPS)	29.58	29.34
47. Reconciliation of Net Profit after Taxation & Operating Profit before changes in operating assets & liabilities		
Cash flows from operating activities		
Net Profit after Taxation	721,818,118	677,238,715
Provision for Tax	1,688,275,024	2,071,689,766
Provision for Loans, Invstment and others	2,601,316,894	2,732,926,204
Increase in interest receivable	4,936,410,421	(5,291,376,221)
(Decrease)/Increase interest Payable on Deposits	967,170,071	300,366,073
Non cash items, Lease impact and others	253,812,008	271,510,933
Income tax paid	(1,244,237,003)	(1,874,135,760)
Effect of exchange rate changes on cash & cash equivalents	612,281,453	827,921,179
Operating Profit before changes in operating assets & liabilities	10,536,846,987	(283,859,112)

AB Bank PLC.**Notes to the Financial Statements**

For the year ended 31 December 2023

48. Conversion Rates

Assets and liabilities as at December 31, 2023 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	140.4471
European Currency	EURO	1.00	121.8774
Indian Rupee	INR	1.00	1.3180
US Dollar	USD	1.00	109.7500
Honkong Dollar	HKD	1.00	14.0524

49. Highlights of the overall activities of the Bank


(Amount in Taka)

SI no.	Particulars	31 Dec 2023	31 Dec 2022
1	Paid-up capital	8,781,321,070	8,609,138,310
2	Total capital	38,062,840,072	36,195,251,975
3	Capital surplus/(shortfall)	(8,311,683,396)	(7,692,135,525)
4	Total assets	434,279,583,525	409,085,360,391
5	Total deposits	354,774,379,687	316,697,269,309
6	Total loans and advances	317,122,559,016	312,068,149,520
7	Total contingent liabilities and commitments	52,779,894,570	51,667,743,668
8	Credit-deposit ratio*	85.32%	92.26%
9	Ratio of classified loans against total loans and advances	30.00%	20.23%
10	Profit after tax and provision	721,818,118	677,238,715
11	Loans classified during the Year	46,809,700,000	23,983,274,544
12	Provision kept against classified loans	19,377,358,169	21,641,247,373
13	Provision surplus/ (deficit)	-	-
14	Cost of fund	7.44%	6.85%
15	Interest earning assets	286,478,577,604	310,658,053,495
16	Non-interest earning assets	147,801,005,921	98,427,306,896
17	Return on investments (ROI)	7.40%	6.86%
18	Return on assets (ROA)	0.17%	0.17%
19	Income from investments	3,917,833,612	4,015,765,616
20	Earnings per share	0.82	0.77
21	Net Income per share	0.82	0.77
22	Price-earnings ratio (Times)	11.80	12.58

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


Tarique Afzal

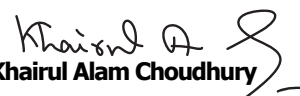
Managing Director & CEO


Md. Eskandar Miah

Independent Director


Shafiqul Alam

Independent Director


Khairul Alam Choudhury

Chairman

AB Bank PLC.

Currency wise Balances

Name of the bank	Location	Name of currency	As at December 31, 2023		
			Amounts in foreign currency	Conversion rate	Equivalent amounts in BDT
Commerz Bank CAD	Germany	CAD	24,576	83.0873	2,041,918
Commerz Bank CHF	Germany	CHF	45,387	130.1435	5,906,856
Zhei Chou Commercial Bank Co. Ltd.	China	CNY	288,276	15.3462	4,423,938
Commerz Bank AG	Germany	EUR	49,956	121.8774	6,088,557
The Bank of Tokyo Mitsubishi Limited	Japan	JPY	18,021,401	0.7738	13,944,960
JP Morgan Chase Bank	Newyork	USD	17,859,737	109.7500	1,960,106,112
Myanmar Economic Bank	Myanmar	ACU	410	109.7500	44,998
Citibank NA	Newyork	USD	9,911,999	109.7500	1,087,841,858
Hatton National Bank Limited	Colombo	ACU	13,792	109.7500	1,513,688
Commerz Bank AG	Germany	USD	46,952	109.7500	5,153,029
MCB Bank Ltd	Karachi	ACU	45,527	109.7500	4,996,559
Nabil Bank Limited	Nepal	ACU	1,668	109.7500	183,036
Mashreq Bank Psc	Newyork	USD	5,363,589	109.7500	588,653,857
Habib America Bank	Newyork	USD	6,459,201	109.7500	708,897,255
Habib Metro Bank	Karachi	ACU	38,047	109.7500	4,175,613
MFT, Yangon	Myanmar	ACU	1,000	109.7500	109,750
Sonali Bank (Kolkata)	Kolkata	ACU	4,418	109.7500	484,907
Zhei Chou Commercial Bank Co. Ltd.	China	USD	17,493	109.7500	1,919,817
JPMC NY (OBU)	Newyork	USD	414,841	109.7500	45,528,832
Commerz Bank AG (OBU)	Germany	EUR	14,065	121.8774	1,714,201
HDFC Bank CSGL	India	INR	148,957	1.318033	196,330
HDFC Bank Limited	India	INR	23,418,220	1.318033	30,865,995
Kotak Mahindra Bank	India	INR	8,214,876	1.318033	10,827,480
Habib American Bank Limited	Newyork	USD	5,357,450	109.7500	587,980,089
JP CHASE ACU	Newyork	USD	10,744,086	109.7500	1,179,163,423
Reserve Bank of India	Mumbai	INR	62,371,385	1.318033	82,207,565
Total					6,334,970,622

AB Bank PLC.

Investment in Shares

As at 31 December 2023

Amount in Taka

Particulars	Number of shares	Market price per share	Total market price	Cost per Share	Total cost
Quoted ordinary share					
IFIC Bank PLC.	6,063,338	11.20	67,909,386	15.75	95,477,656
National Bank PLC.	4,102,825	8.30	34,053,448	13.51	55,415,398
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	100,000,000
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	616,189,377
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	381,352,927
Trust Islami Life Insurance Ltd.	6,576	55.10	362,338	10.00	65,760
Al-Madina Pharmaceuticals Limited	4,804	40.70	195,523	10.00	48,040
Beximco Pharmaceuticals Limited	729,147	146.20	106,601,291	193.39	141,008,353
Orion Pharma Limited	1,729,114	79.60	137,637,474	96.65	167,116,595
BBS Cables Limited	1,681,226	49.90	83,893,177	79.46	133,584,799
BSRM Steels Limited	2,422,818	63.90	154,818,070	98.32	238,205,561
GPH Ispat Limited	529,750	42.70	22,620,325	51.80	27,441,421
IFAD Autos Limited	1,062,703	44.10	46,865,202	79.50	84,481,704
Olympic Industries Limited	9,259	152.00	1,407,368	222.14	2,056,839
Heidelberg Cement Bangladesh Limited	66,720	239.50	15,979,440	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	8.90	21,716,053	61.08	149,037,209
Agro Organica PLC	3,695	17.60	65,032	10.00	36,950
ADN Telecom Limited	453,900	117.10	53,151,690	144.98	65,805,636
Bangladesh Submarine Cable Com Ltd	34,330	218.90	7,514,837	200.84	6,894,734
Genex Infosys Limited	95,680	65.40	6,257,472	91.65	8,768,609
SAIF Powertec Limited.	2,741,567	29.70	81,424,540	39.24	107,576,104
MK Footwear PLC	9,031	50.00	451,550	10.00	90,310
Total			1,830,658,704		2,977,196,312

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	79.60	56,761,964	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	85.00	461,919,240	100.00	543,434,400
Bangladesh Export Import Company Ltd.	1,420,993	115.60	164,266,791	86.70	123,200,125
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
ADN Telecom Limited	69,752	117.10	8,167,959	139.55	9,734,178
BBS Cables Limited	356,839	49.90	17,806,266	56.20	20,054,845
GPH Ispat Limited	2,958,445	42.70	126,325,602	50.12	148,282,898
Argon Denims Limited	99,091	18.20	1,803,456	18.83	1,865,577
Total			1,225,034,126		1,459,203,720

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 PLC., Srilanka	200,958,431	616,735,915	156,810,532
Total Strategic Investment (c)	200,958,431	616,735,915	156,810,532
Total investment (a+b+c)			4,825,326,695

Schedule of Fixed Assets

As of 31 December 2023

Particulars	Amount in Taka							
	Land and Building	Furniture and Fixtures	Office Appliances	Electrical Appliances	Motor Vehicles	Intangible Assets	Right of Use Assets	Total
Cost/ Revaluation								
Balance at 01 January 2023	2,271,171,345	349,155,772	63,105,254	2,155,441,494	260,944,343	982,430,452	1,329,421,828	7,411,670,488
Addition during the period	-	5,330,058	2,488,100	43,480,057	-	33,144,996	-	84,443,211
Less: Disposal/Adjustment during the period	-	12,377,651	2,598,652	123,664,023	-	-	-	138,640,325
Adjustment for USD/ INR Rate Fluctuation	-	186,148	160,595	1,826,636	206,948	1,418,087	-	3,798,414
At 31 December 2023	2,271,171,345	342,294,328	63,155,297	2,077,084,164	261,151,291	1,016,993,535	1,329,421,828	7,361,271,787
Accumulated Depreciation								
Balance at 01 January 2023	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
Addition during the period	14,316,407	17,512,853	1,649,080	124,129,938	11,862,854	84,325,080	220,799,987	474,596,199
Less: Disposal/Adjustment during the period	-	11,314,819	2,540,244	120,470,543	-	-	-	134,325,606
Adjustment for USD/ INR Rate Fluctuation	-	176,207	157,522	1,525,105	206,948	1,399,451	-	3,465,233
At 31 December 2023	215,447,403	203,101,304	55,473,593	1,711,051,389	211,218,423	876,773,489	1,233,177,831	4,506,243,432
Net Book Value								
At 31 December 2023	2,055,723,941	139,193,024	7,681,704	366,032,775	49,932,868	140,220,047	96,243,997	2,855,028,355
As of 31 December 2022								
Particulars	Land and Building	Furniture and Fixtures	Office Appliances	Electrical Appliances	Motor Vehicles	Intangible Assets	Right of Use Assets	Total
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

AB Bank PLC.**Detailed of Risk Weighted Assets under Basel III**

As at 31 December 2023

BDT

Risk Weighted Assets (RWA) for	31.12.2023		31.12.2022	
	Exposure	Risk Weighted Asset	Exposure	Risk Weighted Asset
A. Credit Risk				
On- Balance sheet (as shown below)	401,567,439,901	334,885,198,548	367,919,626,951	314,237,657,505
Off-Balance sheet (as shown below)	13,850,268,725	10,594,420,447	13,471,011,058	8,929,573,136
B. Market Risk	-	8,085,668,254	-	9,952,748,917
C. Operational Risk	-	17,430,900,495	-	17,979,120,440
Total RWA (A+B+C)	415,417,708,626	370,996,187,745	381,390,638,009	351,099,099,998

Credit Risk - On Balance Sheet

BDT

Sl.	Exposure Type	31.12.2023		31.12.2022	
		Exposure	Risk Weighted Asset	Exposure	Risk Weighted Asset
a)	Cash and Cash Equivalents	1,465,589,863	-	1,728,331,779	-
b)	Claims on Bangladesh Government and Bangladesh Bank	60,157,762,731	-	48,368,383,104	-
c)	Claims on other Sovereigns & Central Banks*	722,134,022	361,067,011	685,352,757	342,676,378
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	582,444,308	150,847,111	693,644,731	197,762,750
	ii) Maturity less than 3 months	9,649,050,231	1,929,810,046	7,225,822,300	1,445,164,460
h)	Claims on Corporate (excluding equity exposure)	159,690,135,874	152,467,368,624	185,554,313,796	186,642,212,550
i)	Claims on SME	23,560,383,257	20,467,488,384	25,414,106,256	21,903,294,952
j)	Claims under Credit Risk Mitigation	13,951,425,021	5,784,080,376	10,965,277,528	4,225,218,179
	Fixed Risk Weight Groups:				
k)	Claims categorized as retail portfolio (excluding consumer loan)	2,247,602,772	1,685,702,079	885,172,071	663,879,053
l)	Consumer Loan	2,706,462,377	2,706,462,377	2,380,865,472	2,380,865,472
m)	Claims fully secured by residential property	266,470,267	133,235,133	411,027,678	205,513,839
n)	Claims fully secured by commercial real estate	7,610,538,619	7,610,538,619	10,591,615,185	10,591,615,185
o)	Past Due Claims (Risk weights are to be assigned net of specific provision)	81,830,803,149	105,732,638,232	47,586,820,869	60,710,411,578
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	100,500,000	100,500,000	55,605,000	55,605,000
q)	Investments in venture capital	469,821,302	469,821,302	469,821,302	469,821,302
r)	Claim on Capital Market Exposure	1,413,186,792	1,766,483,489	1,074,425,585	1,343,031,981
s)	Unlisted equity investments and regulatory capital instruments issued by other banks (other than those deducted from capital) held in banking book	10,311,329,750	12,889,162,188	11,111,329,750	13,889,162,188
t)	Investments in premises, plant and equipment and all other fixed assets	2,624,738,226	2,624,738,226	2,740,757,114	2,740,757,114
u)	Claims on all fixed assets under operating lease	-	-	-	-
v)	All other assets	22,207,061,339	18,005,255,349	9,976,954,673	6,430,665,524
	Total	401,567,439,901	334,885,198,548	367,919,626,951	314,237,657,505

AB Bank PLC.

Detailed of Risk Weighted Assets under Basel III

As at 31 December 2023

Credit Risk - Off Balance Sheet

BDT

Sl.	Exposure Type	31.12.2023		31.12.2022	
		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	9,170,559	1,834,112	24,002,638	4,800,528
g)	Claims on Corporate (excluding equity exposure)	10,766,613,380	7,929,735,215	10,113,311,951	6,598,912,888
h)	Against retail portfolio (excluding consumer loan)	134,724,435	101,043,326	125,595,858	94,196,894
hi)	Claims on SME	2,939,751,164	2,561,798,607	3,208,100,611	2,231,662,827
i)	Consumer Loan	9,188	9,188	-	-
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	13,850,268,725	10,594,420,447	13,471,011,058	8,929,573,136

AB Bank PLC.

Disclosures on Risk Based Capital (Basel III)

As at 31 December 2023

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) Non-controlling Interest i.e. AT1 issued by consolidated subsidiaries to third parties (for consolidated reporting only);

Less: Regulatory adjustments applicable on AT1 Capital

2. Tier 2 Capital

Tier 2 capital, also called 'gone-concern capital', represents other elements which fall short of some of the characteristics of the core capital but contribute to the overall strength of a bank. For the local banks, Tier 2 capital shall consist of the following items:

- a) General provisions
- b) Subordinated debt / Instruments issued by the Banks that meet the qualifying criteria for Tier 2 capital;
- c) Noncontrolling Interest i.e. Tier 2 capital issued by consolidated subsidiaries to third parties as specified

Less: Regulatory adjustments applicable on Tier 2 capital;

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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:

- Common equity Tier 1 of at least 4.5% of the total RWA.
- Tier 1 capital will be at least 6.0% of the total RWA.
- Minimum CRAR of 10% of the total RWA.
- 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.)
- Tier 2 capital can be admitted maximum up to 4.0% of the total RWA or 88.89% of CET1, whichever is higher
- 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	2023
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

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- g) 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 3.25% 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:

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- a) Capital Charge for Interest Rate Risk = Capital Charge for Specific Risk + Capital Charge for General Market Risk.
- b) Capital Charge for Equity Position Risk = Capital Charge for Specific Risk + Capital Charge for General Market Risk.
- c) Capital Charge for Foreign Exchange Risk = Capital Charge for General Market Risk
- d) Capital Charge for Commodity Position Risk = Capital Charge for General Market Risk

Bank followed the suggested methodology, process as contained in the Guidelines.

10. a) Operational risk

Operational risk is defined as the risk of losses resulting from inadequate or failed internal processes, people and systems or from external events. This definition includes legal risk, but excludes strategic and reputation risk.

b) Measurement methodology

Banks operating in Bangladesh shall compute the capital requirements for operational risk under the Basic Indicator Approach (BIA). Under BIA, the capital charge for operational risk is a fixed percentage, denoted by (alpha), of average positive annual gross income of the bank over the past three years. Figures for any year in which annual gross income is negative or zero, should be excluded from both the numerator and denominator when calculating the average.

Bank followed the suggested methodology, process as contained in the guidelines.

11. Disclosure under Pillar III

Disclosure given below as specified by RBCA guidelines dated 21 December 2014:

A) Scope of application

Qualitative disclosure

(a)	The name of the top corporate entity in the group to which this guidelines applies.	AB Bank PLC.
(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 PLC. (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 PLC. (ABBPLC.)</p> <p>AB Bank PLC. 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 PLC. has 105 Branches including 1 Islami Banking Branch, 1 Overseas Branch in Mumbai, India. The Bank has five (05) subsidiary companies, AB Investment Limited (ABIL), AB Securities Limited (ABSL), CashLink Bangladesh Limited (CBL), AB International Finance Limited (ABIFL), incorporated in Hong Kong, and Arab Bangladesh Bank Foundation (ABBF).</p>

AB Bank PLC.

Disclosures on Risk Based Capital (Basel III)

As at 31 December 2023

(b)	<p>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>	<p>AB Investment Limited AB Investment Limited (ABIL), a Subsidiary of AB Bank PLC. 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 PLC. independently. AB Investment Limited started its operation on 10 March 2010. AB Investment Limited has achieved an unparallel 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> <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 PLC. 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)	<p>Any restrictions, or other major impediments, on transfer of funds or regulatory capital within the group</p>	<p>Not Applicable</p>
(d)	<p>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.</p>	<p>Aggregate amount of Capital: BDT. 20,000,000 Name of subsidiary: Arab Bangladesh Bank Foundation (ABBF)</p>

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Disclosures on Risk Based Capital (Basel III)

As at 31 December 2023

B) Capital structure

Qualitative disclosure

(a)	Summary information on the terms and conditions of the main features of all capital instruments, especially in the case of capital instruments eligible for inclusion in CET 1, Additional Tier 1 or Tier 2.	<p>The terms and conditions of the main features of all capital instruments have been segregated in line with of the eligibility criteria set forth vide BRPD circular no. 18 dated 21 December 2014 and other relevant instructions given by Bangladesh Bank from time to time. The main features of the capital instruments are as follows:</p> <p>Common Equity Tier 1 capital instruments</p> <p>Paid-up share capital: Issued, subscribed and fully paid up share capital of the Bank. It represents Paid up Capital, Right Shares as well as Bonus Shares issued from time to time.</p> <p>Statutory reserve: As per Section 24(1) of the Bank Company Act, 1991 (amendment up to date), an amount equivalent to 20% of the profit before taxes for each year of the Bank has been transferred to the Statutory Reserve Fund.</p> <p>General reserve: General Reserve created for fulfilling any purpose of the Bank.</p> <p>Retained earnings: Amount of profit retained with the banking company after meeting up all expenses, provisions and appropriations.</p> <p>In this respect, Bank is complied.</p> <p>Additional Tier 1 Capital Bank has Perpetual Bond BDT 571.09 crore as Additional Tier I Capital as on the reporting period.</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>
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		BDT in Crore				
		31.12.2023		31.12.2022		
		Solo	Conso	Solo	Conso	
(b)	The amount of Regulatory capital, with separate disclosure of: CET 1 Capital	> Paid up Capital	878	878	861	861
		> Non- repayable share premium account	-	-	-	-
		> Statutory reserve	852	852	805	805
		> General reserve	285	304	285	304
		> Retained earnings	350	481	410	525
		> Non- Controlling Interest	-	1	-	1
		> Non- cumulative irredeemable preference shares	-	-	-	-
		> Dividend equalization account	-	-	-	-
			2,366	2,518	2,361	2,496
	Additional Tier 1 Capital		556	562	527	533
	Total Tier 1 Capital		2,923	3,080	2,888	3,028
	Tier 2 Capital		1,148	1,265	1,119	1,266
(c)	Regulatory Adjustments/Deductions from capital		264	267	387	388
(d)	Total eligible capital		3,806	4,079	3,620	3,906

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.			
	BDT in Crore			
	31.12.2023		31.12.2022	
	Solo	Conso	Solo	Conso
(b) Capital requirement for Credit Risk:	3,454.80	3,476.89	3,231.67	3,255.89
(c) Capital requirement for Market Risk:	80.86	88.99	99.53	108.89
(d) Capital requirement for Operational Risk:	174.31	182.51	179.79	187.21
(e) Total capital, CET 1 capital, Total Tier 1 capital and Tier 2 capital ratio:				
Total minimum capital requirement @10%	3,709.96	3,748.40	3,510.99	3,551.99
Total capital maintained	3,806.28	4,078.56	3,619.53	3,906.18
Minimum Tier 1 capital requirement	6.00%	6.00%	6.00%	6.00%
Common Equity Tier-I capital maintained	5.67%	6.01%	5.62%	5.93%
Additional Tier-I capital maintained	1.50%	1.50%	1.50%	1.50%
Tier-I capital ratio maintained	7.17%	7.51%	7.12%	7.43%
Min. total capital plus capital conservation buffer requirement	12.50%	12.50%	12.50%	12.50%
Min. total capital plus capital conservation buffer maintained	10.26%	10.88%	10.31%	11.00%
(f) Capital Conservation Buffer				
Capital conservation buffer requirement	2.50%	2.50%	2.50%	2.50%
Capital conservation buffer maintained	0.26%	0.88%	0.00%	0.00%
(g) Available Capital under Pillar 2 requirement	96.32	330.17	108.53	354.19

Provision against loans and advances and Pinnacle Global Fund Pte Limited has been maintained as per Bangladesh Bank letter no. DBI-3/101/2024-656 dated 30 April 2024 and DOS(CAMS)1157/41(Dividend)/2024-1842 dated 30 April 2024 respectively. According to those letters, there is a provision shortfall of Tk. 8,041.81 crore (Total requirement is BDT 10,655.02 crore and total maintained is BDT 2,613.21 crore) against loans and advances & investment provision shortfall BDT 111.35 crore against Pinnacle Global requires to be kept within 2024.

D) Credit Risk

Qualitative disclosure

(a) The general qualitative disclosure requirement with respect to credit risk, including: > Definitions of past due and impaired (for accounting purposes)	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, Any Continuous Loan if not repaid/renewed within the fixed expiry date for repayment or after the demand by the bank will be treated as past due/overdue from the following day of the expiry date. Any Demand Loan if not repaid within the fixed expiry date for repayment or after the demand by the bank will be treated as past due/overdue from the following day of the expiry date. Whereas, In case of any installment(s) or part of installment(s) of a Fixed Term Loan is not repaid within the fixed expiry date, the amount of unpaid installment(s) will be treated as past due/overdue after six months of the expiry date. Classified loan is categorized under following 03 (three) categories: > Sub-standard > Doubtful > Bad/Loss > 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)".			
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	>	"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)".																																																											
	>	'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)".																																																											
>	Description of approaches followed for specific and general allowances and statistical methods	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 dated 20 February 2018, BRPD Circular No. 03 dated 21 April 2019, BRPD Circular No. 16 dated 21 July 2020, BRPD Circular letter No. 52 dated 20 October 2020, BRPD Circular letter No. 56 dated 10 December 2020, BRPD Circular letter No. 50 dated 14 December 2021, BRPD Circular letter No. 52 dated 29 December 2021, BRPD Circular letter No. 53 dated 30 December 2021, BRPD Circular letter No. 53 dated 22 December 2022, BRPD Circular letter No. 03 dated 02 February 2023 and BRPD Circular letter No. 06 dated 25 April 2023. The rates for provisions are stated below:																																																											
		<table border="1"> <thead> <tr> <th 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> </thead> <tbody> <tr> <td rowspan="2">UC</td> <td>Standard</td> <td>1%</td> <td>2%</td> <td>1%</td> <td>2%</td> <td>0.25%</td> <td>2%</td> <td>1%</td> <td></td> </tr> <tr> <td>SMA</td> <td>-</td> <td>2%</td> <td>1%</td> <td>2%</td> <td>0.25%</td> <td>2%</td> <td>1%</td> <td></td> </tr> <tr> <td rowspan="3">Classified</td> <td>SS</td> <td>5%</td> <td>20%</td> <td>20%</td> <td>20%</td> <td>5%, 20%</td> <td>20%</td> <td>20%</td> <td rowspan="3">1%, 2% & 5%</td> </tr> <tr> <td>DF</td> <td>5%</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> </tr> </tbody> </table>	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%	0.25%	2%	1%		SMA	-	2%	1%	2%	0.25%	2%	1%		Classified	SS	5%	20%	20%	20%	5%, 20%	20%	20%	1%, 2% & 5%	DF	5%	50%	50%	50%	20%, 50%	50%	50%	BL	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																																																
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UC	Standard	1%	2%	1%	2%	0.25%	2%	1%																																																					
	SMA	-	2%	1%	2%	0.25%	2%	1%																																																					
Classified	SS	5%	20%	20%	20%	5%, 20%	20%	20%	1%, 2% & 5%																																																				
	DF	5%	50%	50%	50%	20%, 50%	50%	50%																																																					
	BL	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.																																																											
>	Discussion of the Bank's credit risk management policy	The Board approves the credit policy keeping in view relevant Bangladesh Bank guidelines to ensure best practice in credit risk management and maintain quality of assets. Authorities are properly delegated in ensuring check and balance in credit operation at every stage i.e. screening, assessing risk, identification, management and mitigation of credit risk as well as monitoring, supervision and recovery of loans with provision for early warning system. There is a separate Credit Risk Management Division for ensuring proper risk management of Loans and Credit Administration Management Division for monitoring and recovery of irregular loans. Internal control and compliance division independently assess quality of loans and compliance status at least once in a year. Adequate provision is maintained against classified loans as per Bangladesh Bank guidelines. Status of loans are regularly reported to the Board/ Board Audit Committee. Besides, credit risk management process involves focus on monitoring of large loans, sectoral exposures etc. among others limit.																																																											

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		31.12.2023		31.12.2022		
		In (%)	BDT/ Crore	In (%)	BDT/ Crore	
(b)	Total gross credit risk exposures broken down by major types of credit exposure	Overdraft	5.72%	1,814	5.47%	1,708
		Cash credit	0.02%	8	0.02%	7
		Time loan	14.19%	4,499	15.89%	4,960
		Term loan	74.52%	23,632	71.47%	22,302
		Forced loan	2.81%	892	2.36%	736
		Bills under LC	0.07%	22	0.01%	2
		Trust receipt	1.48%	470	1.84%	575
		Packing credit	0.00%	-	0.00%	-
		Loan against accepted bills	0.00%	1	0.01%	3
		Loan-EDF	0.35%	110	1.45%	453
		Consumer Loan	0.30%	94	0.88%	274
		Staff loan	0.33%	106	0.37%	116
		Bills purchased and discounted	0.21%	66	0.23%	71
	Total	100%	31,712	100%	31,207	
(c)	Geographical distribution of exposures, broken down in significant areas by major types of credit exposure	Urban branches				
		Dhaka	73.05%	22,867	73.88%	22,807
		Chattogram	16.19%	5,068	15.64%	4,829
		Khulna	4.06%	1,270	4.62%	1,427
		Sylhet	0.34%	106	0.43%	133
		Barishal	0.15%	46	0.16%	49
		Rajshahi	1.76%	550	1.66%	513
		Rangpur	3.09%	968	1.99%	616
		Mymensingh	1.36%	426	1.61%	498
			100%	31,301	100%	30,872
		Rural branches				
		Dhaka	50.79%	175	66.48%	171
		Chattogram	20.33%	70	26.46%	68
		Khulna	23.37%	81	0.00%	-
		Sylhet	3.65%	13	4.79%	12
		Barisal	0.00%	-	0.00%	-
		Rajshahi	0.03%	0.1	0.00%	0.0
		Rangpur	0.02%	0.1	0.02%	0.1
		Mymensingh	1.80%	6	2.25%	6
	100%	345	100%	258		
	Outside Bangladesh					
	ABBPLC., Mumbai branch	0.21%	66	0.25%	77	
	100%	31,712	100%	31,207		
(d)	Industry or counterparty type distribution of exposures, broken down by major types of credit exposure.	Agriculture	1.54%	490	1.32%	411
		Large and medium scale indus.	59.13%	18,750	34.07%	10,631
		Working capital	7.43%	2,356	23.27%	7,261
		Export	0.72%	227	1.76%	550
		Commercial lending	9.39%	2,979	20.61%	6,432
		Small and cottage industry	3.36%	1,067	2.18%	679
		Others	18.43%	5,844	16.80%	5,242
			100%	31,712	100%	31,207
(e)	Residual contractual maturity breakdown of the whole portfolio, broken down by major types of credit exposure.	Repayable – on demand	0.98%	310	0.55%	173
		– upto 3 months	38.05%	12,067	38.83%	12,116
		– over 3 months but below 1 year	47.37%	15,022	43.23%	13,492
		– over 1 year but below 5 years	11.20%	3,551	13.81%	4,309
		– over 5 years	2.40%	763	3.58%	1,117
	100%	31,712	100%	31,207		

AB Bank PLC.

Disclosures on Risk Based Capital (Basel III)

As at 31 December 2023

F) Interest Rate Risk in the Banking Book (IRRBB)

Qualitative Disclosure

<p>(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>	<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>
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Quantitative Disclosure

<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).</p>	<table border="1" style="width: 100%;"> <thead> <tr> <th rowspan="2"></th> <th colspan="2" style="background-color: #f2f2f2;">BDT in Crore</th> </tr> <tr> <th style="background-color: #f2f2f2;">31.12.23</th> <th style="background-color: #f2f2f2;">31.12.22</th> </tr> </thead> <tbody> <tr> <td>Market value of assets</td> <td style="text-align: right;">43,428</td> <td style="text-align: right;">40,907</td> </tr> <tr> <td>Market value of liability</td> <td style="text-align: right;">40,981</td> <td style="text-align: right;">38,464</td> </tr> <tr> <td>Weighted avg. duration GAP</td> <td style="text-align: right;">0.37</td> <td style="text-align: right;">0.77</td> </tr> <tr> <td colspan="3">CRAR after different level of Shocks:</td> </tr> <tr> <td>Minor level</td> <td style="text-align: right;">9.91%</td> <td style="text-align: right;">9.55%</td> </tr> <tr> <td>Moderate level</td> <td style="text-align: right;">9.55%</td> <td style="text-align: right;">8.77%</td> </tr> <tr> <td>Major level</td> <td style="text-align: right;">9.19%</td> <td style="text-align: right;">7.99%</td> </tr> </tbody> </table>		BDT in Crore		31.12.23	31.12.22	Market value of assets	43,428	40,907	Market value of liability	40,981	38,464	Weighted avg. duration GAP	0.37	0.77	CRAR after different level of Shocks:			Minor level	9.91%	9.55%	Moderate level	9.55%	8.77%	Major level	9.19%	7.99%
	BDT in Crore																										
	31.12.23	31.12.22																									
Market value of assets	43,428	40,907																									
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CRAR after different level of Shocks:																											
Minor level	9.91%	9.55%																									
Moderate level	9.55%	8.77%																									
Major level	9.19%	7.99%																									

G) Market Risk

Qualitative Disclosure

<p>(a) > Views of BOD on trading/ investment activities</p>	<p>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.</p>
<p>> Methods used to measure Market risk</p>	<p>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'.</p>
<p>> Market risk management system</p>	<p>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.</p>
<p>> Policies and process for mitigating market risk</p>	<p>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.</p>

<p>(b) The capital requirements for:</p>	BDT in Crore	
	31.12.23	31.12.22
Interest rate risk	10.48	28.43
Equity position risk	61.11	62.01
Foreign exchange risk	9.26	9.09
Commodity risk	-	-
	80.86	99.53

AB Bank PLC.

Disclosures on Risk Based Capital (Basel III)

As at 31 December 2023

H) Operational Risk Qualitative Disclosure

(a)	>	Views of BOD on system to reduce Operational Risk	The policy for operational risks including internal control and compliance risk is approved by the board taking into account relevant guidelines of Bangladesh Bank. Audit Committee of the Board oversees the activities of Internal Control and Compliance Division (ICCD) to protect against all operational risk.	
	>	Performance gap of executives and staffs	AB has a policy to provide competitive package and best working environment to attract and retain the most talented people available in the industry. AB's strong brand image plays an important role in employee motivation. As a result, there is no significant performance gap.	
	>	Potential external events	No potential external events is expected to expose the Bank to significant operational risk.	
	>	Policies and processes for mitigating operational risk	The policy for operational risks including internal control and compliance risk is approved by the Board taking into account relevant guidelines of Bangladesh Bank. Policy guidelines on Risk Based Internal Audit system is in operation as per RBA branches are rated according to their risk status and branches scoring more on risk status are subjected to more frequent audit by Internal Control and Compliance Division (ICCD). It is the policy of the bank to put all the branches of the bank under any form of audit at least once in a year. ICCD directly reports to Audit Committee of the Board. In addition there is a Vigilance Cell established in 2009 to reinforce operational risk management of the bank. Bank's Anti-Money laundering activities are headed by CAMELCO and their activities are devoted to protect against all money laundering and terrorist finance related activities. Apart from that, there is adequate check & balance at every stage of operation, authorities are properly segregated and there is at least dual control on every transaction to protect against operational risk.	
	>	Approach for calculating capital charge for operational risk	Basic Indicator Approach was used for calculating capital charge for operational risk as of the reporting date.	
(b)	The capital requirements for Operational Risk		BDT in Crore	
			31.12.23	31.12.22
			174.31	179.79

I) Liquidity Ratio Qualitative Disclosure

(a)	>	Views of BOD on system to reduce liquidity Risk	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. To mitigate liquidity risk Bank assesses its risk appetite and manage the risk within a structured framework. Professional resources are deployed to set the limits and procedures and get them approved by the Board. 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).
	>	Methods used to measure Liquidity risk	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: >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.

AB Bank PLC.

Disclosures on Risk Based Capital (Basel III)

As at 31 December 2023

	<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)	
	BDT/Crore
	31.12.2023
Liquidity Coverage Ratio	147.64%
Net Stable Funding Ratio (NSFR)	110.74%
Stock of high quality liquid assets	6,534.61
Total net cash outflows over the next 30 calendar days	4,426.05
Available amount of stable funding	35,763.37
Required amount of stable funding	32,296.34

AB Bank PLC.

Disclosures on Risk Based Capital (Basel III)

As at 31 December 2023

J) Leverage Ratio

Qualitative Disclosure

<p>(a) > Views of BOD on system to reduce excessive leverage</p>	<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.
<p>> Policies and processes for managing excessive on and off-balance sheet leverage</p>	<p>Primary principle of the Board is to enhance the core capital of the Bank. To keep the leverage at a reduced level, Board emphasized 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.</p> <p>All these above measures as a whole, helps the Management to keep the exposures at sound level.</p>
<p>> Approach for calculating exposure</p>	<p>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:</p> <ol style="list-style-type: none"> 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). ii. Physical or financial collateral, guarantee or credit risk mitigation purchased is not allowed to reduce on-balance sheet exposure. iii. Netting of loans and deposits is not allowed. <p><u>On Balance Sheet Items</u></p> <p>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.)</p> <p><u>Repurchase agreements and securities financing:</u></p> <p>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:</p> <ul style="list-style-type: none"> • The accounting measure of exposure; and • Without netting various long and short positions with the same counterparty

AB Bank PLC.

Disclosures on Risk Based Capital (Basel III)

As at 31 December 2023

	Off Balance Sheet Items.			
	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:			
	Exposures Types	CCF	Notional amount	Exposure
			BDT/ Crore	BDT/ Crore
	Direct credit substitutes	100%	759	759
	Performance related contingencies	50%	822	411
	Short-term self-liquidating trade letters of credit	20%	533	107
	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%	463	93
	Commitments with original maturity of over one year	50%	-	-
	Other commitments that can be unconditionally cancelled by any time	0%	610	-
	Market related Off-Balance sheet exposure	1%	1,064	11
	Total		4,250	1,380
(b)			BDT/Crore	
			31.12.2023	
	Leverage Ratio			6.23%
	On balance sheet exposure			41,490
	Off balance sheet exposure			1,441
	Total deduction from On and Off-Balance Sheet Exposure			264
	Total exposure			42,667

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.

AB Bank PLC.

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As at 31 December 2023

	> 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 stands 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 ration), 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.

AB Bank PLC.

Disclosures on Risk Based Capital (Basel III)

As at 31 December 2023

	> A discussion of the ways in which these measures affect remuneration.	Individual employee's performance standards are set in term of financial and non-financial indicators (KPI) early each year which are expected to be delivered by them individually. Performance evaluation at the end of year results in variation in performance outcome (KPI fully achieved, partially achieved and not achieved) leading to variation in performance reward (annual merit pay) thus affects in remuneration.
	> 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.	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.
(d)	Description of the ways in which the bank seeks to link performance during a performance measurement period with levels of remuneration.	
	> An overview of main performance metrics for bank, top-level business lines and individuals.	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 ratio, capital to risk weighted ratio, ROE, ROA, Liquidity position, maintenance of CRR and SLR etc. beside non-financial KPI.
	> A discussion of how amounts of individual remuneration are linked to bank-wide and individual performance.	Annual merit pay i.e. merit increment of employees are linked to performance outcome based on individual performance criteria (KPI). Merit increase is also liked to other elements of remuneration package, so aggregate of all employees has reasonable impact on the remuneration package and not insignificant.
	> A discussion of the measures the bank will in general implement to adjust remuneration in the event that performance metrics are weak	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.
(e)	Description of the ways in which the bank seek to adjust remuneration to take account of longer-term performance.	
	> 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.	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.
	> A discussion of the bank's policy and criteria for adjusting deferred remuneration before vesting and (if permitted by national law) after vesting through claw back 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

AB Bank PLC.

Disclosures on Risk Based Capital (Basel III)

As at 31 December 2023

Quantitative Disclosure

(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 BDT 179,389,062 during the year 2023.
	> Number and total amount of sign-on awards made during the financial year.	Not applicable
	> 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 312.82 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 PLC.**Mumbai Branch**

Balance Sheet

As at 31 December 2023

	31.12.2023 INR	31.12.2022 INR
PROPERTY AND ASSETS		
Cash	65,554,965	63,904,970
In hand (including foreign currencies)	3,183,580	3,248,913
Balance with Reserve Bank India (including foreign currencies)	62,371,385	60,656,057
Balance with other banks and financial institutions	1,371,590,815	1,635,866,146
In India	31,782,053	90,922,372
Outside India	1,339,808,762	1,544,943,773
Money at call and on short notice	540,504,512	560,352,499
Investments	547,887,524	549,117,524
Government	547,887,524	549,117,524
Loans and advances	500,867,895	618,104,167
Loans, cash credits, overdrafts, etc.	57,180,739	57,874,958
Bills purchased and discounted	443,687,156	560,229,210
Fixed assets including premises, furniture and fixtures	3,643,381	5,137,163
Other assets	267,406,248	203,734,812
Total Assets	3,297,455,340	3,636,217,280
LIABILITIES AND CAPITAL		
Liabilities		
Borrowings from other banks, FIs and agents	-	-
Deposits and other accounts	1,868,463,881	2,233,089,367
Current deposits	1,748,800,266	2,103,239,563
Demand deposits	8,670	1,122,177
Bills payable	129,409	110,409
Savings deposits	9,652,333	18,856,655
Fixed deposits	109,873,204	109,760,563
Other liabilities	171,951,995	128,507,393
Total Liabilities	2,040,415,876	2,361,596,760
Capital/Shareholders' Equity		
Total Shareholders' Equity	1,257,039,464	1,274,620,520
Paid-up capital	741,282,602	741,282,602
Statutory reserve	347,903,534	325,427,587
Other reserve	6,851,900	6,208,447
Retained earnings	161,001,428	201,701,884
Total Liabilities and Shareholders' Equity	3,297,455,340	3,636,217,280
Off-Balance Sheet Items		
Contingent liabilities	4,665,864,035	4,452,287,658
Acceptances and endorsements	62,313,548	78,304,358
Letters of guarantee	11,815,737	11,746,867
Bills for collection	4,591,734,750	4,362,236,433
Other commitments	-	-
Total	4,665,864,035	4,452,287,658

AB Bank PLC.
Mumbai Branch
 Profit and Loss Account
 For the year ended 31 December 2023

	2023 INR	2022 INR
Operating Income		
Interest income	94,521,856	41,546,860
Interest paid on deposits and borrowings, etc.	(8,375,694)	(7,440,982)
Net interest income	86,146,161	34,105,878
Investment income	35,218,315	33,482,201
Commission, exchange and brokerage	272,986,484	291,834,627
Other operating income	1,096,995	1,762,672
	309,301,794	327,079,501
Total operating income (a)	395,447,956	361,185,379
Operating Expenses		
Salary and allowances	16,427,657	14,908,819
Rent, taxes, insurance, electricity, etc.	26,334,213	17,167,135
Legal expenses	-	36,200
Postage, stamps, telecommunication, etc.	4,496,077	4,412,812
Stationery, printing, advertisement, etc.	750,678	806,223
Auditors' fees	766,744	837,748
Depreciation and repairs of Bank's assets	2,446,004	3,934,227
Other expenses	108,932,470	124,948,904
	160,153,843	167,052,069
Total operating expenses (b)	160,153,843	167,052,069
Profit before provision (c = a-b)	235,294,113	194,133,310
Provision against loans and advances	-	1,500,000
Provision for investments	-	2,000,000
Other provisions	20,892	-
Total provision (d)	20,892	3,500,000
Profit before taxation (c-d)	235,273,221	190,633,310
Provision for taxation	101,646,375	94,250,329
Current tax	101,788,233	93,886,917
Deferred tax	(141,858)	363,412
Net profit after taxation (PAT)	133,626,846	96,382,981

AB Bank PLC.
Islami Banking Branch
 Balance Sheet
 As at 31 December 2023

	31.12.2023 Taka	31.12.2022 Taka
<u>PROPERTY AND ASSETS</u>		
Cash in hand	268,051,126	245,129,271
Cash in Hand (Including foreign currencies)	4,588,102	3,757,059
Balance with Bangladesh Bank and its Agent Banks (Incl. FC)	263,463,024	241,372,212
Balance with Other Banks and Financial Institutions	367,770,799	402,612,699
In Bangladesh	367,770,799	402,612,699
Investment in shares & other financial institutions	362,320,000	475,190,000
Government (BGIIB For SLR)	362,320,000	475,190,000
Investments	7,017,336,935	6,894,219,834
Fixed Assets	11,481,407	11,343,835
Other Assets	221,217,700	162,276,449
	8,248,177,967	8,190,772,089
<u>LIABILITIES AND CAPITAL</u>		
Liabilities		
Placement from Banks (BGIIB)& Other Financial Institutions	452,632,639	764,159,722
Deposits and Other Accounts	6,453,043,861	7,044,498,217
Mudaraba Savings Deposits	213,578,842	161,260,633
Mudaraba Term Deposits	4,820,570,641	5,433,012,831
Other Mudaraba Deposits	1,380,228,247	1,341,802,570
Al-Wadeeah Current and Other Deposit Accounts	35,329,634	82,769,944
Bills Payable	3,336,498	25,652,238
Other Liabilities	381,593,340	382,114,150
ABBPLC. General Account	960,908,127	-
Total Liabilities	8,248,177,967	8,190,772,089
Off-Balance Sheet Items		
Contingent Liabilities		
Letter of Guarantee	4,806,354	6,733,184
Irrevocable Letters of Credit (including Back to Back Bills)	2,195,000	1,197,027
Total	7,001,354	7,930,211
Other Commitments	-	-
Total Off-Balance Sheet items including Contingent Liabilities	7,001,354	7,930,211

AB Bank PLC.
Islami Banking Branch
 Profit and Loss Account
 For the year ended 31 December 2023

	2023 Taka	2022 Taka
Investment Income	351,571,054	474,096,941
Profit paid on Deposits	484,976,678	455,881,964
Net Investment Income/(Loss)	(133,405,624)	18,214,977
Income from Investments in Shares/Securities	15,553,620	19,528,000
Commission, Exchange and Brokerage	6,064,899	939,598
Other Operating Income	278,817	227,450
Total Operating Income/(Loss)	(111,508,289)	38,910,025
Operating Expenses		
Salaries and Allowances	18,035,043	17,783,342
Rent, Taxes, Insurance, Electricity etc.	817,758	1,014,500
Postage, Stamps, Telecommunication etc.	248,185	231,357
Stationeries, Printing and Advertisement etc.	912,852	742,362
Shariah Supervisory Committee's Fees & Expenses	93,000	124,263
Depreciation and repair to Bank's Assets	2,145,007	1,071,132
Other Expenses	9,562,115	10,656,929
Total Operating Expenses	31,813,961	31,623,885
Operating Profit/(Loss)	(143,322,249)	7,286,141

AB Bank PLC. Islami Banking Branch

Profit paid on deposits

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 2023 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	0.33	4	4
2. Mudaraba Savings Deposits (School Banking)	0.42	5	5
3. Mudaraba Special Notice Deposits	-	-	-
a. General	0.25	3	3
b. Inter - Bank	0.25-0.75	3.00-9.00	3.00-9.00
4. Mudaraba Term Deposits (Core deposit)			
24 Months	0.47-0.67	5.60-8.00	5.60-8.00
12 Months	0.46-0.79	5.50-9.50	5.50-9.50
9 Months	-	-	-
6 Months	0.42-.73	5.00-8.75	5.00-8.75
4 Months	-	-	-
3 Months	0.50-0.83	6.00-10.00	6.00-10.00
1 Month	0.42-0.71	5.00-8.50	5.00-8.50
5. Mudaraba Hajj Deposit Scheme	0.50-0.96	6.00-11.50	6.00-11.50
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	0.52-0.71	6.25-8.50	6.25-8.50

A competent Shariah Supervisory Committee consisting of Islamic scholars, Ulema, Fuqaha and Islamic bankers headed by **Mr. Justice Siddiqur Rahman Miah**, a prominent Islamic scholar guides the Islamic banking operations. Side by side an expert banker who is the divisional head looking after the Kakrail Islami Banking Branch (KIBB). During the year 2023, 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.

AB Bank PLC. Custodian Wing

Balance Sheet

As at 31 December 2023

	31.12.2023 Taka	31.12.2022 Taka
ASSETS		
Non-Current Assets		
Property, Plant and Equipment	-	11,866
Total Non Current Assets	-	11,866
Current Assets		
Accounts Receivables	12,494,889	12,494,889
Total Current Assets	12,494,889	12,494,889
Total Assets	12,494,889	12,506,755
LIABILITIES		
Non-Current Liabilities	-	-
Current Liabilities		
Payable to AB Bank	5,352,806	5,364,672
Accounts Payable	7,092,083	7,092,083
Provision for Audit Fees	50,000	50,000
Total Current Liabilities	12,494,889	12,506,755
Total Liabilities	12,494,889	12,506,755

Annexure- H-1

Profit and Loss Account

For the year ended 31 December 2023

	2023 Taka	2022 Taka
Operating Income		
Commission, exchange and brokerage	3,369,565	-
Total Operating Income	3,369,565	-
Operating Expenses		
Rent, taxes and insurance	115,000	-
Auditor's fees	50,000	50,000
Depreciation and repair of bank's assets	11,865	20,331
Other expenses	120,123	1,036,368
Total operating expenses	296,988	1,106,699
Operating Profit/(Loss)	3,072,577	(1,106,699)

AB Bank PLC. Off-Shore Banking Unit (OBU)

Balance Sheet

As at 31 December 2023

	31.12.2023 Taka	31.12.2023 USD	31.12.2022 Taka	31.12.2022 USD
PROPERTY AND ASSETS				
Cash	-	-	-	-
Balance with Other Banks and FIs'	47,319,885	431,161	36,985,190	358,047
In Bangladesh	76,852	700	108,782	1,053
Outside Bangladesh	47,243,032	430,460	36,876,408	356,994
Money at call and on short notice (Placement)	1,585,887,500	14,450,000	1,007,145,750	9,750,000
Investment	2,119,825,640	19,315,040	1,995,185,687	19,315,040
Loans and Advances:	7,772,669,700	70,821,592	7,255,837,106	70,242,477
Loans & Advances - Regular	2,444,809,927	22,276,173	3,293,885,604	31,887,525
Loans & Advances - Classified	5,327,859,773	48,545,419	3,961,951,503	38,354,952
Premises and Fixed Assets (WDV)	-	-	-	-
Other Assets:	5,302,497	48,314	2,038,451	19,734
Accrued Interest	4,509,142	41,086	1,400,249	13,556
Pre-paid Advances	793,354	7,229	638,202	6,178
Total Assets	11,531,005,221	105,066,106	10,297,192,184	99,685,298
LIABILITIES AND CAPITAL				
Liabilities				
Borrowing from Bank & FIs'	11,478,646,182	104,589,031	10,413,671,063	100,812,910
In Bangladesh	11,478,646,182	104,589,031	10,413,671,063	100,812,910
Outside Bangladesh	-	-	-	-
Deposits and Other Accounts	17,300,597	157,636	17,812,318	172,438
Demand Deposits	14,630,245	133,305	15,292,964	148,048
Demand Deposits - Others	2,670,353	24,331	2,519,354	24,389
Other Liabilities	246,818,563	2,248,916	232,306,306	2,248,916
Total Liabilities	11,742,765,342	106,995,584	10,663,789,687	103,234,264
Capital and Shareholders' Equity				
Profit/(Loss)	(211,760,120)	(1,929,477)	(366,597,503)	(3,548,966)
Total Shareholders' Equity	(211,760,120)	(1,929,477)	(366,597,503)	(3,548,966)
Total Liabilities and Shareholders' Equity	11,531,005,221	105,066,107	10,297,192,184	99,685,298

Profit and Loss Account

For the year ended 31 December 2023

Annexure-I-1

	2023 Taka	2023 USD	2022 Taka	2022 USD
Interest income	198,164,833	1,843,082	155,634,955	1,626,910
Interest paid on deposits and borrowing etc.	20,538,925	189,785	20,130,536	213,273
Net Interest income	177,625,908	1,653,298	135,504,419	1,413,637
Commission, exchange and brokerage	74,589	696	(83,032)	(1,037)
Total operating income	177,700,497	1,653,994	135,421,387	1,412,601
Salaries and allowances	3,270,235	30,380	3,216,930	34,479
Rent, taxes, insurance, electricity etc.	5,050	47	2,517	28
Postage, stamps, telecommunication etc.	38,279	356	40,688	437
Stationeries, printing, advertisement etc.	47,463	442	55,377	595
Depreciation and repair of bank's assets	21,561	200	11,692	128
Other expenses	331,776	3,080	334,764	3,568
Total operating expenses	3,714,363	34,505	3,661,968	39,235
Operating Profit	173,986,134	1,619,488	131,759,419	1,373,366

Myanmar Representative Office Statement of Receipts and Payments

Annexure-J

For the year ended 31 December 2023

Receipts	Total			Payments	Total		
	USD	Kyats	BDT		USD	Kyats	BDT
Opening Balance	61,251	54,575,000	7,139,952	Bank Charges (Nostro & Others)	2	12,700	939
Received during the year	-	-	-	Other Allowances- Officers	596	13,436,920	844,297
				Internet	14	339,000	21,234
				Repair & Maintenance	-	84,000	4,943
				Water and Sewerage	-	37,500	2,192
				Stationery Others	1	112,800	6,701
				Mobile Bill	-	20,000	1,167
				Local Conveyance	18	211,000	14,193
				Other Fees and Taxes	43	1,165,000	73,257
				Other Audit fees	-	1,435,840	84,706
				Entertainment	22	-	2,273
				Postage & Shipping	-	210,500	12,538
				Electricity Bill	2	30,365	1,984
				Office Rent	-	27,000,000	1,541,403
				Printing & Stationary	-	30,000	1,758
				Misc. Contract Service	-	31,000	1,847
				Closing Balance	60,553	10,418,375	4,524,522
Total	61,251	54,575,000	7,139,952	Total	61,251	54,575,000	7,139,952

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, 2023, the Statement of Profit or Loss and Other Comprehensive Income, the Statement of Cash Flow and the 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, 2023, and of its financial performance and its cash flows for the year then ended under International Financial Reporting Standards (IFRSs).

Basis for Opinion

We conducted our audit under 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 under 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 under 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 to reassess the value and the remaining estimated useful lives of the assets. We recommended the management 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 followed AB Bank PLC's policy to make 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 under 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 under 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 based on these financial statements.

As part of an audit under 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 to design audit procedures that are appropriate in the circumstances, but not to express 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

Under 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 the 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 25, 2024



Haider Ahmed Khan FCA
Ahmed Khan & Co.
Chartered Accountants

Modhumita Building (1ST Floor)
160 Motijheel C/A, Dhaka-1000, Bangladesh.
DVC:2404250576AS839591

AB Investment Limited
 (A Subsidiary of AB Bank PLC.)
Statement of Financial Position
 As at 31 December 2023

	31.12.2023 Taka	31.12.2022 Taka
ASSETS		
Non-current assets	513,300,197	645,387,449
Property, Plant and Equipment	193,870,581	201,066,217
Investment Property	282,821,130	292,628,034
Deferred Tax Assets	36,608,486	151,693,198
Current Assets	8,615,739,193	8,582,278,560
Investment in shares	425,529,558	519,327,763
Loan to Clients & Others	6,917,843,597	7,281,007,296
Advances, Deposits and Prepayments	300,998,000	998,000
Receivable from Brokers	695,969,654	448,874,017
Advance Income Tax	229,287,124	206,835,621
Cash and Cash Equivalents	46,111,261	125,235,863
TOTAL ASSETS	9,129,039,390	9,227,666,009
EQUITY AND LIABILITIES		
Equity	6,851,779,484	6,843,468,575
Share Capital	6,456,899,810	6,456,899,810
Retained Earnings	394,879,674	386,568,765
Liabilities		
Non-current liabilities	25,205,274	22,183,800
Provident Fund and Gratuity Fund	25,205,274	22,183,800
Current liabilities	2,252,054,632	2,362,013,634
Borrowing from Banks	1,098,776,723	756,515,861
Liabilities for Expenses	502,788	599,726
Provision for Taxation	118,889,458	245,203,347
Provision for Diminution Value of Investment	1,010,337,721	1,324,617,356
Payable to Clients	23,547,942	35,077,344
Total liabilities	2,277,259,906	2,384,197,434
TOTAL EQUITY AND LIABILITIES	9,129,039,390	9,227,666,009

AB Investment Limited

(A Subsidiary of AB Bank PLC.)

Statement of Profit or Loss and Other Comprehensive Income

For the year ended 31 December 2023

	2023 Taka	2022 Taka
Operating Income	156,612,686	222,955,930
Interest Income	116,349,359	117,208,906
Management Fee	3,356,511	4,313,763
Transaction/ Settlement Fee	15,001,557	41,863,257
Investment Income	12,329,914	49,276,034
Other Operating Income	9,575,345	10,293,970
Operating Expenses	61,099,660	67,238,558
Salaries and Allowances	34,088,626	36,403,945
Audit and Consultancy Fees	244,850	267,850
Administrative Expenses	26,634,614	30,366,403
Financial Expenses	131,570	200,360
Profit before Provision and Tax	95,513,026	155,717,372
Provision for Margin Loans	80,000,000	65,000,000
Provision for Investment	-	68,716,168
Net Profit before Tax for the year	15,513,026	22,001,204
Income Tax Expenses	7,202,117	(10,759,274)
Current Tax	(107,882,595)	47,954,566
Deferred Tax	115,084,712	(58,713,840)
Net Profit after Tax for the year	8,310,909	32,760,478
Other Comprehensive Income	-	-
Total Comprehensive Income	8,310,909	32,760,478

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, 2023 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, 2023, 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 Rules-2020 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 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.

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.
- c) The computation of the year end capital adequacy in the financial statements are accurate.



Place: Dhaka
Date: 28-04-2024

Chaity Basak, FCA (Enroll. # 1772)
Partner
Shiraz Khan Basak & Co.
Chartered Accountants
DVC: 2404281772AS828125

AB Securities Limited

Statement of Financial Position

As at 31 December 2023

	31.12.2023 Taka	31.12.2022 Taka
ASSETS		
Non-Current Assets		
Property, Plant and Equipment	2,859,834	5,080,822
Right- of- Use Assets	11,433,824	2,520,118
Deferred Tax Assets	1,873,894	1,708,138
Investments in Un-quoted Shares	100,192,600	100,192,600
Total Non-Current Assets	116,360,152	109,501,678
Current Assets		
Investments in Securities	75,228,121	34,545,003
Cash and Cash Equivalents	566,035,708	905,903,872
Advance, Deposit & Prepayments	2,463,717	1,559,517
Advance Income Tax	107,597,705	89,953,596
Account Receivables	5,715,859	104,014,792
Loans & Advance	763,232,129	736,367,542
Total Current Assets	1,520,273,238	1,872,344,322
Total Assets	1,636,633,390	1,981,846,000
EQUITY AND LIABILITIES		
Equity		
Share Capital	272,041,880	272,041,880
Revaluation Reserve	85,986,590	85,986,590
Retained Earnings	166,261,226	165,505,837
Capital reserve	280,024	-
Total Equity	524,569,720	523,534,307
Liabilities		
Non Current Liabilities		
Liabilities for Other Finance	130,000,000	140,000,000
Provision for Gratuity	8,177,054	8,414,672
Provision for Provident Fund	14,180,988	13,310,910
Lease Liabilities	5,390,423	619,231
Total Non Current Liabilities	157,748,465	162,344,812
Current Liabilities & Provisions		
Accounts Payable	410,459,861	796,281,272
Bank Overdraft	157,599,536	157,599,191
Liabilities for Expenses	2,316,348	2,209,797
Provision for Income Tax	124,060,660	98,355,921
Other Liabilities	254,533,292	240,918,093
Lease Liabilities- Short Term	5,345,509	602,608
Total Current Liabilities	954,315,205	1,295,966,881
Total Equity and Liabilities	1,636,633,390	1,981,846,000

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

For the Year Ended 31 December 2023

	2023 Taka	2022 Taka
Income		
Brokerage Commission	53,065,614	94,997,928
Interest Income	37,420,820	10,034,533
Investment Income	17,000,830	21,520,675
Other Operating Income	2,494,052	4,339,457
Total Income	109,981,315	130,892,594
Expenditure		
Operating Expenses	59,280,349	64,866,094
Other Financial Expenses	2,747,724	1,859,174
Depreciation on Property, Plant & Equipment	7,763,648	7,638,692
Total Expenditure	69,791,721	74,363,960
Profit before Provision and Tax	40,189,594	56,528,634
Provision		
Provision for Diminution in Value of Investment and Loan	13,615,199	5,000,000
Capital Reserve	280,024	-
	13,895,223	5,000,000
Profit before Tax for the year	26,294,371	51,528,634
Income Tax Expenses	25,538,983	48,728,396
Net Profit after tax for the Year	755,388	2,800,237
Other Comprehensive Income	-	-
Total Comprehensive Income	755,388	2,800,237
Earnings Per Share (EPS)	0.03	0.10

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 2023 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 2023 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 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) 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 uncertainly 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 uncertainly 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.

Share money deposit lying without any adjustment is how far legal in question.

Report on Other Legal and Regulatory Requirements

In accordance with the Companies Act, 1994 we also report the following:

1. 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;
2. 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;
3. 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.



DVC: 2403270422AS285266

Dated: 27th March 2024

Place: Dhaka, Bangladesh

Razzaque & Co
Chartered Accountants
Enrollment Number: 422

Cashlink Bangladesh Limited

Statement of Financial Position

As at 31 December 2023

	31.12.2023 Taka	31.12.2022 Taka
ASSETS		
A. Current Assets		
Cash & Bank Balances	704,183	421,816
Investment in Fixed Deposit	46,507,428	44,938,428
Investment in Shares	1,000	1,000
Advance, Deposit & Prepayment	44,390,397	43,587,709
Other Receivable	1,790,608	1,473,937
	93,393,616	90,422,889
Total Assets	93,393,616	90,422,889
EQUITY AND LIABILITIES		
B. Equity		
Share Capital	238,000,000	238,000,000
Share Money Deposit	4,200,000	4,200,000
Retained Earnings	(159,749,192)	(161,898,799)
	82,450,808	80,301,201
C. Liabilities		
Current Liabilities		
Accrued Expenses	40,250	34,500
Provision for Taxation	10,902,557	10,087,189
	10,942,807	10,121,689
Total Liabilities	10,942,807	10,121,689
Total Equity and Liabilities (B+C)	93,393,616	90,422,889

Annexure-M-1

Statement of Profit or Loss and Other Comprehensive Income

For the year ended 31 December 2023

	2023 Taka	2022 Taka
Revenue	-	-
Less: General and Administration Expenses	190,225	316,445
Operating Loss	(190,225)	(316,445)
Add: Other Income	3,155,201	2,460,618
Profit Before Provision & Tax	2,964,976	2,144,173
Provision for taxation	815,368	589,648
Net Profit After Tax	2,149,607	1,554,526
Other Comprehensive Income	-	-
Total Comprehensive Income	2,149,607	1,554,526

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 2023, 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 2023, 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 ("HKSA") 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 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, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

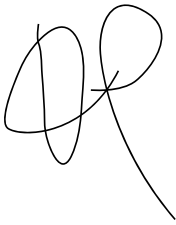
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting 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.

Auditor’s Responsibilities for the Audit of the Financial Statements

- 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: 31 March 2024

AB International Finance Limited

Statement of Financial Position

As at 31 December 2023

	31.12.2023 HK\$	31.12.2022 HK\$
NON-CURRENT ASSETS		
Property, plant and equipment	44,442	7,090
CURRENT ASSETS		
Discounted bills receivable	134,191,131	93,517,303
Deposits, prepayments and other receivable	5,348,198	4,207,614
Cash and bank balances	2,512,266	2,633,376
	142,051,595	100,358,293
CURRENT LIABILITIES		
Accrued liabilities and other payables	4,556,483	5,559,346
Deferred interest income	1,583,887	203,585
Provision for long service payments	423,798	416,388
Amount due to ultimate holding company	112,420,999	75,562,500
Income tax payable	759,816	133,406
	119,744,983	81,875,225
NET CURRENT ASSETS	22,306,612	18,483,068
NET ASSETS	22,351,054	18,490,158
EQUITY		
Share capital	1,000,000	1,000,000
Retained earnings	12,289,095	563,904
Proposed final dividend	1,500,000	9,364,295
Capital reserve	7,561,959	7,561,959
	22,351,054	18,490,158

Annexure-N-1

Statement of Comprehensive Income and Retained Earnings

For the year ended 31 December 2023

	2023 HK\$	2022 HK\$
Interest income	10,264,933	5,757,913
Interest expenses	(1,833,777)	(1,739,972)
Net interest income	8,431,156	4,017,941
Other income	11,924,903	11,762,782
Administrative expenses	(4,726,436)	(4,775,812)
Profit before tax	15,629,623	11,004,911
Income tax expense	(2,404,432)	(1,640,616)
Profit for the year	13,225,191	9,364,295
Retained earnings at the beginning of the year	563,904	563,904
Dividend	(1,500,000)	(9,364,295)
Retained earnings at the end of the year	12,289,095	563,904

Independent Auditor's Report

To the Shareholders of Arab Bangladesh Bank Foundation

Opinion

We have audited the accompanying financial statements **ARAB BANGLADESH BANK FOUNDATION** which comprise of the Statement of Financial Position as at 31 December 2023, 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 thereto comprising 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 **ARAB BANGLADESH BANK FOUNDATION** as at 31 December 2023, and its financial performance and cash flows for the year then ended in accordance with the Private Limited Company format as required by the Companies Act 1994 and International Financial Reporting Standards (IFRSs) and other applicable laws and regulations.

Basis for opinion

We conducted our audit in accordance with the International Standards on Auditing (ISAs) as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB). 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 foundation in accordance with the International Ethics Standards Board for Accountant (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. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards (IFRSs) and other applicable laws and regulations and 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 foundation 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 foundation or to cease operations, or has no realistic alternative but to do so.

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

As 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 for 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 Foundation '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 the Board of 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 Foundation '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 Foundation 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 to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



Md. Kazi Mahabub Murshed, FCA

Enrollment # 1430

Partner

Sarder Murshed & Co.

Chartered Accountants

DVC: 2404291430AS620544

Place: Dhaka

Date: 29 April 2024

Arab Bangladesh Bank Foundation (ABBF)

Statement of Financial Position

As at 31 December 2023

	31.12.2023 Taka	31.12.2022 Taka
ASSETS		
Non Current Assets	36,112,630	36,691,300
Property, Plant & Equipment	36,111,630	36,690,300
Investment at cost in equity share of ABIL	1,000	1,000
Current Assets	556,307,621	532,148,024
Loan to ABSL	130,000,000	140,000,000
Investment in FDR	123,107,165	116,214,481
Accrued Income	-	75,338
Advance Tax	43,032,097	37,065,665
Cash and Cash Equivalents	260,168,359	238,792,541
TOTAL ASSETS	592,420,251	568,839,325
EQUITY AND LIABILITIES		
Shareholders' Equity	543,883,688	526,787,517
Share Capital	20,000,000	20,000,000
Retained Earnings	523,883,688	506,787,517
Non-Current Liabilities	-	-
Current Liabilities	48,536,562	42,051,807
Provision for Income Tax	48,420,562	41,935,807
Provision for Expenses	116,000	116,000
TOTAL EQUITY AND LIABILITIES	592,420,251	568,839,325

Annexure -O-1

Statement of Profit or Loss and Other Comprehensive Income

For the year ended 31 December 2023

	2023 Taka	2022 Taka
Income		
Operating Income	24,751,747	19,669,850
Interest Income	23,963,213	18,765,798
Rental Income	788,534	904,052
Less : Operating & Other Expenses	1,170,820	1,185,658
Operating expenses	1,170,820	1,185,658
Other expenses	-	-
Profit before Tax	23,580,926	18,484,192
Less: Provision for Tax	6,484,755	5,083,153
Profit carried forward	17,096,172	13,401,039

Name of the Directors and entities in which had interest as on December 31, 2023

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 AB International Finance Ltd. Hong Kong, Director, Nominated by AB Bank PLC.
			3 AB Bank Foundation, Chairman, Nominated by AB Bank PLC.
2	Mr. Feroz Ahmed	Director	1 Hexagon Chemical Complex Limited; Director
			2 Elite Paint & Chemical Ind. Limited; Director
			3 Elite International Limited; Managing Director
			4 Ahmed Securities Services Limited; Managing Director
			5 Bangladesh General Insurance Company Limited; Shareholder
			6 AB Bank Foundation, Member, Nominated by AB Bank PLC.
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 Supertel 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	1 AB International Finance Limited, Hong Kong, Director Nominated by AB Bank PLC.
			2 AB Bank Foundation, Member, Nominated by AB Bank PLC.
5	Mr. Maqsubul Huq Khan	Director	Nil
6	Mr. Md. Eskandar Miah	Independent Director	1 AB Securities Limited, Director, Nominated by AB Bank PLC.
			2 AB Investment Ltd, Director, Nominated by AB Bank PLC.
			3 Cashlink Bangladesh Limited, Director, Nominated by AB Bank PLC.
7	Mr. Tarique Afzal	Managing Director & CEO	1 AB Investment Limited, Director, Nominated by AB Bank PLC.
			2 AB Securities Limited, Director, Nominated by AB Bank PLC.
			3 AB International Finance Limited, Hong Kong. Chairman, Nominated by AB Bank PLC.
			4 Cashlink Bangladesh Limited, Chairman, Nominated by AB Bank PLC.
			5 AB Bank Foundation, Member, Nominated by AB Bank PLC.



CITIZEN CHARTER

CORPORATE SOCIAL RESPONSIBILITY

Corporate Social Responsibility (CSR) is a notion that depicts an organization can enact a vital role in the society and make a difference to improve social order. AB Bank has always been firm with implementing its CSR policy as the Bank consider it not only as responsibility but also sustainable initiative that refers to continuous and long-term success by bringing positive changes in the society, community and the environment. Being a reputable organization, AB Bank always feels social accountability towards the society. AB Bank strongly believes that the scope of CSR is wide and includes all good practice that enhances the welfare of the community and preserve the interest of all stakeholders. The Bank considers CSR as a practice of philanthropy. To implement Bank's CSR activities, AB Bank always take into account Bangladesh Bank's CSR policy as Bangladesh Bank is the pioneer in designing the CSR policy for the Banks.

Our Father of the Nation Bangabandhu Sheikh Mujibur Rahman always dreamt of building a 'Golden Bengal' where the country will be free from hunger, poverty, illiteracy and communalism. Following the dream of the Father of the Nation, Bangladesh has unquestionably been riding on a mounting trajectory of rapid development. Over the last decade, the country has been witnessed with a never seen before rise in economy, higher foreign investment and decrease in poverty and significant strides in human development. At the crux of such miracles lies a prudent formulation and maneuvering of a varied assortment of policies and herein, corporates also play crucial role in the economic development of the country. In consideration with this context, AB Bank is socially committed and dedicated to build developed and just society as well.

AB Bank is coming out as a role of altruist to bring harmony and social order by implementing its CSR policy every year. With this greater vision, it is working in bringing changes in the education sector, health sector, environment and climate issues that are the key indicators to build next generation Bangladesh. Priorities in these fields, AB Bank's CSR activities are illustrated in below:

Education:

Education is the key to turn weakness into strength. It is the essential tool for the upliftment of any community. Basically, it is a base upon which the building of human development stands. Moreover, education is termed as the backbone of the nation.

In Bangladesh education is one of the fundamental needs and it is mentioned in the article 17 of the constitution as a directive principal of state policy.

Sustainable Development Goals (SDG) no.4 is all about quality education among the 17 goals of SDG, established by United Nation where it clearly stated that inclusive and equitable education and promote lifelong learning process for all.

In understanding the fact, AB Bank strongly believes that education has the magical power that can bring changes in individuals' life and equivalently the whole community. In this regard, the Bank redirected its CSR more in the field of education by providing financial support. For instance, AB Bank has contributed to the "Prime Minister's Education Assistance Trust" to ensure quality education for the underprivileged students in our society. The Bank donated significant amounts towards 'The Society for the Welfare of Autistic Children' (SWAC), a welfare organization that is working for specialized children to nourish their potentiality and ensure their normal and healthy living in the society. Following these, AB Bank donated to Islamic University of Technology (IUT), Gazipur for purchasing bus as the students of the university had been suffering from hardship in their studies due to inadequacy of public transports. AB Bank also played role as a patronage of female education in order to educate female meritorious students from the very root level. As the Bank stood by the Tuthamandra High School, Gopalganj by contributing bicycle for the female students to facilitate their quality education. Besides, in support of building smart Bangladesh with smart citizens the Bank donated laptops for the bright students at Gopalganj District Office.

AB Bank is committed to keeping up with this continuation throughout their whole journey.

Health:

Bangladesh is now cited globally for its success stories around the world and health sector is one of them. Over the past few decades Bangladesh has shown tremendous advancement in this sector. Bangladesh has already set example in reducing maternal and child mortality rate in a notable number on the other hand average life expectancy has risen, child nutrition has also improved. Even in the Covid-19 era Bangladesh Government controlled the pandemic successfully than any other countries in the world. Despite these scenario, various problems are still laying in the health sector. Due to lack of medical equipment, inadequate infrastructure and medical services, poor and rural people are deprived of getting proper healthcare.

AB Bank feels that an effective healthcare sector is a mandatory tool to build a developed society as well as country. As public health is the fundamental principles

of state policy which is stated in article 18 of our constitution and also SDG goal no: 3 that implies on ensuring healthy lives and promote wellbeing for all. In accordance with this directive, AB Bank spend its CSR in this sector with utmost priority.

AB Bank donated SUNMAR Initiative Bangladesh (A non-profit organization which aims to support deprived children and underprivileged people) to spread happiness among the underprivileged in our society. The Bank not only stood by social causes but also supported the individuals who were in crying need to bear the expenses of their medical treatment.

AB Bank is associated with every endeavor that is working behind to keep Bangladesh ahead in the world. Under this process, the Bank is leaving its footprints in the health sector to make healthy and happier Bangladesh.

Environment and Climate Change Mitigation and Adaptation:

Bangladesh is one of the most climate vulnerable countries in the world. Due to climate change, it has intensified the environmental challenges exacerbating existing vulnerabilities and creating new ones. Realizing this fact, the government of Bangladesh has undertaken a lot of plans and programs to reduce the risk and vulnerabilities due to climate change. Bangladesh has introduced article 18A in the constitution to ensure balance between environment, biodiversity as well as forest resources for development of socio-economic conditions. SDG goal no. 13 is also related to climate and environment.

Minimizing the adverse impact of climate change, AB Bank also has come forward as an associate to protect our environment. The Bank has contributed four crores to Prime Minister Sheikh Hasina's one of the significant initiatives Ashrayan-2 project which was initiated to rehabilitate the landless and homeless people who were affected by river erosion. Following this continuation, the Bank will be keeping up its venture to build our country climate resilient.

Disaster Management:

Bangladesh is a disaster-prone area, often it is affected by natural hazards like cyclone, flood, tidal bore etc.

The government has taken a lot of initiatives through disaster management such as implementing various social safety net program, flood shelters and cyclone center etc.

AB Bank continuously extends its assistance to the affected people who are subjected to natural disasters. With this objective the Bank has donated blankets towards Prime Minister Relief Fund to relieve the distress of the deprived and the destitute people when extreme cold hit all over the country during the winter season.

The Bank also stood by the flood-affected people in earlier times. Besides, when Covid-19 pandemic hit all over the world, our country successfully fought with this critical situation and during that emergency call of the nation AB Bank provided enormous support to combat with the situation.

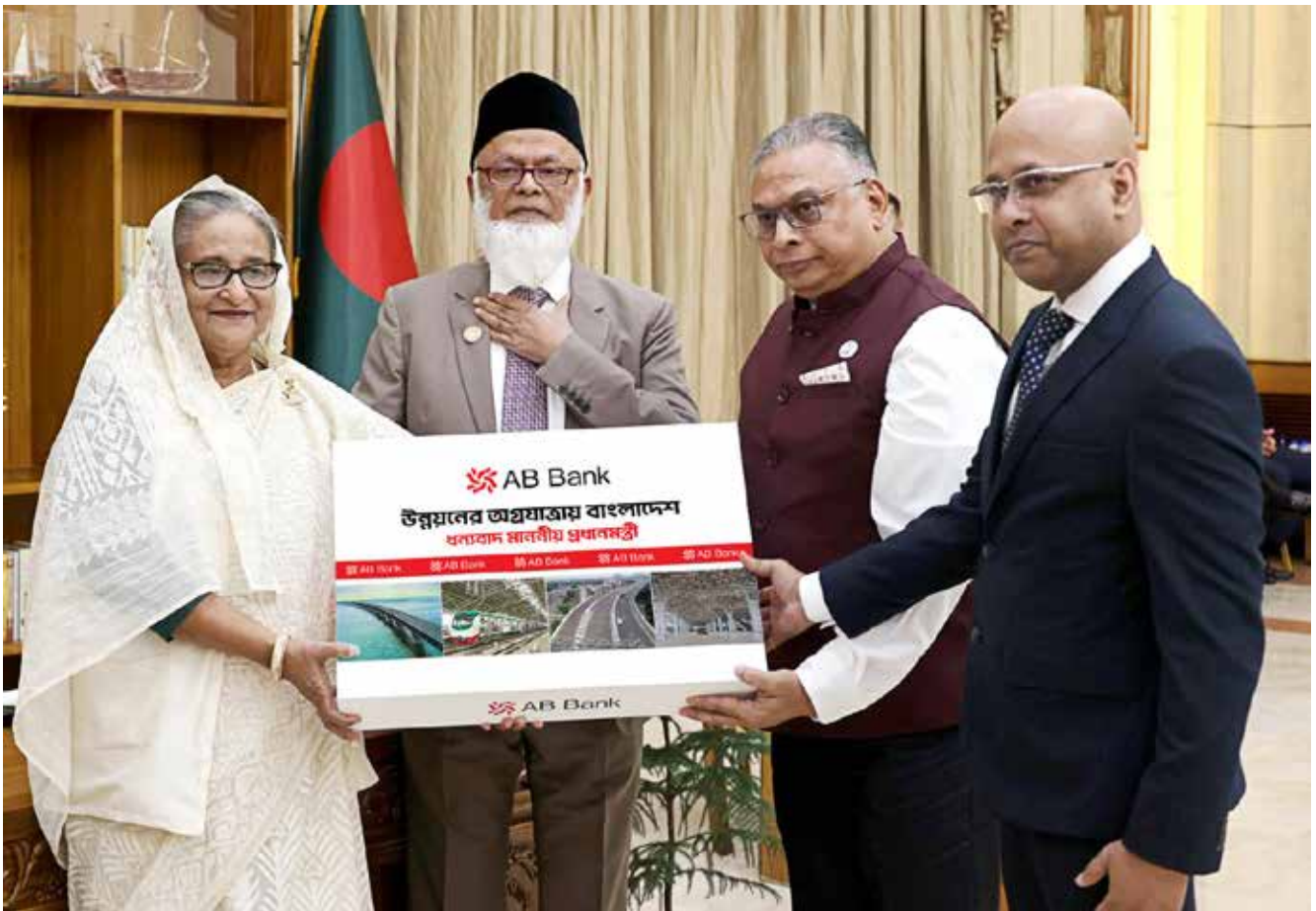
Sports:

Sports are unique as they can act as a powerful tool to connect people beyond ethnic distinctions. Sports is utilized as a perfect platform to create social change by promoting cultural values, ideals, inspiration, health and wellness.

In Bangladesh sports is one of the most popular forms of entertainment. Bangladesh has numerous achievements in sports sector which represented the name of our country around the world.

Understanding the importance of sports, AB Bank always keep focusing on contributing in sports sector under its CSR policy. AB Bank believes sports can lead to immediate and long-term benefits for youth which will help flourishing their creativity and generating love for the society and the country in their minds. The Bank supported in Sheikh Kamal 2nd Bangladesh Youth Games 2023 to encourage the young players. AB Bank is fully committed to continue this custom in the upcoming years.

A better society can ensure a better environment for business and with this belief AB Bank is working on to extend its responsibility towards the society through CSR policy to build a developed and prosperous Bangladesh.



The Honorable Prime Minister cares for the cold-affected people, AB Bank stands firmly by Her with solidarity



AB Bank hands over laptops to Deputy Commissioner of Gopalganj in support of student's quality education



AB Bank supports The Society for the Welfare of Autistic Children (SWAC)



The Bank extends support to ensure bus service for Islamic University of Technology (IUT) students

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

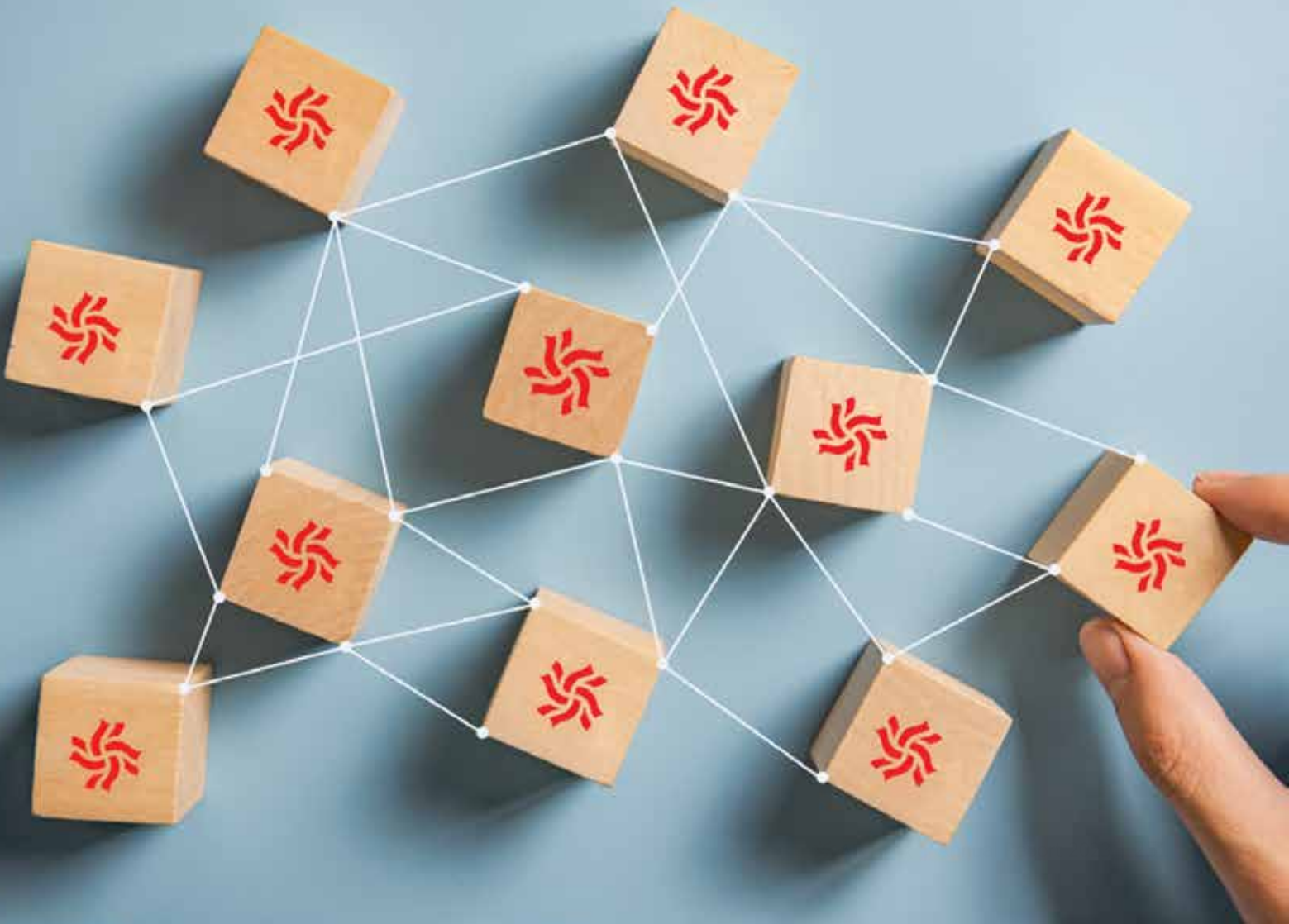
- ABBL is a fully real-time online Bank and encourage customers to use internet banking (AB Direct etc.) for transactions including online Bill payment, Challan submission, Fund transfers etc.
- It gives more emphasis to make the easiest way to help environment by eliminating paper waste, saving gas 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, Kakrail, Dhaka	Pagla Al-haj, Afsar Karim Bhaban DN Road, Pagla, Narayanganj
Bhulta Haji Shopping Complex, Bhulta, Golakandail, Rupgonj, Narayanganj	Kalampur Kalampur, Dhamrai, Dhaka.	Paril Paril Noadha, Boldhara, Singair, Manikganj
Board Bazar Ward No. 35, Gachha, Zone 02, Joydebpur Thana, Gazipur City Corporation, Gazipur	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, Karwan Bazar, 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 14/15 & 26/1/A, South Bishil, Darus Salam Road, Mirpur-1, Dhaka	Tangail 841 Maitra Plaza Boro Kalibari Road, Tangail Sadar, Tangail
Imamganj 40, Imamganj, Dhaka	Motijheel BDBL 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	

CHATTOGRAM DIVISION		
Agrabad BCIC Sadan 26, Agrabad C/A, Chattogram	Chaturi Amin Complex (1st Floor), Chaturi Chowmohony, Anowara, Chattogram	Momin Road CDPL-JM Levante, Jamal Khan Road, 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 Pushpoprangon 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 Shamsheer 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 Zabed 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		
BARISHAL DIVISION		
Barishal Monsur Mansion, 101 Sadar Road, Barishal		
OVERSEAS BRANCH		
Mumbai, India Liberty Building, 41-42 Sir Vithaldas Thackersey Marg, New Marine Lines, Mumbai 400020, India		

SUB-BRANCH LOCATION

SL	Name of Sub-Branch	Address
1	Gulshan Sub-Branch	The Skymark, 18 Gulshan Ave., Gulshan-1; Dhaka-1212
2	Rupatoli Sub-Branch	Rayhan Monjil, House No. 5/9, Road No. 8, Rupatoli Housing, Barishal
3	ECB Chattar Sub-Branch	Wasi Tower, 572/K ECB Chattar, Mirpur DOHS Road, Dhaka Cantonment
4	Charfesson Sub-Branch	Ali Akbar Super Market, Sadar Road, Charfesson, Bhola
5	Shibchar Sub-Branch	United Pharmacy Bhaban, Sadar Road, Shibchar, Madaripur
6	Natullahbad Sub-Branch	Gani Bhaban, 1583, Natullahbad, B M College Road, Biman Bandar, Barishal
7	Kamal Bazar Sub-Branch	Karnafully Center, 3049/4045, Kalurghat Bridge Sarak, Chandgaon, Chattogram
8	Tungipara Sub-Branch	Poura Super Market, Dhaka-Tungipara Highway, Tungipara, Gopalganj
9	Kotalipara Sub-Branch	Alhaz Zahurul Haq Vila, 138/3 Bujurgokona Road, Amtoli Union, Kotalipara, Gopalganj
10	Gopalganj Sub-Branch	Gopalganj Poura New Market, 454 Bangabandhu Road, Gopalganj
11	Jhalokathi Sub-Branch	Ma Villa, 62, Doctor Potti, Jhalokha 138/3 Bujurgokona Road, Jhalokathi Sador, Jhalokathi
12	Maijdee Court Sub-Branch	Ratan Plaza, 194 Malek Ukil Sarak (Main Road), Maijdee Court, Noakhali
13	Ramganj Sub-Branch	270 Kalabagan Road, Ramganj Pourashava, Ramganj, Lakshmipur
14	Rangunia Sub-Branch	Alam Shah Super Market, Village: Ichakhali, Ghatchek, Ward No- 03, Pouroshova - Rangunia, Police Station- Rangunia, Chattogram
15	Sarail Sub-Branch	Munshi Plaza-1, Masjid Road, Sarail, Brahmanbaria
16	Borhanuddin Sub-Branch	Banani House, 161/01, Upazila Sharok, Borhanuddin, Bhola
17	Ishwargonj Sub-Branch	Buchababu Complex, Holding No-155/1, Ishwargonj Bazar (Duttapara Notun Bazar), Ishwargonj, Mymensingh
18	Tajmohal Road Sub-Branch	Haque Tower, Holding: Z-20, Tajmohal Road Mohammadpur, Dhaka
19	Shakhipur Sub-Branch	Talukdar Complex, Holding No. -304, Shah Kamal Road, Ward No. 5, Shakhipur Paurashava, Tangail
20	Patuakhali Sub-Branch	Raza Badsha Somrat Bhaban, Holding No.-102, Natun Bazar, Sadar Road, Patuakhali Paurashava, Patuakhali
21	Narsingdi Sub-Branch	Bhuiyan Shopping Mall, Holding No.-3, Sadar Road, Word No.-4, Narsingdi Paurashava, Narsingdi
22	Biswanath Sub-Branch	Khurshed Ali Shopping Complex, Rampasha Road, Biswanath Paurashava, Sylhet
23	Lakshmipur Sadar Sub-Branch	Serajul Islam Bhaban, Holding No.-150, Thana Road, Word No.-5, Lakshmipur Paurashava, Lakshmipur Sadar, Lakshmipur
24	Muradpur Sub-Branch	Eyman Tower, Holding No.-2/02, Muradpur Circle, Word No.-07, Chattogram City Corporation, Panchlaish, Chattogram
25	Raipur Sub-Branch	Mojib Plaza, Holding No.-255, B K B Road, Word No.-03, Raipur Pourashava, Raipur, Lakshmipur
26	Bhanga Sub-Branch	Abdus Shobhan Complex, Holding No.-74, Bhanga Bazar, Kamala Ghat Sarak Bhanga Pourashava, Bhanga, Faridpur
27	Halishahar Sub-Branch	Holding No.-7/A, Road No.01, Block-A, Halishahar Housing Estate, Word No.-11 Chattogram City Corporation, Halishahar, Chattogram
28	Salna Bazar Sub-Branch	Monsur Ali Plaza, Holding No.- 246, Kathora Road, Ward No.- 19, Gazipur City Corporation, Gazipur Sadar, Gazipur
29	Birampur Sub-Branch	Holding No.-0474-01, Main Road Puraton Bazar, Word No.-05, Birampur Pourashava Birampur, Dinajpur
30	Dhaka Uddan Sub-Branch	Mitali Complex; Holding No.-5, Block-C, Haji Dil Mohammad Avenue, Word No.-33 Dhaka North City Corporation, Dhaka
31	Bhola Sadar Sub-Branch	K Jahan Shopping Complex, Holding No.- 677, Sadar Road, Word No.- 06 Bhola Sadar, Bhola Pourashava, Bhola
32	Kalihati Sub-Branch	Setu Mansion, Holding No.-1302, Puraton Bhuapur Road, Word No.-06, Kalihati Alanga Pourashava, Tangail
33	Kalaroa Sub-Branch	Palash Chowdhury Market, Holding: 151, Satkhira-Jessore Highway, Kalaroa, Satkhira
34	Burichang Sub-Branch	Takwa Plaza, Holding: 166, Office Road, Burichang, Cumilla

SUB-BRANCH LOCATION

SL	Name of Sub-Branch	Address
35	Barura Sub-Branch	Haider Mansion, Holding: 304, College Road, Barura, Cumilla
36	Nilphamari Sub-Branch	Mahatab Golden City, Holding No. 195, Saidpur Sarak, Ward No-7, Nilphamari
37	Thakurgaon Sub-Branch	Hamid Super Market, Holding-823, Tatipara, Ward No.- 06, Thakurgaon
38	Banasree Sub-Branch	Virtual Priti Valley, Plot: 10 & 11, Road: 1 & 2, Block-F, Banasree, Dhaka
39	Kashinathpur Sub-Branch	Abdur Rahman Complex, Kashinathpur Bazar Biswaroad, Kashinathpur, Sathia, Pabna
40	Islampur Sub-Branch	Aftab Tower, Tamabil Road, Khadimpara, Shahaporan, Sylhet
41	Nawabganj Sub-Branch	Dewan Super Market, Galimpur College Road, Galimpur, Nawabganj, Dhaka
42	Sathibari Sub-Branch	Trade Point, Holding No- 164, Dag No-495, Chhay Lane Rangpur-Dhaka Highway, Ward no- 7, Union- 14 No. Durgapur Union, Police Station- Mithapukur, District- Rangpur
43	Rooppur Sub-Branch	Moscow Tower, Holding 545/10, I.K. Road, Sahapur Union, Iswardi, Pabna
44	Pirgacha Sub-Branch	Nasir Plaza, Central Jame Masjid Road, Ward No- 02, Union & Thana - Pirgacha Rangpur
45	Pathrail Sub-Branch	Shaha Super Market, Pathrail Bazar, Delduar, Tangail
46	Chirirbandar Sub-Branch	Shawpna Villa, Ghughuratali, Abdulpur Union, Chirirbandar, Dinajpur
47	Mohimagonj Sub-Branch	Zisan Plaza, Shahid Fazlul Haque Road, Mohimagonj Union, Gobindogonj, Gaibandha
48	Court Bazar Sub-Branch	Hakim Trade Center, Holding 1902, Main Road, Ukhiya, Cox's Bazar
49	BEPZA Economic Zone Sub-Branch	Zone Service Complex, Room No. 202, South Block, Mirsarai, Chattogram

ATM BOOTH LOCATION

SL	Locations	Address
1	Bashundhara Branch	Green Coronet Plot No-07, Block-A, Bashundhara Main Road.
2	Jahaj Company More	Shop No:01 Muktijoddha Complex Bhaban, Station Road, Rangpur.
3	Kalurghat	Global Shirts 49 (NP) Kalurghat Heavy Industrial Area, Chattogram.
4	Mirpur-1 Branch	5-B Darus Salam Road, Section 01, Mirpur Dhaka.
5	Gulshan Avenue	155 Gulshan Avenue Road No 54 Dhaka
6	Siddeswari Road	Total Camelia, 49, Siddeswari Road, Dhaka.
7	Grand Hotel More	House no- 5543, Road No-1, New Senpara Road, Grand Hotel More, Rangpur.
8	Gulshan-1	Shop No.15,50, South Gulshan, Dhaka
9	Pran RFL	Rangpur Metal Industries Ltd, Murapara, Rupganj, Narayanganj.
10	Mohakhali (Wireless Gate)	G-37, Wireless Gate, Mohakhali, Dhaka
11	Rayer Bazar	15, Sultanganj. Rayer Bazar , Dhaka
12	Middle Badda	Gha-131/1, Middle Badda, Dhaka
13	Habiganj Branch	Shayestaganj Main Road Habiganj
14	Banasree Main Road	B/4,Block#B,Main Road,Banasree,Dhaka
15	Cox's Bazar Branch	Digonta Complex (New Market), Bazar Ghata, Cox's Bazar
16	Asad Avenue	Mohammadpur Housing Estate Plot No. 71/C, Block No. D, Mohammadpur, Dhaka.
17	West Panthapath (Shomorita Hospital)	89/2, West Panthapath, Dhaka 1215(Beside Shomorita Hospital)
18	Satmosjid Road	Block-E, Plot No. Gha/13, Mohammadpur Housing Estate, Mohammadpur, Dhaka
19	Malibag Chowdhury Para	577, Malibag Chowdhury Para, Dhaka
20	Training Academy	719 (old) Satmasjid Road, Dhanmondi R/A, Dhaka. 85/A (New) M R Akhtar Mukul Sarak, Dhanmondi R/A, Dhaka
21	Jhawtala Cumilla	333, Jhawtala, Cumilla
22	PC Culture Housing Society	H - 23, Road - 10, Block - Kha, PC Culture Housing Society, Mohammadpur, Dhaka
23	NICVD	NICVD, Sher-E-Bangla Nagar, Dhaka
24	Sadar Road	45, Sadar Road, Barishal
25	Doylar More	Municipal Holding No. 1952, Chawk Enayet, Naogaon
26	Lucas More	115 West Nakhhalpara, Tejgaon, Dhaka
27	Lake Drive Road	Plot No.19, Lake Drive Road, Sector -0 7 Uttara, Dhaka
28	Shahjahanpur	714/1, Uttar Shahjahanpur, Dhaka.
29	South Bashabo	445, South Bashabo, Sabujbagh, Dhaka
30	Sony Cinema	Crescent Homes, 150/1 Shah Ali bagh Mirpur-1, Dhaka
31	Tejturi bazar (Science College)	37 East Tejturi Bazar, Farmgate, Dhaka 1215
32	Nazim Uddin Road	1/2 Nazim Uddin Road, Dhaka
33	Gopibagh	1/A Gopibagh, 1st Lane, Dhaka - 1203
34	Nikunja-2	Plot No.06, Road No.01, Nikunja-02, Dhaka.
35	Shimanto Square	Shimanto Square Market Premises, Pilkhana, Dhaka.
36	Banani Branch	House#50, Road#11, Block-C, Banani, Dhaka
37	Adabar Bazar	H-32/1/A North Adabar, Mohammadpur, Dhaka
38	Darus Salam Road	59/D, Darus Salam, Mirpur Road, Dhaka
39	Ring Road	KPBL Chayapath, House No.16/A/6, Ring Road, Near By Japan Garden City/Suchona Community Center, Mohammadpur, Dhaka
40	Niketan	Block B, H-50, Road -3 Avenue Road – 1, Niketan , Gulshan - 1
41	Shashangacha Cumilla	SA Plot No. 634, Shashangacha, Badsha Miar Bazar, Kowtali, Cumilla
42	Sandwip Branch	Sandwip City Centre, Haramia, Sandwip, District - Chattogram.
43	Lalmatia	House# B/20, Block- E, Zakir Hossain Road, Lalmatia, Dhaka
44	Rupnagar	House#57, Road#22, Rupnagar R/A, Mirpur, Dhaka
45	Gulshan Link Road	TA-137/1, Gulshan Link Road, Dhaka
46	Tongi Branch	Sena Kalyan Commercial Complex, Plot No. 9/F, Tongi, Gazipur
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.
48	Bandar (South Halishahar)	RSA Complex, South Halishahar, BS Plot No. 8098, Bandar, Chattogram.
49	MDC Square	MDC Square, Chawkbazar
50	Segunbagicha	42/1Kha, Segunbagicha, Ramna, Dhaka
51	Kalachandpur	Ka/12, Kalachandpur, Baridhara, Gulshan, Dhaka
52	Lohagara Branch	Best Chowdhury Plaza, Amirabad, Lohagara, Chattogram
53	Chowmuhani Branch	Feni Road, Chowmuhani, Noakhali

ATM BOOTH LOCATION

SL	Locations	Address
54	Nawabganj	Kashimpur, Nawabganj, Bandura, (Nearer to Upazila Parisad), Dhaka
55	Notun Bazar	25, Kali Sankar Guha Road, Notun Bazar, Mymensingh
56	Uttara 10	Plot No. 05, Rana Bhola Road, Sector-10, Uttara, Dhaka
57	BRAC Shopping Centre	Shop No-111, Brac Shopping Centre, Faidabad, Azampur, Uttara, Dhaka
58	Navaron	Navaron Bazar, Sharsha , District - Jashore.
59	Uttara 7	Plot-89, Road-28, Sector # 07, Uttara, Dhaka
60	Mirpur #12 / Kalshi	Plot No. 17, Road No. 02, Block No. E, Section No. 12, Rupnagar R/A., Mirpur Housing Estate, Mirpur, Dhaka.
61	Jublee Road Branch	175, Jubilee Road, Enayet Bazar, Chattogram
62	Khilkhet	Concord Lake city, Holding No. Kha-94/3, Khilkhet, Dhaka
63	Ashkona	Hazi Supper Market, Holding No. 2522, Ashkona, Uttara, Dhaka.
64	Kochukhet	234/6,Kochukhet,Mirpur
65	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
66	Paltan Tower	Shop No-11,Box Culvert Road Road, 87 Purna Paltan Road, Paltan Tower, Paltan, Dhaka
67	Boro Moghbazar	625 Boro Moghbazar (Nayatola)(Opposite Red Cr. Society)
68	Kaderabad Housing Society	41/A, Kaderabad Housing Society, Katasur, Mohammadpur, Dhaka
69	BRRRI	Krishi Gobesona Institute, 58/1 58/2 Laksmipura, Chandra , Gazipur.
70	Kaliakair Super Market	Kaliakair Super Market, Kaliakair Bazar Bus Stand, P.O: Kaliakair Bazar, P.S: Kaliakair Dist: Gazipur
71	Al-Hasan Hotel	144, Sir Iqbal Raod, Khulna
72	United Tower	4 KDA, Khulna
73	VIP Tower	VIP Tower, Kazir Dewri, Chattogram
74	Tajpur Branch	Kazi Mansion, Dhaka-Sylhet High Way, Kadamtola, Po-Tajpur, Ps-Osmaninagar, Sylhet.
75	Grand Huq Tower	457-458, Grand Huq Tower, Mizan Road, Feni
76	Nathullabad	Nathullabad Bus Stand, Barishal
77	Launch Ghat	Barishal Launch Ghat, Barishal
78	Bar House	District Judge Court Bar Associatio (Bhaban No-1), Near Jashore Municipal Eid Ghah Moidan), Mudjib Sarak, Jashore
79	Ashuganj	SA Plot# 10&12, Main Road, Ashuganj City
80	Monipuripara -2	Lion's Shopping, Old Airport Road, Monipuripara, Dhaka
81	Gabtole	86, 1st Colony, Mazar Road, Near of Cement House. Gabtole, Mirpur, Dhaka
82	Mojumdar Market	Mojumdar Market, Sadar Hospital Road, Feni
83	Pabna	AR Plaza, (Ground Fl.) Abdul Hamid Road, Pabna
84	Zigatola	House-43/3/2, Zigatola, Dhanmondi, Dhaka
85	Bokshi Bazar	Bokshi Bazar, City Corpration Market, Dhaka Medical College , Dhaka
86	Subid Bazar	Indiana Height, Subid Bazar, Sylhet
87	Baridhara -1	Baridhara Parishad Office, Baridhara DOHS, Road#5, Opposite to CSD, Dhaka
88	Baridhara -2	Baridhara Parishad Office, Baridhara DOHS, Road#5, Opposite to CSD Dhaka
89	Gowsul Azam	Gowsul Azam Avenue, House#57, Sec#14, Uttara, Dhaka 1230
90	Jhikargacha Branch	Hanif Super Market, Jhikargacha
91	Foy's Lake	Concord Amusement World, Foy's Lake, Khulshi, Chattogram
92	Rina Monjil	69, Central Jail Road, Jashore
93	Sitakunda Branch	Aziz Shopping Complex, Sitakunda, Chattogram
94	Pagla	DN Road Pagla, Fatullah, Narayanganj
95	Concord Arcadia	Dhanmondi(Concord Arcadia),Plot#122,Road#4,Dhanmondi, Dhaka.
96	Khilgoan	425/C, Khilgaon, Dhaka
97	Bijoy Shoroni	Bijoy Shoroni Link Road, Tejgaon, Dhaka
98	Prince Plaza	4/2, Prince Plaza, Sobhanbag, Mirpur Road, Dhaka
99	Monipuripara	20/1, Monipuripara (Sangshad Avenue) Dhaka
100	Jhenaidah Road (Kushtia)	Jhenaidah Road , M. A Razzag Kushtia
101	Saidabad	17/A,North Saidabad Jatrabari Dhaka
102	Patuatuli	28, Patuatuli, Hazi Nur Mohammad Road. - Old Town Dhaka
103	Zinda Bazar	Blue Water Shopping Complex, Zinda Bazaar, Sylhet
104	Shi'ah Mosque	Shi'ah Mosque - House: 16, Road: 1, Mohammadpur, Dhaka-1207
105	Shewrapara	820,West Shewrapara, Rokeya Sharani Road, Dhaka

ATM BOOTH LOCATION

SL	Locations	Address
106	Uttara 3	House: 37, Road: 7, Sector: 3, Uttara, Dhaka-1230
107	Farmgate	71-75, Kazi Nazrul Islam Avenue, Farmgate, Dhaka 1215
108	Dewanbazar (Chawkbazar)	82,Nawab Sirajuddowla Road, Chawkbazar, Chattogram
109	Madhabpur Branch	Munshi Tower (1st Floor), Ward 7, Madhabpur, Habiganj
110	Chapai Nawabganj Branch	Chapai Nawabganj Branch Chapai Nawabganj
111	Feni Branch	Haque Plaza(1st Floor), 193 SSK Road, Feni
112	Royal More	Royal More, Khulna
113	Malibag Branch	Advanced Melinda (Level-1), 72 Malibag, Dhaka 1219
114	Shyamoli Branch	Shymoli Square, 23/8 - B & C, Block: B Khilji Road, Dhaka-1207
115	Naya Bazar	Nawab Yousuf Super Market , Naya Bazar - Old Town Dhaka
116	Chowhatta	Firoj Tower, Chawhatta Sylhet
117	Station Road	Kutum Bari, Station Road, Sreemongol
118	Wari	216,Nawab Street, Wari Dhaka
119	Sabujbagh	78(O),25(N),Sabujbagh, Biswa Road Dhaka
120	Mirpur # 1	House. 2, Road. 6, Block. F, Muktijoddah market- Mirpur, Dhaka
121	Proshika More	Plot. 33, Lane. 1, Block. B, Section-6, Mirpur Dhaka
122	Kushtia Branch	Serajuddowla Road , Al Amin Super Market, Kushtia
123	Dinajpur Branch	189 Zabed Super Market, Bahadur Bazar, Dinajpur
124	Mordern More	Modern More, Ganeshtala , Dinajpur
125	Arakan Road	957/1553,Arakan Road, Bahadarhaat
126	RDRS	91-92, Central Road, Kotowali, Rangpur (Opposite of Rangpur Bangladesh Bank)
127	Malibag	480,D.I.T Road, Malibag Dhaka
128	Tajmahal Rd.	3/4,Block - C, Taj Mahal Road, Mohammadpur Dhaka 1207
129	Shantinagar	Eastern Point, 8-9 Shantinagar Dhaka
130	Boalkhali Branch	TCCA Complex, Gomdandi (East), Boalkhali, Chattogram 4366
131	Khulshi Branch	Khulshi House, Bungalow No. 2, B-2, Road 1, P.S.: Khulshi, Chattogram 4000
132	Boroikandi Branch	Rongdhonu Biponi Bitan, 1st Floor, Central Bus Terminal Road, Verthokhola, Sylhet 3100
133	Dhanmondi Branch	Plot: 45 (new) 286/B (old), Road: 16 (new) 27 (old), Dhanmondi R/A, Dhaka 1209
134	Imamganj Branch	40, Imamganj, Dhaka 1211
135	Bandura Branch	Bandura Government Super Market, Nawabganj, Dhaka
136	Teknaf Branch	Teknaf Main Road, Teknaf, Cox's Bazar 4760
137	Sreemongol Branch	Aziz Super Market , Moulvibazar Road, Sreemongol, Moulvibazar 3210
138	Lohagara Padua	Sicho Shopping Complex, Padua, Lohagara, Chattogram 4397
139	Cumilla Branch	Mogholtooly Super Market, Mogholtooly Road, Cumilla 3500
140	Narayanganj Branch	109,B.B Road Narayanganj
141	Mymensingh Branch	52 Dr. Bipin Sen Road, Choto Bazar, Kotowali, Mymensingh - 2201
142	Pahartoli	825,Zakir Hossain Road, Amader Bari, Chattogram
143	Moulovi Bazar Branch	Shamsher Nagar Road, Choumuhana, Moulvibazar 3200
144	Rajshahi Branch	102-103 Shaheb Bazar, Rajshahi 6000
145	Saidpur Branch	24, Nur Plaza, Ward 12, Shaheed Dr. Zikrul Haque Road, Saidpur, Nilphamari 5310
146	Midtown Shopping Mall	Plot 22, Main Road 03, Section-7, Pallabi, Mirpur, Dhaka 1216
147	Jashore Branch	38 M. K. Road, Jashore 7400
148	Sirajganj Branch	Friends Plaza, S S Road, Ward 1, Sirajganj 6700
149	C-EPZ Branch	Bay Shopping Centre, P.O: EPZ, South Haliashahar P.S. Bandar, Chattogram 4100
150	Chandpur Branch	123/115 Kalibari Pouro New Market, Chandpur Sadar, Chandpur 3600
151	Satkhira Branch	884/810, Abul Kashem Road, Satkhira 7431
152	Naogaon Branch	Mozaffer Hossain Marketing Complex, Main Road, Naogaon 6500
153	Bhairab Bazar Branch	380, Tin Potti, Bhairab Bazar, Kishorgonj.
154	O.R. Nizam Road	862/A, O.R. Nizam Road, Goal Pahar Circle, Chattogram 4000
155	Brahmanbaria Branch	1090/128, Court Road, Brahmanbaria 3400
156	Benapole Branch	607 Benapole, Local Bus Stand, Benapole, Jashore 7431
157	Madhabdi Branch	Parkashipur, Madhabdi Bazar, Narsingdi 1604
158	Nazumeah Hat Branch	Burishchar, Kaptai Road, Hatazari, Chattogram 4330
159	Khulna Branch	Mollick Shopping Complex Limited, 99 Khan A Sabur Road, Khulna 9100
160	Patherhat Branch	Khayez Shopping Center, Patherhat, Noyapara, Chattogram

ATM BOOTH LOCATION

SL	Locations	Address
161	Khatunganj Branch	395, Khatunganj, Chattogram 4000
162	Agrabad Branch	BCIC Sadan, 26, Agrabad C/A, Chattogram 4100
163	Progoati Sharani Branch	N.R. Tower, 72 Progati Sharani, Block: J, Baridhara Dhaka
164	Bahaddarhat	Bismillah Complex, Arakan Road, Bahaddarhat, Chattogram 4323
165	CDA Avenue Branch	BMA Bhaban, 1367 CDA Avenue, East Nasirabad, Chattogram 4000
166	Mohakhali Branch	Pacific Centre, 14 Mohakhali C/A, Dhaka 1212
167	Kawran Bazar	BSEC Bhaban, 102 Kazi Nazrul Islam Avenue, Dhaka 1215
168	Kakrail Branch	81, VIP Road, Kakrail, Dhaka -1000
169	Elephant Road Branch	Novera Square, House 05, Road 02, Dhanmondi, Dhaka 1205
170	Uttara Branch	House 11, Road 14D, Sector 4, Uttara, Dhaka-1230
171	Principal Branch	BCIC Bhaban,30-31, Dilkusha C/A, Dhaka 1000
172	Tangail	702 Sabur Khan Tower, Kalibari Road, Tangail Sadar, Tangail 1900
173	Chattak Branch	Madaris Mansion, Bagbari, Chattak, Sunamganj 08723
174	Dargahgate Branch	Raj Manjil, Dargahgate, Sylhet 3100
175	Garden Tower	Bishwa Road, Shahjalal Uposhohor Point, Sylhet 3100
176	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
177	Kakrail (Islami Br.)	82, V.I.P Road, Kakrail, Dhaka -1000
178	Bogura Branch	324, Kazi Nazrul Islam Sarak, Jhawtala, Bogura 5800
179	Gulshan Branch	Ventura Avenue, Plot No. CWN(C)-8, Road No. 34, Gulshan Model Town, Gulshan Dhaka
180	Joypara Branch	Joypara, Dohar, Dhaka-1300
181	Board Bazar Branch	Union: Gacha, PO: National University, PS: Gazipur Sadar, Gazipur-1704
182	AGB Colony	Shop No-13, Baitul Aman Jame Mosjeed Market, AGB Colony, Dhaka.
183	Pirerbagh	348/4, Pirerbagh, Mirpur, Dhaka
184	Sataish Road	10/11, Sataish Road, Gazipura, Gazipur.
185	Laila Tower	Laila Tower, 8, Gulshan Avenue, Dhaka
186	Agrabad Branch - 2	BCIC Sadan, 26, Agrabad C/A, Chattogram 4100
187	Gareeb-E-Newaz Branch	Plot No-8, Gareeb-E-Newaz Avenue, Sector-13, Uttara, Dhaka.
188	WW Tower	WW Tower, 68, Motijheel Commercial Area, Dhaka .
189	Sylhet Station Club	Sylhet Station Club Limited, Shahjalal Road, Sylhet.
190	Islamic University	Islamic University of Technology (IUT) Board Bazar, Gazipur
191	Kalampur Branch	Kalampur, Dhamrai,Dhaka.
192	Jurain	302/1, Jurain, Dhaka.
193	Chatterjee Lane Gandaria	6/3, Shashi Bhushan Chatterjee Lane, Dhupkhola,Gandaria, Dhaka.
194	Banani	House No-34,Road-10,Block-D Banani, Dhaka
195	Chaturi	Shop No-3, Alam Plaza, Chaturi, Anowara, Chattogram.
196	Paril Branch Branch	Paril Branch Booth at Paril Bazar, Singair, Manikganj.
197	Thengamara Medical College	Thengamara Medical College (TMSS) , Thengamara, Bogura
198	Kaptai Link Road	Kaptai Link Road, Mohara, Chandgaon, Chattogram
199	Lalmonirhat Branch	5/32-S, Puran Bazar, Lalmonirhat.
200	Faridpur Branch	Holding No-29, Faridpur AR City Center, Haji Shariatullah Bazar Road, Faridpur.
201	Raynagar (East Mirabazar)	Raynagar, Sonapara (East Mirabazar), Sylhet.
202	Board Bazar Branch - 2	Union: Gacha, PO: National University, PS: Gazipur Sadar, Gazipur-1704
203	CDA Avenue Branch - 2	BMA Bhaban, 1367 CDA Avenue, East Nasirabad, Chattogram 4000
204	C-EPZ Branch -2	Bay Shopping Centre, P.O: EPZ, South Haliashahar P.S. Bandar, Chattogram 4100
205	Bhulta Branch	Haji Shopping Complex, Bhulta, Rupganj, Narayanganj.
206	Station Road Branch	Equity Anitri , 32, H.S.S Road, under AB Bank Station Road Branch, Chattogram.
207	Ramna Bhaban	Shop No-13, Ramna Bhaban, Dhaka.
208	Seed Store Bazar Branch	Al- Madina Shopping Complex, Seed Store Bazar, Bhaluka, Mymensing
209	Dhap Lalkhuti	House No-187, Road No-01, Lalkhuti, Rangpur.
210	Austagram Branch	Mustari Bhaban, Jamtoli, Austagram Sadar, Kishoreganj
211	Kaliganj	RFL Industrial Park, Mulagaon, Kaliganj, Gazipur.
212	Jhenaidah Branch	Pospo Prangan, Holding No-249, Sher-e- Bangla Road, Jhenaidah.
213	Pran RFL - 2	Rangpur Metal Industries Ltd, Murapara, Rupganj, Narayanganj.
214	Matikata	134/3, Matikata, Dhaka Cantonment, Dhaka.

ATM BOOTH LOCATION

SL	Locations	Address
215	SSS Bhaban	Holding No-4475, SSS Bhaban, Mymensingh-Tangail Road, Tangail.
216	Kamrangir Char Branch	Al-Madina Super Market, 1201 Rasulpur, Kamrangir Char, Dhaka.
217	Banshkhali Branch	Mohammed Meah Plaza, Ramdas Munshir Hat, Banshkhali, Chattogram
218	Jinjira	Shop No-06, Nupur Market, Keraniganj, Jinjira, Dhaka.
219	Signboard Bus Stand	251, Signboard Bus Stand, Board Bazar, Gazipur.
220	Nilphamari	Entrance of Uttara EPZ, Nilphamari, Saidpur.
221	Chaturi-2	Ittadi Shopping Complex, Bandar Community Center, Mohalkhan Bazar, Karnafully, Chattogram
222	World Bank Biswa Colony	Plot No.239, Block-C, Road No.01, Koibulladam Residential Area, World Bank Biswa Colony, Chattogram
223	Umme Salma Tower	Umme Salma Tower, Kaliakair, Gazipur
224	Rangpur Branch	Baitus Sayed Super Market, 91-92 Central Road, Rangpur.
225	J.C Guha Road	15, J.C Guha Road, Nandankanon, Chattogram
226	Kalatiya	Nur Pur, Chourangi Bridge, Kalatiya Bazar, Keraniganj, Dhaka
227	Jamal Khan Road	42, Jamal Khan Road, Chattogram
228	Zigatola Main Road	21/3, Zigatola Main Road, Dhaka-1209
229	Collectorate School & College	Sirajganj Collectorate School & College, Sirajganj
230	Green road	148, Green Road, Dhaka
231	BSCIC Industrial Area	Fabian Group Corporate Office, Plot: B-18 (part), Block: A, BSCIC Industrial Area, Sagorika Road, Chattogram
232	Gulshan-Sub-Branch	Corporate Office, The Skymark, 18, Gulshan Avenue, Dhaka.
233	Gulshan-Sub-Branch	Corporate Office, The Skymark, 18, Gulshan Avenue, Dhaka.
234	Pan Pacific Sonargaon	Pan Pacific Sonargaon Dhaka, Hotel Lobby, 107 Kazi Nazrul Islam Ave, Dhaka 1215
235	Brahmanbaria Medical College Hospital	Brahmanbaria Medical College Hospital Ltd, Ghatara, Brahmanbaria.
236	Motijheel Branch	Motijheel Branch, BDBL Building, 08, DIT Avenue, Dhaka
237	Azim Group Kalurghat	SAVAR SWATTERS, AZIM GROUP, KALURGHAT
238	New Chakaria	Hossen Market, Chiringa, Chakaria, Cox's Bazar
239	Abul Khair Group (West Nasirabad)	Holding No. 2334/2606, Bacha Meah Road, West Nasirabad, Chattogram
240	AKHTAR Group	Fordnagar-Singair Road, in front of factory premises of Akhter Group, Dhalla, PS-Singair, District-Manikganj.
241	Momo Inn-Bogura	Momo Inn Hotel & Resort, Nawdapara, Rangpur Road, Bogura 5800
242	Jatrabari Branch	Mona Tower, 16/A, Shohid Faruk Sorok, North Jatrabari, Dhaka-1204
243	Hathazari Branch	Hajee Siddique Market (1st floor), Hathazari Bus Stand, Hathazari, Chattogram
244	Nandanpur Cumilla	Warda Building (Ground Floor), Nandanpur, Halima Nagar, Sadar South, Cumilla.
245	PCR Branch	5, Port Connecting Road, Block-G, Barapole, Halishahar R/A, Chattogram.
246	Javan Hotel Tongi	Javan Hotel, Tongi-Kaliganj Highway, Tongi
247	BEPZA Economic Zone	BEPZA Economic Zone, Mirsarai, Chattogram
248	Borhangonj Bazar	Borhangonj Bazar, Borhanuddin, Bhola
249	Kunjerhat	Kunjerhat, Borhanuddin, Bhola
250	Borhanuddin Bazar	Borhanuddin Bazar, Bhola
251	CTG DOHS	Cantonment DOHS, Main Gate, Chattogram
252	Super Specialized Hospital BSMMU	Super Specialized Hospital, Bangabandhu Sheikh Mujib Medical University, Shahbag, Dhaka-1000

AGENT LOCATION

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

AGENT LOCATION

SL	Outlet Name	District	Outlet Address
34	Ayan Trading-Bakra Bazar, Jhikargacha	Jashore	Bakra Bazar, Jhikargacha, Jashore
35	Erfan Pharmecy-Kamalapur Bazar, Kushtia	Kushtia	Komlapur, Bagulat, Kumarkhali, Kushtia
36	Vai Bon Garments & Bastralay-Rajganj, Manirampur, Jessore	Jashore	Rajganj Bazar, Jhampa, Monirampur, Jashore.
37	Aspirant Development Ltd- Shibganj, Chapai Nawabganj	C.nawabganj	Shibganj Bazar, Shibganj Pauroshava, Chapai Nawabganj.
38	Jony Enterprise-Bahubal, Habiganj	Habiganj	Debpara Bazar, Nabiganj, Habiganj
39	M/S Tamanna Enterprise, Kalinagar, Chapai Nawabganj	C.nawabganj	Kalinagar Bazar, Sundarpur, Chapai Nawabganj Sadar, Chapai Nawabganj.
40	Shamlapur Ideal Academy-Shamlapur, Savar	Dhaka	Shamlapur, Vakurta, Savar, Dhaka
41	Brothers Trade-Parulia, Debhata, Satkhira	Satkhira	Debhata Bazar, Debhata, Satkhira
42	M/S. Mohammad Wazir Hasan Khan-Chatihati Bazar, Kalihati, Tangail.	Tangail	Chatihati Bazar, Paikora, Kalihati, Tangail
43	M/S Allar Dan Poultry & Fish Feed-Valuka Chandpur, Satkhira	Satkhira	Bhaluka Chandpur Bazar, Dhulihar, Satkhira Sadar, Satkhira
44	Rowshan Enterprise-Pouro Bazar, Majidee Court, Noakhali	Noakhali	Majidee Pouro Bazar, Majidee Court, Noakhali Sadar, Noakhali.
45	Lopa Enterprise-Zalmoliya Bazar, Putia, Rajshahi	Rajshahi	Zalmoliya Bazar, Jeopara, Puthia, Rajshahi
46	Mm Enterprise-Hospital Road, Bheramara, Kushtia	Kushtia	Hospital Road, Bheramara Pauroshava, Kushtia
47	S B S Enterprise-Baliyashisha Bazar, Mirpur, Kushtia	Kushtia	Baliyashisha Bazar, Chitalia, Mirpur, Kushtia
48	Maisha Mahi Enterprise-Horipur Bazar, Sadar, Kushtia	Kushtia	Hatas Haripur Bazar, Hatas Haripur, Kushtia Sadar, Kushtia
49	Nayan Moni Enterprise-Noudapara Bazar, Rajshahi	Rajshahi	Noudapara Bazar, Rajshahi City Corporation, Rajshahi
50	Mim Traders-Alalpur, Nawabganj, Dhaka	Dhaka	Alalpur Bazar, Baruakhali, Nawabganj, Dhaka
51	Ocean Agro-Charvodrasan, Faridpur	Faridpur	Char Haziganj, Charbhadrasan, Faridpur
52	Tasmim Air International-Tambulkhana, Faridpur	Faridpur	Tambulkhana Bazar, Faridpur Sadar, Faridpur
53	Shamim Trade-Laksham, Cumilla	Cumilla	S.K Saha Tower, Chouddogram Road, Bypass, Laksham, Cumilla
54	Abedin Electronics	Coxsazar	Ab Market, Hnila Bazar, Hnila. Teknaf, Cox'S Bazar
55	M/S. Islam Traders ,Doara Bazar, Sunamganj	Sunamganj	Sreepur Bazar, Doara Bazar, Sunamganj
56	M/S. Tama Enterprise-Field-Er-Hat, Chapai Nawabganj	C.nawabganj	Field Er Haat, Moharajpur, Sadar, Chapai Nawabganj.
57	Purbasha Trading- Ishwardi, Pabna	Pabna	I K Road, Boroichara, Solimpur, Ishwardi, Pabna
58	Babu Electronic- Zajor, National University, Gazipur	Gazipur	Zajor Bazar, Gazipur City Corporation, Gazipur Sadar, Gazipur
59	Yuan Impex- Mirpur 11, Dhaka	Dhaka	Main Road-3, Block-D, Mirpur-11, Dhaka
60	M/S Rony Trading Company, Jashihati, Basail, Tangail	Tangail	Jashihati Bazar, Fulki, Basail, Tangail
61	New Bismillah Electric House-Bhairab Bazar, Moulvibazar	Moulvibazar	Bhairabgonj Bazar, Kalapur, Sreemangal, Moulvi Bazar.
62	Khan Enterprise-Philipnagar, Kushtia	Kushtia	Philipnagar Bazar, Philipnagar, Daulatpur, Kushtia
63	Taslma Enterprise-Kumarkhali, Kushtia	Kushtia	Alauddin Nagar Bazar, Nondolapur, Kumarkhali, Kushtia, Khulna

AGENT LOCATION

SL	Outlet Name	District	Outlet Address
64	Mayer Doa Enterprise-Jhaudia Bazar, Kushtia	Kushtia	Jhaudia Bazar, Jhaudia, Kushtia Sadar, Kushtia
65	M/S Khaleda Agro Farm-Noyani Bazar, Sherpur	Sherpur	2 No Word, Noyani Bazar, Sherpur Sadar, Sherpur
66	M/S. S. Alam Traders-Hazratpur Bazar, Keranigonj	Dhaka	Hazratpur Bazar, Hazratpur, Keraniganj, Dhaka.
67	M/S. Bebertan Store, Betua Bazar, Shokhipur, Tangail	Tangail	Betua Bazar, Boheratoil, Shakhipur, Tangail
68	M/S. Bebertan Store-Hoteya Bazar, Shokhipur, Tangail	Tangail	Hoteya Bazar, Hatibandha, Shakhipur, Tangail
69	M/S Bebertan Store- Girls School Road, Sokhipur, Tangail	Tangail	Girls School Road, Shokhipur, Tangail
70	Srot Enterprise-Rajnagar, Moulvi Bazar	Moulvibazar	Jewel Plaza, Court Road, Rajnagar Bazar, Moulvibazar
71	M/S. Mahfuz Enterprise-Barpa, Rupshi, Tarabo Powrashva, Rupganj, Narayanganj	Narayanganj	Barpa Bazar, Rupshi, Tarabo, Rupganj, Narayanganj
72	Aklam Store-Mominkhola, South Surma, Sylhet	Sylhet	Mominkhola, Ward-25, Sylhet City Corporation, Sylhet
73	H. S Enterprise-Beanibazar, Sylhet	Sylhet	Charkhai Poschim Bazar, Biani Bazar, Sulhet
74	M/S Bhai Bhai Store- Boroshala, Sadar, Sylhet	Sylhet	Boroshola, Khadimnagar, Sylhet Sadar, Sylhet
75	Shobuz Shohag Telecom- Gorar Para, Kushtia	Kushtia	Gorar Para, Pragpur, Daulatpur, Kushtia
76	M/S. Sheikh Enterprise - Ilashpur Bazar, Balaganj, Sylhet	Sylhet	Hazi Abul Kalam Complex, Lalabazar, South Surma, Sylhet
77	M/S. Adnan Traders- Poolhat, Dinajpur	Dinajpur	Daliar Mor, Auliapur, Dinajpur Sadar, Dinajpur
78	S. H Enterprise- Binodpur, Rajshahi	Rajshahi	Kazla Binodpur Bazar, Motihar, Rajshahi City Corporation, Rajshahi
79	Notun Jibon Chandpur Community Society - Raldiya, Chandpur	Chandpur	Raldiya, Ashikati, Chandpur Sadar, Chandpur
80	Lake Bazar, Vatara, Dhaka	Dhaka	Ka-62/A, Kuril Chowrasta, Vatara, Dhaka
81	Kafi Enterprise, Bagmara, Rajshahi	Rajshahi	Taherpur Bazar, Bagmara, Rajshahi
82	Kafi Enterprise, Katakhal, Rajshahi	Rajshahi	Katakhal Bazar, Katakhal, Rajshahi
83	Kafi Enterprise, Durgapur, Rajshahi	Rajshahi	Amgachi Bazar, Durgapur, Rajshahi
84	Kafi Enterprise, Chorghat, Rajshahi	Rajshahi	Nondan Gachi Bazar, Chorghat, Rajshahi
85	Kafi Enterprise- Mohanganj Bazar, Durgapur, Rajshahi	Rajshahi	Nowhata Bazar, Poba, Rajshahi
86	Mahin Enterprise-Doara Bazar, Sunamganj	Sunamganj	Bogla Bazar, Dowarabazar, Sunamganj
87	Asiya Enterprise, Muradnagar, Cumilla	Cumilla	Jahangir Super Market, Palasuta Chowmuhan Bazar, Muradnagar, Cumilla
88	M/S. Allardan Enterprise, Kalijong, Jhenaidah	Jhenaidah	Damodarpur Bazar, Kalijong, Jhenaidah
89	M/S. A Baki Traders, Nandigram, Bogra	Bogra	Pondit Pukur Bazar, Po-Kumira Ponditpukur, Nandigram, Bogra-5860.
90	Maa Digital Studio & Mobile Mela, Chirirbandar, Dinajpur.	Dinajpur	Chakaisob, Debigonj Bazar, Chirirbandar, Dinajpur.
91	Chowdhuri Mobile & Telecom, Gangachara, Rangpur	Rangpur	Chowdhury Market, Baraibare Bazar, Gangachara, Rangpur.
92	M/S. Molla Abu Sayed Enterprise, Manikganj Sadar	Manikganj	Borundi Bazar, Manikganj Sadar, Manikganj

AGENT LOCATION

SL	Outlet Name	District	Outlet Address
93	Easy Internet Tecnology, North Badda, Dhaka	Dhaka	Cha-83/2, Uttar Badda, Daka-1212.
94	Features International Limited , Lalmonirhat Sadar	Lalmonirhat	Solaiman Mansion, Mission Mor, Lalmonirhat Sadar, Lalmonirhat
95	Antuna Enterprise Comission Agent-Ghosail Bazar	Dhaka	Ghoshal Bazar, Kathuri, Nawabganj
96	Prochesta Enterprise, Komorpur Bazar, Pabna	Pabna	Komorpurbazar, Pabna Sadar , Pabna
97	M/S. S. S. I. Electronics- Nasirnagar, Bramonbaria	Brahmanbaria	Nasirnagar Sadar, Nasirnagar, Brahmanbaria, Chattogram
98	Ayan Enterprise- Vai Vai Market, Feni	Feni	Vai Vai Market 2Nd Floor,Besidemohipal Flyover, Mohipal, Feni
99	New Jubel Pagri- Modina Market, Sylhet	Sylhet	Madina Market, Sylhet City Corporation, Sylhet
100	101 Bd Tech, Panchbari, Jamalpur	Jamalpur	Panchbari, Kamrabad, Sarishabari, Jamalpur, Mymensingh
101	Master Agro-College Bazar,Akkelpur,Joypurhat	Joypurhat	College Bazar, Akkelpur, Joypurhat, Rajshahi
102	XOOMBAZAR-Kalibari Road, Jhalakathi	Jhalokathi	72 Kalibari Road, Jhalakathi-8400
103	Sara Enterprise-Dowra Bazar,Sunamganj	Sunamganj	Banglabazar, Dowara Bazar, Sunamganj
104	Mosharef Pharmacy- Hazirhat,Kabirhat,Noakhali	Noakhali	Neranjonpur, Hazirhat, Kabirhat, Noakhali
105	M/S. Shafi Traders- Kakiladoh Bazar, Kushtia	Kushtia	Kakiladoh Bazar, Mirpur, Kushtia
106	R.V Cyber World-Lilarmela, Balarampur, Atwari, Panchagarh	Panchagarh	Lelar Mela, Bolorampur, Atoyari, Panchagarh
107	Cheers Properties & Management- Chattogram	Chattogram	Barasat (Kali Bari), Anowara, Chattogram
108	Star Fabrics, Zinda Bazar, Sylhet	Sylhet	26, Al Marjan Shopping Center, Zinda Bazar, Sylhet City Corporation, Sylhet
109	M. M. F Packaging-Shorisha Bari,Jamalpur	Jamalpur	Pingana,Gram Nikhai, Garadoba, Sarishabari, Jamalpur.
110	Faysal Enterprise-Bohuli Bazar,Sirajganj	Sirajganj	Bohuli Bazar,Sirajganj Sadar,Sirajganj
111	Tasnim & Tanvir Traders- Kamdiya,Gaibandha	Gaibandha	Pachbibi Road,Kamdia,Gobindaganj,Gaibandha,Rangpur
112	Faruk Enterprise-Pekuya Bazar, Pekuya, Coxsbazar	Coxsbazar	Pekua Bajar,Pekua,Coxbazar,Chattogram
113	J. S Kutir Shilpo-Kamal Market, Madina Ghat, Hathazari, Chattogram	Chattogram	1 No Goli,Kamal Market,Madina Ghat,Hathazari,Chattogram
114	Maa Garments-Dariyapur, Chapai Nawabganj	C.nawabganj	Dariyapur,Sadar,Baliadanga,Chapai Nawabganj,Rajshahi
115	M/S. Imam Hossen Store-Modhukhli Bazar, Modhukhli, Faridpur	Faridpur	Madhukhali Bazar,Madhukali,Faridpur,Dhaka
116	M/S. Mobile Corner-Kaniyal Khata, Nilphamari	Nilphamari	Kaniyal Khata,Nilphamari Sadar,Nilphamari,Rangpur
117	Sahaji S. A Enterprise- Al Amin Baria Kamil Madrass Songlogno, Bahir Signal, Chandangon, Chittagong	Chattogram	Al Amin Baria Kamil Madrasa Songlogno,Bahir Signal,Chandangon,Chattogram
118	Reliance Enterprise-Anondobabur Pul, Jaldhaka Sarak, Nilphamari	Nilphamari	Anondo Babulgur,Itkhola,Joldhaka Sorok,Nilphamari
119	101 Bd Tech-Station Road, Islampur, Jamalpur	Jamalpur	Pachbaria,Islampur,Jamalpur,Mymensingh
120	Faysal Enterprise- Chhongacha Bazar, Sirajganj Sadar, Sirajganj.	Sirajganj	Chongacha Bazar, Sirajganj Sadar, Sirajganj,Rajshahi

AGENT LOCATION

SL	Outlet Name	District	Outlet Address
121	M/S. Shahin Brothers- Dewhata Bazar, Mirzapur, Tangail	Tangail	Dewhata Bazar,Bhatram, Mirzapur, Tangail, Dhaka
122	Abc Corporation- Kansat Bazar, Shibganj, Chapai Nawabganj	C.nawabganj	Kansart Bazar, Shibganj, Chapai Nawabganj, Rajshahi
123	A G Enterprise- Bhabaniganj, Bagmara, Rajshahi	Rajshahi	Bhabaniganj, Bagmara, Rajshahi
124	M/S. Nur Enterprise- Bodorkhali Bazar, Chakaria, Cox's Bazar	Coxsbazar	Badarkhali, Chakoriya, Cox'S Bazar, Chattogram
125	Alim Business Center- College Road, Harua, Kishoreganj Sadar, Kishoreganj	Kishoreganj	Holding No-901, Beside Of Sonali Bank , Haruya College Road, Kishoreganj Sadar,Kishoreganj, Dhaka
126	M/S. Anam Tiles And Sanitary- New Bypass, Sheikh Hasina Medical College Road, Jamalpur	Jamalpur	New Bypass, Sheikh Hasina Medical College Road, Jamalpur Sadar, Mymensingh
127	M/S. Z Enterprise- Jasim Market, Bishawa Colony, Akbar Shah, Pahartali, Chattogram	Chattogram	Jasim Market,Kaibalyadham Residential Area, Bishawa Colony, Akbar Shah, Chattogram
128	R. K Business Center- Chandra Mor, Kaliakair, Gazipur	Gazipur	Chondra Mor, Kaliakair, Gazipur, Dhaka
129	Khorshed Telecom- Hulain, Panchuriya, Patiya, Chattogram	Chattogram	Ahmed And Ambia Market, Hulain, Panchuriya,Habilasandwip, Patiya, Chattogram
130	BS Computer And Varieties- Chini Kuthi Bazar, Kanialkhata, Nilphamari Sadar, Nilphamari	Nilphamari	Chini Kuthi Bazar, Kaniyalkhata,Itakhola, Nilphamari Sadar, Nilphamari, Rangpur
131	A G Enterprise- Durgapur, Rajshahi	Rajshahi	Durgapur, Rajshahi
132	Lopa Enterprise-Shilmaria, Puthia, Rajshahi	Rajshahi	Shilmaria, Puthiya, Rajshahi
133	Chattogram It Village- Zam Zam Shopping Complex, Shantirhat, Patiya, Chattogram	Chattogram	Jhom Jhom Shopping Complex, 1St Floor, Shantirhat, Kusumpura,Patiya, Chattogram
134	M/S. Z Enterprise- Pahartali Girls School & Collage Market, Akbarshah, Pahartali, Chattogram	Chattogram	Pahartali Girls School & Collage Market, Pahartali, Chattogram
135	AG Enterprise- Hat Gangopara, Bagmara, Rajshahi	Rajshahi	Hat Gangopara,Maria, Bagmara, Rajshahi
136	SMTC -Chowgacha Bazar, Chowgacha, Jashore	Jashore	Chowgacha Bazar, Chowgacha, Jessore, Khulna
137	M/S. Sonali Motors-Mirpur Bazar, Mirpur, Kushtia	Kushtia	Mirpur Bazar, Mirpur, Kushtia, Khulna
138	M/S. Maa Baba Enterprise- Joydharkandi Bazar, Sarail, Brahmanbaria	Brahmanbaria	Joydhar Kandi Bazar, Sarail, Brahmanbaria
139	Rashaan Tech-Bazra Tarakandi Bus Stand, Kuliarchar, Kishoreganj	Kishoreganj	Bazra Tarakandi Bus Stand, Kuliarchar, Kishoreganj
140	Mivvan L. L. C-Ghat Majir Hat, Gasua, Sandwip, Chattogram	Chattogram	Ghat Majir Hat, Gasua, Sandwip, Chattogram
141	Mashfika Enterprise-Kanda Para, Kacharibari Road, Shahjadpur, Sirajganj	Sirajganj	Kandapara, Kacharibari Road, Shahjadpur, Sirajganj
142	Rofia Abidin Enterprise-Pachanga Bazar, Mohichail, Chandina, Cumilla	Cumilla	Porchanga Mohichail, Chandina Cumilla
143	Liton Computer Center- Sonatala Natun Bondor, Upazela Road, Sonatala, Bogura	Bogura	Sonatala Natun Bondor, Upazela Road, Sonatala, Bogura, Rajshahi
144	R. It Home- Shah Kabir Mazar Road, Chalabon, Dakshinkhan, Dhaka	Dhaka	Shah Kabir Mazar Road, Chalabon, Dakshinkhan, Dhaka

AGENT LOCATION

SL	Outlet Name	District	Outlet Address
145	Chattogram It Village- Kashaish, Nayahat, Patiya, Chattogram	Chattogram	Kashaish, Nayahat, Patiya, Chattogram
146	Ariyan Telecom- Sambari Bazar, Brahmanbaria	Brahmanbaria	Sambari Bazar, Brahmanbaria
147	Mirza Homoeo Hall- Baliya Pukur, Chotobottolla, Rajshahi	Rajshahi	299, Baliya Pukur, Chotobottolla, Rajshahi
148	Abir Engineering Workshop- Narayanpur Bazar, Belabo, Narsingdi	Narsingdi	Narayanpur Bazar, Belabo, Narsingdi
149	Al Haramain Trading- Kaptai Geti Gate, Kaptai New Bazar, Kaptai, Rangamati	Rangamati	Kaptai Geti Gate, Kaptai New Bazar, Kaptai, Rangamati
150	Sindid Enterprise- Chandpur, Paghachang, Brahmanbaria	Brahmanbaria	Chandpur, Paghachang, Brahmanbaria
151	Maa Garments- Palsha Bazar, Palsha, Chapai Nawabganj	C.nawabganj	Palsha Bazar, Palsha, Chapainawabgong
152	Porimol Enterprise- Alauddin Siddiqui College Market, Kalihati, Tangail	Tangail	Alauddin Siddiqui College Market, Kalihati, Tangail
153	Sanjida Enterprise- Dhainagar, Shibganj, Chapainawabganj	C.nawabganj	Dhainagar, Shibganj, Chapainawabganj
154	Shahajada Talukdar- Kunjerhat Bazar, Borhanuddin, Bhola	Bhola	Kunjerhat Bazar, Borhanuddin, Bhola
155	M/S. Chowdhury & Brothers- Borhanganj Bazar, Borhanuddin, Bhola	Bhola	Borhanganj Bazar, Borhanuddin, Bhola
156	Asiya Enterprise- Shushunda Bazar, Bakhrabad Road, Jahapur, Murad Nagar, Cumilla	Cumilla	Shushunda Bazar, Bakhrabad Road, Jahapur, Muradnagar, Cumilla
157	M/S. M.L.T Traders- Harta Bazar, Harta, Ujirpur, Barisal	Barishal	Harta Bazar, Harta, Ujirpur, Barisal
158	M/S. Bismilla Traders- Kismot Khulna, Noihati, Sreerampur, Rupsha, Khulna	Khulna	Kismot Khulna, Noihati, Sreerampur, Rupsha, Khulna
159	Unicom Multi System- Station Road, Ishwardi, Pabna	Pabna	Station Road, Ishwardi, Pabna
160	Mahmuda Enterprise- Hasem Miazi Dorja, Raipur, Laxmipur	Lakshmipur	Hasem Miazi Dorja, Raipur, Laxmipur.
161	Saifi Enterprise- Alukdia Bazar, Akundobaria, Chuadanga	Chuadanga	Alukdia Bazar, Akundobaria, Chuadanga
162	M/S. Oeshitoyaha Enterprise- Bhadughar Bazar, Bhadughar, Brahmanbaria	Brahmanbaria	Bhadughar Bazar, Bhadughar, Brahmanbaria
163	Satrong- Sahid Rafique Sarak, Manikganj	Manikganj	Shahid Rafique Sarak, Manikganj
164	Africa Digital Photographers- Sonar Bangla Market, Rupnagar Residential Area, Dhaka-1216	Dhaka	Sonar Bangla Market, Rupnagar Residential Area, Dhaka 1216
165	Provath Telecommunication-3- Plot-02, Chairman Bari Market, Chairman Bari, Dakshinkhan, Dhaka-1230	Dhaka	Plot-2, Chairman Bari Market, , Chairman Bari, Dakshinkhan, Dhaka
166	M/S. Faruk Enterprise- Alipur Bazar, Durgapur, Rajshahi	Rajshahi	Alipur Bazar, Durgapur, Rajshahi
167	M/S. Razia Chaul Mill- Court Horogram Bazar, Rajshahi	Rajshahi	Court Horogram Bazar, Rajshahi
168	Rasel Telecom- Paikpara Bazar, Bonbariya, Sirajganj Sadar, Sirajganj	Sirajganj	Paikpara Bazar, Bonbariya, Sirajganj Sadar, Sirajganj
169	Venus Computer & Digital Studio- Mujib Sarak, Sirajganj Sadar, Sirajganj	Sirajganj	Mujib Sarak, Sirajganj Sadar, Sirajganj.

AGENT LOCATION

SL	Outlet Name	District	Outlet Address
170	Mayer Doya Enterprise- Chandipur Board Bazar, Naogaon Sadar, Naogaon	Naogaon	Chandipur Board Bazar, Naogaon Sadar, Naogaon
171	Akondo Computer & Digital Studio- Biyara Ghat, Bonbariya, Sirajganj Sadar, Sirajganj	Sirajganj	Biyara Ghat, Bonbariya, Sirajganj Sadar, Sirajganj
172	Allahr Dan Store- Kadir Hanif, Noakhali Sadar, Noakhali	Noakhali	Kadir Hanif, Noakhali Sadar, Noakhali
173	M/S Noborag- Shahid Nazmul Shoroni, Satkhira	Satkhira	Shahid Nazmul Shoroni, Satkhira
174	Alif Telecom- Kazir Mor, Main Road, Naogaon	Naogaon	Kazir Mor, Main Road, Naogaon
175	S R Enterprise- Proshadpur Bazar, Manda, Naogaon	Naogaon	Proshadpur Bazar, Manda, Naogaon
176	Bokul Phone Fax & Digital Studio- Lokhaijani Bazar, Hapaniya, Naogaon	Naogaon	Lokhaijani Bazar, Hapaniya, Naogaon
177	M/S Ali Sarkar Electronics- Zadobpur Bazar, Hat Zadobpur, Mohespur, Jhenaidah	Jhenaidah	Jadobpur Bazar, Hat Jadobpur, Moheshpur, Jhenaidah
178	M/S Galib Enterprise- Moheshpur Bazar, Thana Road, Moheshpur, Jhenaidah	Jhenaidah	Moheshpur Bazar, Thana Road, Moheshpur, Jhenaidah
179	Sumon Enterprise - Jinnah Nagar Bazar, Moheshpur, Jhenaidah	Jhenaidah	Jinnah Nagar Bazar, Moheshpur, Jhenaidah
180	Anis Enterprise- Adampur Bazar, Biddadhorpur, Moheshpur, Jhenaidah	Jhenaidah	Adampur Bazar, Biddadhorpur, Moheshpur, Jhenaidah
181	Bishojit Telecom- Baliadanga Bazar, Kaligonj, Jhenaidah	Jhenaidah	Baliadanga Bazar, Kaligonj, Jhenaidah
182	Esha Verities Store- Golaidanga Bazar, Singair, Manikganj	Manikganj	Golaidanga Bazar, Singair, Manikganj
183	Nirob Fashion- Shahrail Bazar, Singair, Manikganj	Manikganj	Sahrail Bazar, Singair, Manikganj
184	M/S. Anika Enterprise- Lalmia Shopping Complex, Juktikhola Bazar, Lalmai, Cumilla	Cumilla	Lalmia Shopping Complex, Juktikhola Bazar, Lalmai, Cumilla
185	Digital Service Point- Shahbazpur Bazar, Shahbazpur, Sarail, Brahmanbaria	Brahmanbaria	Shahbazpur Bazar, Shahbazpur, Sarail, Brahmanbaria
186	Raha Enterprise- Kadomtala Bazar, Talbaria, Mirpur, Kushtia	Kushtia	Kadomtala Bazar, Talbaria, Mirpur, Kushtia
187	M/S Sufala Traders- Horitokidanga Bazar, Dhamoirhat, Naogaon	Naogaon	Horitokidanga Bazar, Dhamoirhat, Naogaon
188	M/S. Molla Rice Agency- Nawjor Bazar, Bason, Gazipur	Gazipur	Nawjor Bazar, Bason, Gazipur
189	M/S. Gjus Enterprise- Charnoabad Bazar, Bhola Sadar, Bhola	Bhola	Charnoabad Bazar, Bhola Sadar, Bhola
190	Arwa Digital- Kuliya Bazar, Gurugram, Debhata, Satkhira.	Satkhira	Kuliya Bazar, Gurugram, Debhata, Satkhira
191	M/S. Seven Star Enterprise- Mazgram, Silaidaha, Kumarkhali, Kushtia	Kushtia	Mazgram, Silaidaha, Kumarkhali, Kushtia
192	Selim Art & Computer Media- Abdullah Miar Hat, Kabirhat, Noakhali	Noakhali	Abdullah Miar Hat, Kabirhat, Noakhali



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

NOTICE OF THE 42ND (FORTY-SECOND) ANNUAL GENERAL MEETING (AGM)

Notice is hereby given that the 42nd (Forty-Second) Annual General Meeting (AGM) of **AB Bank PLC.** will be held on **June 12, 2024 (Wednesday) at 10:30 a.m. (BST) through hybrid system** in combination of physical presence and connection of digital platform of shareholders to transact the following business:

AGENDA

1. To receive, consider and adopt the Audited Financial Statements of the Bank for the year ended December 31, 2023, and the Reports of the Directors' and the Auditor's thereon.
2. To declare Dividend for the year ended December 31, 2023 as recommended by the Board of Directors.
3. To elect / re-elect Directors.
4. To approve the re-appointment of Independent Director.
5. To appoint the Statutory Auditor of the Bank for the year 2024 and to fix their remuneration.
6. To appoint Auditor for certification on the compliance on conditions of Corporate Governance Code for the year 2024 and to fix their remuneration.

Dated: May 12, 2024

By order of the Board
Sd/-
Md. Jasim Uddin, FCS
Company Secretary

NOTES:

- i) The '**Record Date**' in lieu of Book Closure will be on **May 26, 2024 (Sunday)**. The shareholders whose names appeared in the Members/Depository Register under Central Depository System (CDS) on Record Date would be eligible to attend/participate and vote at the Annual General Meeting (AGM).
- ii) The Board of Directors has recommended 2.00% (Two percent) Stock Dividend to all Shareholders subject to approval from Bangladesh Securities & Exchange Commission (BSEC).
- iii) Pursuant to the Bangladesh Securities and Exchange Commission's revised Order No. SEC/SRMIC/94-231/91 dated March 31, 2021, and No. BSEC/ICAD/SRIC/2024/318/09 dated January 16, 2024 the AGM will be held through hybrid system in combination of physical presence at **Sena Malancha, Dhaka Cantonment, Western side of Naval Headquarters on Airport Road, Dhaka-1206** and connection of digital platform of shareholders which will be conducted via live webcast.
- iv) Link of the meeting and login details will be notified to the respective shareholders email addresses. Full login/participation process for the Digital Platform meeting will also be available at the bank's website: www.abbl.com
- v) Pursuant to the Bangladesh Securities and Exchange Commission (BSEC) Notification BSEC/CMRRCD/2006-158/208/Ad min/81 dated June 20, 2018, the soft copies of the Annual Report 2023, 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 2023, will also be available at the bank's website: <http://abbl.com/investor-relations/>
- vi) The shareholders are requested to update their respective BO Accounts details (i.e. Mailing Address, e-mail ID, contact number, Bank Accounts Details and e-TIN etc).
- vii) A shareholder is eligible 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 PLC. 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 42nd AGM of the Bank.



Head Office, "The Skymark", 18 Gulshan Avenue, Gulshan – 1, Dhaka-1212.

PROXY FORM

I/We -----of -----
-----being a Member of AB Bank PLC. and entitled to vote,
do hereby appoint Mr./Mrs.----- of -----
----- as my/our proxy to
attend and vote on my/our behalf at the 42nd Annual General Meeting of the Company to be held on
June 12, 2024 (Wednesday) at. 10:30 a.m. through Hybrid System.

Singed this day of(Month) 2024.

Signature of Shareholder(s)

Signature of PROXY

Affix Revenue
Stamp Tk.100.00

Folio No.				-			
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or

BO ID No.																	
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No. of Shares held on Record date (May 26, 2024).....

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 AB Bank PLC. 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 SWIFT Code: ABBLBDDH E-mail: info@abbl.com cs@abbl.com Web page: www.abbl.com	OVERSEAS BRANCH 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, 2023 Authorized Capital: Tk. 1,500 crore Paid-up Capital: Tk. 878 crore Number of Shareholders: 60,683 Total Asset (Conso): Tk. 43,739 crore Earnings per Share (EPS) (Conso): Tk. 1.02 Net Asset Value per Share (Conso): Tk. 29.58 Market Capitalization: Tk. 852 crore Total Manpower: 2,325
ISLAMI BANKING BRANCH 82 Kakrail, Ramna, Dhaka-1000 Tel: +8802 833 2235 Fax: +8802 833 2236 E-mail: ibb@abbl.com	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 AB Investment Limited (ABIL) WW Tower (7 th Floor), 68 Motijheel C/A Dhaka 1000, Bangladesh Tel: +88029569732 9571265 Fax: +8802 7160592 E-mail: abil@abbl.com AB Securities Limited (ABSL) WW Tower (6 th Floor), 68 Motijheel C/A Dhaka 1000, Bangladesh Tel: +8802 9566266 Fax: +8802 9568937 E-mail: absl@abbl.com Cashlink Bangladesh Limited (CBL) The Skymark, 18 Gulshan Avenue Gulshan-1, Dhaka-1212, Bangladesh Tel: +8802 9678555113 E-mail: info@cashlinkbd.com Arab Bangladesh Bank Foundation (ABBF) The Skymark, 18 Gulshan Avenue Gulshan-1, Dhaka-1212, Bangladesh Tel: +8802 9678555637 E-mail: abbf@abbl.com	Number of Branches: 105 Number of Sub-Branch: 49 Number of Agent Banking Outlet: 192
CUSTODIAN SERVICES The Skymark, 18 Gulshan Avenue Gulshan-1, Dhaka-1212, Bangladesh Tel: +8802 9678555668 SWIFT: ABBLBDDH005 E-mail: custodian@abbl.com		AUDITOR M M Rahman & Co. Chartered Accountants
OFF-SHORE BANKING UNIT (OBU) EPZ Branch Bay Shopping Centre P.O. EPZ, South Haliashahar P.S. Bandar Chattogram-4223 Tel: +88031 740604 Fax: +88031 741150		RATING AGENCY ARGUS Credit Rating Services Limited (ACRSL)
		For any Clarifications on this Report Please Write to: The Company Secretary AB Bank PLC. Head Office The Skymark, 18 Gulshan Avenue Gulshan-1, Dhaka-1212, Bangladesh E-mail: cs@abbl.com



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গ্রাহক আস্থার ৪২ বছর



AB Bank PLC.

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Website: www.abbl.com