Annual Integrated Report 2022



Bank Asia

Secure your financial future with your Reliable Bank



Maintain Sustainable balance sheet growth over the years

Bank Asia's core ideology is to maintain sustainable banking against which our policy, operational procedures and business framework have been developed. The balance sheet of Bank Asia is gradually expanding, paying out consistent dividends, and maintaining sustainable business growth over time. Our sustainable endeavor is reflected from the recognition of esteemed organization. Bangladesh Bank ranked us two years consecutively as one of the top 10 Banks in Sustainability Rating and attained gold rank from Apex international body of Sustainability Reporting.



Maintain credibility to our stakeholders

Credibility is a part of integrity which can't be attained within short time rather it is the outcome of long term continuous pursuit. Since inception, Bank Asia has embedded ethical banking in its core of business philosophy which helped to become one of the leading Banks in Bangladesh. Bank Asia's capital base is one of the highest in the industry and far above the regulatory requirement. Adequate provision is kept against loan loss provision for absorbing any future shock.



Maintain reliability to our customers

We are reliable to our customers for ensuring quality services and strong risk management structure that make them feel safe of doing business with us. Bank Asia's strong capital and assets base protected the Bank from the shock of liquidity crisis, foreign currency crisis, Covid-19 pandemic or any other adverse movement in the industry or economy as a whole.



Maintain Good governance structure from the Board and the Management

Conflict of interest is a common phenomenon in every business which is very much detrimental to the Banking industry. Around the globe, many organizations had to shut down their business for the lack of good governance. Bank Asia has been maintaining strong governance framework in its business operation that helped the bank to get rid of any kind of financial scam which is now a contemporary issue in this industry. Bank Asia has been awarded 1st position for a number of times for its Corporate Governance disclosures by ICAB (Institute of Chartered Accountants of Bangladesh) and SAFA (South Asian Federation of Accountants).



Maintain diversified products and services with strong distribution channel

It's a common business saying that "don't put all your eggs in one basket." Bank Asia's business focus is equitably given on corporate, SME and financial inclusion for rendering its operation in all segments of the society. In addition to this conventional, Islamic and OBU business make our stake very much diversified. Well distributed network across the country helped reduce geographical concentration as well.



Maintain the path of sustainable and ethical business that made us recognized

Bank Asia has created a prestigious brand image in the country for which it has become a sought after bank in the industry. We are well recognized by our regulators, customers and other stakeholders. Various national and international esteemed organization recognized and awarded us for Corporate Governance, integrated reporting, sustainability reporting, best presented annual report and many more.



MILESTONE

Over the years

Bank Asia has dedicated itself to ensure sustainable growth of the economy and its customers through innovative services and products to meet the financial needs of the current times for a better tomorrow.

1999

Obtained Certificate of Incorporation and Certificate of Commencement of business

Obtained Banking License

Inauguration of Bank Asia

2001

Acquisition of Bangladesh operation of Nova Scotia of Canada

2002

Acquisition of Bangladesh operation of Muslim Commercial Bank (MCB) of Pakistan

2003

Started Online Banking Operations

2004

Listed with Dhaka Stock Exchange (DSE) and Chittagong Stock Exchange (CSE) 2011

Started CTSU to facilitate Non-AD branches foreign trade operations

Started operation of BA Exchange Company (UK) Ltd. In London

2008

Started Islamic Banking Operation

2022

Bank Asia
has been awarded as
Overall Winner among the
private sector banks in
Bangladesh by ICAB and also
awarded the 1st prize in all
categories of banking sector

PCI DSS certification for IT and Cyber security of the Bank

2021

For the first time, Bank Asia has been awarded as Overall winner among the SAARC countries by SAFA for BPAR 2020 & Corporate Governance category

2020

1st prize Winner among all Private Banks in South Asia for Best Presented Annual Report 2019 by SAFA

2019

Bank Asia has been awarded 1st prize by SAFA and ICAB for Annual Integrated Report 2018

> Certified with ISO/IEC 27001:2013 for ensuring appropriate management of IT

2018

Launched RMG Digital Banking Booth for garment workers through the digital channel

Awarded 1st prize for Best Presented Annual Report 2017 in ICAB National Award

2014

Started operation of the 2nd overseas company in USA, BA Express USA Inc. at NY, USA

Obtained registration of Bank Asia Foundation

2016

Unveiled the construction work of Bank Asia's own Building

Introduced TAB based DIGANTA OCAS

Inaugurated Bank Asia's own Training Institute

Introduced A-Card to get agri-loan`

2013

Awarded as the first Bangladeshi Bank with GRI certification

> Started Agent Banking Operation

2015

Country's first School Banking service started through Agent Banking outlet

Contents

DIRECTORS' REPORT 62-101

INTEGRATED REPORT 102-149

RISK MANAGEMENT 150-169

Awards and Recognition	10
Vision, Mission and Core Values	12
Code of Conduct and Goals	13
Bank Asia at a Glance	14
Business Ethics	15
DuPont Analysis	16
Corporate Structure	17
Corporate Information	18
Corporate Organogram	19
Bank Asia Foundation Governing Body	22
Directors' Profile	24
Key Events 2022	33
Senior Management Team	40
Five Years Performance	42
Horizontal and Vertical Analysis	46
Chairman's Statement	50
Priorities we followed in 2022	55
President and Managing Director's Review	56
Segment Analysis	61
Management and Executives	439
Branches at a Glance	440
Notice of the 24 th AGM	450

World Economy 64 Bangladesh Economy 66 Banking Industry 69 Review of Operations of Bank Asia in 2022 70

INTEGRATED REPORTING FRAMEWORK	
Our Approach to Integrated Report	104
Competitive Landscape and Market Position	ing 106
PESTEL Analysis	108
Strategic Focus and Resource Allocation	117
Basis of Preparation and Presentation of Integrated Report	118
Responsibility for an Integrated Report	120
Other Qualitative Characteristics of Bank Asia's Integrated Report	120
Strategic Plans & Business Outlook of Bank Asia	123
Economic Outlook	124
ESG Approach and our priorities	125
Deposit and Advance Strategies	126
Import and Export Strategies	127
SWOT Analysis	128
Strategic Focus	130
Capitals	134
Our Business Model	148

RISK MANAGEMENT DISCLOSURES	
From Chief Risk Officer's Desk	152
Risk Management Report	154
Statement on Non-Performing Loan (NPL) Management	170
Basel III Pillar 3 Market Disclosure	172

SUMMARY SUSTAINABILITY REPORT 194-237

CORPORATE GOVERNANCE 238-293

FINANCIALS 302-449

SUMMARY SUSTAINABILITY REPORT	
Achievement for Sustainability Report	196
Sustainable Banking Operations	197
Message from the President and Managing Director	198
Report Parameter	200
Strategic Focus for Sustainability	201
Corporate Profile	202
Primary Brands, Products and Services	204
Stakeholders' Engagement	210
Material Aspects and Boundaries	213
Environmental Performance	214
Economic Performance	218
Financial Inclusion at a glance	222
Sustainable HR Development	224
Bank Asia Foundation	229
Corporate Social Responsibility (CSR)	230
Market Performance	234
Stakeholders Relationship/Grievance Redressal	236

CORPORATE GOVERNANCE	
Corporate Governance Report	238
Report on the Activities of the Audit Committee	240
Bank Asia Shariah Supervisory Committee	294
Report of Bank Asia Shariah Supervisory Committee	295
Chief Financial Officer's Report	296

FINANCIALS	
Auditor's Report	304
Consolidated Balance Sheet	310
Consolidated Profit and Loss Statement	312
Consolidated Cash Flow Statement	313
Consolidated Statement of Changes in Equity	314
Islamic Banking Unit	392
Off-shore Banking Unit	396
Subsidiary 1: Bank Asia Securities Limited	406
Subsidiary 2: BA Exchange Company(UK) Limited	425
Subsidiary 3: BA Express USA Inc.	432

STANDARD DISCLOSURES CHECKLIST	
Corporate Governance Compliance Certificate	213
Corporate Governance Compliance Checklist in line with BSEC	271
Compliance Checklist in line with the Companies Act, 1994	281
Corporate Governance Compliance Checklist in line with Bangladesh Bank	283

Sustainable Development Goals & Impacts

Bank Asia is committed to aligning its operational decisions with the Sustainable Development Goals (SDGs) to create a better future for all. The bank aims to support the underprivileged communities, provide exceptional value to its stakeholders, and ensure sustainable growth while working towards the SDGs. Through its initiatives, strategies, and targets, Bank Asia is determined to play its part in building a more sustainable and equitable world.



































Prelude

The banking industry in our country has been playing a pivotal role for economic development. Despite positive contribution, criticisms are many and the pressure on the banking system is mounting as evident from spiraling volume of loan default and bad debts. People's confidence on banking is largely influenced by its financial performance, ethical behavior, strong corporate governance, contribution for the society and so on. At Bank Asia, we continuously formulate strategies and take actions to achieve these goals and maintain good reputation of the bank in the industry.

Since inception, Bank Asia's core ideology is to maintain sustainable banking practice and growth. Our policy, operational procedures and business framework have been developed and streamlined accordingly. Our sustainable banking endeavor has been recognized both nationally and internationally. Bangladesh Bank ranked us as one of the top 10 Banks in 'Sustainability Rating' for two consecutive years. We attained gold rank from Apex international body for Sustainability Reporting, Our customers find us reliable and trustworthy as we ensure quality services and strong security measures that make them feel safe while doing business with us. Bank Asia's strong capital and asset base protect the Bank from shock of liquidity crisis, foreign currency crisis, Covid-19 pandemic and other adverse movement in the industry or economy as a whole. Around the globe, many organizations had to shut down their business for weak corporate governance. The bank has a well-defined corporate governance structure to support the Board's goal for creating long-term and sustainable value. This structure also promotes a culture of ethical behavior, integrity and respect in order to protect the interests of the stakeholders. Bank Asia has been awarded 1st position for a number of times for its Corporate Governance disclosures by ICAB (Institute of Chartered Accountants of Bangladesh) and SAFA. (South Asian Federation of Accountants). Bank Asia's business focus is equitably given on corporate, CMSME and retail segments in alignment with the sustainable development goals.

Bank Asia has always given priority to the dissemination of information to its stakeholders. Our persistent endeavor is to present an accurate, true and fair description of the activities of the Bank in all areas of operation based on futuristic approaches. Disclosure on related party transactions, financial statements, along with major policies and explanatory notes are elaborated to cater to the needs of the stakeholders, researchers, regulatory bodies, international financiers etc. As part of the integrated report, a summary Sustainability Report has been included to portray the Bank's impacts on economic, environmental, governance and social aspects.

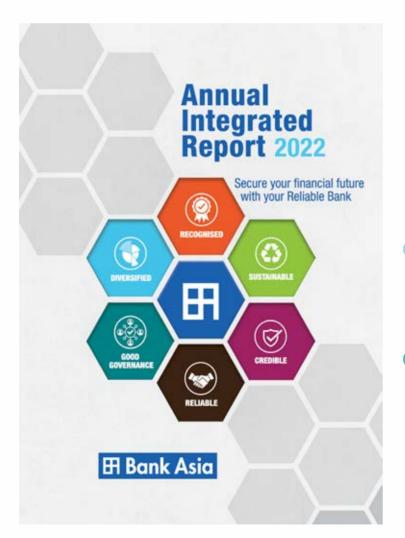
This report aims to give you information and proper tools for conducting necessary research and analysis for your investment and other needs.

Areef Billah Adil Chowdhury
President and Managing Director

How to read Annual Integrated Report

Our Annual Integrated Report 2022 has been divided into 5 distinct segments. The first 4 major segments can be categorized into non-financial categories i.e. Directors Report, Risk Management Report, Summary Sustainability Report, Corporate Governance Report and the last portion consisting of our financial performance. Besides these, the beginning of the integrated report contains Bank Asia's summarized performance for the year followed by a letter from our honorable chairman addressing the shareholders followed by a letter from the President and Managing Director detailing our performance and future plans.

The first major segment includes the **Director's report** detailing the global and country's macroeconomic performance as well detailing the banking industry of the country and how Bank Asia performed in comparison. The next portion is the **Risk management** portion addressed by our Chief Risk Officer detailing how the bank takes necessary precaution against mitigating risks arising from the mounting Non Performing Loan issue inherent in the banking sector of Bangladesh and Basel III compliance disclosure. The following segment is our **Summarized Sustainability Report** which has been our primary focus segment this year to work towards a more sustainable Bangladesh that our future generation can be proud of to call home. After this comes our **Corporate Governance Report** including a Report on the activities by the chairman of the Audit Committee of the Board. Our Annual Integrated Report also included a letter from our Chief Financial Officer analyzing our business performance and future strategies. The final portion consisting of the Bank's **Audited Financial Report** for the year ended December 31, 2022 including detailed notes associated with each financial performance figure.





Competitive Edge



OUR SCALE OF OPERATIONS

- → Tk. 468,401 MIn + total assets
- → Tk. 337,695 MIn + customer deposits
- → Tk. 277,870 MIn + loan book

Strong Asset & deposit Base with Quality Assets



CUSTOMER BASE

- → 6,987,232 +Deposit A/C
- → 70,750 +Loan A/C

Above 7 mln customer under Bank Asia coverage



NETWORK & DISTRIBUTION CHANNEL

- → 135 branches
- → 5,414 Agent Outlet
- → 56,500+ Micro Marchant
- → 218 Owned ATM Booth
- → 10 Woman ATM Booth

Digital coverage of banking service across the country



COMMUNITY DRIVEN DEVELOPMENT

- → 19,636 Number of loan ac through agent bank
- → 5,098,838

 Number of Rural Accounts
- → 3,443,013

 Number of Female Accounts

AWARD &

RECOGNIZATION

Pioneer in ensuring Financial inclusion



EMPLOYEE BASE

- **→** 50%
 - + work force with over 10 years service and 21% Female

Young, Competent & dedicated human resource

- 4 National Awards
- 5 International Awards (Under Publication)

Brand Image validated by reception of National & International

→ 68%

of staff members are aged below 40 years signifying a young, dynamic and capable workforce

Awards and Recognition



Mr. Rumee A Hossain, Chairman, Executive Committee of the Board of Bank Asia and Mr. Mohammad Ibrahim Khalil FCA, CFO of the bank, received the gold award for Annual Integrated Report 2021





Bank Asia is ranked one of the **Top 10** Banks in **Sustainability Rating 2021** by Bangladesh Bank

OVERALL WINNER

for Annual Integrated Report 2021 by SAFA & ICAB

2022

SAFA (South Asian Federation of Accountants) awarded

- Gold Award for Private Sector Banks
- Gold Award for Corporate Governance
- Gold Award for Integrated Reporting
- Overall Excellence Award in Corporate Reporting among the SAARC countries

ICAB (Institute of Chartered Accountants of Bangladesh)

- Overall Winner for the year 2021
- 1st position under Corporate Governance Disclosures category
- 1st position under Private Sector Banks category
- 1st prize under Integrated Reporting Category

NCSR (National Centre for Sustainability Reporting) and ICSP (Institute of Certified Sustainability Practitioners)) in Indonesia granted

• 'Gold Rank' in Asia Sustainability Reporting Rating 2022 by NCSR and ICSP for Sustainability Report 2021

2021

SAFA (South Asian Federation of Accountants) awarded

- Overall Winner among the SAARC countries
- 1st Prize (Winner) for Private sector Banks
- 1st Prize (Winner) for Corporate Governance

ICAB (Institute of Chartered Accountants of Bangladesh)

- 1st position under Corporate Governance Disclosures category
- 2nd position under Private Sector Banks category
- 3rd prize under Integrated Reporting Category

NCSR (National Centre for Sustainability Reporting) & ICSP (Institute of Certified Sustainability Practitioners) in Indonesia granted

 'Gold Rank' in Asia Sustainability Reporting Rating 2021 by NCSR and ICSP for Sustainability Report 2020

Bank Asia has been awarded Bangladesh **Innovation Award 2021** for digital payment through Micro Merchant channel in Bangladesh by Bangladesh Innovation Enclave of Bangladesh Brand Forum (BBF)

Bank Asia has achieved **Excellence in Mastercard Remittance Innovation 2020-21** Award





Mission

To assist in bringing high quality service to our customers and toparticipate in the growth and expansion of our national economy.

To set high standards of integrity and bring total satisfaction to our clients, shareholders and employees.

To become the most sought after Bank in the country, rendering technology driven innovative services by our dedicated team of professionals.



Vision

Bank Asia's vision is to have a poverty free Bangladesh in course of a generation in the new millennium, reflecting the national dream. Our vision is to build a society where human dignity and human rights receive the highest consideration along with reduction of poverty.



Core Values

- Place customer interest and satisfaction as first priority and provide customized banking products and services.
- Value addition to the stakeholders through attaining excellence in banking operation.
- Maintain high ethical standard and transparency in dealings.
- Be a compliant institution through adhering to all regulatory requirements.
- Contribute significantly for the betterment of society.
- Ensure higher degree of motivation and dignified working environment for our human capital and respect optimal worklife balance.
- Committed to protect the environment and go green.

Code of Conduct

- Employees must be open and loyal to the Bank and Bank's interest.
- Employees must keep confidentiality in all Bank's and other matters that could provide other third parties unauthorized access to confidential information.
- Employees must observe the Bank's security requirements concerning access to electronic resources and documents.
- All information and communication with the media, the public and financial markets shall be reliable and correct, maintain high professional and ethical standards and in accordance with established guidelines and regulations.
- Customers shall be met with insight, respect, and understanding. Employees must always try to fulfill the needs
 of thecustomer in the best possible manner, within the guidelines for corporate ethics that apply to business.
- Under no circumstances, employees shall or be a part of any activity that prohibits open and fair competitionof Bank Asia in breach of relevant business laws.
- Employees shall never offer or accept illegal or inappropriate gifts or other remuneration in order to achieve business or personal advantages.
- Employee's engagement in external duties must not affect his/her working relationship with Bank Asia or come into conflict with Bank Asia's business interest.
- Should an employee become aware of an infringement of Bank Asia's rules and guidelines, he/she should blow
 whistle raising the issue to the line management or to People Management Division (HRD).

Goals



Sustainable Growth

Synergies between new knowledge and human capital for sustainable economic growth

Capital Stewardship

Preservation and enlargement of multiple forms of capital; "like intellectual, natural, financial, organizational, social; all of which contribute to long term value creation.

Accelerating Financial Inclusion

Accelerate progress towards financial inclusion with technology like ATM, mobile phone, smart card based banking services and renewable energy generation projects especially in rural areas.

Differentiating Value Added Services

Strong focus on extremely cost-efficient and green services through internet banking, electronic fund transfer, automated cheques clearing, e-bank statement, SMS alert etc.

Going Green

Quantification of in-house facilities and energy consumption to promote paperless office and enhance energy efficiency.

Greater emphasis on green banking projects.

Leader in Business

Create new dimension in the syndication and structured financing. Grow with export.

Well diversified portfolio.

Bank Asia at a Glance

Dream Comes True

Bank Asia started its journey on November 27, 1999 with a view to providing the best quality technology driven services in banking sector. Since inception it has been able to cover major parts of the country by extending and expanding its network by opening of branches, agent banking outlets etc. The Bank started its Islamic banking operation in 2008. It established the 1st subsidiary company 'Bank Asia Securities Limited' on March 16, 2011, then 'BA Exchange Company (UK) Limited' in London, United Kingdom on May, 2011 and 'BA Express USA Inc.' in Jamaica, New York, USA on June 01, 2014, At present Bank Asia has 135 Branches including 4 SME/Agri branches, 14 sub branches, 5 Islamic Windows, 4 SME Service Centers, 1 Off-shore Banking Unit and 3 Subsidiaries. The Bank has implemented 5,414 agent banking outlets in 64 districts to provide banking services to geographically dispersed rural poor segment of the society. With our ever increasing agent banking network, and our aim of including the unbanked population of the country irrespective of their socioeconomic background through financial inclusion development, Bank Asia signed an MoU with Bangladesh Post Office to launch the country's first ever "Post Office Banking" service. Under this network, we will utilise the 8,500 digital post offices spread across the nation to provide banking

Faithful and Efficient Workforce

Bank Asia has the right blending of talented youth and experienced senior workforce which is truly efficient and dynamic. Mr. Areef Billah Adil Chowdhury who has more than 15 (fifteen) years' of multifarious experience in banking profession leads the team from the forefront as President and Managing Director. At the end of 2022, the bank has 2,865 employees including 464 executives and 2,382 officers to serve its clients across the country. Bank Asia provides a work friendly elegant environment to its employees. Its unique reward and performance appraisal system encourage employees to give their best to serve the Bank and its stakeholders.

Giving Back to the Underprivileged & Concern to Ecology

Bank Asia always tries to make a better society by working and donating in different sectors such as education, health, disaster management, sports and some other sectors including the free eye camp and ophthalmological operation facility. The Bank is also providing services to senior citizen, widow, and disabled beneficiaries through the government's project of Social Safety Net Program. In addition, it streamlines green banking initiatives in its in-house management and investing in environment friendly projects and participating in environment protecting activities. As a Bank, we play an intermediary role between economic development and conservation of the environment.

Eagerness for High-Tech Solution

Bank Asia always welcomes the innovation for the operation of the banking activities as well as reporting systems. Bank Asia has associated Islamic banking, Offshore banking. CMSE financing, Agent Banking & Social Safety Net program, Remittance channeling, micro merchant & many more specialized services with its core banking activities. To excel in this new era of technological triumph, Bank Asia has successfully introduced utility & remittance payment and fees collection through Online, cutting edge ICT, state of the art network solution, 24/7 ATM service & many other e-products. Bank Asia has also started the incorporation of Artificial Intelligence into its business operations.

Credit Rating

Credit Rating Agency of Bangladesh Limited (CRAB) awarded Bank Asia Limited 'AA1' in the Long Term and 'ST-1' rating in the Short Term based on the financials of 2021 will remain valid upto June 30, 2023. We have successfully maintained the stable credit rating over the years.

Accolades & Recognition

For the second time ever in the bank's history, Bank Asia has been awarded with the overall winner among the SAARC countries for Best Presented Annual Report by SAFA (South Asian Federation of Accountants), as well as awarding us with Gold prize (Winner) for private sector banking institutions category, for Corporate Governance category and also for Integrated Reporting.

Alongside these, ICAB (Institute of Chartered Accountants of Bangladesh) awarded Overall Winner for the year 2021 as well as awarded with the first prize Corporate Governance Disclosures, Private Sector Banks and Integrated Reporting Category.

NCSR (National Centre for Sustainability Reporting) and ICSP (Institute of Certified Sustainability Practitioners) in Indonesia has awarded Bank Asia with Gold Rank in Asia Sustainability Reporting Rating 2022 for our Sustainability Report 2021.

Central Bank of Bangladesh has ranked Bank Asia as one of the Top 10 Banks in Sustainability Rating 2021 for the 2nd consecutive year.

Moreover the Bank has awarded the 'Best Bank Partner for Climate Trade in South Asia' by International Finance Corporation (IFC) in recognition of its efforts in reducing environmental externalities and risk perceptions with investing in green finance.

Business Ethics

Business Principle

Bank Asia goes beyond minimum legal requirements and reflects the Bank's long term commitment to building a business that is successful, honest and responsible.

Human Worth

Bank Asia supports the international human rights as outlined by the UN declaration and convention. No one in the Bank shall in any way cause or contribute to the violation or circumvention of human rights.

Human Capital

Bank Asia is devoted to human capital initiative connecting with milestone training, performance coaching & development, key talent management, balancing of work/ life choice and human capital reviews.

Health, Safety and Working Environment

Bank Asia is committed to establish effective arrangement to identify and eliminate or control all work related hazards and risks and promote health at work and continuous improvement of health, safety and working environment.

Confidentiality

Clear, honest and open communication is maintained in Bank Asia to ensure full accountability but subject to business confidentiality. The use of company confidential information before it is made public for personal gain is strictly prohibited and may constitute a criminal offense.

Protection of Personal Data

Bank Asia's processing of personal data shall be subject to care and awareness, which is required according to laws and regulation and relevant for information that might be sensitive, regardless of the data refer to customers, employees or others.

Intellectual Property

Intellectual property such as know-how, methodology, concepts and ideas are important to Bank Asia's successes in the market. Unless otherwise specified by law or orders from other public authorities, no employee shall make corporate secret or other information available to unauthorized persons.

Nature and the Environment

Bank Asia is very much aware regarding environmental protection, by minimizing environmental damages and by developing, promoting and utilizing environment friendly technology.

Information that may affect the Share Price

As a publicly listed company, Bank Asia is subject to strict rules concerning the handling the non-public information that may affect the market price of Bank Asia's shares or other financial instruments issued by the Bank.

Accounting

Bank Asia has the highest regard for truth, completeness and accuracy in the recording of business transactions in full compliance with applicable Bangladesh laws & regulation, financial reporting standards, good accounting practices as well as maintaining valid authorization and ensuring complete documentation. The annual accounts and interim accounts shall be in accordance with the law, BFRS and good accounting practices.

Competition

Bank Asia is committed to staying over and above the prevailing market competition through constant innovation of technology based products and efficiency enhancement; being responsive to the requirements of our customers and partners.

Corruption and Bribery

Bank Asia is firmly opposed to all forms of corruption. Bribery is fundamentally inconsistent with the Bank's values; any direct and indirect promise of payment to gain any perceived personal advantage is totally unacceptable.

Money Laundering

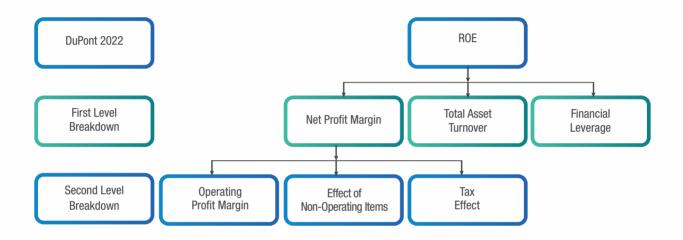
Bank Asia is firmly opposed to all forms of money laundering and shall take steps to prevent its financial transactions from being used by others to launder money.

Political Activity

Bank Asia does not give support to political parties, either in the form of direct financial support or paid working time. Employees may exercise their right to take part in politics as long as there is no conflict of interest situation with Bank Asia.

DuPont Analysis 5 Factors Model

DuPont analysis is an approach to decomposing return on equity for better understanding about which factor contributed to the ROE most and which factor caused the ROE to move. For broader analysis, we used 5 factors model that covers net profit margin, total asset turnover and financial leverage. Net profit margin is further broken down to operating profit margin, effect of non-operating items and tax effects.



Particulars	2022	2021	2020
ROE	10.88%	9.89%	7.81%
Net Profit Margin	8.67%	9.21%	7.24%
Total Asset Turnover	0.0775	0.0694	0.0737
Financial Leverage	16.1919	15.4740	14.6283
Operating Profit Margin	30.43%	31.27%	21.60%
Effect of Non-operating Items	0.6121	0.4794	0.6519
Tax Effect	0.4653	0.6142	0.5144

The higher the value of all components of DuPont, the higher the positive impact on Return on Equity. Net profit margin consists of three important components namely operating profit margin, effects on non-operating items and tax effects as mentioned in second level break down. Operating profit margin of 2022 slightly decreased to 30.43% compared to that of 31.27% in 2021.

Effects on non-operating items include loan loss and other provision which increased to 0.6121 from 0.4794 for the

decrease of provision by 13% to Tk.4,149 million from Tk. 4,786 million. Tax effect decrease to 0.4653 from 0.6142. The combined effects of these three components (decrease of operating profit margin, increase of effect of non-operating items and decrease of tax effect) resulted in increase of net profit margin to 10.88% in 2022 from 9.89% of last year.

Efficiency of utilization of assets as implied by average total assets turnover which was higher than previous year. Bank Asia's financial leverage increased to 16.1919 from last year's 15.4740 that contributed to increase return on equity.



IIICUITE Statement Matrix
Operating Profit
Profit Before Tax
Profit ∆fter Tax

Income Statement Matrix

Balance Sheet Matrix

Total Shareholders' Equity
Deposits
Loans and Advances
Investments
Fixed Assets
Total Assets

Capital Measure

Capital to Risk Weighted Asset Ratio Basel-III

Share Information Matrix

Earnings Per Share (Taka) Net Asset Value Per Share (Taka)

Credit Quality Ratios

Classified Loans

Profitability Ratio

Return on Equity Return on Assets

2022 (Consolidated)	2022 (Solo)
10,869	10,695
6,620	6,546
3,052	3,046
28,464	28,640
337,853	337,695
280,591	277,870
103,838	102,849
5,704	5,616
470,722	468401
17.46%	17.70%
2.62	2.61
24.41	24.56
4.82%	4.78%
10.97%	10.88%
0.67%	0.67%

Corporate Information

Letter of intent received

First meeting of promoters.....

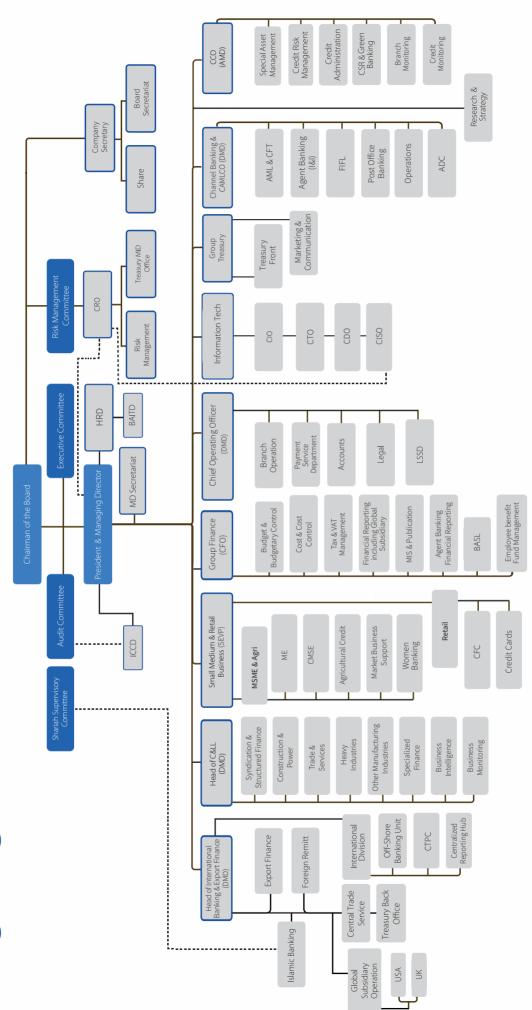
That modeling or promotora	
Certificate of incorporation received	
Certificate of commencement of business	28/09/1999
First meeting of board of directors held	01/10/1999
Banking license received	06/10/1999
First branch license received	31/10/1999
Inauguration of Bank	27/11/1999
Date of publication of prospectus	
Date of IPO subscription	
Date of first Share trading in bourse	
Date of agreement with CDBL	
Date of first scripless trading	
Number of promoters	
Number of directors	
Number of branches	
Number of Sub-Branches	
Number of SME centers	
Number of Islamic windows	
Number of Islamic windows	5
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	BTMC Bhaban (7th floor) 7-9 Karwan Bazar, Dhaka-1215, Phone:+88(02)9140094, :+88(02)9120090,
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	7-9 Karwan Bazar, Dhaka-1215, Phone:+88(02)9140094, :+88(02)9120090, S.F Ahmed & Co.(SFACO) Chartered Accountant and tax & Management Consultants House#51(3 rd floor) Road # 9, Block # F
	7-9 Karwan Bazar, Dhaka-1215, Phone:+88(02)9140094, :+88(02)9120090, S.F Ahmed & Co.(SFACO) Chartered Accountant and tax & Management Consultants House#51(3rd floor)
	7-9 Karwan Bazar, Dhaka-1215, Phone:+88(02)9140094, :+88(02)9120090, S.F Ahmed & Co.(SFACO) Chartered Accountant and tax & Management Consultants House#51(3 rd floor) Road # 9, Block # F Banani, Dhaka-1213 M. Sakhawat Hossain
Tax Advisors	7-9 Karwan Bazar, Dhaka-1215, Phone:+88(02)9140094, :+88(02)9120090, S.F Ahmed & Co.(SFACO) Chartered Accountant and tax & Management Consultants House#51(3 rd floor) Road # 9, Block # F Banani, Dhaka-1213 M. Sakhawat Hossain Road No. 22, House No. B-138
Tax Advisors	7-9 Karwan Bazar, Dhaka-1215, Phone:+88(02)9140094, :+88(02)9120090, S.F Ahmed & Co.(SFACO) Chartered Accountant and tax & Management Consultants House#51(3 rd floor) Road # 9, Block # F Banani, Dhaka-1213 M. Sakhawat Hossain Road No. 22, House No. B-138 (4 th Floor),
Tax Advisors	7-9 Karwan Bazar, Dhaka-1215, Phone:+88(02)9140094, :+88(02)9120090, S.F Ahmed & Co.(SFACO) Chartered Accountant and tax & Management Consultants House#51(3 rd floor) Road # 9, Block # F Banani, Dhaka-1213 M. Sakhawat Hossain Road No. 22, House No. B-138 (4 th Floor), New DOHS, Mohakhali
Tax Advisors	7-9 Karwan Bazar, Dhaka-1215, Phone:+88(02)9140094, :+88(02)9120090, S.F Ahmed & Co.(SFACO) Chartered Accountant and tax & Management Consultants House#51(3 rd floor) Road # 9, Block # F Banani, Dhaka-1213 M. Sakhawat Hossain Road No. 22, House No. B-138 (4 th Floor),
Tax Advisors Legal Retainer/ Advisors	7-9 Karwan Bazar, Dhaka-1215, Phone:+88(02)9140094, :+88(02)9120090, S.F Ahmed & Co.(SFACO) Chartered Accountant and tax & Management Consultants House#51(3 rd floor) Road # 9, Block # F Banani, Dhaka-1213 M. Sakhawat Hossain Road No. 22, House No. B-138 (4 th Floor), New DOHS, Mohakhali
Tax Advisors	7-9 Karwan Bazar, Dhaka-1215, Phone:+88(02)9140094, :+88(02)9120090, S.F Ahmed & Co.(SFACO) Chartered Accountant and tax & Management Consultants House#51(3rd floor) Road # 9, Block # F Banani, Dhaka-1213 M. Sakhawat Hossain Road No. 22, House No. B-138 (4th Floor), New DOHS, Mohakhali Dhaka-1206

Dhaka- 1215

24/02/1999

15/04/1999

Corporate Organogram



Board of Directors



Standing from left		Md. Abul Quasem	Enam Chowdhury
Sitting from left	Tania Nusrat Zaman	Ashraful Haq Chowdhury	Dilwar H Choudhury

PS: Some of our hon'ble Directors are not seen in the picture, their names and profile can be seen in the Director's Profile section





Areef Billah Adil Chowdhury

M.A. Baqui Khalily

Romo Rouf Chowdhury

Rumee A Hossain

Helal Ahmed Chowdhury

Bank Asia Foundation Governing Body



Romana Rouf Chowdhury





Rumee A Hossain



Enam Chowdhury



M. Shahjahan Bhuiyan



Mashiur Rahman



Areef Billah Adil Chowdhury

DIRECTORS'PROFILE



Romo Rouf Chowdhury Chairman

Mr. Romo Rouf Chowdhury was elected as Chairman of the Board of Directors of Bank Asia Limited on 25th August 2022. Mr. Chowdhury is one of the Sponsor Directors of Bank Asia Limited. He is a graduate in Engineering from Durham University, United Kingdom. He has more than 30 years of experience as an industrialist. He is one of the successful young entrepreneurs of the country. He holds directorship of various sister concerns of Rangs Group and Sea Fishers Group. Currently, Mr. Chowdhury holds the position of Chairman of Rancon Group. Rancon Group has more than 30 subsidiaries, a few of which are Rancon Motorbikes Ltd., Rancon Motors Ltd., Rangs Properties Ltd., Rancon Automobiles Ltd., Rancon Oceana Ltd., Rancon Sea Fishing Ltd. and Rancon Electronics Ltd.



Mohd. Safwan Choudhury Vice Chairman

Mr. Mohd. Safwan Choudhury is a nominated Sponsor Director of Bank Asia Limited from Phulbari Tea Estates Limited. He did his Masters from the University of Dhaka. He has an impressive professional experience and has business interest in tea manufacturing, textile and cold storage. His flagship company M. Ahmed Tea & Lands Co. Limited is a 4th generation tea producing company which has been doing business since the British India. He is the former Chairman of Bangladesh Tea Association which represents 126 tea plantations belonging to both Bangladeshi and foreign companies. Mr. Choudhury is also involved in social development. He is the President of FIVDB, an NGO providing primary education to the underprivileged children. He is also the past President of Sylhet Chamber of Commerce & Industry. Mr. Choudhury is the Nominated Director of Phulbari Tea Estates Limited in the Board of Bank Asia Limited.



Mr. Rumee A Hossain is one of the Sponsor Directors of Bank Asia Limited. He is a graduate in Mechanical Engineering and an MBA in International Business Management. He has more than 28 years of business experience in several industries such as Electronics, Telecom, Pharmaceuticals, IT, Publishing and construction. He is the Managing Director of Rangs Industries Limited (Distributor of Toshiba and Samsung) and Romask Limited. Currently, he is the Chairman of Executive Committee of the Board of Bank Asia Limited.

Rumee A HossainDirector and Chairman of the Executive Committee

DIRECTORS' PROFILE



Farhana Haq

Director

Ms. Farhana Haq is one of the Sponsor Shareholders of Bank Asia Limited. She obtained her Masters in International Relations from the University of Dhaka. She holds directorship of various renowned business concerns such as DHS Motors Limited, Platform Solutions Limited, Ali Estates Limited, DHS Automobiles Limited and FAR Limited.



Naheed Akhter Sinha *Director*

Ms. Naheed Akhter Sinha is one of the Sponsor Shareholders of Bank Asia Limited. She obtained MBA in Finance from North South University. She has been involved with different business houses and organizations from her early career. She is one of the promoters and Managing Director of Enterprise Cluster Pte. Limited, a Singapore based company. Currently, she is one of the directors of Cluster World Pte. Limited.



Romana Rouf Chowdhury

Director

Ms. Romana Rouf Chowdhury is one of the Directors of Bank Asia Limited. She has an MBA from Florida Institute of Technology and completed her graduation from BRAC University. She has also received executive education from Harvard Business School and Columbia Business School. She has more than 25 years' experience as an industrialist and founded multiple ventures in different fields, such as food, retail, and architecture. Currently, she holds the position of Managing Director in Sea Natural Food Limited, Sea Fishers Limited, Sea Resources Group etc. She is a Director of various sister concerns of Rangs Group as well. She is the Nominated Director of Maya Limited in the Board of Bank Asia Limited.



Enam Chowdhury *Director*

Mr. Enam Chowdhury a graduate in Electrical and Electronic Engineering from Ohio, USA, has more than 35 years of experience in Information Technology field in banking and financial industry. After working with global financial and technology firms for several years in Australia, Japan and the USA, he is permanently residing in Bangladesh since 2018. His experience includes working in Deutsche Bank AG, PricewaterhouseCoopers, Dell Technologies, Compass Group, DXC Technology and EDS Japan. He is the Managing Director of Deep Sea Fishers Limited, Fishers Shipyard Limited and Seamums Cold Storage and an Executive Committee member of Bangladesh Marine Fishers Association. He is also the Chairman Tiger Digital Ventures Limited and Nesbitt Technology Ltd. He is the Nominated Director of Zest Polymers Limited in the Board of Bank Asia Limited.

DIRECTORS' PROFILE



Tania Nusrat Zaman *Director*

Ms. Tania Nusrat Zaman is the Nominated Director of Amiran Generations Limited in the Board of Bank Asia Limited. Ms. Zaman started her career in 1987 as a young professional with UNDP. After policy and programming assignments in New York, Nepal and Vietnam, she joined the International Health Policy Program, housed in The World Bank, in Washington, D.C. From 2001 onwards, she took on managerial and technical roles in public, private and non-profit organizations in Bangladesh and USA that included BRAC, Future Generations, HLSP Consulting Inc., the Netherlands Embassy in Dhaka, Nirapon Inc. and Plan International. Currently, she is a Director of General Advisory Services Limited and works as a management consultant on worker safety and HR issues. She brings to the Board international expertise on good governance, policymaking, gender and organizational development. Ms. Zaman holds a Bachelor's from George Washington University and an M.Phil. from Yale University. She also holds an American Management Association certificate in human resource.



Hosneara Sinha *Director*

Ms. Hosneara Sinha is one of the Sponsor Shareholders of Bank Asia Limited. She is involved with different business houses and organizations under Sinha group. She is the Director of Pritha Fashions Limited, Sinha Auto Spinning Mills Limited and Sattar Jute Mills Limited.



Nafees Khundker *Director*

Mr. Nafees Khundker is one of the Sponsor Directors of the bank. He worked for Standard Chartered Bank and Deutsche Bank in Bangladesh, UAE and Singapore for more than 20 years. His last assignment was as Managing Director, Transaction Banking, ASEAN. His expertise is in Corporate & Financial Institutions client coverage, Transaction Banking and Strategic Partnerships. Mr. Khundker is currently engaged in setting up a Venture Capital Fund for investments into South and South East Asia. He has investments and board oversight in various businesses in retail, distribution, finance, media, information technology and logistics. He also has a special interest in sustainability initiatives and works with small non-profit organizations.



Mr. Dilwar H Choudhury had been a career banker with 35 (thirty five) years of work experience in eight different countries. This is spread over a multicultural situation in Asia, Africa and Europe. In the last lag of the career, he was the Managing Director (CC) of the City Bank Limited. His most significant career exposure transpired while managing and operating three full-fledged banking operations as Chief Executive Officer in Turkey, Pakistan and Bangladesh. He was also a Banking consultant for KPMG Dhaka during 2004-2005. Currently, he pursues a freelance career in M&A, organization development and Credit Portfolio Audit of banks.

Dilwar H Choudhury *Independent Director and Chairman of the Audit Committee*

DIRECTORS' PROFILE



Ashraful Haq Chowdhury *Independent Director*

Mr. Ashraful Haq Chowdhury served country's largest mobile phone operators like Grameen Telecom, Telekom Malaysia Bangladesh, Warid Telecom Bangladesh and Bharti Airtel for 21 years in the top management position. He was also the Trade Adviser for the Commonwealth Secretariat, London, & Ministry of Trade, Industry & Tourism of the Caribbean Countries in addition to serving in the Export Promotion Bureau and BIDS at the initial stage of his career. His most recent assignment was as Chief Corporate Affairs Officer of Airtel Bangladesh - a subsidiary of Bharti Airtel, the 3rd largest mobile phone operator in the World with 303 million customers in 22 countries. Mr. Chowdhury obtained Honors & Masters degrees in Economics from Chittagong University. He then obtained a Post Graduate Degree in International Development Studies from the University of Stockholm, Sweden. He was also a Research Fellow at the University of Toronto, Canada, and the University of Stockholm, Sweden. He is currently the Chief Advisor of the RHS Group of Companies and the Managing Director of Star Infrastructure Development Consortium Limited. He is also a Member of the Board of Trustee and Country Representative. European Economic Development Council (EEDC). Mr. Chowdhury is also the Secretary of D-8 Chambers of Commerce & Industry and Indian Ocean Rim Business Forum (IORBF).



Md. Abul Quasem
Independent Director

Mr. Md. Abul Quasem completed his B.S.S. (Hons.) and M.S.S. in Economics in 1973 and 1974 respectively from the University of Dhaka. He started his career with Bangladesh Bank, the Central Bank of Bangladesh, as Assistant Director in 1976 and concluded the same as Deputy Governor in 2016. During his about 40 years' tenure with Bangladesh Bank, he performed responsibilities in many departments like Currency Management & Payment System, Accounts & Budgeting, Debt Management, Human Resources, SME & Special Programs, Agricultural Credit, Communications & Printing, Common Services, Investment Promotion & Financing Facility (a World Bank Project), Research, Statistics, Central Bank Strengthening Project (CBSP), Bangladesh Financial Intelligence Unit (BFIU), etc. Besides being a career central banker, Mr. Quasem held many important administrative positions like Observer in the board of The City Bank Limited & Pubali Bank Limited, Chairman of the Executive Committee of Bangladesh Institute of Bank Management (BIBM), Director of Dhaka Stock Exchange Limited, Director of SME Foundation and Director of Security Printing Corporation (BD) Limited. While working in Bangladesh Bank, he attended many domestic/foreign training programs and seminars organized by different international organizations including IMF in various countries around the globe.



Mr. M. A. Baqui Khalily joined as a faculty member at the Department of Finance in the University of Dhaka in 1975 after completing his B.Com (Hons) and M.Com in Finance from University of Dhaka. He also obtained his M.Sc. and Ph.D. degrees with major in Finance and Development in 1987 and 1991 respectively from Ohio State University, USA. He became Professor in 1994. After a successful teaching career of 37 years, Professor Khalily retired from University of Dhaka in 2012. Professor Khalily is a renowned academician of the country, an eminent economist and finance scholar of national and international repute. He has large number of publications especially on rural finance, financial inclusion, and microfinance and SME development in prominent national and international journals. He also authored/co-authored many books and research monographs. Other than having a prominent teaching career, Professor Khalily also held many important administrative positions like Executive Director of Institute of Microfinance, Acting Vice Chancellor & Pro Vice Chancellor of Presidency University, Chairman of Department of Finance, University of Dhaka, Director of Dhaka Stock Exchange Limited, only to name a few. During his long career, he visited many countries around the globe for professional purposes. Professor Khalily currently teaches at Department of Business Administration, University of Asia Pacific. He is also the Dean of the School of Business at that University.

M.A. Baqui Khalily
Independent Director and Chairman of the Risk Management Committee



Helal Ahmed Chowdhury *Independent Director*

Mr. Helal Ahmed Chowdhury is a veteran banker with around four and half decades of banking experience. He started his career at Pubali Bank in 1977 as a Class-I Officer through Superior Service Examination and was promoted in course to MD & CEO (2006-2014) in the same bank which is a rare event and record. Under his dynamic leadership, Pubali bank got transformed into an institutional role model of government turned private commercial bank and won the prestigious award "Best Financial Institution" of the country given by DHL and the Daily Star in 2009. He is an M.A. and a Diplomaed Associate of IBB. He participated in different training, seminars, short and long courses both at home and abroad including Oxford and Cambridge Universities of UK and UC Berkeley and Columbia University of USA. Mr. Chowdhury currently is a member of Bangladesh ICC Banking Commission and General Body member of PKSF (Palli Karma Shansthan Foundation). Mr Chowdhury was also a Supernumerary Professor of BIBM (Bangladesh Institute of Bank Management), an Independent Director of Islami Bank Bangladesh Limited, a Board Member and Vice Chairman of Association of Bankers, Bangladesh (ABB) and a Board Member of BIBM. He is engaged with a number of social organizations and trade bodies at different capacities and working as a resource person in different training/seminars.



Areef Billah Adil ChowdhuryPresident and Managing
Director

Mr. Areef Billah Adil Chowdhury was appointed as President & Managing Director of Bank Asia Limited on August 07, 2022. Prior to assuming this new role, he was serving the same bank as Additional Managing Director. Mr. Chowdhury joined bank Asia as Deputy Managing Director in August 2020 and was assigned with responsibility to supervise Special Asset Management Department (SMAD) portfolio. He instilled dynamism in the recovery activities of the Department, transformed and successfully led the SAMD team which contributed to the bottom line of the bank significantly. Subsequently, he was promoted to the post of Additional Managing Director and was assigned with a wider mandate. He was assigned bank's International Banking, Offshore Banking, Foreign Remittance, Central Trade Service, Treasury Back Office and Global Subsidiary Business.

A career banker, Mr. Chowdhury has over two decades of successful banking experience with nearly 15 years of international exposure, most recently serving as the Director of The Bank of Nova Scotia (Canada) in Hong Kong and Singapore. He brings his global banking, group treasury, regulatory laws and comprehensive enterprise-wide operations experiences to Bank Asia.

He embarked on his professional journey as Deputy Manager in credit Agricole Indosuez, Dhaka in 1995. After serving there for more than three years, he joined American Express Bank at its Dhaka office. In 1999, Mr. Chowdhury joined as head of Treasury at The Bank of Nova Scotia (Dhaka), where he set up the treasury department and ensured best corporate governance and practices.

In 2001, he was relocated to The Bank of Nova Scotia Hong Kong where he was responsible for business development and strategic planning that covered financial institutions for 13 countries in Asia.

He was promoted as Director International Funding under Group Treasury at the Bank of Nova Scotia, Singapore, in January 2011, where his mandate covered Asia Pacific Region & Middle East North Africa, managing a portfolio of US\$9.0 billion while serving Central Banks and Government Investment Agencies.

In 1990, Mr. Chowdhury was selected as one of the most outstanding international students in American Universities and Colleges based on academic achievements and was awarded "who's who student Certificate of Merit".

He has a Bachelor's Degree in Electrical Engineering in VLSI Design from University of Texas at Austin, USA and an MBA Degree from Richard Ivey school of Business, University of Western Ontario, Canada. Mr. Chowdhury holds several International Financial Markets Regulatory & Practices (FMRP) certifications from different countries & regions.

Note: As per directives of Bangladesh Securities and Exchange Commission (BSEC) ref. no. BSEC/CMMCD/2009-193/09/Admin/117 dated March 22, 2021, details of directorship in other companies are mentioned in page no. 388-391

Key Events 2022



Bank Asia has celebrated the first day of Spring of Bengali calendar 1428 in a festive manner



Bank Asia observed the **Independence Day** of Bangladesh by hoisting the National Flag as well as performing the National Anthem



Bank Asia has distributed blankets among the underprivileged and winter hit people



Bank Asia Limited donated blankets to Prime Minister's Relief Fund for the underprivileged people of the country



Agent Conference 2022 of Barisal Division organized by Bank Asia



An awareness training on **The Challenges of the Fourth Industrial Revolution (4.0 IR) in Bank** organized by Bank Asia



Bank Asia has signed an Agreement with Bangladesh Bank under the Refinance Scheme againsed Term Loan to CMSME



Bank Asia signed an agreement with **WE (Women & e-Commerce)** to ensure necessary support for women entrepreneurs of Cottage, Micro, Small & Medium Enterprises (CMSMEs) under Neelima, Bank Asia's special service platform for women entrepreneurs



Day long training program on **Prevention of Money Laundering and Terrorist financing** at Bhola

In Memoriam A. Rouf Chowdhury

Founder Chairman of Bank Asia Limited



May Your Soul Rest in Peace

A. Rouf Chowdhury

22 September 1937 - 18 February 2023

Our beloved Lead Sponsor and Founder, Mr. A Rouf Chowdhury, has passed away, leaving a remarkable legacy of invaluable contributions to the organization. A renowned industrialist and a visionary leader in Bangladesh's business world, he was also the Founding Chairman of Rangs, Rancon, and Sea Resources Group and Director of Mediaworld Ltd. Mr. A. Rouf Chowdhury founded many successful industrial enterprises, spanning a plethora of industries such as Automobiles, Pharmaceuticals, Real Estate, IT, Deep-Sea Fishing, Telecommunications, Electronics, Media, and Financial Institutions.

He leaves behind a rich legacy of innovation, entrepreneurship and leadership that will continue to inspire future generations of business leaders. We express our heartfelt sympathies to the bereaved family members during this difficult time and hope they will find strength and comfort from the Almighty to bear this irreparable loss.

Observance of National Mourning Day



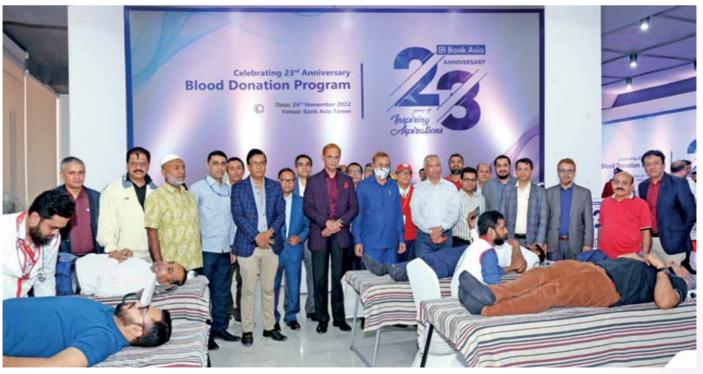








23rd years Anniversary Celebration of Bank Asia



23rd years Anniversary Blood Dination Program

SeniorManagement Team



Standing from left

Zia Arfin Head of ID Mohammad Ataur Rahman Member Secretary Mohammed Rashidul Kabir Rajib CRO

Hossain AhmadChief Information Officer

Sitting from left

Tahmidur Rashid Head of CRM Alamgir Hossain DMD, Corporate & Large Loan

Mohammad Ziaul Hasan Molla DMD & CAMLCO

Shafiuzzaman



Mohammad Ibrahim Khalil, FCA CFO **Arequi Arefeen** Head of Group Treasury

Md. Shaminoor Rahman Head of SMR

S. M. AnisuzzamanCompany Secretary & Head of HRD

Areef Billah Adil Chowdhury President & Managing Director

ANM Mahfuz

Md. Sazzad Hossain DMD & COO **S.M. Iqbal Hossain**DMD, International
Banking & Export Finance

Five Years Performance

Million Taka unless otherwise specified

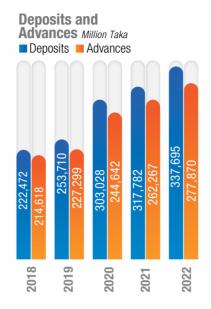
B 41 4	0000	2024	2000	IVIIIIOIT Taka uriless C	
Particulars	2022	2021	2020	2019	2018
Authorized Conital	BALANCE SHEET I		15,000,00	15,000,00	15,000,00
Authorized Capital	15000.00	15,000.00	15,000.00	15,000.00	15,000.00
Paid up Capital	11659.07	11,659.07	11,659.07	11,659.07	11,103.87
Reserve Fund & Surplus	16,981.18	15,697.57	15,721.82	13,086.05	12,236.26
Total Shareholders' Equity	28,640.25	27,356.64	27,380.90	24,745.12	23,340.13
Deposits	337,695.42	317,782.43	303,028.11	253,709.57	222,471.72
Loans and Advances	277,870.36	262,266.70	244,642.03	227,298.96	214,618.15
Investments	102,849.11	77,021.19	94,251.18	54,932.58	35,999.20
Fixed Assets	5,615.91	6,039.14	6,708.66	7,025.60	5,431.55
Total Assets	468,400.94	438,293.29	408,960.69	353,800.37	307,291.40
Total Off Balance Sheet Items	153,563.27	173,965.53	122,190.43	120,617.28	137,459.26
Interest Earning Assets	426,187.54	388,166.24	372,489.99	312,059.88	278,695.30
Non-Interest Earning Assets	42,213.40	50,127.05	36,227.16	41,740.49	28,596.10
	INCOME STATEME				
Interest income	20,423.05	18,340.77	18,112.00	22,863.14	20,910.68
Interest Expenses	14,916.32	12,700.89	14,926.68	14,462.38	13,007.99
Investment income	6,270.76	6,848.83	6,484.40	3,293.06	2,311.46
Non-Interest income	8,596.86	6,609.12	4,462.27	4,456.40	4,015.84
Operating Expense	9,537.56	7,500.88	7,108.05	6,751.46	6,062.19
Total income	35,148.68	29,394.30	28,105.56	30,536.30	27,130.56
Total Expenditure	24,453.87	20,201.77	22,034.72	21,213.84	19,070.18
Operating Profit	10,694.80	9,192.53	6,070.84	9,322.46	8,060.40
Profit Before Tax	6,545.87	4,406.74	3,957.71	3,920.81	4,616.30
Net Profit After Tax	3,045.87	2,706.74	2,035.71	1,960.81	2,266.28
	CAPITAL MEASUR				
Risk Weighted Assets	260,486.88	263,153.19	254,905.15	238,427.23	233,085.63
Core Capital (Tier-I)	29,823.58	25,152.67	23,558.94	22,635.99	21,165.37
Supplementary Capital (Tier-II)	16,287.54	16,217.71	20,195.00	20,121.11	13,917.53
Total Capital	46,111.11	41,370.38	43,753.94	42,757.10	35,082.90
Capital Surplus/(Deficit) over Minimum Capital	20,062.43	15,055.06	18,263.42	18,914.38	11,774.34
Capital Surplus/(Deficit) over Conservation Buffer	13,550.26	8,476.23	11,890.80	12,953.70	7,403.98
Tier I Capital Ratio	11.45%	9.56%	9.24%	9.49%	9.08%
Tier II Capital Ratio	6.25%	6.16%	7.92%	8.44%	5.97%
Capital to Risk Weighted Asset Ratio Basel-III	17.70%	15.72%	17.16%	17.93%	15.05%
	CREDIT QUALITY				
Classified Loans	13,519.79	13,469.54	7,930.93	10,479.99	8,809.83
Provision for Unclassified Loans	9,092.54	8,727.71	9,841	7,674.46	5,091.24
Provision for Classified Loans	10,517.46	7,290.00	4,120.20	4,604.66	3,892.76
Provision for Contingent Liabilities	1,195.00	1,490.00	1,005.00	961.65	1,158.03
Percentage of NPLs to total Loans and Advances	4.87%	5.14%	3.24%	4.61%	4.10%
The state of the s	FOREIGN EXCHAN		3.2 . 70		3 70
Import	210,588	225,789	141,289	158,115	165,203.00
Export	171,275	141,496	108,549	132,465	136,733.00
Remittance (Inward)	132,243	128,441	98,911	79,750	60,113.00
	. 52,2 . 5	0,	30,0.7	. 5,. 55	,

Million Taka unless otherwise specified

				IVIIIIION Taka uniess ou	ierwise specilied
Particulars	2022	2021	2020	2019	2018
	OPERATING PROFIT	RATIOS			
Credit Deposit Ratio	68.17%	65.58%	69.42%	76.47%	81.75%
Cost of Deposit	4.10%	3.94%	4.95%	5.67%	5.65%
Cost of Deposit & Borrowing	4.09%	3.87%	4.27%	5.68%	5.65%
Administrative Cost	2.60%	2.09%	2.27%	2.59%	2.60%
Yield on Loans and Advances	7.37%	7.61%	7.68%	10.19%	9.99%
Spread	3.27%	3.67%	2.73%	4.52%	4.34%
Return on Assets	0.67%	0.64%	0.53%	0.59%	0.76%
Return on Equity	10.88%	9.89%	7.81%	8.16%	10.21%
Current Ratio	1.07	1.07	1.07	1.05	1.07
Debt Equity Ratio	15.35	15.02	13.94	13.30	12.17
Debt Equity Hallo	PERFORMANCE RA		10.34	10.00	12.17
Profit per Employee	3.73	3.61	2.46	3.92	3.57
Operating profit as % of Working Fund	2.36%	2.17%	1.59%	2.82%	2.70%
Net Interest income as % of Working Fund	2.59%	2.41%	2.29%	3.51%	3.39%
Burden Coverage	90.14%	88.11%	49.37%	64.88%	64.47%
Burden Ratio	0.21%	0.21%	0.62%	0.67%	0.70%
Expense Coverage	90.14%	88.11%	62.77%	66.01%	66.24%
Ratio of Fees income	36.16%	18.98%	18.78%	20.91%	21.18%
Salary Exp. to total Overhead Exp.	53.10%	51.87%	50.03%	48.63%	47.77%
Salary Exp. to Fees income	69.22%	122.79%	143.68%	97.67%	96.84%
Cost to income/ Efficiency ratio	47.14%	44.93%	54.00%	42.00%	42.93%
0.1	DIVIDEND & RIGHTS		10.000/	10.000/	
Cash	15.00%	15.00%	10.00%	10.00%	5.00%
Stock	-	. =			5.00%
Total Dividend	15.00%	15.00%	10.00%	10.00%	10.00%
	SHARES INFORMA				
No. of Shares Outstanding	1,165.91	1,165.91	1,166	1,165.91	1,110.39
Earnings Per Share (Taka)	2.61	2.32	1.75	1.68	1.94
Number of Shareholders	7,327.00	7,583.00	8391	8960	10344
Market Value Per Share (Taka)	20.50	21.80	18.20	18.20	17.70
Price Earnings Ratio	8.35	7.84	10.40	10.83	8.67
Net Asset Value Per Share (Taka)	24.56	23.46	23.48	21.22	20.02
Dividend Coverage ratio	1.74	1.55	1.75	1.68	2.04
	OTHER INFORMATION				
Total Number of Branches	135	129	129	128	127
Number of SME Service Centers	4	4	4	4	4
Number of Islamic Windows	5	5	5	5	5
Off Shore Banking Unit	1	1	1	1	1
Number of Sub Branches	14	7	6	-	-
Agent Outlet	5,414	4,898	4,628	3,525	2,566
Number of Employees	2,865	2,547	2,463	2,376	2,256
Number of Foreign Correspondents	640	670	670	677	698
9					

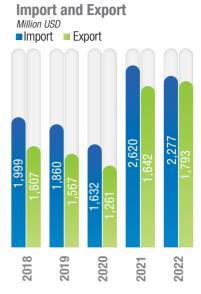
Five Years Performance

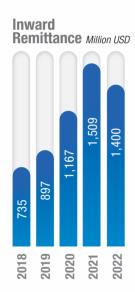




Net Profit After Tax

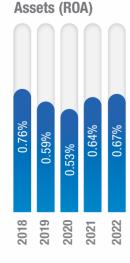
Million Taka







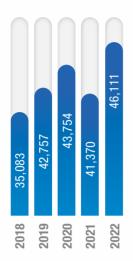




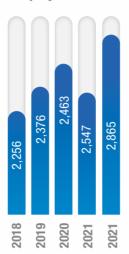
Return on

Five Years Performance

Total Capital
Million Taka



Number of Employees

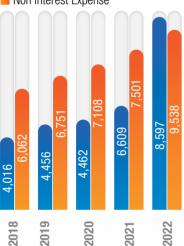


Number of Agent Outlets

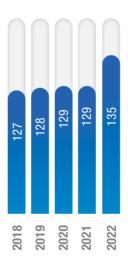


Non Interest Income & Non Interest Expense Million Taka

Non-Interest Income
Non Interest Expense



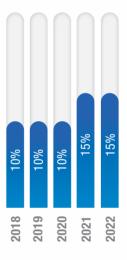
Number of Branches



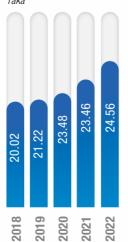
Earnings per Share Taka



Dividend



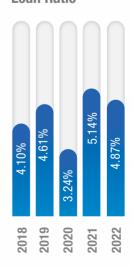
NAV per Share



Capital to Risk Weighted AssetRatio (CRAR)



Non-Performing Loan Ratio



Horizontal Analysis

For the last five years, profit and Loss Statement

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	2022	2021	2020	2019	2018
OPERATING INCOME					
Interest income	97.67%	87.71%	86.62%	109.34%	100.00%
Interest paid on deposits and borrowings, etc	114.67%	97.64%	114.75%	111.18%	100.00%
Net interest income	69.68%	71.37%	40.31%	106.30%	100.00%
Investment income	271.29%	296.30%	280.53%	142.47%	100.00%
Commission, exchange and brokerage	244.63%	105.94%	82.76%	112.39%	100.00%
Other operating income	124.08%	112.92%	112.68%	111.01%	100.00%
	4.40.000/	4.40.000/	00.000	110,000/	100 000
Total operating income	143.26%	118.20%	93.32%	113.82%	100.00%
Salaries and allowances	175.06%	134.28%	122.71%	113.33%	100.00%
Rent, taxes, insurance, electricity, etc	84.47%	70.23%	64.35%	64.29%	100.00%
Legal expenses	100.79%	65.66%	52.00%	81.44%	100.00%
Postage, stamp, telecommunication, etc	141.13%	109.06%	116.09%	114.73%	100.00%
Stationery, printing, advertisements, etc	130.60%	86.99%	110.99%	117.41%	100.00%
Managing Director's salary and fees	135.64%	146.77%	138.58%	119.23%	100.00%
Directors' fees	82.71%	110.50%	87.75%	93.65%	100.00%
Auditors' fees	109.08%	111.66%	97.43%	168.84%	100.00%
Depreciation and repairs of Bank's assets	200.87%	182.09%	178.63%	175.33%	100.00%
Other expenses	148.92%	115.75%	113.63%	108.85%	100.00%
Total operating expenses	157.33%	123.73%	117.25%	111.37%	100.00%
Profit before provision	132.68%	114.05%	75.32%	115.66%	100.00%
Provision for loans and advances/investments					
General provision	248.92%	-112.28%	218.54%	287.32%	100.00%
Specific provision	66.39%	202.38%	-15.89%	107.85%	100.00%
Provision for off-balance sheet items	170.55%	-280.39%	-25.06%	113.53%	100.00%
Provision for diminution in value of investments	0.00%	0.00%	1800.00%	-800.00%	100.00%
Other provisions	1666.67%	1000.00%	913.33%	166.67%	100.00%
Total provision	120.46%	138.96%	61.36%	156.84%	100.00%
Total profit before tax	141.80%	95.46%	85.73%	84.93%	100.00%
Provision for taxation					
Current tax	148.94%	72.34%	81.79%	83.40%	100.00%
Deferred tax	0.00%	0.00%	0.00%	0.00%	100.00%
Net profit after tax	134.40%	119.44%	89.83%	86.52%	100.00%

Horizontal Analysis (Profit and Loss Statement)

Horizontal Analysis on Income Statement refers to the analysis of growth of each component of income statement items from the base period. Here base period is considered the year 2018 giving a value of 100% and after that period value above 100% means positive growth and below 100% means negative growth compared to base year. Operating profit is showing increasing trend over the years except 2020. Non-funded income played a vital role on profitability in 2022. Salary revision mainly caused Operating expense to increase in 2022. Due to strong drive for restraining classified loan, total provision requirement decreased this year. Above all, net profit is increasing over the years.

Horizontal Analysis

For the last five years balance Sheet

				ilve years bar	
	2022	2021	2020	2019	2018
PROPERTY AND ASSETS					
Cash	166%	215%	115%	154%	100%
In hand (including foreign currencies)	153%	135%	111%	121%	100%
Balance with Bangladesh Bank and its agent bank (including foreign currencies)	169%	231%	116%	161%	100%
Balance with other banks and financial institutions	153%	156%	122%	89%	100%
In Bangladesh	158%	166%	125%	83%	100%
Outside Bangladesh	104%	59%	85%	152%	100%
Money at call and on short notice	3750%	6400%	0%	4600%	100%
Investments	286%	214%	262%	153%	100%
Government	286%	213%	272%	158%	100%
Others	283%	221%	147%	95%	100%
Loans and advances/investments	129%	122%	114%	106%	100%
Loans, cash credits, overdrafts, etc/investments	131%	121%	118%	107%	100%
Bills purchased and discounted	112%	134%	77%	92%	100%
Fixed assets including premises, furniture and fixtures	103%	111%	124%	129%	100%
Other assets	133%	132%	141%	132%	100%
Total Assets	152%	143%	133%	115%	100%
LIABILITIES AND CAPITAL					
Liabilities					
Borrowings from other banks, financial institutions and agents	163%	153%	115%	110%	100%
Subordinated non-convertible zero coupon bonds	126%	116%	138%	159%	100%
Deposits and other accounts	152%	143%	136%	114%	100%
Current/Al-wadeeah current accounts and other accounts	145%	135%	126%	100%	100%
Bills payable	101%	96%	91%	91%	100%
Savings bank/Mudaraba savings bank deposits	199%	200%	162%	122%	100%
Fixed deposits/Mudaraba fixed deposits	142%	130%	134%	117%	100%
Other liabilities	183%	161%	141%	128%	100%
Total liabilities	155%	145%	134%	116%	100%
Capital/shareholders' equity					
Total shareholders' equity	123%	117%	117%	106%	100%
Paid-up capital	105%	105%	105%	105%	100%
Statutory reserve	142%	130%	119%	109%	100%
Revaluation reserve	100%	102%	178%	97%	100%
General reserve	100%	100%	100%	100%	100%
Retained earnings	169%	152%	114%	107%	100%
Total Liabilities and Shareholders' Equity	152%	143%	133%	115%	100%

Horizontal Analysis (Balance Sheet)

Horizontal Analysis on Balance Sheet refers to the analysis of growth of each component of balance sheet items from the base period. Here base period is considered the year 2018 giving a value of 100% and after that period value above 100% means positive growth and below 100% means negative growth compared to base year. Here, total assets, liabilities and shareholders' equity are showing consistent growth over the last five years which symbolize sustainable balance sheet growth of the bank as a whole. Deposit and advance is growing steadily over the years. Investment in T-bill/bond and other investment particularly in fixed income securities increased significantly with the surplus fund.

Vertical Analysis

For the last five years, profit and Loss Statement

		ı	or the last live ye	ars, profit and Lo	iss statemen
	2022	2021	2020	2019	2018
OPERATING INCOME			·	·	
Interest income	58.10%	62.40%	64.44%	74.87%	77.07%
Interest paid on deposits and borrowings, etc	42.44%	43.21%	53.11%	47.36%	47.95%
Net interest income	15.67%	19.19%	11.33%	27.51%	29.13%
Investment income	17.84%	23.30%	23.07%	10.78%	8.52%
Commission, exchange and brokerage	20.81%	10.78%	8.81%	11.01%	11.02%
Other operating income	3.24%	3.53%	3.68%	3.34%	3.38%
Total operating income	57.56%	56.79%	46.89%	52.64%	52.05%
Salaries and allowances	14.35%	13.17%	12.58%	10.70%	10.62%
Rent, taxes, insurance, electricity, etc	1.65%	1.64%	1.57%	1.44%	2.52%
Legal expenses	0.07%	0.06%	0.05%	0.07%	0.09%
Postage, stamp, telecommunication, etc	0.44%	0.40%	0.45%	0.41%	0.40%
Stationery, printing, advertisements, etc	0.50%	0.39%	0.53%	0.51%	0.49%
Managing Director's salary and fees	0.05%	0.07%	0.07%	0.05%	0.05%
Directors' fees	0.01%	0.01%	0.01%	0.01%	0.01%
Auditors' fees	0.00%	0.00%	0.00%	0.00%	0.00%
Depreciation and repairs of Bank's assets	2.72%	2.95%	3.02%	2.73%	1.75%
Other expenses	7.35%	6.83%	7.01%	6.18%	6.39%
Total operating expenses	27.13%	25.52%	25.29%	22.11%	22.34%
Profit before provision	30.43%	31.27%	21.60%	30.53%	29.71%
Provision for loans and advances/investments					
General provision	7.02%	-3.79%	7.71%	9.33%	3.65%
Specific provision	4.91%	17.91%	-1.47%	9.19%	9.59%
Provision for off-balance sheet items	-0.84%	1.65%	0.15%	-0.64%	-0.64%
Provision for diminution in value of investments	0.00%	0.00%	0.64%	-0.26%	0.04%
Other provisions	0.71%	0.51%	0.49%	0.08%	0.06%
Total provision	11.80%	16.28%	7.52%	17.69%	12.69%
Total profit before tax	18.62%	14.99%	14.08%	12.84%	17.02%
Provision for taxation					
Current tax	9.96%	5.78%	6.84%	6.42%	8.66%
Deferred tax	0.00%	0.00%	0.00%	0.00%	0.00%
Net profit after tax	8.67%	9.21%	7.24%	6.42%	8.35%

Vertical Analysis (Profit and Loss Statement)

Vertical Analysis on Income Statement refers to the components of income statement items as a percentage amount of total income over the periods which would be termed as common sizing of income statement. In income side, interest income (58.10%), income from commission, exchange and brokerage (20.81%) and investment income (17.84%) hold major portion of total income. Although interest income was in decreasing trend since 2019, increase of commission income helped the bank to offset a major portion of the adverse impact on interest income. Last year, non-funded income from commission and exchange gain helped the maintain the growth of profitability.

Vertical Analysis

For the last five years balance Sheet

PROPERTY AND ASSETS				ו טו נווט ומנ	st live years D	aiaiice Silee
Cash 5.51% 7.61% 4.38% 6.78% 0.67% In hand (including foreign currencies) 0.87% 0.87% 0.27% 0.92% 0.87% Balance with Bangladesh Bank and its agent bank (including foreign currencies) 4.68% 6.79% 3.65% 5.86% 4.19% Balance with other banks and financial institutions 8.45% 9.21% 7.07% 6.53% 8.24% Outside Bangladesh 0.53% 0.32% 0.05% 1.02% 0.77% Money at call and on short notice 0.80% 1.46% 0.00% 1.30% 0.03% Investments 21.96% 17.57% 23.06% 15.35% 11.72% Others 1.73% 1.44% 1.03% 0.07% 0.03% Covernment 20.23% 16.13% 22.03% 14.75% 0.17% Others 1.73% 1.44% 1.03% 0.77% 0.93% Loans, cash credits, overdrafts, etc/investments 59.32% 59.84% 59.06% 62.24% 69.84% Elia purportality, overdrafts, etc		2022	2021	2020	2019	2018
In hand (including foreign currencies) 0.87% 0.82% 0.72% 0.92% 0.87% 0.888 0.72% 0.92% 0.87% 0.888 0.72% 0.92% 0.87% 0.888 0.72% 0.92% 0.88% 0.888 0.8	PROPERTY AND ASSETS					
Balance with Bangladesh Bank and its agent bank (including foreign currencies) 4.63% 6.79% 3.65% 5.86% 4.19% (including foreign currencies) Balance with bother banks and financial institutions 8.45% 9.21% 7.70% 6.53% 8.42% In Bangladesh 7.92% 8.89% 7.21% 5.51% 7.64% Outside Bangladesh 0.53% 0.32% 0.50% 1.02% 0.77% Money at call and on short notice 0.80% 1.75% 23.06% 15.53% 11.72% Government 20.23% 16.13% 22.03% 14.75% 10.78% Others 1.73% 1.44% 1.03% 0.77% 0.93% Loans and advances/investments 59.32% 59.84% 59.80% 64.24% 69.84% Loans, cash credits, overdrafts, etc/investments 54.33% 53.44% 55.90% 58.80% 63.04% Loans, cash credits, overdrafts, etc/investments 54.33% 53.44% 55.90% 58.80% 63.04% Loans, cash credits, overdrafts, etc/investments 54.33% 53.44% <td< td=""><td>Cash</td><td>5.51%</td><td>7.61%</td><td>4.38%</td><td>6.78%</td><td>5.06%</td></td<>	Cash	5.51%	7.61%	4.38%	6.78%	5.06%
	In hand (including foreign currencies)	0.87%	0.82%	0.72%	0.92%	0.87%
Balance with other banks and financial institutions 8.45% 9.21% 7.70% 6.53% 8.42% In Bangladesh 7.92% 8.89% 7.21% 5.51% 7.64% Outside Bangladesh 0.53% 0.32% 0.50% 1.02% 0.77% Money at call and on short notice 0.80% 1.46% 0.00% 1.30% 0.03% Investments 21.96% 17.57% 23.06% 15.53% 11.72% 0.000 0.000 0.000 0.000 0.000 0.00% 0.	Balance with Bangladesh Bank and its agent bank	/ G20/	6 70%	2 65%	5 96%	/ 100/
In Bangladesh 7.92% 8.89% 7.21% 5.51% 7.64% Outside Bangladesh 0.53% 0.32% 0.50% 1.02% 0.77% Money at call and on short notice 0.80% 1.46% 0.00% 1.30% 0.03% Investments 21.96% 17.57% 23.06% 15.53% 11.72% Government 20.23% 16.13% 22.03% 14.75% 10.78% Others 1.73% 1.44% 1.03% 0.77% 0.93% Loans, cash credits, overdrafts, etc/investments 54.33% 53.44% 55.90% 58.40% 69.44% Bills purchased and discounted 4.99% 6.39% 3.96% 54.4% 69.40% Fixed assets including premises, fumiture and fixtures 1.20% 1.38% 1.64% 1.99% 1.77% Other assets 2.76% 2.93% 3.36% 3.63% 3.68% Total assets 1.20% 1.90% 1.000% 100.00% 100.00% 100.00% LIABLITIES AND CAPITAL 1.20	(including foreign currencies)	4.03 //	0.7970	3.00%	3.00 /0	4.1970
Outside Bangladesh 0.53% 0.32% 0.50% 1.02% 0.77% Money at Call and on short notice 0.80% 1.46% 0.00% 1.30% 0.03% Investments 21.96% 17.57% 23.06% 15.53% 11.72% Covernment 20.23% 16.13% 22.03% 14.75% 10.78% Others 1.73% 1.44% 1.03% 0.77% 0.93% Loans and advances/investments 59.32% 59.84% 59.80% 64.24% 69.84% Loans, cash credits, overdrafts, etc/investments 54.33% 53.44% 55.90% 58.80% 60.46% 69.84% Bills purchased and discounted 4.99% 6.39% 3.96% 54.4% 69.84% Fixed assets including premises, furniture and fixtures 1.20% 1.38% 1.64% 1.99% 1.57% Other assets 2.26% 2.93% 3.36% 3.63% 3.16% Itabilities 3.1 1.000 100.00% 100.00% 100.00% 100.00% Labilities <td>Balance with other banks and financial institutions</td> <td>8.45%</td> <td>9.21%</td> <td>7.70%</td> <td>6.53%</td> <td>8.42%</td>	Balance with other banks and financial institutions	8.45%	9.21%	7.70%	6.53%	8.42%
Money at call and on short notice 0.80%	In Bangladesh	7.92%	8.89%	7.21%	5.51%	7.64%
Investments	Outside Bangladesh	0.53%	0.32%	0.50%	1.02%	0.77%
Government 20.23% 16.13% 22.03% 14.75% 10.78% Others 1.73% 1.44% 1.03% 0.77% 0.93% Loans and advances/investments 59.32% 59.84% 59.86% 64.24% 69.84% Loans, cash credits, overdrafts, etc/investments 54.33% 53.44% 55.90% 58.80% 63.04% Billis purchased and discounted 4.99% 6.39% 3.96% 5.44% 6.80% Fixed assets including premises, furniture and fixtures 1.20% 1.38% 1.64% 1.99% 1.77% Other assets 2.76% 2.93% 3.36% 3.63% 3.16% Total assets 100.00% <	Money at call and on short notice	0.80%	1.46%	0.00%	1.30%	0.03%
Others 1.73% 1.44% 1.03% 0.77% 0.93% Loans and advances/investments 59.32% 59.84% 59.86% 64.24% 69.84% Loans, cash credits, overdrafts, etc/investments 54.33% 53.44% 55.90% 58.80% 63.04% Bills purchased and discounted 4.99% 6.39% 3.96% 5.44% 6.80% Tixed assets including premises, furniture and fixtures 1.20% 1.38% 1.64% 1.99% 1.77% Other assets 2.76% 2.93% 3.36% 3.63% 3.68% 3.16% Total assets 100.00% 10.10% 10.19% 2.50%	Investments	21.96%	17.57%	23.06%	15.53%	11.72%
Loans and advances/investments 59.32% 59.84% 59.86% 64.24% 69.84% Loans, cash credits, overdrafts, etc/investments 54.33% 53.44% 55.90% 58.80% 63.04% Bills purchased and discounted 4.99% 6.39% 3.96% 5.44% 6.80% Fixed assets including premises, furniture and fixtures 1.20% 1.38% 1.64% 1.99% 1.77% Other assets 2.76% 2.93% 3.36% 3.63% 3.16% Total assets 100.00% <t< td=""><td>Government</td><td>20.23%</td><td>16.13%</td><td>22.03%</td><td>14.75%</td><td>10.78%</td></t<>	Government	20.23%	16.13%	22.03%	14.75%	10.78%
Loans, cash credits, overdrafts, etc/investments 54.33% 53.44% 55.90% 58.80% 63.04% Bills purchased and discounted 4.99% 6.39% 3.96% 5.44% 6.80% Fixed assets including premises, furniture and fixtures 1.20% 1.38% 1.64% 1.99% 1.77% Other assets 2.76% 2.93% 3.36% 3.63% 3.16% Total assets 100.00% <td>Others</td> <td>1.73%</td> <td>1.44%</td> <td>1.03%</td> <td>0.77%</td> <td>0.93%</td>	Others	1.73%	1.44%	1.03%	0.77%	0.93%
Bills purchased and discounted 4.99% 6.39% 3.96% 5.44% 6.80% Fixed assets including premises, furniture and fixtures 1.20% 1.38% 1.64% 1.99% 1.77% Other assets 2.76% 2.93% 3.36% 3.63% 3.16% Total assets 100.00%	Loans and advances/investments	59.32%	59.84%	59.86%	64.24%	69.84%
Fixed assets including premises, furniture and fixtures 1.20% 1.38% 1.64% 1.99% 1.77% Other assets 2.76% 2.93% 3.36% 3.63% 3.16% Total assets 100.00% <	Loans, cash credits, overdrafts, etc/investments	54.33%	53.44%	55.90%	58.80%	63.04%
Other assets 2.76% 2.93% 3.36% 3.63% 3.16% Total assets 100.00% 100.	Bills purchased and discounted	4.99%	6.39%	3.96%	5.44%	6.80%
Total assets 100.00% 100.00% 100.00% 100.00% 100.00% LIABILITIES AND CAPITAL Liabilities Experimental of the panks, financial institutions and agents Subordinated non-convertible zero coupon bonds 10.89% 10.91% 8.80% 9.72% 10.19% Deposits and other accounts 1.99% 1.96% 2.50% 3.34% 2.41% Current/Al-wadeeah current accounts and other accounts 72.10% 72.50% 74.14% 71.71% 72.40% Bills payable 14.60% 14.52% 14.52% 13.41% 15.37% Savings bank/Mudaraba savings bank deposits 0.89% 0.91% 0.92% 1.06% 1.34% Fixed deposits/Mudaraba fixed deposits 16.83% 18.07% 15.70% 13.65% 12.87% Other liabilities 39.78% 39.00% 43.00% 43.59% 42.81% Total liabilities 8.90% 8.38% 7.86% 8.24% 7.41% Capital/shareholders' equity 93.89% 93.76% 93.30% 93.01% 92.	Fixed assets including premises, furniture and fixtures	1.20%	1.38%	1.64%	1.99%	1.77%
Liabilities Borrowings from other banks, financial institutions and agents Subordinated non-convertible zero coupon bonds 10.89% 10.91% 8.80% 9.72% 10.19% Deposits and other accounts 1.99% 1.96% 2.50% 3.34% 2.41% Current/Al-wadeeah current accounts and other accounts 72.10% 72.50% 74.14% 71.71% 72.40% Bills payable 14.60% 14.52% 14.52% 13.41% 15.37% Savings bank/Mudaraba savings bank deposits 0.89% 0.91% 0.92% 1.06% 1.34% Fixed deposits/Mudaraba fixed deposits 16.83% 18.07% 15.70% 13.65% 12.87% Other liabilities 39.78% 39.00% 43.00% 43.59% 42.81% Total liabilities 8.90% 8.38% 7.86% 8.24% 7.41% Capital/shareholders' equity 93.89% 93.76% 93.30% 93.01% 92.40% Total liabilities 6.11% 6.24% 6.70% 6.99% 7.60% Stat	Other assets	2.76%	2.93%	3.36%	3.63%	3.16%
Deposits and other accounts 1.99% 1.96% 2.50% 3.34% 2.41% 2.45% 2.41% 2.66% 2.69% 2.60%	Total assets	100.00%	100.00%	100.00%	100.00%	100.00%
Subordinated non-convertible zero coupon bonds 10.89% 10.91% 8.80% 9.72% 10.19% 1.99% 1.96% 2.50% 3.34% 2.41% 2.41% 2.56% 2.41% 2.56% 2.41% 2.56% 2.41% 2.56% 2.41% 2.56% 2.41% 2.56% 2.41% 2.56% 2.41% 2.56% 2.41% 2.56% 2.41% 2.56% 2.41% 2.56% 2.41% 2.56% 2.45% 2.41% 2.56% 2.69% 2.50% 2.41% 2.56% 2.69% 2.50% 2.41% 2.56% 2.60% 2.50% 2.41% 2.56% 2.60% 2.50% 2.41% 2.56% 2.69% 2.60% 2.45% 2.41% 2.56% 2.69%	LIABILITIES AND CAPITAL					
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Fixed deposits/Mudaraba fixed deposits 16.83% 18.07% 15.70% 13.65% 12.87% Other liabilities 39.78% 39.00% 43.00% 43.59% 42.81% Total liabilities 8.90% 8.38% 7.86% 8.24% 7.41% Capital/shareholders' equity 93.89% 93.76% 93.30% 93.01% 92.40% Total shareholders' equity 6.11% 6.24% 6.70% 6.99% 7.60% Statutory reserve 2.49% 2.66% 2.85% 3.30% 3.61% Revaluation reserve 2.51% 2.45% 2.41% 2.56% 2.69% General reserve 0.45% 0.49% 0.92% 0.58% 0.69% Retained earnings 0.00% 0.00% 0.00% 0.00% 0.00% 0.00% Total liabilities and shareholders' equity 0.66% 0.64% 0.51% 0.55% 0.60%	Bills payable	14.60%	14.52%	14.52%	13.41%	15.37%
Fixed deposits/Mudaraba fixed deposits 16.83% 18.07% 15.70% 13.65% 12.87% Other liabilities 39.78% 39.00% 43.00% 43.59% 42.81% Total liabilities 8.90% 8.38% 7.86% 8.24% 7.41% Capital/shareholders' equity 93.89% 93.76% 93.30% 93.01% 92.40% Total shareholders' equity 6.11% 6.24% 6.70% 6.99% 7.60% Statutory reserve 2.49% 2.66% 2.85% 3.30% 3.61% Revaluation reserve 2.51% 2.45% 2.41% 2.56% 2.69% General reserve 0.45% 0.49% 0.92% 0.58% 0.69% Retained earnings 0.00% 0.00% 0.00% 0.00% 0.00% 0.00% Total liabilities and shareholders' equity 0.66% 0.64% 0.51% 0.55% 0.60%	Savings bank/Mudaraba savings bank deposits	0.89%	0.91%	0.92%	1.06%	1.34%
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Total shareholders' equity Paid-up capital 6.11% 6.24% 6.70% 6.99% 7.60% Statutory reserve 2.49% 2.66% 2.85% 3.30% 3.61% Revaluation reserve 2.51% 2.45% 2.41% 2.56% 2.69% General reserve 0.45% 0.49% 0.92% 0.58% 0.69% Retained earnings 0.00% 0.00% 0.00% 0.00% 0.00% Total liabilities and shareholders' equity 0.66% 0.64% 0.51% 0.55% 0.60%	Capital/shareholders' equity	93.89%	93.76%	93.30%	93.01%	
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Total liabilities and shareholders' equity 0.66% 0.64% 0.51% 0.55% 0.60%						
	•					
		100.00%	100.00%	100.00%	100.00%	100.00%

Vertical Analysis (Balance Sheet)

Vertical Analysis on Balance Sheet refers to the components of balance sheet items as a percentage of total Assets over the periods which would be termed as common sizing of balance sheet. In asset side, Loans and advances (59%) and investment (22%) hold 81% share of balance sheet. Over the last 5 years, investment position increased significantly due to growth of advances and higher demand for T-bill and bond as a mean of sourcing fund by the government. Deposit holds the major holding of liability and its share is declining after 2020.





Chairman's Statement

Dear shareholders,

I welcome you in the 24^{th} annual General Meeting of Bank Asia Limited. It is my privilege to deliberate on some broad aspect of the financial year 2022.

This year's annual general meeting begins for me with grief and ends in joy. The immediate past chairman of the bank was my father who passed away on 18 February 2023. This was a cause of sadness for the family and a loss to the bank. While I succeeded him as the chairman of the bank, the enormous contribution and the legacy left behind by the former chairman started unfolding. My job now is to retain the quality and standard of bank management he developed over a period of time. I am being supported by conversant and diverse members of the board of directors and a professional management team. I thank you all for giving me a chance to serve you as the chairman of the bank's board of directors.

Despite fall out of COVID-19 and regional warfare, our bank showed a spectacular financial result in 2022. We achieved a landmark operating profit of Tk. 1000+ crore. Our classified loans also were reduced below the regulatory acceptable level. Bank deposit, investment, loans & advances showed steady growth.

Bank Asia played an important role in pioneering the development of Channel Banking system in Bangladesh. We are consistently maintaining this lead all through. Keeping pace with government's objectives of developing CMSME financial inclusion, our bank maintains a contributory role. Side by side, women empowerment in entrepreneurship is also a part of our agenda.

Bank Asia is very much focused on developing Human Recourses of the bank. To that end, it has been always our endeavor to develop Human Resources through coaching, mentoring and structured training programs. We also ensure appropriate compensation for the work force we engage.

It is pertinent to mention that Bank Asia franchise and brand image is all pervasive. The bank received numerous accolades. Significant among those awards are:

- Overall winner in Bangladesh and 1st position for corporate governance disclosures, integrated reporting and best presented annual report by Institute of Chartered Accountants of Bangladesh (ICAB).
- Gold award (winner) for corporate governance disclosures, integrated reporting and best presented annual report among the SAARC countries by South Asian Federation of Accountants (SAFA).
- Gold Rank for Sustainability Report 2021 by National Centre for Sustainability Reporting (NCSR) and Institute of Certified Sustainability Practitioners (ICSP) in Indonesia.

Chairman's Statement

Dear Shareholders,

In perspective, I can assure you that 2023 will be a year of consolidation. We shall reiterate our business and organizational strength in all sphere of banking. We shall lead the bank towards the goal that was set by the founding shareholders of this bank.

Finally, I would like to thank Bangladesh Bank, Bangladesh Securities & Exchange Commission, external auditors and other regulatory authorities for their prudent guidance and assistance.

I am also grateful to the shareholders in general, board of directors, management team and all employees of the bank for their persistent belief on the excellence of this bank.

Wish you all a happy and prosperous 2023.

Romo Rouf Chowdhury

Chairman Bank Asia Limited

Our Acknowledgement to

Ex Chairmen



Mr. M Syeduzzaman (1999-2008)



Mr. Anisur Rahman Sinha (2008-2010)



Mr. A Rouf Chowdhury (2010-2022)

Ex Managing Directors



Mr. Quazi Baharul Islam (1999-2000)



Mr. Syed Anisul Huq (2000-2008)



Mr. Erfanuddin Ahmed (2009-2011)



Md. Mehmood Husain (2011-2016)



Md. Arfan Ali (2016-2022)

PRIORITIES WE FOLLOWED IN 2022

Secure the financial future by maintaining proper relationships with stakeholders

	Capital Planning and Management	Ensure adequacy of capital as per Basel III Capital Accord to support healthy growth of business	
	Operating efficiency through Core Business	To maintain consistency and focus on asset quality	
	Financial Inclusion	To reduce poverty by promoting financial inclusion	
	Technological Innovation	Reducing lead time by technological advances	
The state of the s	Liquidity Risk Management	To ensure smooth banking operation	
	Human Capital	Improvement of employee productivity	
	Paying back	Expanding the horizon of community services	
	Recovery of Classified Loan	Recovery of Classified Loan through proper monitoring & relationship management	

- Total Capital Tk. 46,111 million | CRAR 17.70%
- LCR 145.18% | NSFR 114.80 % | Leverage ratio 5.52 %
- NAV per share increased to Tk. 24.56
- Profit increased : 12.53%
- +6.27% Deposit + 5.9% Advance
- +21% Export I -7% import

Agent Banking

- 64 districts
- 5,414 Outlets
- 5.55+ Million Customers

Micro-merchant

- On-Boarded 56,500
- Total Transactions: 7.49
 million

Post office Banking

- Outlets 1,349
- Accounts: 209,382
- Agent Outlets: 8,500

OCAS-Diganta project

- Number of SME Accounts: 32,271
- Loans processed: Tk. 24,687 Million
- Robotic Process Automation

- 4 IR implementation
- Artificial Intelligence Workforce (AIW)
- Complied BCMS 22301: 2019
- Oracle Real Application cluster

AD Ratio: 64.17%ROA: 0.67%

ROE: 10.88%

- 60,984 man hours of training to 2,807 participants
- Human capital is Tk. 35,771 million

CSR activities: Tk. 237.48 million

Sustainable Finance: TK. 34,677.33 million

- Green Finance: Tk. 3,248.59 million
- Sustainable Linked Finance: Tk. 31,428.74 million
- Non-performing loans stood at 4.87%
- Maintained provision amount is Tk. 7,306 million
- Cash Recovery from CL and Written of Loan was Tk. 318.75 million





The year 2022 will indeed be remembered as a year marked by intense geopolitical tensions and volatile financial markets. This ultimately caused monetary tightening to lower soaring inflation, the continued rise in interest rates across the developed world and global supply chain disruption that led to the macroeconomic vulnerabilities. Because of the aforementioned shocks, Bangladesh economy also faced adversities in 2022 considering its dependence on international trade. Consequently, Bangladesh economy witnessed a rise in commodity prices. The prices for gas, fuel, oil, wheat, soya bean, and fertilizer increased which ultimately had a domino effect on the overall economy.

However, amidst this economic crisis, Bangladesh made remarkable progress in FY 2021-2022 registering impressive GDP growth of 7.1%. During this period of significant global uncertainty, Bank Asia showed resilience and made positive progress in terms of strong operating performance, disciplined cost management, as well as strong revenue growth. Apart from the above, the following events throughout the year also influenced our business strategies:

- Global inflation, supply chain disruptions, and an increase in imports contributed to an
 increase in the trade deficit. As imports continued to rise higher than exports, Bangladeshi
 currency depreciated further against dollar and other foreign exchange currencies.
- Foreign exchange reserve is the most critical shock absorber in the current economic climate. Foreign exchange reserve, which was USD 46.15 billion at the end of December 2021 reduced to USD 33.75 billion at the end of the December 2022. Despite various measures taken by the central bank to bolster the foreign reserve, the crisis of foreign exchange liquidity did not ease.
- The rising trend of 'Cost of Deposit' squeezed the profitability of the banking sector but interest rate of loans and advance was kept within stipulated lending cap of 9%. Although the central bank has pointed out its policy focus on facilitating liquidity and investments, Banks have to face difficulties to maintain the spread. Apart from that, a number of challenges confronted the banking sector, including non-performing loans, rising external debt, increase in capital shortfalls and so on. Central Bank has indicated to lift the rate cap from 9% from July 2023.
- Export earnings of Bangladesh reached the highest record in FY22 despite COVID-19 and the Russia-Ukraine conflict. Total export earnings in FY22 rose by 34.38% to USD 54.70 billion from USD 38.76 billion in FY21. The government and Bangladesh Bank have taken various prudential and policy measures to retain export earnings. However, decrease of remittance and rising import cost resulted negative trade account balance.

Major Priorities We Followed In 2022

The Bank invests continuously in digital banking to improve customer experience, reduce operating costs, and simplify operations. Along with that, maintaining cost discipline while increasing non-interest income was our top priority in 2022. Based on that backdrop, the bank pursued the following strategic priorities to achieve its goals:

- We ended the year 2022 with a strong capital base by maintaining Capital to Risk Weighted Ratio (CRAR) of 17.70%, whereas according to BASEL III road map, minimum requirements are 12.50%.
- By analyzing the market scenario, especially against shrinking liquidity and regulatory requirements, we efficiently managed and took a holistic approach to maintain a healthy Balance Sheet.

- We have taken a proactive approach to manage asset quality by using effective tools such as persuasion, negotiation, legal action, subsequent monitoring, and follow-up. As a result, we were able to close the year 2022 with a loan classification of 4.87% which was 5.14% in 2021.
- In the backdrop of foreign currency crisis in 2022, Bank Asia adopted appropriate strategies and made timely decisions to serve its valued import and export customers.

Performance Highlights

During the year 2022, the bank generated operating profit of Tk. 10,695 million with a growth of 16%, subsequently bank's net profit stood at Tk. 3,046 million, registering 13% growth. This substantial growth in profitability was driven by several factors: Increase the non-funded income in form of commission and exchange gain, lower requirement of loan loss provision for curbing the classified loans round the year through strong monitoring, prudent asset liability management thus having a stable balance sheet growth. Interest Income reported an 11% growth to Tk. 20,423 million from Tk. 18,341 million, however, due to higher inflationary pressure interest expense also saw a rise to Tk. 14,916 million from Tk. 12,700 million which resulted higher liability cost and squeezed spread to 3.27% in 2022 from 3.67% in 2021. Non-Interest Income grew Tk. 8,597 million from Tk. 6,609 million registering a significant growth of 30%. The Bank has also improved its ROA to 0.67% & ROE to 10.88% which were 0.64% & 9.89% in 2021 respectively.

In 2022, 6 new branches and 7 sub branches were added to the total network and 318 employees were added to human capital.

Business

Bank's total assets reached to Tk. 468,401 million in 2022, compared to Tk. 438,293 million in 2021, representing a 7% growth. Deposits reached Tk. 337,695 million compared to Tk. 317,782 million with a growth of 6% and Loans and advances was 6% higher than the preceding year and stood at Tk. 277,870 million. Bank's imports decreased by 13% and stood at USD 2,277 million in 2022 against USD 2,620 million in 2021. Exports increased by 9% and reached USD 1,793 million, compared to USD 1,642 million in the previous year. Inward remittances in 2022 showed negative growth of 8% and reached USD 1,400 million in 2022.

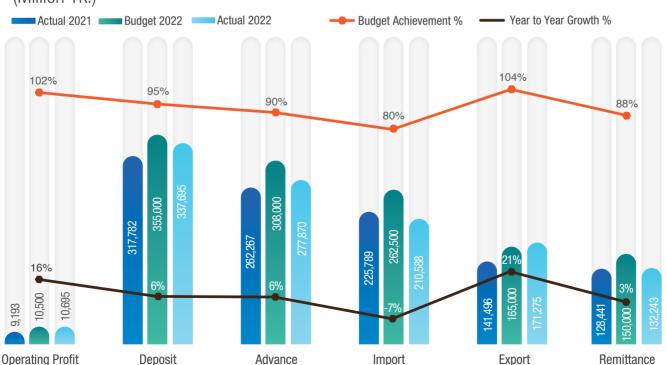
Subsidiaries of Bank Asia Limited

The stock market of Bangladesh passed a dismal year as the investors' confidence was hit hard in 2022 witnessing of prolonged bearish trend on the market. Major indices and turnover of stock market of Bangladesh mostly saw decline in whole year. DSEX, the key index of the Dhaka Stock Exchange, dropped by 8.1 percent, or 549 points, over the year 2022 to close at 6,206.8 points on December 28, the last trading session of the year. Amidstthe bearish trends of market, BASL has advanced its position to 10th of DSEs Top - 20 in terms of daily turnover throughout the year. Total Operating profit stood at BDT 171 million in 2022.

One of the foreign subsidiary exchange house company, namely, BA Exchange Company (UK) Limited posted operating profit of GBP 30,623 in the year 2022, improvement from the operating loss of GBP 25,390 in 2021. BA EXPRESS USA Inc which is another foreign subsidiary exchange house company posted operating profit of USD 88,729 in 2022.

Budget Achievement

(Million Tk.)



Delivery Channel

Bank Asia's overall operation is concentrated in four major areas:

Conventional: Bank Asia delivers conventional banking services through 135 branches, 4 SME service centers and 14 number of sub branches across the country.

Islamic: Shariah based Islamic banking Operation has been operated through 5 Islamic windows. All conventional branches also provide Islamic Banking services through online based SALAMAH desk.

Off Shore: 1 off shore banking unit in Chittagong. (Cluster)

Agent Banking: Provide Agent Banking services in 64 districts across the country through 5,401 agent outlets.

CSR

Bank Asia has always been aware of its Corporate Social Responsibility (CSR) to ensure that it is perceived as a bank with a conscience and a catalyst for change. In order to contribute to a better quality of life for society at large, Bank Asia is perpetually working to become a socially responsible corporate entity. In 2022, Bank Asia spent Tk. 237 million on corporate social responsibility. This was devoted to education, health, and other underprivileged sectors for the nation's betterment.

Strengthening Capital Base

To manage our overall risk exposure, we have always placed a high priority on strengthening our capital base. Consequently, Bank Asia ended the year with a strong capital base, maintaining a Capital to Risk-Weighted Ratio (CRAR) of 17.70%, compared to the minimum requirement of 12.5% set forth in the BASEL III roadmap.

Bank Asia has also decided to issue perpetual bond in order to bring in good business growth and ensure compliance with the Basel III capital accord. Tk. 5,000 million out of which Tk.4,500 million is under private placement and Tk. 500 million under public offer.

Non-Performing Loan (NPL) Management

One of Bank Asia's core business priorities is to curb non-performing loans by maintaining quality assets. With our continued aim to ensure quality portfolio growth, we contained Non-Performing Loans (NPL) to 4.87% in 2022. Bank Asia's credit approval process and policy have been framed to identify and assess inherent risk so that asset quality does not deteriorate in the long run. Additionally, an early warning system has been emphasized so that precautionary action can be taken against vulnerable assets. Above all, proper monitoring and a strong recovery drive from branches and corporate office have been intensified to maintain the quality of Bank Asia assets.

Credit Rating

In 2022, the Bank's long-term credit rating was AA1 whereas the short-term rating was ST-1. Bank Asia has maintained a superior and steady credit ratings that express our strong credibility in both short and long term.

Awards & Accolades

Bank Asia was recognized as the overall winner among SAARC countries for Best Presented Annual Report by SAFA (South Asian Federation of Accountants) in 2022. We were also awarded Gold Prize (Winner) in the private sector banking institutions category as well as in the Corporate Governance and Integrated reporting category.

It is a great pride for us that in the year 2022 for the first time in bank's history, Bank Asia become overall winner as awarded by ICAB (Institute of Chartered Accountants of Bangladesh) and an addition awarded 1st position in all three categories of banking sector: Best Presented Annual report, Corporate Governance Disclosure and Integrated Reporting.

Our Sustainability Report 2021 has been awarded a 'Gold Rank' by NCSR (National Centre for Sustainability Reporting) and ICSP (Institute of Certified Sustainability Practitioners) in Indonesia as part of the Asia Sustainability Reporting Rating 2022. Bank Asia has been ranked as one of the Top 10 Banks for consecutively in two years in the Sustainability Rating 2020 and 2021 by Bangladesh Bank.

Strategic Plans for 2023

In 2023 the economic environment is going to be challenging due to rising interest rates, rising inflation, and pressure on foreign exchange market. We may observe a poor growth or low demand, as business are still responding to challenges with supply chain, power supply, global and local political tensions and adverse global economic condition.

As an innovative bank, we will invest continuously in digital banking to improve customer experience, reduce operating cost and simplify our business model. It is expected that pressure on net interest income, mainly from lower spread gives pressure across all business units. We will focus on increasing non-interest income along with utmost focus on cost discipline. Based on that backdrop, the bank will also pursue the following strategic priorities to achieve the goals:

- In light of the market scenario, especially in light of shrinking liquidity and regulatory requirements, we will take a holistic approach to maintain our Balance Sheet indicators, such as Advance Deposit Ratios (ADR), Liquidity Coverage Ratios (LCR), Net Stable Funding Ratios (NSFR), Commitments, etc., within the limit:
- We will focus on mobilizing adequate deposit, especially low cost deposit and focus extensively on deposit product mix to further reduce cost of deposit within short time;
- Optimize yield on advance through focusing more on retail and MSME (Micro, Small & Medium Enterprise) and retail credit;
- Loan monitoring, documentation management, business proposal tracking and other credit administration processes and MIS will go through automation;
- Ensure genuine recovery from rescheduled and stay order loans and recovery from written-off loans;

- Emphasize on increasing export business;
- Focus on bringing more remittance from overseas;
- Efficient Capital Planning under the purview of risk-return trade-off for smooth business expansion;
- We will continue to improve our Alternative Delivery Channel to serve the customers with modern and Innovative banking product and services;
- Ensure healthy work life balance for staff;
- Capacity building in our ICCD, Human Resources and training center;
- Ensure that operating costs are kept under control;

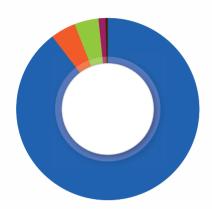
As a final note, I must express my sincere appreciation to all of our customers who have continued to trust Bank Asia Limited over the years. I would also like to take this opportunity to thank my colleagues for their commitment and tireless efforts. I am also very grateful for the guidance and strategic advice that have been provided by the experienced and prudent Board of Directors. Last but not least, I would like to reiterate our commitment to implementing our business strategy and ensuring sustainable earnings growth in accordance with our noble vision of being a part of the process of building a society free from poverty.

Areef Billah Adil Chowdhury

President and Managing Director

Segment Analysis

Bank Asia Consolidated



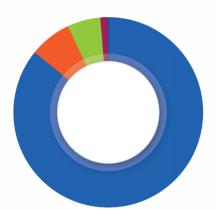
Operating Revenue

(MillionTaka)

Conventional **32,031** Islamic **1,596**

OBU **1,520**

Local Subsidiaries **433**Foreign Subsidiaries **146**



Total Assets

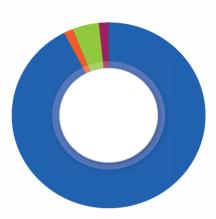
(MillionTaka)

Conventional 407,714

Islamic **33,944** OBU **26,742**

Local Subsidiaries **6,103**

Foreign Subsidiaries **235**



Profit before tax

(MillionTaka)

Conventional 10,048

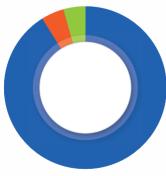
Islamic 169

OBU 478

Local Subsidiaries 172

Foreign Subsidiaries 3

Bank Asia Solo



Operating Revenue

(MillionTaka)

Conventional 32,031

Islamic 1,596

OBU **1,520**



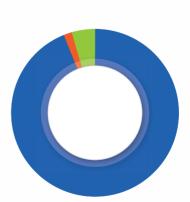
Total Assets

(MillionTaka)

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Islamic **33,944**

OBU **26,742**



Profit before tax

(MillionTaka)

Conventional 10,048

Islamic 169

OBU 478

DIRECTORS' REPORT

















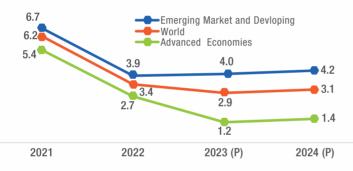


World Economy

The global production growth is predicted to fall to 3.4 percent in 2022 from a fast rebound of 6.2 percent in 2021 and 2.9 percent in 2023. Especially downturns in the USA, Euro area, UK, Japan, and China due to the war conflicts between Russia and Ukraine. The world economy have also weakened by the pandemic and higher than expected inflation worldwide, especially in the USA and key European nations, causing tighter financial conditions. Global inflation is anticipated to rise to 8.8% in 2022 from 4.7 percent in 2021 due to growing food and energy prices and supply-demand imbalances. Global food prices have also risen due to export restrictions. A significant decline in Russian pipeline gas to Europe would also raise gas costs. The Russia-Ukraine war and dollar appreciation are expected to restrict world trade growth to 4.3 percent in 2022 from 10.4 percent in 2021 and it will stood at 2.5 percent in 2023.

GLOBAL GDP Growth

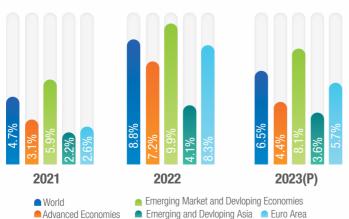
Global growth is estimated at 3.4 percent in 2022, is projected to fall to 2.9 percent in 2023 before rising to 3.1 percent in 2024. The forecast for 2023 is reflecting positive surprises and greater than expected resilience in numerous economies. Nevertheless, global



growth projected for 2023 and 2024 is below the historical (2000—2019) annual average of 3.8 percent. The forecast of low growth in 2023 reflects the rise in central bank rates to fight inflation especially in advanced economies as well as the war in Ukraine. The decline in growth in 2023 from 2022 is driven by advanced economies; in emerging market and developing economies, growth is estimated to have bottomed out in 2022.

GLOBAL INFLATION

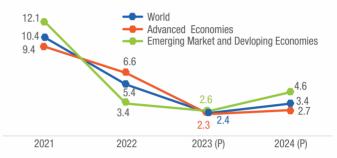
Global inflation is facing a turbulent trend in 2022. The global inflation has been revised up by the IMF due to the rise in food and energy prices



as well as lingering supply- demand imbalances, and it is anticipated to reach 7.2 percent in advanced economies and 9.9 percent in emerging market and developing economies in this year. Global inflation was forecasted to rise from 4.7 percent in 2021 to 8.8 percent in 2022 but to decline to 6.5 percent in 2023 according to the World Economic Outlook, October 2022.

GLOBAL TRADE VOLUME

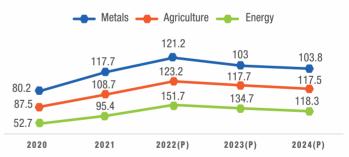
According to UNCTAD's latest Global Trade Update, published on 13 December 2022, global trade is projected to reach a record \$32 trillion in 2022. Still, a slowdown that began in the years' second half is expected to worsen in 2023 as geopolitical tensions and tight financial



conditions persist. In spite of the conflict in Ukraine and the continuing effects of the pandemic, international trade of both goods and services has increased significantly this year. As a result of rising energy costs, global trade increased by 10% from the previous year to an estimated \$25 trillion. The total value of all services rendered increased by 15% to an all-time high of \$7 trillion.

GLOBAL COMMODITY MARKETS

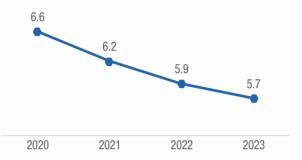
Commodity prices are suffering due to a dramatic slowdown in the global economy and fears of an oncoming global recession. Yet, supply



disruptions and geopolitical concerns have kept the price of several forms of energy at relatively high levels. Brent crude oil prices are anticipated to average \$92/bbl in 2023, then decrease to \$80/bbl in 2024. In 2023, prices for agricultural goods and metals are anticipated to fall by 5 percent and 15 percent, respectively. After the epidemic, economic recovery drove the price comeback, but supply factors contributed around 25%. Metal prices have fallen since March 2022 due to a sharp global growth slowdown, supply constraints loosening, and fears of a worldwide recession. The energy revolution may benefit metal exporters but also exacerbate price volatility.

GLOBAL FDI

Global FDI rose to USD 972 billion in the first half of 2022. Most of the rise occurred in the first quarter, whereas worldwide FDI flows fell 22% in Q2 2022. Inflation, interest rates, energy prices, and Russia's full scale invasion of Ukraine explain this reduction. In the second half of 2021, OECD FDI inflows rose 28% to USD 488 billion. After rising 59% in Q1 2022, these flows fell 38% in Q2, mainly due to intra-company debt movements, although stock inflows and reinvested earnings rose. The outflow of foreign direct investment also fell by 38% in the first half of 2022. Foreign direct investment (FDI) went to the United States more than any other country, with China and Brazil following closely behind. Also, the United States dominated international investment, followed by the Netherlands and Australia.



GLOBAL UNEMPLOYMENT

WESO predicts, global employment growth would slow to 5.9% in 2023 down from 6.2% in 2022. The number of people without jobs around the world is expected to increase by 3 million to 208 million in 2023 (corresponding to a global unemployment rate of 5.7 per cent). The restricted labor supply in high-income nations is partly responsible for the mild extent of this expected growth. If this were to happen, it would reverse the global employment trend that was observed between 2020 and 2022. So, the number of unemployed worldwide will stay 16 million, which is higher than before.

GLOBAL ECONOMIC OUTLOOK

The World Economic Outlook, October 2022, outlined some policy priorities needed to restore the global economy from its gloomy developments in 2022. Containing inflation will be the first priority for the policymaker since the gradual increase in prices reduces the living standard worldwide. In the backdrop of tighter monetary conditions, highly indebted governments should reduce dependence on foreign currency borrowing. Instead, they need to increase taxes and lower expenditure. Ending war in Ukraine would expand supply of global commodities and governments should not stock food and energy, rather, remove trade barriers, which induce higher world prices. Countries with the use of fossils fuels such as coal for meeting energy crisis should treat it as temporary measures and extend efforts towards renewable energy. Finally, governments should intensify vaccination rates to prevent future variants of COVID-19 pandemic.

Challenges:

- There may be imminent recession in many countries in the upcoming years
- Stubborn inflation
- China's zero-COVID policy
- Energy crisis and unstable price
- Geopolitical tensions
- Central bank raising policy interest rates
- Rising debt vulnerability- higher borrowing cost, weaker growth

Opportunities:

 Due to high prices of energy and food security issues, countries are adapting renewable energy and improving systemic efficiencies, aligning with sustainable development goals and combating climate change.

Source: World Economic Outlook October, 2022 & January, 2023



Board of Directors at 23rd AGM

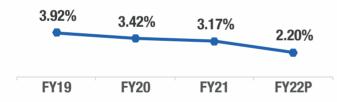
Bangladesh Economy

From the third quarter of 2021 the economy of Bangladesh was recovering from the shocks of the pandemic but the Russia-Ukraine war broke out in February, 2022 disrupting the global supply chain and created a strong external shock on Bangladesh economy like other countries of the world.

Because of the war, there was an abnormal increase in the prices of various commodities in the international market. Bangladesh is highly dependent on imports for many necessary products such as fuel, raw materials for industries and machinery. In addition, the fuel & energy price rate several time upward changes by Bangladesh Government contributed to the high inflationary pressure in the domestic market. Though there was a sizable growth in exports (23.7% in 2022) over 2021) but abnormal growth in imports and negative growth in remittances (-3.6% in 2022 over 2021) lead to the highest trade deficit of USD 12.31 billion (on December, 2022) in history. As a result, there was a major shortage in the supply of foreign currency especially American dollar and foreign exchange reserves declined to USD 33.74 billion on December 31, 2022 from USD 48.06 billion on August 31, 2021 which will cover only six months import payments. Despite all the above impediments, the gross domestic product (GDP) grew by 7.1% in FY 2021-22 and Bangladesh Government has taken an ambitious target of 7.5 percent for FY 2022-23. The sectorial growth compositions are shown in the below:

Agriculture Sector

Agriculture sector contributed 11.50% of GDP in FY22, with slower growth from 3.17% in FY21 to 2.20% in FY22. During this period, the growth of animal farming; and forest and related services sub-sectors increased slightly compared to the previous year. However, the growths



in crops and horticulture; and fishing sub-sectors fell dramatically to 1.06% and 2.08% respectively in FY22 from 2.29% and 4.11% in FY21.

Industry Sector

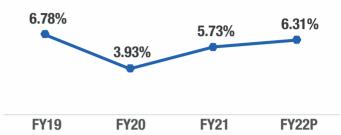
The industrial sector contributed 37.07% of GDP in FY22 and grew by 10.44%, higher than 10.29% growth in FY21. This growth was mainly supported by the growths of manufacturing; water supply, sewerage, waste management and remediation activities; and construction sub-



sectors. On the other hand, electricity, gas, steam, and air conditioning supply sub-sector recorded lower growth of 5.96% while mining and quarrying sector exhibited negative growth of -1.94% in FY22 as compared to the previous year.

Service Sector

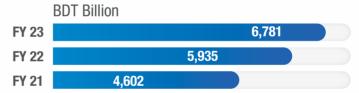
Services sector accounts for the largest share of GDP. This sector contributed 51.44 percent of GDP in FY22, slight lower than 51.92 percent in FY21. Services sector grew by 6.31 percent in FY22, higher than 5.73 percent growth in FY21. The components of services sector-



such as, wholesale and retail trade, and repair of motor vehicles and motorcycles; transportation and storage; accommodation and food service activities; financial and insurance activities; real estate activities; education; arts, entertainment and recreation; and other service activities exhibited higher growths in FY22 than those of the previous year.

Fiscal Outcome Expenditure

The total expenditure in the revised budget for FY22 was set at BDT 5,935.00 billion (14.93 percent of GDP) which was 28.98 percent higher than the actual expenditure in FY21. The operating expenditure in the revised budget for FY22 was targeted at BDT 3,666.27 billion (9.22



percent of provisional GDP), which was 28.27 percent higher than the actual operating expenditure of BDT 2,858.30 billion in FY21.

Revenue Collection

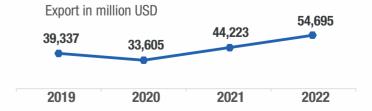
In the revised budget for FY22, total revenue receipts were targeted at BDT 3,890.00 billion, which was 18.36 percent higher than the actual revenue receipts in FY21. The revised target for tax revenue collection set at 88.95 percent of the total revenue receipts which was 28.24 percent higher than the actual tax revenue collected in FY21. However, the revised target for non-tax revenue collection for FY22 was 26.95 percent lower than the actual collection for that of FY21.

External Sector

External sector of Bangladesh economy such as export, import and remittance have always played big roles in country's development activities. The position of these external sectors are delineated below:

Export

Bangladesh's export earnings reached the highest record in FY22



despite COVID-19 and the Russia-Ukraine conflict. Total export earnings in FY22 rose 34.38 percent to USD 54,695.66 million from USD 38,758.31 million in FY21. The FY22 strategic export target was exceeded by 19.73 percent by export earnings. The government and Bangladesh Bank have taken various prudential and policy measures to retain export earnings, including moratorium facilities, extended time for realizing export receipts and import payments and increasing the export development fund (EDF). Throughout FY22, the apparel (woven garments and knitwear products) sector fuelled a greater part (above four-fifths) of total export earnings in Bangladesh.

Import

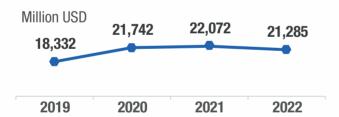
Despite global economic uncertainty and COVID-19, total imports (fob) rose 20.66% to USD 81,822.10 million in 2022 from USD 67,810.20 million in 2021. In 2022, the rise in global commodity prices was the primary factor in the acceleration (58.18%) of RMG-related raw material imports. Similar increases (308.28%) were seen in the value of



payments made to importers of pharmaceuticals in 2022. Except for a handful of products, including rice, spices, and crude petroleum, import payments climbed significantly across the board in 2022. The cost of importing crude oil has dropped by 64.23%.

Remittance

Inward remittance flows from the Bangladeshi nationals working abroad decreased by -3.56 percent from USD 22,072.41 million in 2021 to



USD 21,285.68 million in FY22. Lower inward remittance and thus a high current account deficit weakened the overall balance of payments, which witnessed a substantial deficit in FY22. Lower inward remittance and thus a high current account deficit weakened the overall balance of payments, which witnessed a substantial deficit in FY22.

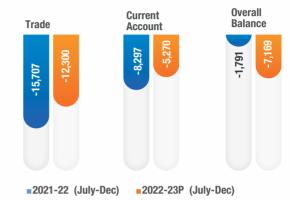
Foreign Direct Investment (FDI)

Foreign direct investment (FDI) inflow performs a multidimensional role in developing economy like Bangladesh. FDI has been emphasized by the Government in its 8th five-year plan for creating an investment-friendly environment through widespread infrastructure developments, including power, ICT and communication sectors. Recently various sectors of Bangladesh's economy have shown some signs of receiving encouraging responses from the global investors. Despite global financial turmoil and an adverse situation of COVID, net FDI inflow increased notably by 34.83 percent to USD 1,827.00 million in FY22. However, the portfolio investment experienced an outflow of USD 158.00 million in FY22, though it was lower than USD 269.00 million outflow in

the preceding year

Balance of Payment

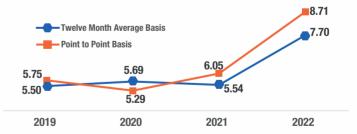
Imports outpaced exports in FY22. Exports grew 33.45% and imports 35.95%. FY22 exports (f.o.b.) totaled USD 49,246 million, up from USD 36,903 million in FY21. In FY22, total imports (f.o.b.) were USD 81,822



million, up from USD 67810 million in FY21. The trade deficit increased to USD 33,249 million in FY22 from USD 23,778 million in FY21. Workers' remittances fell 15.12% to USD 21,285 million in FY22 from USD 22,072 million in FY21. The current account deficit increased to USD (-) 18,697 million in FY22 from USD (-) 4,575 million in FY21 due to a higher trade deficit. In FY22, the balance of payment was USD (-) 5,380 million, compared to USD 9,274 million in FY21. The huge current account deficit and lower capital and financial account inflows caused this reverse scenario.

CPI Inflation

The point to point inflation rate stood at 8.71 percent in December, 2022 from 6.05 percent in December, 2021 because of restrained pressure from demand side, moderate agricultural production along with coordinated fiscal and monetary policies. However, the targeted ceiling of average inflation rate was 5.4 percent for FY21 which was not met because of upward inflationary pressure of food components. In this backdrop, the government has adopted several necessary



steps to increase food stock from domestic and international sources. Accordingly, the government has set the target of average inflation rate for 2023 at 5.5 percent. However, excess liquidity stemming from the stimulus packages may engender inflationary bubbles in the upcoming months where strong vigilance will be required.

Exchange Rate

Exchange rate has also sharply depreciated. The main factors behind negative overall balance are higher import growth, negative growth of remittances and less inflow in the capital and financial accounts. Despite huge imports (over 60 percent higher than exports), a substantial amount of intermediate and machinery goods (about 80 percent of

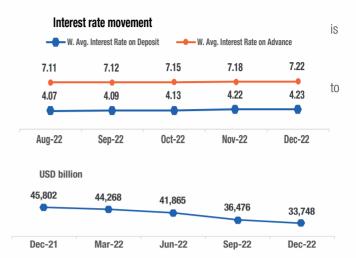
imports) is now importing, which could expand production as well as exports and be positive to the growth outlook, through growing global prices and exchange rate depreciation might be headwinds to inflation outlook.

Monetary Policy

BB has announced its monetary policy stance (MPS) for FY22. The stance essentially expansionary and accommodative for all growth supportive needs while ensuring inflation target as well. The prime objectives of the MPS FY22 are to support investment and employment generating activities and create enabling conditions for the businesses normalize production and supply chains. The MPS undertakes a strategy to provide adequate financial support to the priority sectors and to ensure required funds in the system through various policy options.

Foreign Exchange reserve

Foreign exchange reserves gives high mobility to central bank in reaching targets of macroeconomics policy, in conducting monetary policy and in sustaining exchange rate regime. BB's gross foreign reserves comprises major currencies (G-7), gold and Special Drawing Rights (SDR). Foreign exchange reserves stood at USD 48.06 billion at the end of August 2021 which reduced to USD 33.74 billion at the end of the December 2022.



Bangladesh Economic Outlook 2023: A Road to Recovery

Given the continuing uncertainty in the balance of payment, uncertain export performance, declining remittances, and rapidly worsening power situation will impact negative on the gross domestic product's growth of Bangladesh. The World Bank slashed the gross domestic product (GDP) growth forecast for Bangladesh for the current fiscal year to 6.1 percent from 6.7 percent because of inflation, energy shortage, slowdown of the recovery from the pandemic, and the war in Ukraine. Domestic demand is likely to be compressed due to historic high inflation.

Major Challenges:

- High inflationary pressure
- Unstable Fuel & energy prices in International Market
- Fragile banking sector
- High trade deficit and declining trend of foreign exchange reserves
- Gas shortage
- Negative trend of remittances

Opportunities for 2023:

- A loan of USD 4.5 billion from the IMF will give some breathing space for LC settlement
- At present Bangladesh's external debt to GDP ratio stood at 20.6 percent, much lower than the IMF mandated threshold of 40 percent.
- Market interest rate and exchange rate will be based on market trend
- Big mega project of Padma bridge and Metro Rail will help to enhance economic activities

Source: Bangladesh Bank's Accounts for 2021-2022 and Monetary Policy Statements for January – June 2023



Business Meet 2022

Banking Industry Exploring 2022

2022 has been one of the toughest years for our country especially in the banking sector. After recovering from the effects of the pandemic, disruptions in the global supply chain caused by the Russia-Ukraine war have led to a drastic jump in commodity prices, which have resulted in nearly double-digit inflation. In addition, inflation increases and fuel price hikes directly affect the banking industry. To curb the inflationary pressure, Bangladesh Bank has issued several circulars and guidelines.

Being overreliance on imports and the lack of local production of raw materials and goods, putting a pressure on the country's foreign exchange reserves. And to protect the declining reserves, the government had discouraged all non-essential imports and also reduced the supply of dollars to commercial banks. Despite this, Banking Industry of Bangladesh faced a lots of liquidity crisis as public were withdrawing their savings from banks. However, timely intervention of central bank are reasons behind the restoring of depositors faith in country's banking system.

Regulation of banking Industry

Bangladesh Bank Order 1972 and the company act 1991 and subsequent amendment of 2013 mainly guide the Commercial Banks of Bangladesh. Bangladesh Bank (BB), the Central Bank, exerts the supervisory controls over the banking sector. Besides, prudential guidelines for agent banking operation, loan classification and provisioning, amendment of guidelines on credit card operations of banks, foreign direct investment promotion project (FDIPP), promotion of cashless transaction and issuance of agricultural & rural credit policy

& program for the FY 2021-22 were the key steps of central bank to strengthen sustainable development of the banking industry.

Banking Sector of Bangladesh

In November 2022, the total deposit stood at Tk. 14891691 million 2022, an increase of 5.66 % compared to the previous year. On the other hand, the total advances stood at Tk. 17582944 million which is a growth of 8.1 % over the last year, creating a likelihood for asset liability mismatch. Reserve money stood at USD 33,747.70 million at the end of December 2022 against previous year's value of USD 46,391 million at the end of December 2021. The overnight call money rate stood at an average of 5.81% in December 2022 which was 2.69% in December 2021. The AD Ratio is again lowest for Foreign Commercial Banks (FCBs) which was 79.0% in September 2022. Regulatory body has also specified the boundary of AD ratio for banking industry as a pre-step to ensure the sufficient liquidity position of commercial banks.

The key profitability indicators — Return on Assets (ROA) and Return on Equity (ROE) stood at 0.52% and 9.73% respectively in 2022 as compared to 0.25% and 4.44% respectively as recorded in 2021. The banking industry has maintained a provision of Tk. 751.5 billion against required provision of Tk. 886.6 billion, marking a shortfall provision of Tk. (135.3) billion as of September 2022.At the same period, the average CRAR (Capital to Risk Weighted Asset Ratio) for banking industry was 11.20%, the CRAR for the private commercial banks, state banks and foreign banks was 13%, 6.40% and 26.4%, respectively.

Monetary Aggregates (y-o-y growth %)

Item	Act	ual	Original	Revised
Itelli	Jun-22	Dec-22	Dec	:-22
Broad Money	9.4	8.4	12.1	11.5
Net Foreign Assets*	-11.9	-22.6	-2.1	-11.9
Net Domestic Assets	17.2	18.5	16.0	17.9
Domestic Credit	16.2	15.1	18.2	18.5
a) Credit to the Public Sector	29.1	26.6	36.0	37.7
b) Credit to the Private Sector	13.7	12.8	14.1	14.1
Reserve money	-0.3	17.4	9.0	14.0
Money multiplier	4.93	4.63	5.07	4.82
NCG (Core Taka, during the respective fiscal year)	62,540	32,249	106,334	111,608

(In Billion)

Types of Bank	No. of Banks	No. of Branches	CRAR % (Jun'22)	Deposit Growth % (Sep' 22)	Advance Growth % (Sep'22)	AD Ratio (Sep'22)	NPL Ratio (Sep'22)	CL In Billion (Sep'22)	ROA % (Jun'22)	ROE % (Jun'22)
State owned bank (SCB)	6	3,810	6.4	0.3	17.7	64.81	21.9	605	0.21	5.43
Specialized banks (DFI)	3	1,512	-35.8	9.6	10	73.43	11.7	42.27	-3.31	-13.68
Private banks (PCB)	43	5,550	13	10.5	14.6	82.18	6	666.95	0.59	9.38
Foreign Banks(FCB)	9	65	26.4	11.4	0.4	48.3	4.4	29.7	2.57	16.03
Total	61	10,937	11.2	7.8	14.6	76.23	9	1343.9	0.52	9.3

Bangladesh Bank Quarterly. (July-September 2022), Monetary Policy Statement (Fiscal Year 2022 -2023) P= Provisional

Review of operations of Bank Asia in 2022

The year 2022 was expected to get relief from the devastating effect of Covid-19 pandemic and a sharp rise of economy growth. But the world had to witness another devastation for the ongoing war between Ukraine & Russia. World economy fall under inflationary pressure, food insecurity, high commodity price, disruption in supply chain, foreign currency crisis and so on. Bangladesh economy also faced severe impact for this burning issue. Depletion of foreign exchange, rising inflation, increase of fuel expense. liquidity crisis took the toll over the economy to a large extent The year 2022 was a year of landmark for the Bank. Bank Asia has reached the milestone of Tk. 1,000+ crore Profit this year. Operating profit of the bank increased to Tk. 10.695 million having growth of 16% over previous year. Although operating profit increased from previous year but core challenge was interest rate hike of deposit expense that resulted in decrease of net interest income by 2%. Cost of deposit increased to 4.10% from 3.94%. Yield on advance of the bank decreased by 0.24% in 2022 and reached at 7.37% from 7.61% that resulted in decrease of spread by 0.40% from 3.67% to 3.27%. On the other hand, non-funded income increased substantially for which the bank was able to maintain growth of

Bank's total assets reached Tk. 468,401 million in 2022 compared to Tk. 438,293 million in 2021 with a growth of 7%. Deposit reached Tk. 337,695 million compared to Tk. 317,782 million with a growth of 6% and

Loans and advances was also 6% higher than the preceding year and stood at Tk. 277,870 million. Bank's import decreased by 13% and stood at USD 2,277 million in 2022 against USD 2,620 million in 2021. Export increased by 9% and reached USD 1,793 million which was USD 1,642 million in the previous year. Inward remittance in 2022 showed negative growth of 7% and reached USD 1,400 million compared to USD 1,509 million in 2021. Net profit after tax of the bank stood at Tk. 3,046 million having growth of 13% over previous year. Bank's initiatives on loan recovery helped the Bank to restrain CL ratio to 4.87% in 2022 which was 5.14% last year. The Bank is standing on a sound footing where strong capital base is playing a key role for smooth business growth and capacity to absorb any unforeseen shock. Bank Asia's capital increased by 11% and stood Tk. 46,111 million helped the Bank to maintain a very satisfactory Capital to Risk Weighted Assets Ratio (CRAR) of 17.70%.

To maintain the increasing demand of customers for innovative services and a balanced distribution of network, the whole network of Bank Asia now consists of 135 branches, 14 sub- branches, 5,414 Agent outlets, 4 SME service centers, 5 Islamic windows, 218 own ATMs with more than 13,000+ shared ATMs, 1 Brokerage Company in Bangladesh and 2 exchange houses located in UK and USA. The Bank is also operating 3 branches of BA Express USA Inc. in New York. All the operations of the Bank are interconnected and integrated through state of the art networking technology.

CORPORATE & LARGE LOAN

Corporate & Large Loan (C&LL) Division, the major strategic business division of Bank Asia Limited, has long been serving industry leading corporates of Bangladesh through satisfying their different financing needs with versatile products/services, thus contributing to the inclusive economic growth of the country. C&LL deals with clients having funded exposure above Tk.200 million and/or total exposure above Tk.300 million. The financing area encompasses businesses/industries like power, construction/infrastructure, steel, cement, ceramics, food and beverage, pharmaceuticals, paper and packaging, trade, services etc.

For functional efficiency, Corporate & Large Loan is operating business through two segments comprising of General Corporate and Syndication & Structured Finance. Both the segments are specialized in specific business areas and functions accordingly to make sure maximum efficiency in rendering service to our valued clients. The division also arranges need based Supply Chain Finance, Islamic Banking and FCY facility through the bank's Offshore Banking Unit for its clients. At the end of the year 2022, loans and advances of Corporate & Large Loan stood at Tk.149,046 million (around 54% of total loans and advances of the Bank). Though the economy was going through post COVID-19 scenario and multifarious impact of Ukraine-Russia war, C&LL managed to handle import business of Tk.110,971 million in 2022 registering a growth of around 9%. Corporate & Large Loan Division mainly focused on financing in the sector of healthcare, infrastructure, manufacturing, power & energy sector, etc. We also take into consideration of sustainable financing in our investment decision. Our financing has contributed substantially towards economic growth of the country, industrialization as well as employment generation.



Bank Asia financed ocean-going oil tanker of Doria Shipping Ltd.



Major Achievements for C&LL in 2022

- Originated 27 new customers including some industry leaders and arranged approval for aggregate fresh facility of Tk.25,256 million.
- Arranged approval for fresh/enhanced facility of Tk.41,311 million in favor of existing customers.
- Strengthened customer relationship management centrally from Corporate Office in support of the Branches.

Notable New Customers Originated by C&LL in 2022

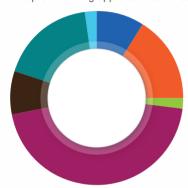
During 2022, among others, Corporate & Large Loan extended financing facility of Tk. 3,250 million to Doria Shipping Ltd. to purchase two ocean-going oil tankers, Tk. 2,450 million to Akij Healthcare Limited, Tk. 1,790 million to Bangladesh Edible Oil Ltd. and Tk. 1,500 million to Shun Shing Group, Project loan of Tk.1,220 million to Samuda Chemical Complex Limited, Project loan of Tk. 615 million to Labaid Cancer Hospital and Super Specialty Center, Project loan along with working capital support of Tk.1,400 million to Akij Healthcare & Hygiene Ltd.

EXPORT FINANCE

Export sector of the country is witnessing a lot of national and international happenings in last couple of years. Record booking of export orders in the post Covid period of early 2022 was faded a bit by the end of year with the effect of prolonged war crisis in Russia and Ukraine and record inflation in our major export destination. However, the exporters managed to ensure export growth of nearly 24% in 2022, though the sectors showed very few new investment initiatives amid global economic uncertainties.

Bank Asia Limited through its dedicated Export Finance Department is always fostering the development and growth of business for its export oriented customers. Despite tight forex market, we ensured import

of raw materials for all export oriented customers for their smooth operation. We strived for ensuring sustainable growth of our exporters by participating in all green and environment friendly initiatives. Being eligible PFI, Export Finance Department participated in all the prefinancing and refinancing schemes with Bangladesh Bank for arranging cost effective financing for its exporters. Among other facilities, we secured pre-financing approval of term loan facilities of Tk.215.70



Nature wise Export Finance

as on 31.12.2022 Million Taka

Accessories 9%
Knit Garments 16%
Knitting & Dyeing 2%
Spinning 45%
Sweater 8%
Woven 18%
Jute Leather & Others 2%

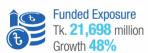


An export oriented footwear industry financed by Bank Asia Limited

million under Safety Retrofit and Environmental Upgrades Project (SREUP) of Bangladesh Bank for implementing energy efficient and environment friendly RMG projects. Export Finance Team is now actively engaged with centralized relationship Management. Like previous years, Export Finance Department managed to ensure a solid and quality credit portfolio in 2022 with maximum return for the bank and its stakeholders and lowest level of non-performing assets through effective monitoring and supervision.

All the 100% export oriented customers of Bank Asia Limited including RMG, Textiles (Spinning & Weaving), Dyeing/Washing, Jute, Leather and all other direct and indirect exporters comes to the portfolio of Export Finance. Total outstanding funded loan portfolio of Export Finance (including Islamic and OBU exposure) at the close of business as on 31.12.2022 was about 22% of total Loan portfolio of Bank. Like the national economy, export portfolio of bank is mainly concentrated on RMG and its allied business. Total export volume of the Bank in 2022 showed 21% growth over last year achieving 100% target in line with 24% growth of country export in 2022.

SYNDICATION & STRUCTURED FINANCE



Syndication & Structured Finance Unit [SSFU] of Bank Asia is recognized as one of the major players in providing full-fledged services pertaining to fund arrangement, advisory, agency and account Bank services as well as other unique and innovative products and solutions for Corporate clients. Its dedicated team is skilled and professional experience in handling complex issues associated with transaction. SSFU is currently providing services to the clients in Power, manufacturing concern, pharmaceutical, RMG & Textiles, Cement, Refinery, Ceramics, Pulp & Paper, Telecom, Steel,

NGO-MFI, Construction, and IPFF Financing for infrastructure projects especially in Economic Zone by providing Term Loan, STL & other facilities in setting up new & BMRE Projects. The unit is also providing Offshore Financing, Bridge Financing, ECA covered Financing and Investment in Alternative Products etc. In addition, the Unit also deals with working capital financing for business sector and industries based on their requirement. SSFU acted as the lead arranger as well as agent and raised 23 different Syndicated deals since year 2000. As of December, 2022; Syndication funded exposure was of Tk. 21,698.00 million which was Tk.14,687.00 million in 2021 registering a growth of 48%. Bank has already created its reputation for raising of fund for establishing different projects in the country, which is strengthening country's economic activities.



Bank Asia financed Hosendi Economic Zone, a concern of City Group

CMSME BANKING & AGRI/RURAL CREDIT

Cottage, Micro, Small and Medium Enterprises (CMSMEs) have been playing a significant role in economic growth of Bangladesh. In line with the continuing and advanced changes in SME sector in Bangladesh, Bank Asia has been persistently serving the entrepreneurs through financing to rural and urban areas of the country. At present Bank Asia is serving CMSME clients through Branches, SME/Agriculture Service Centers along with Agent outlets around the country with a special focus on diversified refinancing, pre-financing and grant projects with Bangladesh Bank, SME Foundation and other donor agencies in order to expedite financing at privileged rate. With a special concentration on financing to Women Entrepreneurs and different CMSE clusters, Bank Asia has been serving through a range of loan products aiming to extend credit facilities to cater the requirement of different business entrepreneurs under cottage, micro & small segment.

Projects with Bangladesh Bank

- CMSME Stimulus Package (BDT 20,000 Crore Fund)
- Pre-finance Scheme against Term Loans to CMSME Sector (BDT 25,000 Crore Fund)
- Small Enterprise Refinance Scheme of Bangladesh Bank for Women Entrepreneurs
- Refinance for New Entrepreneurs
- Small and Medium-sized Enterprise Development Project-2 (SMEDP-2)
- Supporting Post COVID-19 Small Scale Employment Creation Project (SPCSSECP)
- Refinance under Start-up Fund
- Credit Guarantee Scheme (CGS) under Stimulus Package
- Credit Guarantee Scheme (CGS) under CMSME Refinance

Projects with SME Foundation

- Stimulus Fund for CMSMEs under SME Foundation
- Revolving Credit Wholesaling Fund
- Other Credit Wholesaling Funds for Cluster-based Financing and Women Entrepreneur Financing

Entrepreneurship Development Training Program under SEIP

Entrepreneurship Development Training Program under Skills for Employment Investment Program (SEIP) is a project of Government of Bangladesh which is funded by ADB (Tranche-3) and implemented by Bangladesh Bank through a few number of commercial banks. Under this program, Bank Asia has already provided training to two batches participated by approximately 50 entrepreneurs in Cox's Bazar and Chattogram. However, after completion this training, eligible entrepreneurs can get finance from our bank to start and develop their business.

Key Performance in the year of 2022

The CMSE Department of the Bank has launched a new product titled "Start-up Term Loan" - to support completely new entrepreneurs and creative initiatives of entrepreneurs in order to innovate faster, create new jobs, develop technical skills. Moreover,

- an agreement has been signed between Bangladesh Bank & Bank Asia for refinance scheme under Start-up Fund.
- Signed Agreement with Bangladesh Bank on a project namely "Supporting Post COVID-19 Small Scale Employment Creation Project" to finance CMSE entrepreneurs outside of Dhaka & Chattogram region at privilege rate. Bank Asia has availed BDT 387.69 million as refinance against 676 accounts from Bangladesh Bank under this project as on 31 December 2022.
- Executed agreement with Bangladesh Bank concerning ADB funded Entrepreneurship Development Training Program under Skills for Employment Investment Program (SEIP). In collaboration with Bangladesh Bank, 50 entrepreneurs have been trained initially in the training sessions held at Cox's Bazar and Chattogram from



'Conference on Entrepreneurship Development Program & Open Loan Disbursement Ceremony' held at the Bangladesh Bank Training Academy (BBTA)

which around 25% of the entrepreneurs have been financed from Bank Asia Limited.

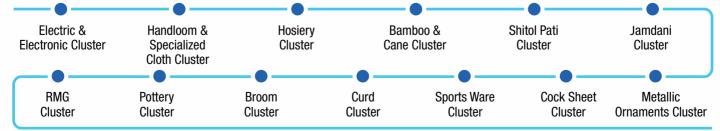
- Signed Agreement with SME Foundation regarding on "Revolving Credit Wholesaling Fund for CMSEs" aiming to finance the targeted entrepreneurs of the priority sub-sectors, clusters, groups, areas including women entrepreneurs eligible for pre/re-financing facility.
- Signed an agreement with Truvalu.enterprises Limited on "COVID-19 Recovery for MSME in Bangladesh" with a goal for business recovery and business continuity of MSMEs along with job retention via access to finance and technical assistance. We have financed to 24 SME entrepreneurs amounting BDT 46.09 million under this project.
- Organized Training & Workshops for 430 entrepreneurs as well as 281 officials of the bank throughout 2022.
- Participated in "10th National SME Product Fair-2022" organized by SME Foundation.
- We have approved 32,271 credit proposals amounting to BDT 24,687.48 million through Diganta (OCAS), an online credit approval system up to 31st December 2022.

Financial Highlights of 2022

- The Cottage, Micro and Small Enterprise portfolio stood at Tk. 13,419 million compared to previous year's Tk. 13,090 million.
- 4778 new CMSE borrowers were added to the CMSE portfolio in 2022 with a volume of Tk. 3,460.10 million.

Cluster Financing

Bank Asia implemented full-fledged digitized cluster-based approach for financing to cottage, micro and small enterprises. Currently the bank is actively working on developing and financing in the following clusters.



AGRICULTURAL / RURAL CREDIT



Total Disbursed Amount

Tk. 4,664 Million



Beneficiaries

69,182 farmers



Bangladesh Bank Target Achievement

103%

Bank Asia offers agricultural credit to support farmers in Bangladesh. The bank has a wide range of agricultural credit products designed to meet the diverse needs of farmers. Like previous years, Bank Asia has remarkable achievement in loan disbursement against the target set by Bangladesh bank in FY 2021-2022. We disbursed Tk. 4,664 million to 69,182 rural farmers and achieved 103% against total target of Tk. 4,530 million.

Bank Asia emphasis to extend credit facilities directly to the farmers. Viewing this, we have been focusing on the following ways of financing:



Loan through Agent Outlets

Disbursed Amount Tk. **914** million

Distributed among **15,998** farmers



Loan under Stimulus packages

Disbursed Amount Tk. **1,484** million

No. of borrower 8,071



Financing for import substitute crops

Disbursed Amount Tk. **56** million

1,255 farmers

4% interest rate
To reduce import dependency



Financial support to 10 tk. accountholders

Disbursed Tk. 117 million

No. of beneficiaries 2,870

To improve livelihood of the small and marginal farmers

Status of Agricultural/rural Credit as on 31.12.2022

Million Taka

Particulars	Direct Network	Indirect Network	Total
Disbursement (01.01.2022-31.12.2022)	1,319	4,614	5,933
Outstanding (As on 31.12.2022)	1,368	4,782	6,150
No. of Beneficiary	12,364	69,973	82,337

Carbon Offsets Activities: We have been approving credit facilities upto certain amount through Online Credit approval System (OCAS) which greatly helps in Carbon sequestration of the planet. In the year 2022, around 20,000 plus agri credit proposals were approved through OCAS.

Penetrate to social outreach as financial partner: For sustainable growth and development of Agricultural & Rural sector and facilitate the same through easy and timely flow of credit by institutional sources in sustainable manners, Bank Asia's Agri/Rural credit is running with different programs partnering with Bill & Melinda Gates Foundation, USAID and World Fish..



Farmers' Centre, established by Bank Asia, where farmers are aggregating their crops for selling.



MID-SEGMENT ENTERPRISE FINANCING



Mid-segment Enterprise (ME) is one of the focused departments of Bank Asia Limited. ME deals with the medium-sized clients who play vital role in the economy of the country. This segment is also indulged in financing to the SME clients as defined by the Bangladesh Bank. Our bank has set it's first step towards centralization of relationship function through Mid-segment Enterprise. Presently, Sylhet Zone comprising 07 (seven) nos. branches while Chittagong Zone comprising 20 (twenty) nos. branches are working for strengthening the relationship functions of ME centrally.

The ME portfolio holds almost 10% of our bank's total portfolio. Despites of facing global problems like Russia-Ukraine war, Covid pandemic, scarcity of foreign exchange, imbalance of international trade, financial infrastructure weaknesses and others, ME was able to on-boarded a total of 64 nos. of new clients adding a fresh portfolio of Tk. 2,340.14 million during 2022 in the balance sheet of the bank. The port-folio mix of ME is leaded by trading concerns while manufacturing and service sectors are also increased in manifold. In way of achieving the ultimate goal and to reach the peak, ME has extending financial inclusion by utilizing different distribution channels like Branches, Zones and others. Furthermore, the department is emphasizing on diversification of portfolio by shifting concentration from large corporate business to medium segment enterprises in days to come. Promoting new entrepreneurs especially woman leaded enterprises and improving access to finance will be prime focal points.

CREDIT ADMINISTRATION

Credit Administration Department (CAD) is ensuring quick, smooth and safe running of the operations of loans and advances extended to the borrowers. Its main objective is to support and control the extension of all credit facility centrally, ensuring security documents as per terms and conditions of sanction letters, working with complex CIB operation & regulatory reporting, monitoring of expired loan, deferral lapses security documents etc.

Departmental Activities in 2022

- Systemized 478,776 numbers of jobs such as changes of limit, terms & interest rate, installment size, allowing of EOL / L/C, time extension along with deferral documents.
- Checked of 678,464 nos. of documents against 50,956 nos. of borrowers.
- Visited 15 branches on Saturday for minimizing documentation lapses
- Reviewed 186,473 nos. of Past due, SMA & Expired loan accounts for regularization.
- Regularized 280 nos. of deferral documents through monitoring of all branches.
- Downloaded 127,704 nos. of CIB reports against 73,871 nos. of borrowers.

- Uploaded 220,299 nos. of accounts through online system for CIB reporting to Bangladesh Bank.
- Corrected CIB database of 5,582 nos. of borrowers from Bangladesh Bank.
- Submitted 348 nos. of statements to Bangladesh Bank and other bodies (monthly/quarterly /half yearly/yearly) through conventional and RIT after checking.

Development & Automation in 2022

- Mortgage database under Land Ministry of Bangladesh
- L/C module of Hikmah under Islamic Banking
- Automated 04 (four) regulatory statements for submission to Bangladesh Bank
- Conducted 02 nos. of virtual Training with 100+ participants and 02 nos. of region wise workshop.
- Achieved 101% over Annual Deposit Target 2022 of CAD

Planning for 2023

- Implementation of Mortgage database under Land Ministry of Bangladesh.
- Automation in limit setting (loan upto 1,00,000.00) in Core Banking System (CBS).
- Automation of SOD loan process under branch delegation.
- Develop system to input phase by phase loan disbursement.
- 20 branches visit on random basis for reducing documentation lapses
- Online / offline training & workshop (region wise) to educate about existing & future development.

SECTORAL DISTRIBUTION OF CREDIT

The Bank's loans and advances to Tk. 277,683.68 million achieving a growth of 5.87%. **Sectorwise distribution of loans and advances is as follows:**

Million Taka

SL.		202	2022		2021	
No	Sectors/Sub-Sectors	Million Taka	% of Loan	Million Taka	% of Loan	
1	Agriculture	7,409.10	2.67%	5,936.20	2.26%	
2	Industries					
	Food Manufacturing	14,167.5	5.10%	12,275.80	4.68%	
	Beverage industry	244.6	0.09%	227.1	0.09%	
	RMG industry	33,951.9	12.23%	38,369.20	14.630%	
	Textile industry	24,298.9	8.751%	29,541.50	11.264%	
	Wood cork and allied products	46.6	0.02%	49.6	0.02%	
	Furniture and Fixture	313.4	0.11%	383.4	0.15%	
	Paper and paper products	5,024.4	1.81%	4,939.50	1.88%	
	Leather and leather products	3,157.3	1.14%	2,036.10	0.78%	
	Rubber products	4,577.7	1.65%	2,409.60	0.92%	
	Chemical and chemical products	916.2	0.33%	1,122.40	0.43%	
	Basic metal products	11,429.8	4.12%	8,583.40	3.27%	
	Electrical machinery and apparatus	3,499.3	1.26%	3,519.80	1.34%	
	Other manufacturing industries	23,046.0	8.30%	23,190.51	8.84%	
	Ship building	4,468.7	1.61%	4,730.40	1.80%	
	Ship breaking	1,435.1	0.52%	1,749.20	0.67%	
	Pharmaceutical	7,899.8	2.84%	3,611.00	1.38%	
	Subtotal	138,477.18	49.87%	136,738.51	52.14%	
3	Constructions	8,404	3.03%	9,489.20	3.62%	
4	Power, Gas, Water and Sanitary Services	13,914.80	5.01%	9,459.50	3.61%	
5	Transport, Storage and Communication	2,532.9	0.91%	1,964.10	0.75%	
6	Trade Services	51,879.2	18.68%	46,140.10	17.59%	
7	Housing Services	18,448.60	6.64%	19,312.40	7.36%	
8	Banking and Insurance	4,857.40	1.75%	3,128.80	1.19%	
9	Professional and Misc. services	31,760.5	11.44%	30,097.50	11.48%	
	Total	277,683.68	100%	262,266.31	100%	

CREDIT RISK MANAGEMENT DIVISION

The sheer nature of risk is its dynamism and pervasiveness in different circumstances. Therefore, to tackle with the dynamism of risks, it is necessary to ensure robust underwriting practice for which Credit Risk Management Division always strives for. In 2022, with the unfolding of economic challenges such as inflationary, liquidity, and exchange rate pressure caused by Russia-Ukraine war, Zero-Covid policy in China, energy shortages in Europe, depletion of foreign exchange reserve, and climate change, myriad business risks have evolved. In addition, government effort to rationalize import has adversely affected in many industries and businesses.

Hence, restraining of non-performing assets remains one of the top priorities. In this context, regular and systematic monitoring would be strengthened for financing work order, export, projects/real estate, importers, and dealers of different commodities.

In 2023, the scope of work of the division shall be but not limited to develop Risk Appetite Statement (RAS) based on industry outlook, ensuring faster disposal of credit proposals for small and medium enterprise businesses, channeling fund to CMSME & Agri Sector, combating money laundering and effective allocation of Green Finance etc. On top of that, exercise will remain continue to become one of the compliant banks in the industry.

Key Accomplishments in 2022:

Updating Credit Policy Guidelines:

To cope up with changed business environment and regulation, policy formulation is indispensable. Therefore, revision of existing credit policies is underway. Meantime, credit policies such as proprietorship financing & post import financing have been completed in 2022.

Successful Implementation of Scoring Model for Small Ticket Loan:

To expedite approval for small ticket loan, a digital scoring model has been initiated for disbursement of SME (Unsecured) loan up to Tk.1.00 million. Now, the model has been merged in Diganta Platform, a digital platform for approval of small loan, and currently, the model is in trial run. Emphasis will be in place to fully implement the model reducing error.

More Focus in Sustainable Financing:

Bank Asia has been rated as one of top 10 banks as per Sustainability rating



declared by Bangladesh Bank for last two consecutive years. Understanding the responsibility of the bank in societal development and sustainability of business ecosystem, green and sustainable finance is being monitored by the Division.

Action plan for 2023:

Addressing Concentration Risk:

One of the top priorities of CRM Division is to minimize concentration risk. Diversification of loan portfolio in the context of sectoral, geographical region and business group is one of the top most priorities to avoid such concentration risk of loan portfolio. In addition, implementing effective credit risk management policies including credit risk analysis, monitoring, review and collaborating among all the stakeholders shall be continuing.

Developing Effective Portfolio Monitoring:

Portfolio monitoring is a regular review process to evaluate performance of a loan portfolio for ensuring alignment of loan goals and risk forbearance. Credit Monitoring Unit (CMU) has already been formed with a view to monitoring the loan portfolio of the Bank in pre-classification stage in order to keep the loan portfolio healthy & performing. CMU makes sure raising flags/creating early warning system expressing the potential problems to concerned Branches and Business Wing of Corporate Office.

Emphasis on Competitiveness of Collateral Valuation:

Collateral value is one of the crucial factors to take loan decision. Since valuation of collateral by the surveyors is significant part for decision making, CRM reviews the valuation of surveyors on regular basis and suggests inclusion of top rated surveyor company as well as delisting of poorly performed surveyor.

Focus to Combat Trade Based & Credit Backed Money Laundering Activities:

With the widespread use of technology and changing nature of business, money laundering happens in disguised form. To prevent illegal money flow while helping authentic business to grow, different techniques shall be adopted and responsibilities to be entrusted accordingly.

Prioritization on Skill development of Credit Officers/Underwriters:

Prudent and expert employees are the core of any underwriting practice. Hence, training and skill development is the most priority to bring desired outcome in reducing potential loan loss. Meanwhile, function of CRM has restructured so that officers of CRM have opportunity to enrich their knowledge and proficiency in different sectors and geographical regions.

Expansion of Technology Driven Platform for Quick Disposal of Credit Proposals:

Technology driven loan processing (OCAS-Diganta) helps to reach highest scale every day. Performance of the system is given below:

	202	20	20	21	20	22
Portfolio	Proposal (no.)	Loan amount	Proposal (no.)	Loan amount	Proposal (no.)	Loan amount
SME	5,770	5,241.63	8,414	6,858.20	8,819	7,569.84
Retail	1,428	83.14	2,106	1,182.78	2,841	1,859.68
Agri	5,150	279.09	16,299	812.79	17,332	1,063.31
Total	12,348	5,603.86	26,819	8,853.7	28,992	10,492.8



GROUP FINANCE

With a view to ensuring safe & stable Banking, Group Finance of Bank Asia is operating with utmost efficiency and professionalism. Group finance team oversees all financial activities of its main operations as well as three subsidiary companies. The major functions of Group Finance in 2022 are delineated below.

Bank Budget

Branches and

Departments

4 National

Awards

Annual Integrated

Report 2021

5 International Awards

Sustainability

Report 2021

Annual Integrated

Report 2021

Effective management of VAT Audit

Employee Fund **Management**

Total fund Tk. 6.045 mln

Financial Statement

Business Conferences

Performance analysis in comparison with the respective budget & growth of the branches, divisions, departments & units

Interest Rate Monitoring 40 peer banks

- Market Denosit and advance rate analysis
- T-bill, T-bond rate analysis Monitoring of Product wise deposit inclusion-exclusion

CL Monitoring

Tracking of CL

Letters distribution

to respective branch

for necessary action

movement

MIS

- Monthly business unit wise performance tracking 1000+
- Monthly profitability analysis- 12

10 Publications

(annually-semiannually-

quarterly)

- Daily position -260
- Daily co-ordinator wise report -260

Regulatory Reports

62

Rating

Tk. 5,000

million

Bank Asia 1st Perpetual

Bond(Bank received

approval from

Bangladesh Bank &

BSFC)

- CAMELS Rating-half yearly
- Entity Rating-Yearly
- O Long term- AA1
- O Short term- ST-1 3 Bonds Rating- Yearly

Regulatory Reporting-ISM, FPM, & CDLC Reporting

40 reports to Bangladesh Bangla

branches under ISM reporting

Provided daily support to

Conducted 2 trainings

regarding ISM

Payment Processed

17.277 bills

Investment

Fresh Investment Tk. 2,030 mln Total Income Tk. **548.99** mln

Tax

- 1 year return submitted
- 1 vear assessment finalized

Finance

- Budget Preparation based on commanding areas potentiality and Variance calculation
- Monitoring & Control
- Financial Forecast Financial Analysis
- Individual Employee Deposit Budget





- Quarterly, semi-annual and annual Financial statements (solo & consolidated)
- Regulatory reporting to Bangladesh Bank, DSE, SEC, CDBL & others

- Supervision of integrated information
- Individual field wise and branch wise monitoring of performance parameters
 Supervision of Central Database for Large



ISM, FPM & CDLC Reporting



Capital Planning & Management

- Implementation of Basel-III capital accord and
- reporting to Bangladesh Bank and management

 Capital planning and capital raising
- Successfully raised Tk. 3,340 million as Bank Asia 1st Perpetual Bond

 - Sustainability Report 2021
 - Corporate Outlook 2021-22
- Business Review 2022
 Half Yearly business review 2022
- Quarterly Financial Statement



MIS

- MIS database management, system development and maintenance
- Providing data for preparation of Financial Statements, major regulatory reporting, management reporting, budgeting and other divisional reporting
- Sensitivity, movement and potential analysis on major business parameters along with industry growth for decision-making and strategy setting
- Branch wise performance tracking with budget
- Monthly performance review of bank's different





Financial Control

- Yearly Tax planning, return submission, and Attend hearing with tax officials and face
- Tax/VAT audit

 Monthly VAT/Quarterly Tax Return Submission
- Tax and VAT Deposit to Govt. Exchequer

Tax & VAT Planning and Management



■ Payment scrutinizing

development.

Monthly operating expenses analysis and monitoring

■ Cost optimization mechanism

Financial Control



Employee Fund Management

- nvestment and fund management
- Facilitate final settlement
- Financial statement preparation

ICAB National Award: 1st position: Corporate Governance

Disclosures, Private Sector Banks category, Integrated Report category

SAFA International Award:

Overall winner among the SAARC countries Gold Winner: Private Sector Banks, Corporate Governance, Integrated Reporting

Sustainability Award:

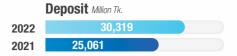
Gold Bank' in ASBR 2022 by NCSR & ICSP



Investment & Capital Issue

- New capital issue (Bond) & Management of
- Facilitate final settlement Formation of Investment Committee
- Feasibility analysis of all investment offers of Bonds, Preference Shares, Mutual Fund and Pre-IPO private placement
- Own portfolio management/activities
 Regular supervision of functions of Bank Asia
 Securities Ltd., BA Exchange UK and BA Express USA

ISLAMIC BANKING







Bank Asia started Islamic banking operations in 2008 with the slogan "Purity is your dividend". This year, Islamic Banking has celebrated the 14th anniversary of its services. From the very beginning, Bank Asia Islamic Banking has been conducting all types of banking activities with utmost emphasis on ensuring the highest level of Shariah standards. All modern services like Visa Debit Card, SMS Alert, Internet Banking and Mobile App usage are also available for Islamic customers.

All our Islamic banking activities and products are strictly monitored by the Board of Directors and the management guided by the Shariah Supervisory Committee of the Bank. Our Shariah Supervisory Committee consists of eminent members, including distinguished jurists (Faqihexperts in Islamic jurisprudence), renowned Islamic scholars, and well-known professionals of the country having experience in Islamic banking.

Bank Asia occupies a special place in the history of Islamic banking in Bangladesh by introducing a very simple and most Shariah compliant profit sharing module, 'Income Sharing Ratio' or 'ISR'. In this module, the bank offers an ISR instead of giving a provisional or fixed rate to each Mudaraba depositor. The actual profit is declared after calculation at the end of each month on the basis of income earned for the same period. This unique profit-sharing system has already gained widespread popularity among Shariah-loving depositors. It has already been recognized as a better Shariah compliant and equitable profit distribution module compared to other Islamic banking operators in the country.

Launched with a commitment to maintain purity in Shariah compliance, Bank Asia's Islamic banking services are now available in the all distribution channels of the bank, i.e. in all Branches, SME Centers, SME/

Agri Branches through online as well as through its dedicated Islamic Windows.

Furthermore, since 2017, Islamic agent banking services have been extended to all districts across the country under the agent banking framework. Islamic investment facilities have also been introduced through agent outlets to achieve the country's goal of financial inclusion.

Key Activities in 2022

Introduction of new products:

- Introducing 06 new Islamic banking products in the system
- Introducing new Islamic logo

Training & Others:

- 46 training programs for officials and agent owners
- Haji pre-registration operation continued
- Conducted in house training for Conventional Officials

Online Islamic Banking:

- Investment: Taka 2.852 Million apart from Islamic windows
- Deposit: Taka 15,144 Million through branches excluding Islamic window

Foreign trade module:

• Introducing separate foreign trade module namely CTSU Islamic

Islamic Agent Banking:

- Agent Banking Deposit : BDT 4,214 million with 214,819 customers
- Financing through Islamic Agent Banking: BDT 51.12 Million
- 3070 outlets covered for Islamic Agent banking

BRANCH OPERATIONS DIVISION

Branch Operations Division has been formed to support the Branch for smooth running of operation and it has some specialized area for rendering functional activities.

New initiatives in 2022

Module Developed

- Module on regulatory reporting. (Coin, Cash position, Mutilated Notes Statement)
- Module to verify Power of Attorney (PA) number
- Generate Account Opening Form from Excel file to open RMG Bulk Account

Account Opening Form (AOF) e-archive

All physical AOF will be archived in PDF format and saved in server which will help to locate the Forms within a minute when require.

Personal Retail Account

A new Retail Banking product under the title 'Personal Retail Account' for Labor oriented micro/floating entrepreneurs, sellers and service providers.

Uniform 'Service Request Form

Prepared and circulated Uniform Service Request Form for ensuring customers' desired service

Policy formulation

Finalized Bank's Fraud Risk Management Policy duly approved by Board of Directors.

Modification in CBS

- Template for TAX Return submission information
- Automated TAX & Solvency Certificate module in iStelar
- Making payment of Pay Order in i-STELAR issued by other Branches of Bank Asia Ltd.
- Early SMS alert service for Inoperative/ Dormant Account.

Tracking of Divisional activities

MIS module is prepared to ensure responsibility through proper record keeping and tracking

Upcoming projects

To make process faster BOD is going to introduce following web based application for:

- Account Opening Approval without NID
- Sanchaypatra operation through Web
- Digital Locker Module
- Module to analyze Cash in Vault Insurance Limit of Branches
- Finalization of Operation Manual review process

Central Account Opening Unit	No of Account
Central Account	7,687
e-KYC	2,159
Omni channel	133
Bulk Account	29,257

Million Tk.

Sanchaypatra	Volume
Sanchaypatra Issue	6,008
commission earned	11
claim payment	5,188

Customers complaint handling

128

GROUP TREASURY OPERATION

Group Treasury in year 2022 played the courageous and strategic role of front line fighter against the macroeconomic shock and negative externalities that hit the market as far as market and liquidity risks are concerned. Country experienced unparalleled imbalance in Balance of Payment mismatch. During the period, Bank's FX, MM and ALM desks contributed significantly in earning as well as risk management capacity through greater co-ordination with business units and uncompromising discipline of ALM in business booking. The market volatility in foreign exchange that erupted from global commodity prices hike and benchmark interest rate (LIBOR, SOFR etc.) increase, caused ceaseless depreciation of local currency and depletion of country foreign currency reserve. Enormous wave of foreign exchange volatility and FCY liquidity shortages hit the banking industry in later half of 2022. Treasury played an important role by identifying and measuring risks in prudent and proactive manner by ensuring strict adherence of ALM discipline in business proposal clearance and side by side managed Bank's NOP to insulate the Bank from market risk. In the process, Treasury used various financial tools for maximizing profit for bank and at the same time upholding the strong CAMELS rating. To accomplish the critical job of maneuvering the banking book and trading book of balance sheet, our group treasury has well-trained officials with sound technical and soft skills to provide treasury solutions to its internal and external customers.

MAJOR RESPONSIBILITIES OF TREASURY WINGS

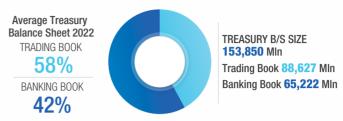
MAGOTT REGIONO DIETTES OF TREASONT WINGS			
MONEY MARKET	FOREIGN EXCHANGE	ASSET LIABILITY MANAGEMENT	
Statutory Compliance & Market intelligence	Monitoring & Planning of Import & Export originated fund flow. NOP (Net Open Position) management.	Balance sheet gap & profitability analysis, ALM indicators management.	
Investment & trading of securities	Quoting Exchange Rates to import, export, and remittance. Advising corporates in Trade Finance Transaction.	Liquidity & Market risk management of banking book. Liaison with business units for balance sheet gap management.	
Short term balance sheet gap management	Interbank trading for risk management.	Deposit-Advance mix analysis for rate fixation.	
Arbitrage business & earnings	Matching & funding of foreign currency transaction.	ALCO paper & different MIS paper preparation.	

FOCAL ACTIVITIES OF TREASURY IN YEAR 2022



TREASURY BUSINESS & BALANCE SHEET SIZE IN 2022

Due to high surplus loanable fund and liquid interbank market, Treasury expanded its trading book almost double of its minimum requirement.



Previous year, Treasury handled balance sheet on an average size for amount BDT 129,300 Mln, however, in 2022, the average size of balance sheet is BDT 151,000 Mln. At year end, Treasury Balance sheet size is BDT 153,850 mln which is One-Third of Bank's balance sheet.

MONEY MARKET & FIXED INCOME

To combat the challenge of excess liquidity and lower credit growth, our money market and fixed income desks were active throughout the year and invested fund in primary & secondary market. Treasury's focus was to utilize the loanable surplus fund and taking exposure in trading portfolio. In year 2022, money market and fixed income desks earned substantial amount of interest income and capital gain which has significant tax benefit for the bank.

ASSET LIABILITY MANAGEMENT

The year 2022 has been a challenging period for bank in ALM contexts. High volume of liquidity, lower expansion of business made our position liquid. But in the middle of the year, commitment position was higher, that is why we had been conservative about clearance of new LCs. Like previous year, this year was also the year of Balance sheet management rather than expansion. Deposit mix is now at solid position with stable footing. Group Treasury acted on proactive basis under ALCO, to address the balance sheet gap and utilized the surplus fund in profitable manner at optimum risk averted fashion. Bank is well compliant in all important ALM indicators such as ADR, LCR, NSFR, Commitment, WBG, MCO etc.

FOREIGN EXCHANGE

From the second half of 2022, country experienced unprecedented volatility in FX market and depreciation. Treasury was able to earn substantial exchange gain by proactively managing exchange position by taking advantage of the business growth of the Bank and the overall economy. At time of volatility, treasury sensibly provided liquidity support to meet up Bank's LC/Non-Funded commitment and also earned substantial exchange gain and supported a large number corporate customers of Bangladesh across wide variety of industries. In the context of such changes, treasury adopted critical strategy and took timely decision to serve the needs of both import and export customers of the bank. Treasury ensured substantial interest income from placement of fund to Inter-bank and OBU, while precisely managing NOP (Net Open Position) at the same time.



INTERNATIONAL DIVISION







Foreign Correspondents 646 in 69 Countries

Foreign Guarantee
USD 190 million

Nostro accounts 31

International trade is an important aspect of the global economy and Bank Asia plays a vital role in facilitating these transactions and supporting businesses engaged in cross-border trade. Bank Asia has an aim to maintain global network reaching every corner of the world for extending all types of foreign exchange services to the customers. Though the year 2022 was a crisis year since the world faced a severe economic adversities specially foreign exchange crunch due to the global corona pandemic, Ukraine-Russia War; international trade particularly import hampered during the last quarter of the year due to foreign exchange crisis across the country.

Foreign Trade

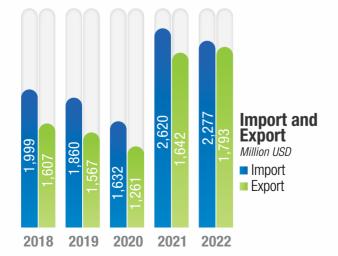
In 2022, Import business of the Bank was USD 2,277 million (equivalent to Tk. 210,588 million) having negative growth of 13%. Total export business of the Bank in 2022 was USD 1,793 million (equivalent to Tk. 171,275 million) with a moderate growth of 9%.

Guarantees

In 2022, Bank Asia has capitalized a large amount of counter-guarantee which is about US\$ 190.00 million against which our guarantee were issued in favor of different Government Authorities, Ministries, Autonomous Bodies, Corporations, Private Companies and Multi-National Companies etc.

Foreign Correspondents

In 2022, Bank Asia correspondent relationship (RMA) stood at 646 across the globe. Our excellent reputation in meeting our commitment and strong financials enabled us in securing Credit lines (both funded and non-funded) from Asian Development Bank, International Finance Corporation (private sector arm of World Bank Group) and other world renowned Banks. In year 2022, we have obtained funded line of US\$ 7.50 million, from Asian Development Bank (ADB) out of their total non-funded limit of US\$ 50.00 million and total limit with IFC (Funded + Non-funded) is US\$ 80 million and we have also obtained a bilateral funded limit of US\$ 25.00 million from Mascot bank, Qatar. Bank Asia is the first bank in Bangladesh to arrange Supplier's Credit with Europe based AKA Bank, Commerzbank AG. Besides, preliminary relationship building with DEG (Deutsche Investitions- und Entwicklungsgesellschaft) known as "German Investment and Development Corporation" and Dutch based renowned development bank FMO (Nederlandse Financierings-Maatschappij voor Ontwikkelingslanden N.V.) known as "Netherlands Development Finance Company" has also been setup.



Nostro Accounts

The Bank currently maintains 31 nostro accounts in major international currencies: US Dollar, Pound Sterling, Swiss Franc, Australian Dollar, Japanese Yen, Chinese RMB, Euro & Dollar accounts under Asian Clearing Union with reputed international banks which ensure effective foreign currency management and timely payment of foreign currency commitments.

SWIFT Operations

Bank Asia has become a member of SWIFT in 2000 to ensure smooth, reliable and secured financial transactions for its retail and corporate customers. Bank Asia has implemented KYC Registry, Security Attestation, Universal Confirmation, RMA Evolation, Mandatory Security Upgradation, GPI and PCS, SWIFT Sanction Screening etc. In year 2022, we have migrated our SWIFT System to ISO20022.

Online Payment Gateway Services Provider (OPGSP)

Freelancers earn foreign currency through service exports in non-physical form such as data entry, data process, offshore IT services, Business Process Outsourcing etc. To meet the banking needs of these freelancers in Bangladesh, Bank Asia has established strategic alliance with PAYONEER Inc. USA. Through its service, freelancers can receive their earnings very quickly and easily. This is the second venture of the bank. In year 2022, we have earned remittance of US \$ 157.44 million through 'Payoneer'.

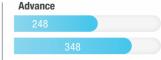
Some major Development Works done by International Division International Division of the bank with the core assistance of ICT Division has done the following automation works which has created the bank's own identity in the industry:

- Bulk Data Process for Bangladesh Bank Online and regulatory monthly reporting.
- Automation of Nostro A/c Reconciliation
- Automation of FEX Business Monitoring
- PRC Automation
- EDF Module upgradation
- Automation of Export Bill Discounting of OBU operations
- Implementation of New Bangladesh Customs Tariff HS Code etc.
- Automation of updated Trade Finance Dash Board
- Automation of Intimation and Notice to branches regarding their overdue liability position etc.
- SWIFT Security attestation, Sanction Screening, GPI, PCR subscribing for payment tracker, upgradation as per International Standard

Offshore Banking Unit (OBU)

Bank Asia has a large offshore banking business with a portfolio of over USD 248 million to meet clients' financing requirements in FCY (Foreign Currency) satisfactorily. The Offshore Banking Unit (OBU) is a separate business unit of the Bank. It provides financing facilities (on and off-balance sheet exposures) as well as takes deposits in freely convertible foreign currencies to and from person/institutions not resident in Bangladesh. Offshore Banking Unit has made a profit of USD 4.62 million in 2022.





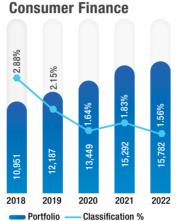
CONSUMER FINANCE



Consumer Finance deals with retail customers and caters Home Loan, Auto Loan, and Personal Loan mostly along with other wide range of retail banking facilities. Consumer Finance plays a vital role in overall portfolio of the Bank. In the backdrop of extensively competitive and demand variable market, Consumer Finance has achieved a notable progress in 2022. Retail Asset Portfolio reached Tk. 15,782 million with classification of 1.56%. Consumer Finance strives to serve individuals all over the country and to achieve sustainable growth with a vision to become one of the market players.



Training session on Consumer Finance



Achievements in 2022

- Loan portfolio reached Tk. 15,782 million in December. 2022
- Classification rate declined to 1.56%
- One of the leading position regarding home loan portfolio among local private commercial banks
- MoU signing with leading developers, universities and auto vendors
- Campaigns on retail asset and liability, Show You Can – 2022 and "The Journey" respectively.
- Ongoing digitization initiative named: "GHORE BOSE RIN NIN" - a complete Online Loan Application Module.

FOREIGN REMITTANCE

Remittance has always been an important sector for the Bank considering it as 2nd largest source of foreign exchange earnings for Bangladesh. Bangladesh received \$ 21.28 billion remittance in 2022, against \$ 22.08 billion in 2021 which is \$ 800 million lower despite of a record number of Bangladeshi labor exported in 2022. There are numerous reasons behind lowering of remittance inflow that included widespread use of "Hundi" due to widening gap in exchange rates in the formal channel and the curb market, Russia-Ukraine war and decreased wages of migrants in GCC countries etc. With a view to encouraging remittance through legal channel, the government has raised the rate of incentives by 0.5 per cent to 2.5 percent from January 2022.

Despite various adversities, Bank Asia worked as a compliant bank following BAFEDA & ABB fixed Exchange Rate policy while collecting the funds from MTOs' for ensuring smooth supply of foreign currencies to the bank.

New Exchange House on boarded in 2022

With a vision of market expansion plan, Bank Asia Ltd. tied up with the following exchange houses in UK, UAE and Malaysia corridor in 2022.

- ACE Money Exchange SDN BHD, Malaysia
- Worthing FX Services Ltd., UK
- KMB International Money Transfer Limited, UK
- GCC Exchange UK Ltd., UK
- Dar Exchange, UAE

Summary Performance

- 57 Exchange Houses (including 2 own overseas exchange houses in USA & UK) operating in 200 countries
- Remittance payment through 6,400 outlets
- Number of beneficiaries: 2.55 million in 2022 against 2.34 million in 2021.
- Market share: 6.59%
- Through agent banking channel we have served around 402,000 number of beneficiaries and disbursed US\$ 222 million.

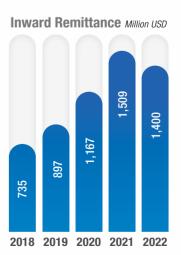


Bank Asia Limited has achieved a "Remittance Award 2022" by the Center for Non Resident Bangladeshis (NRB)

Exchange House

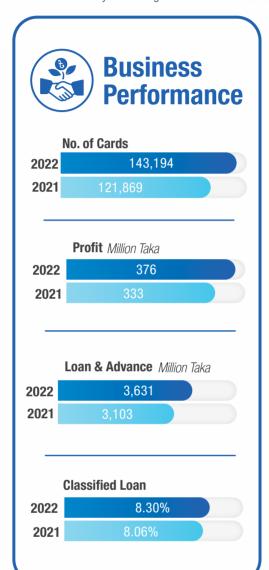
1,400

Remittance



CARDS

Bank Asia's Credit card is very much popular in the industry because of its multifaceted features and benefits, such as cashback rewards, discounts on shopping and dining, access to exclusive events and promotions and many more. Since its inception in 2006, the department has passed many years with success and created a strong position in the competitive market of the country. For a wide spectrum of customers, Bank Asia's Credit Card offers a variety of enticing value-added services and diversified products that helps to become a major revenue generating hub for the bank.



ACTIVITIES IN 2022

'Be My Guest' Campaign "Dine With Nature"

The most successful campaign of this year is "Be My Guest" sales campaign for all branches of Bank Asia where the branches and employees participated to make credit card portfolio large

Eid Special Discount Offer

For making the Eid season more joyous, Bank Asia offers 7% special discount offers on electronics items is given in selected renowned brands RANGS & TRANSCOM ELECTRONICS etc.

0% Interest Easy Buy Partners

To facilitate the customers for purchasing product and payment through installments with 0% interest rate by credit card, Easy buy offer is playing magnificent role for enhancement of the usage of credit card day by day. In 2022, tie up brands with Bank Asia for Easy Buy offer is more than 15 merchant brands.

Buy One Get One Free (BOGO) Offer

To dine with Bank Asia Signature, Platinum & Titanium credit card, Buy One get One free (BOGO) offer is introducing customers at renowned restaurants: Radisson Blu Dhaka, Radisson Blu Chittagong, The Westin Dhaka, Le Meridien Dhaka, Amari Dhaka, Dhaka Regency Hotel, Six Seasons Hotel, Long Beach Suites etc. 03 new merchants added in this year 2022.

US TRADE SHOW 2022

Bank Asia participated in this show successfully to showcase its US origin products like MasterCard and VISA credit/debit card and Payoneer along with other banking products and services

Green PIN

Paperless Card PIN generation, Reset or Change facility anytime from anywhere at his/her convenience

Lounge Facility

Balaka lounge (Bangladesh)

In Abroad

Complementary access to Balaka VIP lounge with a companion for 4 times in a year by using Bank Asia signature Card and 3 times in a year by using Bank Asia Platinum/Titanium cards

Free entry 2 times for Signature Card Holder at Global International Airports





INTERNAL CONTROL & COMPLIANCE

Internal Control System

Internal Control is the process effected by a company's Board of Directors, Management and other personnel, designed to provide reasonable assurance regarding the achievement of objectives in the effectiveness and efficiency of operations, the reliability of financial reporting and compliance with applicable laws, regulations and internal policies. Internal Controls are policies and procedures established and implemented alone, or in concert with other policies or procedure, to manage and control a particular risk or business activity or combination of risks and business activities to which the company is exposed or in which it is engaged.

Internal Control Environment

Effective internal control and compliance system has become essential in order to boost effective risk management practices and to ensure smooth performance of the banking industry. Thus, the internal control system of the bank must be designed in a manner that the compliance with regulatory requirements is recognized in each activity of the bank. Therefore, the Board of Directors of the Bank has established an Audit Committee to monitor the effectiveness of internal control system of the Bank. The Audit Committee meets the senior management periodically to discuss the effectiveness of the internal control system of the Bank and ensure that the management has taken appropriate actions as per the recommendations of the Bangladesh Bank's Inspection Team, External Auditors and the Internal Control and Compliance Division (ICCD).



ICCD of Bank Asia follows the 17 COSO Principles including 5 Components to adhere to its objective. Adoption of this Framework helped ICCD run a flexible, reliable and cost-effective approach of internal control systems to achieve operational, compliance, and reporting objectives.



While carrying out the assigned jobs, the Audit & Inspection Department of ICCD complies the Internal Audit Competency Framework of the Institute of Internal Auditors (IIA), which serves as an effective onboarding tool for the both Audit Team Members and Leaders to continuously upgrade themselves with the evolving changes or skill required.

Structure of Internal Control & Compliance Division

In order to establish the efficient, effective and compliant internal control system in the Bank, Internal Control & Compliance Division segregated its functions into 03 (Three) separate departments:

- Audit & Inspection Department;
- Compliance Department and
- Monitoring Department.

Audit & Inspection Department

Audit & Inspection Department's emphasis on the bank has moved forward from comprehensive transaction testing to risk based prioritized audit areas and proper resource allocation in line with the risk assessment. While focusing on effective risk management and controls, risk-based internal audit of Bank Asia Limited is not only offering suggestions for mitigating current risks but also anticipating areas of potential risks and playing an important role in protecting the bank from various risks

Key Activities of Audit & Inspection Department in 2022:

- Completed the Audit & Inspection tasks of 129 Branches, 05 Islamic Banking Windows and 23 Corporate Office Divisions/Departments including subsidiaries.
- Completed ICT/IS Audit on 27 Branches & Corporate Office Divisions/Departments.
- Conducted Shari`ah Audit on 25 Branches.

- Conducted Special Audit/Inspection on Anti-money Laundering issues of 16 Branches.
- Besides, Internal Control & Compliance Team of Channel Banking conducted Audit/Inspection tasks of 307 Agent Outlets and related 10 different Units/Departments of Agent Banking Division in the year 2022.

Compliance Department

The Compliance Department of ICCD ensures timely and proper compliance (both internal & regulatory) with the relevant laws, regulatory instructions/circulars/guidelines and internal policies and procedures in banking operations. Compliance Department is entrusted to ensure that Bank complies with all regulatory requirements while conducting its business. This Department also ensures adequate and effective oversight on evolving changes in business climate and regulatory requirements.



Key Activities of Compliance Department in 2022:

- Ensured compliance of 129 Branches, 05 Islamic Banking Windows and 23 Corporate Office Divisions/Departments.
- Submitted 117 compliance reports to the Bangladesh Bank against their 28 inspection reports.
- Compliance Tests (On-site & Off-site) were conducted on all 129 Branches & 05 Islamic Banking Windows of the Bank.
- All Compliance Functions have been adequately documented and reported on a timely basis to the appropriate level of Management and the Audit Committee of the Board.

Monitoring Department

The Monitoring Department of ICCD monitors effectiveness of the Bank's internal control system on an ongoing basis through off-site supervision, follow-up on compliances and regularization of deficiencies that are detected through different off-site reports, on-site monitoring, scrutinizing QOR, LDCL, DCFCL, Half-yearly Self-Assessment of Anti-Fraud Internal Controls, Self-Assessment of AML etc.



Key Activities of Monitoring Department in 2022:

- Monitored 129 Branches & 05 Islamic Banking Windows through 341 Off-site Reports.
- On-site Monitoring conducted on 18 Branches.
- Prepared 339 exception reports on Control Tools and communicated with the concerned Branches/Centers/IBWs for due compliance.
- Prepared Bank's Annual Integrated Health Report and duly submitted to Bangladesh Bank.
- All Monitoring Functions have been adequately documented and reported on a timely basis to the appropriate level of Management and the Audit Committee of the Board based on the gravity of the issues.

Evaluation of Effectiveness of Internal Control

The Senior Management Team (SMT) of the Bank reviews the overall effectiveness of the control system of the Bank on a yearly basis and provides feedback to the Board of Directors on the effectiveness of internal control policy, practice and procedure. Internal Auditors conduct comprehensive audit on the internal control system of the Bank. The significant deficiencies identified by internal audit team are reported to the Audit Committee of the Board.



Audit and inspection covers

129 branches
05 IBWs
23 Corporate Office Departments
307 agent outlets



Shariah Audit

25 Branches



ICT/IS Audits

27 Branches and corporate office division/departments



Monitoring

341 off-site reports **339** exception reports

Compliance Test 129 branches

05 IBWs 23 corporate offices





Special Audit on Anti-money Laundering

16 Branches

Outlook for 2023

- Implementation of Audit, Monitoring and Compliance Plan for the year 2023.
- Detection of Irregularities, Malpractice, Fraud-Forgery, Operational Loss/Error (if any).
- Find out the potential threats/risks in Banking.
- Ensure timely submission of all regulatory returns.
- Arrangement of frequent Training/Learning Session on recent reforms for the Officials of ICCD.
- Automation of the Audit, Monitoring and Compliance tasks.

INFORMATION AND COMMUNICATION TECHNOLOGY

Customer satisfaction is always deeply concerned to Bank Asia. For ensuring efficient service to customers, Bank Asia is continuously adopting the next generation market competitive and secured technologies for establishing a robust, faster and uninterrupted service. Technology is evolving based on behavioral changes of human beings in context of day-to-day business activities and life style. Advancements in banking technology are continuing to influence the future of financial services around the world and Bank Asia is setting a goal in-line with the world standard of financial services.

4IR implementation

Bank Asia has undertaken several initiatives to incorporate Fourth Industrial Revolution (4IR) technologies in banking operations. For instance, we have integrated Robotic Process Automation (RPA) for facial recognition and NID verification processes in remittance and account opening procedures. We have implemented a ChatBot to enhance our call center services and also introduced Blockchain and Cloud Computing technologies for our crossborder payment system. These measures have allowed us to streamline our processes and deliver efficient services to our clients.

Open Banking Initiatives

Bank Asia has undertaken the Open Banking initiative to empower our customers with greater control over their finances. This initiative enables them to access a wider range of financial products and services, ultimately leading to a more fulfilling banking experience. Our API Gateway serves providing customers with access to the information and tools they need to manage their finances more efficiently. By embracing Open Banking API's, we strive to promote financial inclusion and revolutionize the banking industry, putting our customers at the forefront of our operations.

Faster Customer Services

Bank Asia has introduced Digital Sonchoy Potro (DSP) system, which will ensure the preservation of digital documents submitted by our customers from branches and digitally deliver to Bangladesh bank web site for further processing the documents and will get DSP slip from this system. We have also incorporated Any Branch Payment Order Encashment Module, which makes faster payments to our customers.

Enhance customer due diligence

Continuously upgrading Anti-Money Laundering (AML) - Risk, Fraud Transactions Monitoring System. This year we have introduced a customer risk grading system to identify high-risk customers of the bank. With this system, bank can generate reports and monitor high and low-risk customers. Bank has also introduced a system-based Suspicious Transactions Reports (STR) module to integrate with reporting system of Bangladesh Bank.

Edge of internal communication

Bank Asia has introduced MyFamily App to facilitate internal communication. This app includes contact details, call log, digital attendance with

geolocation, news feed, products and services, branch profile, blood group of the employees, chat among the colleagues, digital ID card and important circulars of both Internal and Bangladesh Bank.

Cloud readiness and business continuity

Bank Asia has deployed the latest technology "Hyper Converged Infrastructure Solutions (HCI)" for the banking application. This technology can recover in the event of unexpected going offline of the production site. Moreover, recovery technology orchestrates the recovery process with the replication mechanisms, to protect data loss and system downtime

Database Management

Bank Asia has implemented Real Application Cluster (RAC) single node for Core Banking System (CBS) with upgrade database version that allow high availability, significantly improve performance and horizontal scalability of systems, which also meets the regulatory compliance. Database hardening process has done over 20 Years card data that include data masking for ensuring the data security of customers.

Enhance network security to combat cyber attacks

Access control to information assets has been maintained by appropriate Network segmentation. It is a network security technique that divides a network into smaller, distinct sub-networks that enable network teams to compartmentalize the sub-networks and deliver unique security controls and services to each sub-network. Typically, segmentation is done through a combination of firewalls, Virtual Local Area Networks (VLANs). As per PCI-DSS requirements we have successfully segmented our network where only authorized user for specific segments can access to their information, which ensures the extensive access control and network is become more secured and protected from Cyber Attacks.

Layer 3 (network layer) and 4 (transport layer) DDoS attacks rely on extremely high volumes (floods) of data to slow down server performance, consume bandwidth, and eventually degrade performance. We have deployed Anti-DDoS protection appliance at Datacenter to protect L3/L4 volumetric attacks which secured against Cyber Attacks.

Security compliance

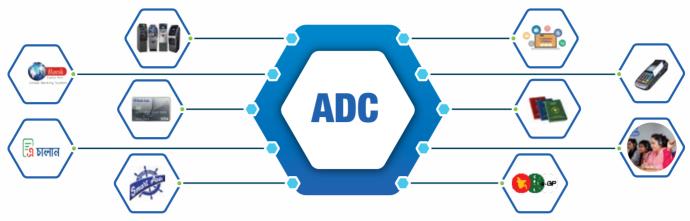
Bank Asia has a deep concern about customer's information security. The most prestigious compliance certification "PCI DSS" has been achieved by Bank Asia complying the requirement as per PCI DSS guideline to protect the card related customer information. To be complied on the world most used compliance guideline in Information security management, Bank Asia trained up 42 persons on ISMS ISO 27001 LA, 43 persons on BCMS ISO 22301 CLIP, 15 persons on PCI DSS Lead Implementer, 24 persons on Certified Security Analysts (CSA).

In 2022, Bank Asia has started to comply the BCMS 22301: 2019 and expected to be certified by end of January 2023 that will be the first ever bank in Bangladesh. Bank has obtained ISO/IEC 27001:2013 recertification for its IT and Cyber security function as recommended by Bangladesh Bank.



PCI DSS Certificate Handover Ceremony

ALTERNATIVE DELIVERY CHANNEL (ADC)



Alternative Delivery Channel is the most effective way to provide financial services without relying on bank branches & agent outlets through using different types of modern technology. Bank Asia has implemented many alternative channels such as ATMs, CDMs, CRM, POS devices, Debit cards, Internet Banking, Mobile App, SMS banking, A-Challan, E-GP Service, E-commerce/E —Banking Solution, E-payment solution, QR and Contact Center Service. Through this channel, bank can get faster access to the competitive market and customers can enjoy instant access to bank's products and services anytime anywhere (24/7).

Online Payment System or E-Payment Solution



Total Number of Transaction **20,260,000**

BDT Amount **12,675** Million (approx.)

Bank Asia has developed the E-Payment solution which verifies and processes with a verity of secured & affordable transaction instruments for Payment of Member/ Student fees of different institutions, residential & industrial different utility bill & payment of renowned insurance company using their respective Bank accounts, over the counter (OTC), debit/credit cards, EFT, etc. on behalf of the Online Banking payment. More than 20.26 million number of transaction amounting taka 12,675 million (approx.) from customers have received through ADC channels.

ATM, CDM & CRM Service



Total ATMs

Shared ATMs 13000+

To have access banking services round the clock, ATM, CDM & CRM are excellent channels. Automated Teller Machine (ATM) & CRM provide banking services to its customers 24X7 in 365 days a year. Through our ATM customers can access, fund transfer, withdrawal, Balance inquiry, mini statement facility etc. Bank Asia has done its 70% of cash through ATM transactions. We have 218 own ATMs, 35 CDMs and 3 CRMs and more than 13,000+ shared ATMs all over the country. Our bank is planning to invest continuously in a bid to increase and widen its ATM network significantly.



Cash Transactions

ATM Transactions **70%**Branch Transactions **30%**

E-Commerce & E-Banking Solution



Total Number of Transaction

15,430,000

BDT Amount **35.046** Million (approx.)

Bank Asia has taken more initiative to expedite the 'e-Commerce' facility for its valued customers where bank plays as payment partner and the bank account holder can shop/purchase online through internet banking, debit card or credit card at a low cost anytime from anywhere. More than 15.43 million number of transactions amounting taka 35,046 million (approx.) has executed successfully through ADC channels.

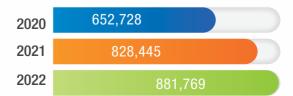
Debit Card

Bank Asia has introduced embedded with smart chip as replacing of magnetic stripe (Magstripe) payment cards to reduce credit card fraud and to protect customers' sensitive financial data. We have introduced MasterCard Platinum Duel Currency Debit Card for our customers.

881,000+ VISA debit cards -

- Issued against Savings and Current accounts facilitating ATM, POS transactions
- Card holders are able to purchase through VISA enabled POS machines (60,000+) in various merchant locations all over Bangladesh.
- Activation and PIN request are automated which reduced debit card issuance time to 2-3 days from 7-9 days
- Saved 450,000 pages and 90,000 courier service delivery charge.

Debit Card



Directors' Report

Internet Banking



Total Number of Internet Banking User **267.872**

Bank Asia's internet banking (My Banking) module is user friendly & secured. Bank Asia's internet banking module allows clients to get a clear state of their financial position and offers a vast banking services like pay bills, change password, balance enquiry, view statement, fund transfer.

EFTN, NPSB, utility bills payment, standing instruction, stop & view cheque status and mobile talk-time recharge facilities for all Telco in Bangladesh. Internet banking employs encryption and firewall to protect transactions and queries through internet. For more security, we already have introduced dual factor authentication (2FA) through OTP for e-transactions. Now the total internet banking users are more than 267.872.

Bank Asia SMART APP

Small App

Total Mobile App User (Bank Asia)

357,557

Total Transaction **1,797,167**

BDT Amount **13,865** Million (approx.)

Bank Asia has introduced a modern and unique banking app named "Bank Asia SMART APP". This app is an integrated internet and mobile banking solution designed to offer customers a wide range of financial services. Smart Banking solution offers vast banking services such as fund transfer, EFTN, NPSB, utility bills payment, standing instruction, stop & view cheque status mobile talk-time recharge etc. Till end of 2022, total mobile app users of Bank Asia is 357,557 which are increasing day by day. More than 1,797,167 number of transactions amounting to taka 13,865 million (approx.) have done through this app.

E-Procurement System



Total Number of Customer

16,498

Total Registered Branch 129

Bank Asia has been providing banking services for e-government procurement (e-GP) through our branches. In the meantime, customers have received around 16,495 services from our bank with their utmost satisfaction.

A-Challan



Total Number of Passport and other challan Payments

229.503

BDT amount **2,719** Million(approx.)

The Government of the People's Republic of Bangladesh has introduced online Banking Payment systems "automated Challan System" to collect different types of payment. For digitalization of this service, Automated Challan System (A-Challan system) has been introduced for online submission of various government service fees.

National Payment Switch Bangladesh (NPSB)



Total Number of Transaction **836.390**

BDT Amount **31,167** Million

The main objective of NPSB is to create a common electronic platform for the switches in Bangladesh. The system is meant to facilitate the expansion of the card-based payments and promote real time payment, Utility Bill payment, DPS installment, credit card payment, loan re-payment, e-commerce / m-commerce and save cost and time. More than 836,390 number of transactions amounting taka 31,167 million (approx.) have done through this NPSB channel.

POS Operation of Bangladesh Post Office (BPO)



Total Number of POS Terminals

17,000+

Bank Asia has signed an MoU with BPO (Bangladesh Post Office) to expedite its business partnership and the main objective is "Strengthen the E-Post office product & different financial services for mass people through POS as part of financial inclusion" and to facilitate POS services as a micro ATM with an affordable cost by Bank Asia. Post E-center for Rural Community Conversion of 500 Upazila Post Offices and 8,000 Rural Post Offices. To rollout the massive number of POS terminals and make those full functional, Bank Asia will configure those POS terminals to serve different types of financial services for the mass community as well as BPO customers.

Contact Center



Contact Number **09617016205**

Short Code **16205**

Customers can get our banking services and queries (24/7) through these numbers. It is also available from abroad and overseas customers. Contact Center system helps us to manage our resources and serves clients in a proper way with greater efficiency that reduces cost and improves the service quality.



Inauguration of Bank Asia CRM and ATM booths in the Jahangirnagar University campus

FINANCIAL INCLUSION & FINANCIAL LITERACY DEPARTMENT



Services Reached

56 district

400 Upazillas



Beneficiaries

3,881,785 people



SSN Beneficiaries

2,903,312 people

Digital Center Agent Banking

The concept of Digital Bangladesh is the brainchild of Bangladesh government aims to introduce a system which enables public services to reach the people instead of the people going to seek services. For this purpose, now Bangladesh Government has launched Union Information and Service Center (UDC) in all 4,501 unions across the country to disseminate information and deliver government services to all citizens. Financial Inclusion Department of Bank Asia is managing their activities in 3,128 unions of 400 upazilas under 56 districts of the country through Digital Center Agent Banking and Social Safety Net payment in collaboration with the Government. The performance is shown bellow:

Indicator	2021	2022
No. Of Digital center	3,224	3,128
No. of Account	3,554,892	3,881,785
Deposit in MIn BDT	12,355	13,701
Loans in Mil BDT	279	602
Remittance in Mln BDT	9,019	7,487

Social Safety Net (SSN)

To collect the allowance a month that the government sends as social safety net allowance (SSN), citizen-beneficiaries have to travel long distances to the nearest state-owned bank branch, spend hours standing in line, sometimes needing to come back the next day. Factoring in the cost of travel and food alone, they spend over 14% of the allowance before they even receive it. a2i, in collaboration with the Ministries of Social Welfare, Finance, and Bangladesh Bank, developed the 'Citizen's Choice Architecture' for digital payments of SSN Programs – such as elderly allowance, allowance for widowed, deserted, and destitute women, allowance for financially-insolvent disabled people. Guided by the 'AlM Principle' (Account + Identity = Mobility), it allows for the disbursement of allowances at accessible cash-out points at the union level (the lowest administrative tier comprising 9 villages), or even at the homes of the elderly or persons with disability.

Citizen-beneficiaries simply walk a short distance to the nearest Digital Centre or agent banking booth, and using biometrics under the supervision of the local entrepreneur or, business correspondent appointed by an agent bank, cash out their allowance from their own full-service bank account that is tied to their unique national ID number.

সমান্তদেবা অধিনফত্তর	Old aged allowances	Disable allowances
	Widow, deserted & destitute women allowances	Stipend for disable allowances
D	Bedye allownaces	Hijra allowances
NAGE VICES	Stipend for Bedye	Stipend for Hijra
NE SER	Community	Community
OF SOCIAL	Lifestyle development of	Lifestyle development of
Or SOCIAL	Unprivileged Community	Tea Worker Community
	Stipend for unprivileged Community	Rohingya Caregiver



Maternity & Lactating Mother allowances

Vulnerable Group Development (VGD) Program



National Payment Service Program

MOU with BRDB:

Bangladesh Rural Development Board (BRDB) under the Department of Rural Development and Cooperatives of the Ministry of Local Government, Rural Development and Cooperatives to support the government's poverty alleviation efforts through creation of sustainable employment in agriculture and non-agriculture sectors, 220 upazilas of 48 districts of 08 divisions of the country "Rural Livelihood Project- 3rd Phase" is included in the annual development program of the government. Bank Asia Limited expressed its interest in disbursing the rural livelihood program 3rd phase loan program under 'Bangladesh Rural Development Board' to genuine beneficiaries through banking channels and in continuation of this a MoU was signed with BRDB on 11th April 2022.

Micro Merchant App

Bank Asia Limited has come up with a Mobile App based banking solution called "Micro Merchant", where retailer, FMCG distributors can serve banking customer using mobile phone on behalf of Bank Asia. In 2022 Micro Merchant banking App has achieved the 'Project Management Excellent Award 2022'



On-boarding **56,500**⁺ Micro Merchant

Total Transaction **7.49** Million

BDT **12,366** Million

Our Micro Merchant Banking system will be the first community-based Banking solution where people can get Banking services from their community/locality.

Bank Asia has been running a network of 56,500+ Micro Merchant throughout urban and rural areas of Bangladesh. Till now it (Micro Merchant) has made 7,491,243 number of transactions & the value of transaction is Tk. 12,366 million.



Bank Asia has achieved Project Management Excellence Award -2022 for Micro Merchant Banking

AGENT BANKING



Bangladesh has been experiencing rapid financial inclusion in sync with faster adoption of digital technology. The central bank of Bangladesh is statutorily mandated to support attainment of the country's developmental aspirations along with maintaining price and financial stability. Despite a lot of initiatives taken in the meantime, a large number of people in Bangladesh are still far from being granted access to basic financial services, making financial inclusion development an essential project in the country. Since inception agent banking proved to be an effective model to expand the reach of financial services to rural communities. Bank Asia being the pioneer for agent banking in Bangladesh has completed 9 years of financial inclusion journey. As demand rose for financing the growing rural economy, agent outlets bridged a critical gap.

Out of total 5,414 agent outlets of Bank Asia, 91% outlets are located in rural areas. Hence this wide coverage of agent banking in rural areas provides positive indication of upholding the agenda of promoting financial inclusion. Bank Asia's agent outlets grew by 5 times over the past 6 years and it added around 5.54 million customers during the same period. This increase in number of agents and outlets ensures not only formal financial services for the rural people but also employment opportunity for them in a new dimension. Agents are deploying skilled and semi-skilled human resources in their outlets contributing job creation and scaling up financial activities in the rural area. The bank already disbursed total loan of more than BDT 1,090 crore till now to customers through Agent Bank, 96% of which is in rural domain of the country. Bank Asia, alone represents more than 41% of total female customers in Agent Banking industry. To solve financial inclusion challenge, Bank serves more than 2.6 million social safety net (SSN) beneficiaries in the nook and corner of the country. Bank Asia partnered with a2i(Aspire to Innovate) to expand its agent network through Union Digital Centre (UDC) and with Bangladesh Post Office (BPO)to expand the channel through post e-centers across the country.

Bank Asia in these past 8 years initiated a number of first of its kind services through this channel, got engaged with a remarkable number of national and international partners who believed in Bank Asia for implementing innovative yet effective approaches, developing process that may benefit the country in the larger scale. We devoted our innovations to touch the last mile customer, ensure customer security while delivering services and benefit to the customer at its best.

Remittance transfer through agent banks skyrockets:

Agent banking outlets are emerging as a major channel for the distribution of remittance among families of migrant workers. And the easier accessibility motivates the wage earners to channelize money in a more formal way. Therefore the service impacts the industry positively in terms of money mobilization and inclusion of money into national economics. A huge milestone has been achieved by bringing BDT 1,149,173.78 million remittances over the years by all agent banking service providers. It is the combined effort from banks, exchange houses, remittance companies, agents, service officers and regulatory authorities as well. Remittance disbursement through Bank Asia Agent Banking till now is Taka 116,345.31 million. As per market share Bank Asia is the third to distribute remittance through agent banking outlets where 93% of the disbursements are from rural locations.

The growing footprint of women in Agent Banking sector:

Agent Banking model has expanded quickly among women. It's structure often benefits women where social norms restrict women's mobility to travel to banks or where women's ability to interact with individuals of the opposite sex in public places is limited. For financial inclusion to have an impact on women's economic empowerment, livelihoods and broader welfare effects, these social norms need to be taken into account and acted upon.

Over the year Bank Asia Agent Banking served 5.54 million customers of which 92% are stationed in rural periphery. Where gender parity has been the mostly pronounced issue to be resolved, Bank Asia Agent Banking took a good lead by ensuring 62% women customer. Bank Asia Agent Banking alone holds 43% share of agent banking industry's female customer. On the other hand, it has been promoting entrepreneurship where the young pools are getting motivated to take the business as their profession and being socially more acceptable. In our approach to gender equity in financial inclusion, we have been trying to identify the challenges and opportunities that stand in the way of women's financial inclusion and economic empowerment supported by the renowned Bill & Melinda Gates Foundation. Under the intervention, Bank Asia launched country's first ever Women ATM preferred for women customer and has a plan to establish 10 ATMs countrywide to encourage digital transaction and comfortable financial access channel for women customer.

Financial Literacy improves financial management:

Financial literacy is the ability to understand and effectively use various financial skills, including personal financial management, budgeting, and investing. Financial literacy improves ability to make better financial decisions, teaches effective management of money and debt.

Bank Asia started financial inclusion journey back in 2014 to support unbanked and undeserved population with banking services at their doorstep. And the necessity of financial literacy became vital to onboard customer with better financial management and skills. Bank Asia and UNDP cocreated a financial literacy curriculum in 2016 for creating awareness through the social safety net customers. Therefore, following the policy as set by regulated bank, we have kept continuing these literacy drive in partnership with a number of strategic partners as a2i. Swisscontact, USAID AVC, USAID AESA project, USAID ACDI VOCA-RDC project, DFID Challenge Fund, BRAC, WorldFish for different segments of the country. For empowering women through their financial stability and improving financial management, Bank Asia currently has been facilitating financial literacy for the women customers and entrepreneurs in the nook and corner of the country powered by Bill and Melinda gates Foundation. Through a number of 2,100 number of financial literacy events, more than 100,000 customers have received financial literacy under Bank Asia Agent network. We believe that through knowledge and discipline, financial peace is possible for all of us.



Customer authentication for transactions at an Agent Outlet of Bank Asia

CASE 1

Digital Banking Dignified Farmer

Transactions of bank loan using Fish Card and making necessary payment for output purchase was fresh experience for Sanaul of Satkhira. The 41-old fish cultivator hailed from Jordia Fingri in Sadar Upazila able to spend money properly and enjoyed a digital record of the loan.

Allocation of loan and lending process in a digital manner and transaction of the amount using Fish Card seemed very interesting, being delighted he informed that he received Tk.50,000/- as loan for cultivating fish in 10 Bighas of water-bodies. Earlier, the allocation was Tk.40,000/- which he re-paid by the due date. Sanaul continued with that he started fish farming eight years back by investing Tk.2.00 lakh, part of which from local money lenders with high interest. Fish farming required huge investment and farmers often had to take money from Mahajan, money lenders or purchase inputs from local businessman in debt. The high interest loans eat up most of the revenue that poor farmer earns.



The middle-aged farmer explored an option when Bank Asia in support of the WorldFish Bangladesh started supporting smallholder and marginal farmers with flexible terms and low interest rate in the area. He captures the insights of the loan through financial literacy under the program. Sanaul said- Bank Asia loan helped developing his fish farm and created a positive impact on his financial condition. He already started operating a medicine shop alongside his fish farm.

CASE 2

U May Pro Marma: Papaya Cultivator in Thanchi

Dotted papaya trees from top to slope turned the hill green and colored life of U May Pro, a young women in remote Thanchi Upazila of Banderban District. Dressed in red tops with pinkish cloths draped round waist the 35-year-old farmer glances back couple of waning years that the turn of her farming from tradition to modern methods with banking support.

She was a client of local branch in state-run Bank a couple of years ago and often did mobile transaction, but switched to Bank Asia a year ago. Bank Asia gave her an agricultural loan for papaya cultivation on the slope of the hill. This loan help boosting her production. Earlier, she had been cultivating cashew nuts but shifted to the papaya cultivation considering convenience of production, profitability and environmental factors.

Now everyday she sells papaya of Tk.10,000 and her monthly profit is Tk.18,000 to lead her family peacefully and ensuring solvent life. "This cultivation and earning contributed to brighten my image in the community and gave solvency in my family", U May Pro asserted.

Like the Marma lady U May Pro Bank Asia has been supporting various kinds of loan to women in different parts of the country with a view to promote their life, develop entrepreneurship and thus ensure their empowerment in the society.

PAYMENT SERVICE DEPARTMENT (PSD)



Daily Average Transactions No. 54,513, BDT 8.48 Billion Growth 10%

Bank Asia takes pride being one of the leading banks in Bangladesh that offer all types of banking Payment Services: BACPS, BEFTN and RTGS, from any of its units including Branches, Sub-branches, Agent points, SME, Islamic banking and Credit Card Department. This is the result of PSD's relentless efforts towards new developments and process re-engineering.

Decentralized Outward and Centralized Inward model in all units is a key-feature of PSD operation. PSD always works as a team to ensure all Inter-bank payment and settlements are secured, smooth, fast and reliable to all customers.

KEY ACHIEVEMENTS IN 2022

RTGS FC

02 (USD and EURO) Foreign Currency (FC) transactions are now allowed to and from local banks which are the latest additions by Bangladesh Bank and Bank Asia started from Day 1.

RTGS iVAS

This is an ongoing project. After integration iVAS (integrated VAT Administration System) all Bank Asia customers will be able to pay VAT through Net-Banking via RTGS.

Sub-Branch

System Integration of Sub-Branch for BACH, EFT, MICR and RTGS unit completed, ensuring delivery of cheque book to the Sub-Branches.



TRAINING & DEVELOPMENT

- 03 special training in 03 city Corporation with Bangladesh Bank officials for more than hundred employees of Bank Asia.
- All BB & Internal Circulars are available in archive.

STRATEGIC PLANNING FOR 2023

- Attract customers towards BEFTN & RTGS through increased visibility at branches.
- Continue arranging trainings & workshops to build awareness and enhance knowledge base.
- Enhance Compliance through Automation.

Functional OrganogramBACPS

Daily Average Transactions

No. 6,274, BDT 459 Crore

PSD is involved with BACPS operation. Accuracy of work is reflected in our transactions as PSD received 30% less complaint in 2022 compared to our complaint against other banks. Several system related updates introduced for improving resiliency and dependency. Sub- branches are now under BACH operation.





BEFTN

Daily Average Transactions

No. 46,450, BDT 112 Crore

EFT is popular for small and bulk transactions that is growing rapidly. Individual account holders are also enjoying BEFTN facility through branches, sub-branches, agent points, net-banking and Smart App. PSD channelized over 17 thousand foreign remittance, 10 thousand Dividends warrants and 8.19 lac Safety net payments on a single day.





RTGS

Daily Average Transactions

No. 1,788, BDT 276 Crore

All branches, Islamic wings and Agent Banking can receive and originate RTGS which is very much safe and secured for its dual authentication system and matching with its CBS. RTGS has gained popularity among the customers for its fastest nature of transfer mode. It also supports Govt. to collect VAT, Tax, and Customs Payment etc. on same day.





MICR

Over 40,000+ leaves delivered Daily

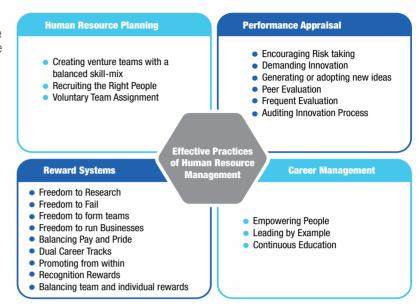
An array of diversified MICR instruments are Introduced for smooth transactions. Issued instruments are SB & CD cheques, MSA, AWC & MSND for Islamic Wings, SB & CD cheques for Agent banking, Payment Orders, three types of card cheques. FC DD and FC Cheque for AD branches and OBU unit are being delivered by PSD.



HUMAN RESOURCES DIVISION (HRD)

Human Resources Division (HRD) plays the role of nucleus of Bank Asia Limited. Being the strategic partner of the Bank the scope of work of HRD is not just to manage the administrative functions but also to work effectively considering the interest of the employees of the Bank. It builds the bridge between employer expectations and employee needs. HRD always works to improve the quality of work life by creating and implementing new programs and policies which affect all aspects of the business positively. As we support employees and employees are the most important resource of our organization.

HRD of Bank Asia is working relentlessly to promote innovation, cultural diversity and a congenial working environment to stimulate organizational sustainability. HRD is committed to ensure corporate values such as togetherness, mutual respect, integrity etc. in order to ensure the best possible environment for all of its employees for their career growth and organizational development. HRD focuses on building capabilities using employee management and set



strategies in alignment with organizational goals for aiming to create Bank Asia as a "preferred employer of the choice".

Based on mentioned systemic perspective, HRD provides Bank Asia Limited with complementary, diverse and innovative competencies which will be developed by stimulating sustainable individual behavior. HRD persuades employees to move forward to establish corporate values in terms of Customer Centricity, Quality, Responsible Citizenship, Building the Leadership. HRD is committed in creating a conducive working environment with equitable and competitive terms and conditions of service and required resources. The Bank promotes a culture of trust, development and best use of our human talent and resource.

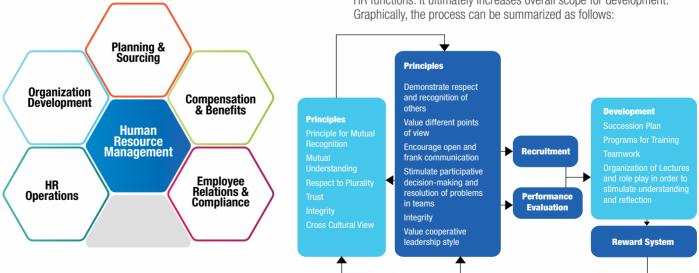
Bank Asia firmly believes that long term profit and sustainable growth can only be ensured with the proper induction and retention of the talents. In this context, HRD ensures, "Right Person in Right Position in Right Time in Right Number" so that the tagline of Bank Asia Limited "For a Better Tomorrow" can be achieved.

Functions

HRD follows an employee oriented approach in its day to day operations in alignment with corporate mission and vision of the Bank. The key functional areas of the Division are depicted in the following diagram:

Strategic Focus

HRD goes further and pursues a strategic and coherent approach in managing human resources. In particular, HRD has established well defined principles and based on those, some competencies are being cultivated in our employees that are incorporated with regular HR functions. It ultimately increases overall scope for development. Graphically, the process can be summarized as follows:



Directors' Report

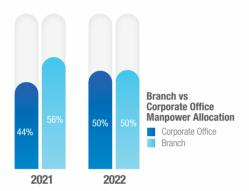
HUMAN RESOURCES DIVISION (HRD)

Employment

HRD is responsible for facilitating the overall goals of the organization through effective administration of human capital — focusing on employees as the company's most important asset. Recruitment is the first step in building an organization's human capital. At a high level, the goals are to locate and hire the best candidates, on time and within budget. Bank Asia generally conducts two types of recruitment. One is fresh recruitment and another is lateral/experienced recruitment. For the fresh hiring, Bank Asia generally engages highly illustrious consultancy firms/ institutions to conduct the assessment professionally. To recruit proven bankers as lateral entrants, Bank Asia forms customized committees to identify the potential candidate for the Bank.

Employee distribution in Branch & Corporate Office

We have about 13.54% growth in number of employees from 2,547 in 2021 to 2,865 in 2022.

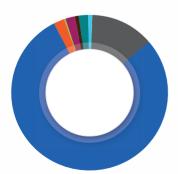


Recruitment

In the year 2022, a total of 420 employees were recruited to strengthen the human capital of Bank Asia. The new workforce has supported the continuous expansion of the Bank's activities creating continuous competitive working strength.

Regional distribution of Employees

Employees of Bank Asia Limited are deployed all over the country depending on the business potentiality as well as banking service scarcity. High concentration has been given to Dhaka and Chattagram districts as both the regions are considered as major business areas where the services are still not fully available. Other regions were also given due importance and new workforces were deployed based on needs.



Division wise Manpower

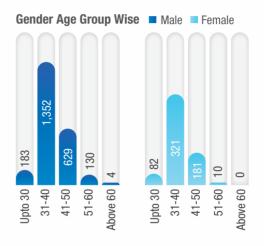
Dhaka **79.05%**Khulna **2.01%**Mymensingh **0.31%**Rajshahi **2.11%**Rangpur **0.73%**Sylhet **2.11%**Barisal **0.69%**Chittagong **13.00%**

Gender Distribution by position

In a total of 2,892 employees, overall male to female ratio stands at 79:21 with non-executive segment having the highest concentration of female employees.

Age Distribution

Bank Asia has a relatively younger segment in its overall employee pool where 58% of the employees fall in 30-40 years age bracket.



Performance Management

To facilitate the career growth of its employees, Bank Asia emphasizes the fair evaluation of their performance and endeavors. As it is known, unbiased performance evaluation culture plays a critical role in creating a sustainable workforce while also supporting the Bank's HR hierarchy. Bank Asia has established a SMART KPI to evaluate the contribution of all individuals in a transparent manner to assess quantitative and/or qualitative performance vis-à-vis setting a target for the given year.

Employee Welfare

If an Organization has to continue its efforts toward the accomplishment of its predesigned goals, employee performance is a crucial prerequisite. As such, an organization's potential to succeed is limited by the degree of its successful management of employee welfare resulting in employee motivation. Employees who are properly motivated are happier, more effective and tend to remain with the organization longer.

Human Resource Division of Bank Asia is always very keen to ensure employee welfare and motivation. Employees are an important part of the process in Bank Asia to create value for all of its stakeholders. They are also a critical factor in enabling the Bank to achieve its goals. HRD of Bank Asia is committed to providing compensation and welfare that is fair and sufficient enough to provide a solid sense of security for the employees of the Bank. HRD also encourages occupational health and safety in the workplace and strives to ensure fair and equitable treatment of all employees. Furthermore, HRD nurtures a knowledge and competency based competitive culture in the Bank in order to facilitate all employees of the Bank to work at their full potential. Ensuring proper welfare for employees strengthens both their loyalty and level of engagement towards the Bank throughout their career, which is the foundation in the path towards sustainable growth.

Bank Asia Institute for Training & Development

BAITD has been contributing to the bank by developing a skilled, devoted, ethical and motivated human resource pool through training. Apart from that, BAITD is committed to facilitate all the employee's development of job related competencies. In 2022, BAITD has conducted various physical and virtual training programs with a head count of up to 2624 employees. For the year 2023, BAITD is planning to conduct around 100 physical training programs where up to 60% of the employees of Bank Asia will be developed throughout these courses. BAITD also diversified the courses as per the requirement of different divisions/departments and gave due weightage on the courses of Risk Management.

In 2023, BAITD will enhance training programs in both quantitative & qualitative ways. BAITD will conduct various training programs which will assist the employees to function more effectively in their present position by introducing them to the latest concepts, information and techniques as well as imparting valuable skills in their required field

ACCOUNTS DEPARTMENT

Accounts Department carries out the responsibility of ensuring accountability, transparency and effectiveness of every penny of the Bank through automated and compliant accounting service.

Accounts Department ensures:

- Proper accounting and reconciliation of every transaction of the Bank.
- Three Es (Effectiveness, Efficiency and Economy) in every amount expensed by the Bank.
- Accounting services with accuracy
- Delivery services at minimum Turnaround Time (TAT)
- Meticulous compliance with all Regulatory and Internal policies/ procedures
- Digitalization and automation of service.

KeyHighlights

• Bills Processed: 17,277 (Nos)

Cost Savings: BDT 3.39 mln

Imprest Fund Management

· Branch Grading for setting

Issued VAT/Tax Deduction

Financial Delegation

Certificate: 554 (Nos)

Financial Control

Pre-Audit:

Payment Disbursement and Book-keeping

- No of Bills/Vouchers Payment: 17,277 (Nos)
- No of Transactions: 69,202 (Nos)
- Voucher Maintenance

Payment Processing



External Report:

- Weekly Reports: 54 (Nos)
- Monhtly Reports: 104 (Nos)
- Quarterly/Yearly Reports: 28 (Nos Internal Report:
- Monthly OPEX Report
- Profit Forecast
- Reconciliation of Monthly Profit Movement

Regulatory Reporting & MIS



Reconciliation and

Reconciliation Statements

Letters issued to Branches/

Divisions regarding different

GL Monitoring Through Email to

Branches/Divisions: 1,200 (Nos)

issues: 650 (Nos)

Prepared: 12 (BB LCY Accounts

and 44 Accounts with other Banks)

- Suspense Control
- ID Approved: 1,279 UsersRights Modified: 10,483 Times
- Rights Deputized: 1,102 Users
- Limit Enhanced: 1,820 IDs
- Account Title Modified: 1,824(Nos)
- Performed Branch Support: 16,526 (Nos)

User Access Control



New GL Created: 172 (Nos)

GL Lock/Unlock: 657 (Nos)

OPEX monitoring:

- Yearly and Half Yearly Balance Confirmation
- Closing Certificate of Books of Accounts

GL & TB Monitoring and Controlling Chart of Accounts



Quarterly/Half Yearly/ Yearly Fixed Asset Schedule Management

- Update Fixed Assets Module for Corporate Office
- Review and Reconciliation of Fixed Assets Module
- Monitoring Depreciation/ Amortization of Fixed Assets

Fixed Asset Management



Process Automation and Digitization

- Automated Regulatory Reports
- Update of Scholarship Database
 Developed Automated
- Developed Automated Reconciliation Report
- Daily Email Automation for Reverse GL Balance
 Paperless Payment Processing System
- Automation &

Digitization



Month-Closing Activities:

- Issued Instruction Circulars and Checklist for Month Closing
- Issued Year Closing Preparation Circular
- Issued Instruction Circular for fixed Asset Physical Counting
- Provided closing related support to the Branches and Corporate Office

Month Closing Activity



Guiding Proper Accounting Entry to the Branches/IWs/SME Centers;

Accounting Procedure for:

- Developed Accounting procedure for Surjo Pay, ACI Bill Collection, DPDC and DESCO, University Fee Collection Module and TAB Accounting Process;
- Developed Accounting for Cattle Market POS Transaction, Fund Transfer From BKASH TO BANK and Fund Transfer From Bank TO BKASH;
- Developed Accounting for Post-Paid REB Bill Collection, Sandhani Life Insurance and Fund Transfer From Rocket to Bank Account and VICE VERSA;

Accounting Process Development



RESEARCH & STRATEGY

To guide Bank Asia management with an unbiased, scientifically-based, and objective view of the market, to explore new avenues of businesses, and to improve existing businesses and modus operandi, the Research and Strategy Division (R&SD) was formed on Oct'15 with some of the most seasoned banking industry research specialists. R&SD reports focused on stating the market scenario, competition banks' performance, performance diagnosis of Bank Asia vis-a-vis competition, and finally strategies/tactics to overcome the bottlenecks to attain business budgets and the bank's strategic objectives. Some major research projects conducted in 2022

SL	Project Name
1	Revision of Topline Organogram of Bank Asia Limited
2	Bank Asia Organogram Comparison: Current Practice Vs Board Approved
3	District Office Concept Note for Agent Banking
4	District wise Manpower Rationalization based on existing business and future business scope
5	Market Potentiality of Branch and Agent Banking
6	Branch/Outlet Feasibility Study
7	Strategy Paper on Agent Banking

In order to be more market aligned to capture the business scope and ensure good governance and compliance, Bank Asia management and the Board felt the need to revise the organizational structure. In this regard, R&SD initially conducted comparison studies to figure out in which aspects revisions are required and proposed an organogram which was accepted and implemented by the management and the board.

Bank Asia has been the torchbearer of agent banking since its inception. To ensure better control and monitoring, a higher focus on asset business, better efficiency, and lower turn-around time, and quick and hassle free service, R&SD sketched "District Model". The model was implemented throughout all 64 districts. Based on the existing and future business scope, R&SD proposed manpower restructuring for each district. As per the suggestions of R&SD, manpower rationalization was carried out by the management.

The objective of conducting market potentiality study was to explore the maximum business opportunity of the respective channels by utilizing command area wise competition business performance. This study helped the Group Finance Division to prepare budget for the year 2023.

Similar to previous year, R&SD visited different locations to find out business opportunities and barriers, helping the top management make informed decisions to establish branches in the most feasible areas.

The strategy paper on agent banking outlined competition vis-à-vis Bank Asia performance, SWOT analysis, and strategies to increase business focus, Re-design departmental responsibilities and Rationalize Sales-related HR, Improving staff performance, restructuring, and implementing regional structure to boost business

LOGISTICS AND SUPPORT SERVICES

Logistics support is the vital functional area of the Bank which builds necessary infrastructure and provides essential establishment to effectively operate the Bank in order to achieve the goal. In a banking business environment, integrated logistics support services is a management function that provides planning, design and support of business operation of infrastructure development, procurement, inventory, warehousing, distribution, transportation, customer support etc.

In 2022, the LSSD team successfully accomplished few big challenges of which important ones are highlighted below:

- Bank Asia opened up 06 (six) new Branch, 07 (seven) new Sub-branch and 22 (twenty two) new ATM booths at different places of the country.
- Implementation of Automation software for "Procurement, Supply Chain and Fixed Assets Management System" LSSD of Bank Asia Limited.
- Remodeling of Iswardi Branch (Renovation, interior decoration and furniture/fixture).
- Relocation of Feni Branch and Matarbari Branch (Interior decoration and furniture/fixture).
- Successfully completed interior decoration and fit-out work of Agent Banking operation Hub at Bank Asia Bhaban, Chattogram and Nimtola Cluster Hub, Munshigonj.

AML & CFT

Financial access facilities day to day living and helps families and business plan for everything from long-term goals to unexpected emergencies. This digital shift was a blessing for banking industries and their customers who were limited in their ability to have face-to-face interactions, but it also piqued the interest of fraudsters, money launderers and other cybercriminals looking to take advantage of the digital influx. Banks are instituting anti-money laundering (AML) and know your customer (KYC) procedures in response, but the rapid changes of financial market requires continuous update of procedures.

Banking sector is one of the most vulnerable sectors for the Money Laundering (ML), Terrorist Financing (TF) & Proliferation Financing (PF) among the financial sectors due to its indigenous nature of business, customer base, product type, delivery channel, external linkage and ownership. Banks can play a vital role in preventing ML, TF & PF and in this regard their roles and responsibilities are defined in MLP Act 2012 (amendment 2015), ATA, 2009 (amendment 2012 & 2013) and MLP rules, 2019 and instructions issued under this legal framework by BFIU. To prevent ML, TF & PF and to ensure the implementation of required provisions of Acts, Rules and directives of BFIU, Bank Asia has developed & maintained an effective AML, CFT & CPF compliance program to ensure the compliance level up to the mark of Regulatory Authority's acceptable level.

Bank Asia Limited is extending their off-site/on-site supervision on AML & CFT issues. The goal of this activities is that Bank Asia can be rated at the highest level on AML & CFT issues. In line of the above, Bank Asia Limited included the following activities with the existing to mitigate Money Laundering, Terrorist Financing and Proliferation Financing:





IT & Automation

AML & CFT Division developed software 'Risk, Fraud & Transaction Monitoring Platform' for monitoring the millions of transactions automatically that helps to generate alert for suspicious transactions.

Implementation of uniform template for price verification of importable and exportable goods

AML & CFT Division implemented uniform template for price verification of importable and exportable goods for preventing under invoicing/over invoicing.

Alert Management for transaction Monitoring

Different types of alert like high value, Dormant Account transaction & cash transaction alert implemented in the core banking system for monitoring the suspicious transactions of the customers.

Reporting of STR/SAR to regulatory body in XML format

AML & CFT Division introduces reporting of STR/SAR to regulatory body in XML format instead of Web based format

Improvement of AML rating

AML & CFT Division enhances their monitoring activities over the branches, SME Service centers and Islamic Windows for getting AML rating at the highest level. The reflection of the monitoring system is the development of compliance culture among all the officials of Bank Asia Limited.

Training & Development

AML & CFT Division arranged vigorous & intensive training program on AML & CFT issues physically/digitally throughout the year. About 4,506 participants (officials of the Bank), AROs (contractual employee), Agent owner and CSOs of Agent attended in these training program.

Regulatory Relationship

Bank Asia-Board & Management always been keen to maintain a good relationship to all its regulatory and stakeholders (CIC, ACC, NBR, CID, Customs Bond Commissionerate Office and so on). With last two decades' expertise it been deepening and accelerating the relationship by new technology, innovation & development.

SPECIAL ASSETS MANAGEMENT

Maintenance of quality assets is one of our core business. In this regard, SAMD at Bank Asia works in close collaboration with the divisions and branches to achieve the best results and outputs. The SAMD of Bank Asia is aggressive and relentless in its pursuit of willful defaulters and deliberate malfeasants, however, it is sensitive and responsive in addressing legitimate challenges as well. SAMD brings delinquent accounts to the negotiation table, enhancing the possibilities of settlement. As part of its NPL management role, SAMD plays a pivotal role in releasing classified/written-off funds to the bank, as well as releasing interest suspense and unpaid interest. SAMD's persistent efforts over the years have enabled the bank to significantly lower its NPL ratio while also ensuring that any recoveries from classified or written-off accounts considerably enhance the bank's profits. SAMD has performed remarkably well with total cash recovery of Tk. 3,431 million in 2022 having growth of 83% over last year. Out of which recovery of Tk. 2,410 million from CL, Tk. 347 million from write-off and Tk. 674 million from stressed loan.

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Major activities in 2022

- Physical visits covering 123 Branches and 550 accounts.
- Dividing 123 Branches in Nine Zones and creating monitoring teams for effective recovery.
- SAMD has published Quarterly newsletters focusing on current hurdles, strategies and achievements of the division.
- Communication group has created for day to day flawless correspondence with Branches.
- Prompt, prudent, effective and efficient decision by the SAMD Division during customer meetings/negotiations.
- Strengthen correspondence with defaulters and their guarantors resulting in successful settlement.
- During 2022, relationship management with re-building customer (defaulter and guarantors) became the main focus for recovery
- "Out of Court" auction (85% of 2022) during pendency of suits.
- Filed and follow up NI Act cases in different districts to create extra pressure on defaulters.
- Cross training development and empowerment of Branch and SAMD team members.
- Accountability for SAMD staff performance through professional KPI reflections.

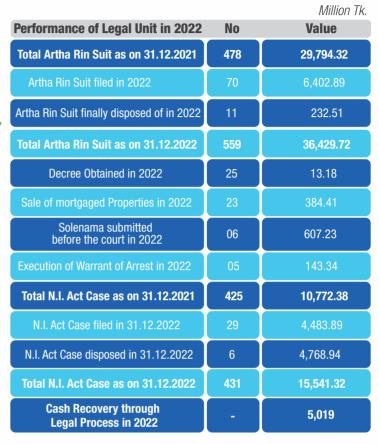


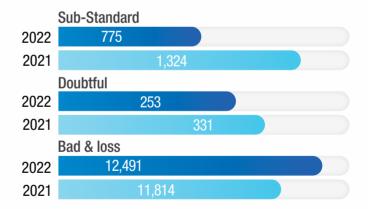
Cash Recovery against

Classified Loans Tk. **2,410** Million

Written off Loan Tk. **347** Million

Stressed Loan Tk. **674** Million





Strategies for NPL Management & Recovery Process

- Robust NPL supervision, follow-up, and monitoring, ensuring rescheduled and restructured loan accounts by applying on-site and off-site basis. In every NPL prone branch, a recovery unit must be formed and a weekly feedback to be taken by SAMD.
- Proper monitoring, follow up and supervision in pre-classification stage should be ensured by C&LL, EFD, ME, CMSE, CRM and other concerned departments.
- Human resources in SAMD should be allocated properly and optimum utilization should be ensured
- Appropriate legal action to be initiated.
- Achievement of loan recovery Budget by the concerned Business Units as set by the Board.
- An emphasis is placed on the Legal Team and the involvement of a law firm with strong/expert credentials.

CAPITAL STRENGTHENING

Bank Asia is always keen to maintain sufficient capital base against performing business to support healthy growth of business and ensure compliance with the Basel III capital accord in line with Bangladesh Bank roadmap. Bank's CRAR (Capital to Risk weighted Asset Ratio) reached to 17.70% as on December 31, 2022 against required 12.50% (including buffer@2.50%).

7 Years Floating Rate Non-Convertible Subordinated Bond3 and Bond4 of each Tk. 5,000 million

To support healthy business growth and ensure compliance with the Basel III capital accord in line with Bangladesh Bank Roadmap Bank

Asia has completed another two Subordinated Bonds each of Tk. 5,000 million as Tier-2 capital in April 2017 and November, 2019.

Coupon Bearing Conditional Convertible Perpetual Bond of Tk. 5.000.00 million of Bank Asia

To bring the good business growth and ensure compliance with the Basel III capital accord in line with Bangladesh Bank Roadmap Bank Asia has also taken decision for issuing perpetual bond of Tk. 5,000 million out of which Tk. 4,500 million under private placement and Tk. 500 million under public offer. In this regard, Bank Asia has raised fund of Tk.3,340 million under private placement. This capital will be added to bank's Tier-1 capital.

RISK BASED CAPITAL ADEQUACY

The Bank has formed a strong capital base by way of various capital enhancement initiatives with a view to promote more integrated management of market and counter party credit risk and also operational risks. As per Pillar-3 revised RBCA (Risk Based Capital Adequacy) guidelines of Bangladesh Bank, all scheduled banks have to publish their capital adequacy disclosure framework for market participants i.e. stakeholders as a key information about the bank's Minimum Capital Requirement (MCR) under pillar I of Basel III and exposure to various risks related to capital adequacy to meet probable loss of assets. Details of required disclosures both in qualitative and quantitative form are laid out in a separate segment under page no 172-193

CORPORATE GOVERNANCE

Corporate governance refers to the ideal mechanism of ensuring a firm's accountability to its various stakeholders through a system of internal controls and procedures that are implemented to maintain accountability throughout its life cycle. According to the rules and regulations of a variety of regulatory bodies, this process is guided and governed by the Board of Directors of the company. The corporate governance of Bank Asia places fairness, transparency, accountability, and responsibility at the top of its priority list. Our disclosures on compliance with BSEC and Bangladesh Bank guidelines demonstrate the strong compliance culture of the Bank.

In recognition of that, in 2022 Bank Asia has been awarded Gold (winner) under Corporate Governance category by SAFA (South Asian Federation of Accountants). In addition to this, Bank Asia also achieved 1st position under Corporate Governance Disclosures category by ICAB (Institute of Chartered Accountants of Bangladesh). The details of corporate governance practice of Bank Asia are discussed in a separate segment 'Corporate Governance' under page no 238-293.

CORPORATE SOCIAL RESPONSIBILITIES

Bank Asia always streamlines its efforts to look beyond short-term quantitative gains and concentrates on issues that make the institution socially responsible. We are committed to social and environmental well-being and strive to ensure sustainable balanced growth in economic,

social and ecological arena. Bank Asia strongly believes that sustainable growth of an entity is nothing but a counterfeit ideology without being communally responsible in business conduct and contribute to the society. That is why Bank Asia is always committed to be a proud development partner of its communities where it belongs and make the communities grow up through continuous and balanced CSR activities.

Like in the past, Bank Asia spent an amount of Tk. 237.48 million for several CSR activities this year as well. Our major CSR programs includes Health, Higher Study Scholarship & and disaster management. Other CSR programs include support cold affected people, infrastructural development of different institutes, sports, art & culture. The pace of CSR contribution is expected to accelerate in the future with long term vision. In depth CSR activities of the bank are available in Corporate Social Responsibility (CSR) segment under page no. 229-232

GREEN BANKING

Green banking or Sustainable finance refers to any form of financial service integrating environmental, social and governance criteria into the business or investment decisions for the lasting benefit of both clients and society at large. We recognize that the policies and practices we adopt today will shape not only our lives but also those of future generations. We therefore have an opportunity to make a positive contribution to environmental and social concerns by enacting policies designed so that our business operations do not degrade the environment or cause social harm. Such policies not only indicate positive environmental responsibility, but also present business opportunities such as innovative financial products and investments in sustainable forestry and renewable energy. This will help us better manage our risks, develop expertise and provide clients with solutions to evolving exposures. During day to day business Bank Asia heavily contributes towards the carbon emission in terms of use of paper, electricity, stationary, lighting, air conditioning, electronic equipment etc. even though this is moderate compared to other carbon sensitive industries like steel, oil and gas etc. In the case of banks. the direct interface with the environment has considerably increased due to rapid growth of the banking industry. Energy consumption is the only way to describe our living, but excessive use is called waste. Prime focus of Bank Asia is utilization of solar power, Reduction of Energy & Resource Consumption; control the consumption of water, waste management, emission of greenhouse gas etc. Under Green Finance scheme, Bank Asia has disbursed Tk. 3,248.59 million to different segments like renewable energy, liquid waste management, recycling & manufacturing recyclable goods & others. We managed to secure Net profit from environmental savings worth Tk. 10.04 million in 2022. Bank Asia has disbursed Tk. 1,210 million for Liquid waste management. Bank Asia has an agreement with Bangladesh Bank as a participant in the refinance scheme for Green Product / Initiatives and in 2022. Tk. 2.027.30 million was disbursed to financing Green Building project, which has helped sequestration of carbon and reduce adverse environmental effect. As recognition of our sustainable and green banking activities, Bangladesh Bank rated as one of the top 10 most sustainable banks in Bangladesh.

BANK ASIA SECURITIES LIMITED (BASL)

Stock Market Review and BASL Performance

The stock market of Bangladesh passed a dismal year as the investors' confidence was hit hard in 2022 witnessing of prolonged bearish trend on the market due to the war in Ukraine that intensified economic worries and caused inflation going record high while floor prices turned most stocks illiquid. The market started the year on a positive note with the expectation of the economic recovery from the effect of Covid consequence, but the positive impulse could not sustain for long due to outbreak of Russia-Ukraine war that resulted in an intense bearish sentiment on the capital market.

In addition to the economic matters, extensive manipulation, deceptive financial statements, poor initial public offerings and foreign investors' sale pressure were key factors affecting the market negatively.

The major setback occurred with reintroducing of the floor price mechanism in late July as it eventually made the market illiquid. However, the stock market regulator withdrew the floor price restrictions from 168 scrips on December 21, 2022 to enhance liquidity in the market, putting 1 percent lower circuit breaker on those scrips. Notwithstanding the negative circumstances, some positive activities were also accomplished in the year, such as making treasury bonds tradable, the inclusion of sukuk bonds, and approval of exit plan of two listed companies.

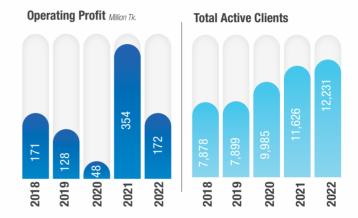
Major indices and turnover of stock market of Bangladesh mostly saw decline in whole year. DSEX, the key index of the Dhaka Stock Exchange, dropped by 8.1 percent, or 549 points, over the year 2022 to close at 6,206.8 points on December 28, the last trading session of the year. Due to the imposition of floor price, the daily average turnover plunged by 35 percent to Tk 960.25 crore in 2022 from the previous year's daily average turnover of Tk 1,474.9 crore.

The capital market is expected to persist shaky in 2023 and market volatility is likely to continue due to global recessionary outlook and the various economic uncertainties prevailing for FY23.

Along with the bearish trends of market, BASL has advanced its position to 10th of DSE's Top - 20 in terms of daily turnover throughout the year. Total Operating profit stood at BDT 171 million in 2022.

Number of total active clients reached at 12,231 in the end of 2022, which was 11,626 in December 2021. Margin loan outstanding stood at BDT 3,977.67 million in December 2022, which was BDT 4,244.36 million in December 2021.

The current number of outlets are twelve, of which three of them were established in 2022 as digital booths. The location of the mentioned booths is at Rajshahi, Bogra and Beraid Badda. The number of employees reached to 69 at the end of the year.



BA EXCHANGE COMPANY (UK) LIMITED

We have marched through another year of adversity due to Russia-Ukraine war. UK economy is forecasted to be slow to a standstill as it suffers more than any other major industrial country. Along with the political instability, British Pound dropped more than 3000 pips against Dollar creating a record low since 1985. The cost of living increased sharply, and the rate of inflation reached a 41 year high which has affected the affordability of goods and services for households. At the same time, we have seen the emergence of increased number of online remittance companies that made the already competitive sector even worse.

Despite all these major challenges, we have had another year of success, sincere gratitude to our loyal customers. Almost 100% of our transactions are now fully online, making money transfer completely effortless for our customers through web and mobile apps. Cardless payment facility through the integration of open banking platform accounted more than 75%, reducing the delay in receiving funds and merchant cost. Our number of transaction increased by 18%, volume increased by 27% and more importantly number of new customer increased by 39% which is a remarkable growth in all aspects.

Since the beginning of our journey, we have been focused on innovation to make money transfer more convenient, effortless, and affordable and our customers have been enjoying a great journey through us, moving from offline to online facility, cash to card and card to cardless. We will continue exploring innovations in online remittance space in the days ahead.



BA EXPRESS USA INC.

In October 11, 2011 Bank Asia Limited opened its 2nd, 100% owned overseas subsidiary company in New York, USA namely "Bank Asia Money Transfer Corporation", USA which was renamed as 'BA Express USA, Inc.' on October 11, 2011 and incorporated under New York State Department of Financial Services (NYDFS) in New York, USA with the permission for engaging in Money Service Business on November 22, 2013. The company started its operations on June 18, 2014. BA Express USA, Inc. is suitably located in the New York with three branches operating in Jamaica, Brookline and Jackson Heights. Over the years, the company has built an extensive agent network throughout the New York, providing a wider reach to customers for ease and convenience cross-border remittance transfer.

BA Express is successfully penetrating the community in New York and uphold the image of Bank Asia Limited with reputation. BA Express is going to open a new location in Ozone Park, another Bangladeshi hub in New York aiming to collect more remittance through our own locations.

BA express has earned \$88,729 profit this year, 2nd consecutive year of profit since inception of the company.

\$

BA Express USA (Remittance)
USD 62 million



Total

L

FUTURE PLANS

- Open a new location in Ozone Park
- Increase volume of remittance
- Expansion of collection and distribution channels

EVALUATION OF QUARTERLY REPORTS

The Board of the Directors evaluates the quarterly reports every year. The Management prepares the financials and submits to the Board for approval. The Board examines the financials with due diligence in order to ensure the financial statements are fairly stated. Thereafter the Board approves the financials with recommendation in various aspects such as reducing non-performing loan, increase of profitability and other key issues for improvement of financial performance.

ADDITIONAL STATEMENTS

Additional statements in the Directors' Report prepared under section 184 of the Companies Act, 1994 (amended up to 2020) (Act No. XVIII of 1994) is described in a separate segment (page no. 281-282) where different issues such as detailed discussion on related party transactions, explanation on any significant variance that occurs between Quarterly Financial Performance and Annual Financial Statements, remuneration paid to the directors including independent directors, statement that there is no Significant doubt upon the issuer company's ability to continue as going concern, explanation of significant deviations from the last year's operating results (if any), 5 (five) years summarized performance etc. are discussed.

OUR GRATITUDE AND THANKS

We want to continue on doing the best and ensure prolonged development in the economy, society, lifestyle and thus every sphere of our country in line with our vision. Our sustainable banking operation is attributed to our prudent Board of Directors, effective Management, enthusiastic and skillful employees and trust bestowed upon us by our valuable clients and shareholders. We would like to convey our earnest gratitude to the Bangladesh Bank, Ministry of Finance, Bangladesh Securities and Exchange Commission (BSEC), National Board of Revenue (NBR), Government and other concerned authorities for their guidance, valuable suggestion and continuous support. Our Board of Directors, Management and staffs of the bank are devoted to achieve the priceless goals of the bank and to maximize shareholders value through combined efforts and strengths.

On behalf of the Board of Directors

Mohd. Safwan Choudhury

Vice Chairman

Ms. Romana Rouf Chowdhury

Director

Tanie. M. Zaman Tania Nusrat Zaman

Director

Our Approach to INTEGRATED REPORT

Our Approach to Integrated Report	104
Elements of an Integrated Report	106
Organisational Overview and external environment	106
Competitive Landscape and Market Positioning	106
PESTEL Analysis	108
Governance	112
Stakeholder Identification/Relationship	114
Business Model	115
Multiple Business Model of Bank Asia	115
Performance	115
Internal Control, Compliance and Risk Management of Bank Asia Limited	116
Strategic Focus and Resource Allocation	117
Organisational Outlook	118
Basis of Preparation and Presentation of Integrated Report	118
Responsibility for an Integrated Report	120
Other Qualitative Characteristics of Bank Asia's Integrated Report	120
Conciseness	121
Reliability and completeness	121
Consistency and comparability	121
Connectivity of information	121
Materiality	121
Assurance on the Report	122
Strategic Plans of Bank Asia	123
Economic Outlook	124
ESG Approach and our priorities	125
Deposit and Advance Strategies	126
Import and Export Strategies	127
SWOT Analysis	128
Strategic Focus	130
Our Activities and Values	132-133
Capitals	134-147
Our Business Model	148-149



Our Approach to INTEGRATED REPORT

Welcome to Bank Asia's annual integrated report 2022. We are pleased to present our ninth Integrated Report in accordance with the International Framework of the International Integrated Reporting Council (IIRC).

The aim of our Integrated Report is to cover a vast area of the business activities within the sustainability framework in a balanced and relevant manner. These enable our stakeholders & investors more informed & transparent assessment of the Bank.

We have tried to keep this report brief, consistent and complete, including all material matters, both positive and negative in a fair way. This report ensures accurate data of the bank's operation, both financial and nonfinancial performance according to our strategic planning & way to establishing our vision to have poverty free Bangladesh.

Scope, Boundaries & Comparability of this Report

Our IR covers the period from January 01, 2022 to December 31, 2022 by following the guidelines of Integrated Report issued by ICAB referred as the Integrated Reporting Checklist which is in congruence with the Integrated Reporting Framework prototype issued by the IIRC and concerns the operations of Bank Asia Limited and its subsidiaries. There is no significant change regarding scope, boundary and reporting basis. The data & information presented in this report is on the same basis as the 2021 in terms of measurement methods, explanation of any restatement of information, time frames and entities.

Forward Looking Statements

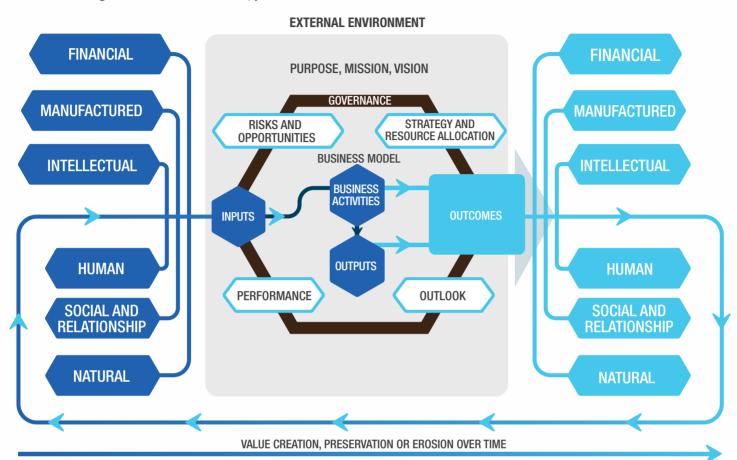
This report contains some forward looking statements which are based on external factors, future events and outcomes. These assumptions are constructed based on the expectation, judgment, aspects, and opportunities. As there are uncertainties about the occurrence of the future outcomes, these statements are valid only for the date of publication

Assurance

For maintaining proper transparency Bank Asia Ltd. has always obtained Combined Assurance from both internal & external perspective.



Process through which value is created, preserved or eroded



Materiality of the Report

Through materiality analysis Bank Asia can identify what should be the vital priorities of the company so that it can delineate its key triple bottom line keeping the short, medium and long term goals in mind. Bank Asia has an edge by developing strategies focusing on our fundamental priorities to facilitate our operational activities, embolden our goal-oriented performance, vitalize our sustainability framework and institutionalize our corporate governance philosophy for both internal and external stakeholders.

Responsibility and Integrity of the Annual Integrated Report

The Board and the management ensures that the Integrated Annual Report has been prepared pursuant to the checklist in accordance with the International Integrated Reporting Framework of the International Integrated Reporting Council (IIRC). The Board and the management also ensures that reasonable care has been taken in preparation and presentation of this Annual Integrated Report and addresses all material issues and make fair presentation on Bank's integrated performance & its overall impact.

Board of Directors' Commitment towards Integrated Reporting

I, on behalf of the Board, ensure that, all material aspects of Integrated Reporting has been presented truly and fairly, so that our stakeholders can take prudent decision on integrated performance of the Bank.

On behalf of the Board of Directors,



www.bankasia-bd.com



Integrated Report (IR



1. ELEMENTS OF AN INTEGRATED REPORT

1.1 Organizational overview and external environment

Bank Asia Limited started its journey on November 27, 1999 as a private commercial bank with the aim of contributing for the development of the economy by bringing superior quality, technology driven banking products and services. In 2001, Bank Asia set a milestone by acquiring the Bangladesh operations of the Bank of Nova Scotia of Canada, first in the banking history of Bangladesh. At the beginning of the year 2002, the bank again acquired the Bangladesh operations of Muslim Commercial Bank Limited of Pakistan. Bank Asia has associated Islamic banking, Off-shore banking, Agent Banking, ABAK (Renamed EBEK), Post Office Banking, Social Safety Net Program, Rural Finance, Digital banking program and many more specialized services with its core banking activities.

The details is available in page no. 202 of AIR-22 under Corporate Profile. .

Mission & Vision of Bank Asia Limited:

As a corporate legal entity we always try to uphold and embrace our specific mission and vision in every possible context of our business. Details in page: 12 of AIR-22.

1.1.a.i) Bank Asia's Culture, Ethics and Values

We have maintained a strong corporate culture that abides by strict ethical policies and values. The details of which could be found in Page 12 & 15 of AIR-22.

1.1.a.ii) Bank Asia's Ownership and operating structure Bank Asia Limited was formed as a public limited company under the Companies Act 1994, and governed by the Banking Companies Act 1991. The Bank obtained Certificate of Incorporation on September 28, 1999 and banking license on October 06, 1999. It went for public offering on September 23, 2003. Bank Asia runs its operation only in Bangladesh, however, we have three subsidiary companies, one in Bangladesh and two others in UK and USA.

SI No.	Name of Subsidiary	Country of operation
1	Bank Asia Securities Limited (BASL)	Bangladesh
2	BA Exchange Company (UK) Limited	United Kingdom
3	BA Express USA Inc.	United States of America

Further details can be found in **page no. 200** of AIR-22 under Report Parameter.

1.1.a.iii) Bank Asia's Key activities and markets

The activities of the bank is permitted by the Bank Company

Act 1991 (amended up to 2018), Companies Act 1994 (amended up to 2020), Memorandum of Association (MoA) and Articles of Association (AoA).

The key operational activities of the bank include: Acceptance of Deposits, Lending of Funds, Clearing of Cheques, Remittance of Funds, Bill Payment Services, Online Banking, Credit & Debit Cards, Treasury activities, Overseas Banking Services, Wealth Management, Investment Banking, Social activities, etc. Further details can be found in **Pg: 206** of AIR-22 under products and services.

1.1.a.iv) Bank Asia's Competitive landscape and market positioning: We have analyse the industry considering the threat of new competition & substitute products or, services, the bargaining power of customers and suppliers, and the intensity of competitive rivalry.







Moderate





Buyer Power

Factors

- Alternative delivery methods, digital channels, and other location-indifferent services may influence a customer's selection and acceptance
- ii. Corporate clients exhibit greater interest rate sensitivity compared to retail & SME clients
- iii. Large number of financial institutions in the country increases buyer power as they can switch to one that offers them better

Our response

- i. Developed value added products and services to sustain in the bank industry
 - Provide high quality secured digitalized services by maintaining customer satisfaction level
- iii. Explore income alternatives both fee and non-funded based
- iv. Enhance relationship both existing & prospective customers
- v. Expand our retail and SME customer base further
- vi. Focus on decreasing high cost and increasing no-cost, low-cost accounts

Supplier Power

Moderate to High

Factors

- Due to high dependency on IT infrastructure. IT providers have more power than general suppliers
- Depositors, employees, Corporations, other financial institutions ii. are the Primary sources
- iii. Individual depositors and employees have minimal bargaining
- Corporations, high net worth individuals (HNWIs), high ranking iv. management officials can exercise significant influence on the

Our response

- Create value through collaboration with suppliers and strive for fairness in all interactions
- ii. Diversify depositor basket from corporate to retail & SME clients
- Retaining valuable depositors through providing unique products iii. and high quality service
- Offering training to employees to improve their productivity and iv. quality of service
- Boosting employee morale through providing attractive ٧. remuneration and benefit packages in recognition of their efforts
- ۷i. Explore the large unbanked population of the country
- Vİİ. Maintaining proper market rules and regulations to keep the fame of bank

Threat of substitute



Factors

- We don't have any direct replacement of deposit & loan products, so the threat of substitute is almost negligible
- Competition from NBFIs for providing attractive offerings ii. including EMI services on products such as cars, home appliance manufacturers, furniture manufacturers, etc. without the involvement of any financial intermediaries
- Modern Fin-Tech services (like BKash, Nagad, etc.) providing quick and easy to access financial solutions

Our response

- Offering unique & wide range of product & services to customers that helps them to stand out from the competition
- Adopt digitisation to stay up to date with rapidly changing modern financial sector
- iii. Ensuring proper service quality with expertized manpower

1.1.i.e) Bank Asia's position within the value chain

As a 3rd Generation bank, Bank Asia is fundamentally strong and has one of the highest capital bases in the Banking Industry. Our position in terms major financial indicators is highlighted below:

Bank Asia's Market Position		
	2022	2021
Deposit	2.27%	2.25 %
Loans & Advance	1.97%	2.12 %
Export	2.82%	3.71 %
Import	3.28%	3.86 %
Remittance	6.58%	6.84 %

Details on page no. 126-127 of AIR-22.

1.1.b) Key quantitative information of Bank Asia

Bank Asia's number of employees, branches, operating income for the

Threat of new entrants



Factors

- Due to large initial capital requirements and necessary İ. regulatory requirements, barrier entry is high
- ii. Shifting focus to the retail and SME segment
- iii. Establishment of new entity in current market is so competitive
- New Banks have been added to the Banking Industry iv.

- Being the pioneer, Bank Asia has an edge in the agent banking segment and we can utilize our expertise to tap into the grassroots level segment
- Being one of the largest and well reputed private commercial ii. banks in the country. Bank Asia has already built a sufficiently diverse and loval customer base which only continues to grow
- iii. Enact and maintain proper regulations in the corporation capture a prestigious value of this bank



Factors

- Competition from large number of different banks and NBFIs
- ii. Low cost of switching for depositor
- Fls competing for same customer segment iii.
- Fls are increasingly shifting their focus from corporate to the retail and SME segment

Our response

- Always trying to maintain a good governance practice İ.
- More concentration & adoption of digital technology and ii. expanding online banking services
- iii. Retain existing and attracting newer customers
- iv. Retain the trust of customers by providing secured, speedy, digitalized services
- Extend countrywide network to bring more unbanked population V. under the Bank's umbrella.

year, debt and equity position and our banking channel details have been given on page no. 202 of AIR-22 under Corporate Profile.

1.1.c) We have analysed the significant external factors through PESTEL Analysis which includes political. environmental, social, technological, economic, and legal & regulatory that impact our business and our response against those risks

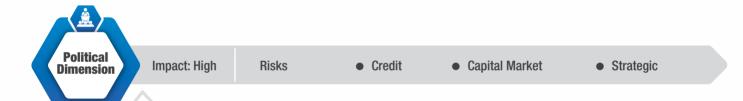
1.1.iii) We have analysing the significant external factors through PESTEL which includes political, environmental, social, technological, economic, and legal & regulatory that impact our business and our response against those risks

PESTEL Analysis

The world is constantly changing, and with that ever evolving scenario, new complex set of difficulties arrive. Overcoming these challenges and developing appropriate mitigation methods are essential for a firm to prosper.

It is necessary to do a business environment study in order to create appropriate countermeasures against these risks. Bangladesh recorded one of the fastest growth rates in the world in the past few years with a stable economic performance that has helped to reduce poverty and social inequalities.





Situational Highlight

Currently, Bangladesh's political climate has remained stable for a few years as no major political strikes or blockades are taking place. It is, however, the international scene that poses the greatest political threat. After recovering from the effects of the pandemic, disruptions in the global supply chain caused by the Russia-Ukraine war have led to a drastic jump in commodity prices, which have resulted in nearly double-digit inflation and also depleted foreign exchange reserves as a result. In addition, inflation increases and fuel price hikes directly affect the banking industry.

BA Initiatives

To curb the inflationary pressure arise due to geo political tension, Bangladesh Bank has issued several circulars and guidelines. As a compliant Bank. Bank Asia adhere to comply the circulars and guidelines of Bangladesh Bank.

BA Outlook

Due to the serious uncertainty in the future of the world economy, both the global economy as well as individual countries' economic status may be subject to shock in the near future. Our commitment to providing a high level of customer service is reflected in the continued operation of Bank Asia as a service oriented institution. In every situation, we are committed to doing so in the future as well.

Further Detail: Chairman's Statement, MD's Review, World Economy, Bangladesh Economy



Impact: High

Risks

Credit

Capital Market

Strategic

Liquidity

Situational Highlight

In 2022, most of the countries across the globe face economic challenges due to the Russia-Ukraine war, high inflation, and monetary tightening policy stances by major central banks all have contributed to worsening prospects for global growth. The global production growth is predicted to fall to 3.4% in 2022 from a fast rebound of 6.2% in 2021 and 2.9% in 2023. Especially downturns in the major three economies- the United States, China, and the European Union—are all experiencing weaker growth, with major spillover effects to other nations. Gross Domestic Product (GDP) growth rate of Bangladesh is declined to 7.1% in the fiscal 2021-22. Being overreliance on imports and the lack of local production of raw materials and goods, putting a pressure on the country's foreign exchange reserves. And to protect the declining reserves, the government had discouraged all non-essential imports and also reduced the supply of dollars to commercial banks.

Despite this, Banking Industry of Bangladesh faced a lots of liquidity crisis as public were withdrawing their savings from banks. However, timely intervention of central bank are reasons behind the restoring of depositors faith in country's banking system.

BA initiatives

Deficit of Balance of payment imbalance and sudden depreciation of Taka against USD occurred due to unprecedented synergy of both current account and financial account deficit. The depletion of country reserve and demand-supply mismatch of foreign currency created severe challenge for country's economy and obviously for banking industry. During the period, Bank's management played a proactive role, by ensuring greater co-ordination of business units and Treasury, practicing uncompromising discipline of ALM. Bank followed strict adherence of ALM discipline in business proposal clearance and side by side Treasury managed Bank's Net opening position of FX (NOP) to insulate the Bank from market risk. At time of volatility, Bank's treasury sensibly provided liquidity support to meet up Bank's LC/Non-Funded commitment and supported a large number of corporate customers across wide variety of industries. Besides, to fight public panic and expected bank-run in the counter for cash withdrawal, bank proactively arranged ample amount of cash in vaults and provided adequate logistic support to each and every branch. However, panic in our bank's customers was not observed in great degree and lasted only for few days.

BA Outlook

The focus of Bank Asia has been shifting over the past few years from the corporate client segment to the retail and SME market segments. In addition to the fact that corporate clients account for a large proportion of our classified loan portfolio as well as exhibiting the most price sensitive behavior, this move will help us improve the quality of our assets as well.

Further Detail: Chairman's Statement, MD's Review, World Economy, Bangladesh Economy



Impact: High

Risks

Market Reputation

Strategic

Situational Highlight

Over the past three decades, Bangladesh has achieved significant progress in eliminating poverty. The main reason for this dramatic decline in poverty rates is happened due to the robust economic expansion and rising of real earnings. We were able to go past the LDC level and graduated to the lower middle income status. By 2031, our next objective is to achieve upper middle-class status. We can build a solid social structure in our society by establishing equal rights, reducing women harassment, generating employment, reducing corruption, increasing public health awareness, providing moral education, ensuring effective law enforcement, and elaborately introducing our culture.

BA initiatives

Bank Asia has always invested profoundly in CSR activities for the betterment of society, namely in the health sector, education sector, disaster management, etc. This year our investment behind CSR activities stood at Tk. 237 million. As a fair bank, we have a strict no discrimination policy in the recruitment process and do not judge people based on their age, race, gender, ethnicity, etc. To empower women entrepreneurship, Bank also formed a unit named 'Women Entrepreneurs' Development Unit,

BA Outlook

It is in Bank Asia's vision to be the pillar of fairness and equity, as well as the most preferred employer to work for. As we continue to invest in our CSR activities, we will look for more avenues to expand in the future and we will continue to invest in CSR activities in the future.

Further Detail: Summary Sustainability Report



Impact: High

Risks

Credit

Operational

Market Reputation

Strategic

Situational Highlight

Smart Bangladesh is a government initiative that carries forward the Digital Bangladesh Vision 2021 to transform Bangladesh into a technologically advanced and sustainable society by the year 2041. Due to the government's commitment, Bangladesh has witnessed an increase in technological adoption in recent years. This technology adoption is also visible in the country's financial sector, where online banking has grown in popularity. Transactions through internet banking soared by 285 % to record Tk. 26,145 crore in August 2022 from that of only Tk. 6,800 crore in August 2020 as a growing number of people now prefer digital platforms for executing banking activities. However, due to high dependency on internet-related transactions, Financial Sector is exposed to a number of threats from hackers, and threats are rising daily.

RA initiatives

For providing efficient service to customers and establishing a robust, faster and uninterrupted service, Bank Asia continuously adopting the next generation market competitive and secured technology. The Bank achieved the most prestigious compliance certification PCI DSS for complying the requirement to protect the card related customer information. 4IR implementation is another adaptation of latest technology. The fourth industrial revolution enables Bank Asia to do things like account opening from home using NID, user authentication through face matching; faster remittance service using software robots and data capture using Artificial Intelligence (AI). The Bank has also implemented Oracle Real Application Cluster (RAC) single node for one of the core banking system with upgrade database version that allow high availability, significantly improve performance and horizontal scalability of systems.

BA Outlook

With the advancement of technology, we want to be able to stay ahead of the curve and be a benchmark in technological adoption for others to follow as well. With our long-term vision in mind, we aim to become a leading bank in the country to cater different needs of customers. Towards achieving this goal, Bank Asia is always striving earnestly to achieve it.

Further Detail: Director's Report



Impact: Moderate

Risks •

Reputation

Social

Strategic

Situational Highlight

In today's world, there is a very alarming state of the environment that needs immediate attention. There are an estimated seven million deaths worldwide caused by air pollution every year, according to the World Health Organization. In a report published by two US-based organizations, Dhaka is ranked among the world's top five cities with the most poisonous air according to a study. With the introduction of low sulfur diesel fuels in 2015, Bangladesh has been able to reduce the emissions from its vehicles, restricting the importation of used cars over four years old, and implementing emission standards for petrol at Euro 2 and diesel at Euro 1.

RA Initiativo

As a responsible business entity, Bank Asia aims to build a better future by growing responsibly and sustainably followed by eco-friendly measures across the organization. The bank circulated Green Banking Policy guidelines to raise awareness and conserve energy and water as well as saving paper and fundamental resources. To step into paperless banking, we highly encourage customers to use E-Statement, SMS banking, SMS Alert, Net Banking, E-fund Transfer and E-mail Correspondences. Bank Asia always put top priority whenever it finds any green financing opportunities such as renewable energy generation, carbon emission project, solar home system, CNG conversion project, biogas, managing different waste, treatment of liquid waste, urban building safety project, effluent treatment plant in brickfields etc. We were the pioneer in Bangladesh for publishing sustainability report in line with GRI standards. Our sustainable endeavor is reflected from the recognition of esteemed organization. Bangladesh Bank ranked us two years consecutively as one of the top 10 Banks in Sustainability Rating and attained gold rank from NCSR & ICSP, an Apex international body of Sustainability Reporting.

BA Outlook

Bank Asia firmly believes that sustainability is a key element of competitiveness. Green financing and banking activities are part of Bank Asia's commitment to sustainable development. In order to achieve a low carbon economy, these activities are designed to support the transition. By focusing on environmental sustainability, Bank Asia contributes to a better future for the economy and the planet.

Further Detail: Summary Sustainability Report



Impact: High

Risks

Reputation

Capital Market

Strategic

Situational Highlight

Laws and regulations play a crucial role in efforts to level the playing field for companies and societies by establishing a level playing field. As a result, they have an impact on every aspect of a company. Regardless of the country in which the company is located, legal factors can have a significant impact on the management and operations of both the company and its employees.

BA initiative

Bank Asia has consistently been one of the most compliant financial institutions since its inception. Bank Asia always has and will continue to take an active stance in being the most effective at complying with the legal and regulatory requirements through effective policy discussion. Maintaining proper ethical standards has been an integral part of our organization's culture since its inception. Our employees always work with integrity and diligence.

BA Outlook

Legal and regulatory authorities have been proactive in taking various regulatory actions that comply with international standards in the country. It is our firm belief that Bank Asia has always been honest and sincere about honoring and adhering to these standards, and has always been vigilant in ensuring that these standards are being kept in good condition.

Further Detail: Risk Management Report, Corporate Governance Report

1.2 GOVERNANCE

Corporate Governance refers to the relations between the management of a company and it's Board of Directors, shareholders and other stakeholders. Corporate Governance also provides a framework for setting out a company's objectives and the means for achieving these and for tracking its performance.

Organization's governance structure support its ability to create value in the short, medium and long term

As a legal corporate entity, we are committed to maintain high levels of Corporate Governance by engaging the stakeholders for maximize our short, medium & long term values. Details on **page no. 247** of AIR-22 under Corporate Governance Framework in Bank Asia.

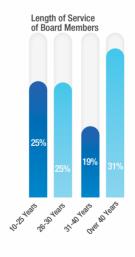


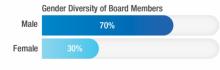
Corporate Governance Framework

1.2.a) Bank Asia's leadership structure, including the skills and diversity (e.g., range of backgrounds, gender, competence and experience) of those charged with governance and whether regulatory requirements influence the design of the governance structure

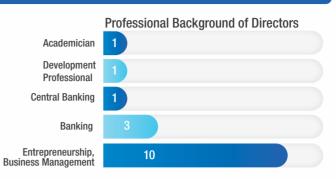
Regulatory requirements influence the design of the governance structure

The present size and composition remains well-balanced and it's made up with professionals with a wide range of knowledge and experience in business, operations and finance to set direction of a large and expanding bank. Bank Asia complied with pertinent guidelines of Bangladesh Bank circulars, rules and regulations of the Companies Act 1994





(amended up to 2020), Bank Companies Act 1991 (amended up to 2018), Bangladesh Securities and Exchange Commission (BSEC) Notifications, Guidelines of Bangladesh Bank and Memorandum & Articles of Association of the Bank. New Directors are appointed by Bank Asia with the emphasis on the mix of knowledge, skills, experience and perception. The Directors are elected by the shareholders in AGM and all appointment of the Board is subjected to the approval of Bangladesh Bank. The profiles of all Board members, comprising of their qualification and experience are disclosed in page no. 24-32 of AIR-22.



Details regarding the Knowledge & expertise in Finance & Accounting of Board of Directors can be found in **page no. 251** of AIR-22 under sub-heading 1.10.

The primary responsibility of the board and its composition details can be found in **page no. 248** of AIR-22 under sub-headings 1 and 1.1.

1.2.b) Mandatory and voluntary code of corporate governance adopted by the Company

Bank Asia has strongly maintained mandatory and voluntary code to ensuring that its systems, procedures and practices reflect a high standard of Corporate Governance. It has a well-defined and well-structured Corporate Governance framework in place to support the Board's aim of achieving long-term and sustainable value, as well as fostering a culture that values ethical behavior, integrity and respect to protect shareholders' and other stakeholders' interests at all times. Bank Asia always gives its utmost efforts to comply corporate governance practices with all the aspects of the revised Corporate Governance Code (CGC) BSEC/ CMRRCD/2006-158/207/ Admin/80, dated June 3, 2018, on financial reporting and disclosure issued by Bangladesh Securities and Exchange Commission (BSEC), listing regulations and directives of DSE and CSE and all aspects of Bangladesh Banks directives.

1.2.c) Code of ethical conduct adopted by the Company in relation to ethical business.

Corporate integrity, ethical conduct and accountability are fundamental to building trust between Bank Asia and different stakeholders. Bank Asia is always committed to maintain and uphold the highest standard of Corporate Governance integrity and ethics, which is embedded in the corporate culture of the Bank. The Board of Directors follows a code of conduct which was adopted to provide guidance to directors to perform their duty in an honest, responsible and business-like manner and within the scope of their authority, permitted by the Bank Company Act 1991 (amended up to 2018), Companies Act 1994 (amended up to 2020), as well as Memorandum of Association (MoA) and Articles of Association (AoA) of the Bank. Details on page no. 15 of AIR-22 under Business Ethics.

The code of conduct followed by the Board of Directors is detailed on **page no. 250** of AIR-22.

Corporate Governance Compliance Checklist in line with Bangladesh Securities and Exchange Commission (BSEC) Regulation in **page no. 271** of AIR-22 under Corporate Governance Compliance Checklist in line with Bangladesh Securities and Exchange Commission (BSEC) Regulation.

Compliance Checklist In Line With the Companies Act, 1994 (amended upto 2020) has been detailed in **page no. 281** under Compliance Checklist In Line With the Companies Act, 1994.

1.2.d) Specific processes used to make strategic decisions and to establish and monitor the culture of the organization,

Integrated Report

including its attitude to risk and mechanisms for addressing integrity and ethical issues

Bank's overall financial soundness can be measured only by adopting a strong risk management process to make strategic decisions and to establish and monitor the culture of the organization, including its attitude to risk and mechanisms for addressing integrity and ethical issues.

Effective risk management is beyond the regulatory requirement. In a broad sight, risk can be divided into 02 (two) major parts: Systematic Risk and Non-systematic/Diversifiable Risk.



The Bank's risk management framework is applied on an enterprise wide basis and consists of three key elements:

- Risk Governance.
- Risk Appetite, and
- Risk Management Procedure

Bank Asia strongly believes in maintaining smooth and interactive relationship with the stakeholders. We pursue high quality stakeholder's redressal policy proactively to handle all types of grievance, complaints in an effective and fair manner.

Details given in **page no. 236-237** of AIR-22 under Stakeholders Relationship/Grievance Redressal.

1.2.e) Actions of those tasked with overlooking governance and their actions to monitor organisation's strategic direction and approach to risk management

Effective risk management is beyond the regulatory requirement. Bank Asia Ltd. has its own Risk management framework for overall risk management of the Bank. This framework is combination of Board

Bank Asia Limited has three level of structure in regards to managing risk.

Board of Directors

Management Level

Executive Risk Management Committee

Supervisiory Review Process Committee

Operational Level

Board Risk Management Committee

Strategic Level

Strategic Level

level oversight, Management oversight and Operational level risk management structure. The Bank's Risk Inventory sets out the Bank's major risk categories and related subcategories to which the Bank's businesses and operations could be exposed. The Risk Inventory facilitates consistent risk identification and is the starting point in developing risk management strategies and processes. The Bank's major risk categories are: Strategic Risk; Credit Risk; Market Risk;

Operational Risk; Model Risk; Insurance Risk; Liquidity Risk; Capital Adequacy Risk; Legal, Regulatory Compliance and Conduct Risk; and Reputational Risk.

Details of particular actions those charged with governance have taken to influence and monitor the strategic direction of the organization and its approach to risk management is given **page no. 154** of AIR-22 under sub-heading 2.1.

Disclosure of Risk Reporting:

Risk management report addresses the disclosure requirements of Basel III pillar 3, and materials risk that effect bank's earning, capital and shareholders' value and management action plan against that risks set out by Bangladesh Bank. Details on **page no. 164** of AIR-22 under sub-heading 3.

1.2.f) The organization's culture, ethics and values are reflected in its use of and effects on the capitals, including its relationships with key stakeholders

Bank Asia always acknowledges the importance of an effective, transparent and regular communication with its stakeholders to provide a clear picture of the Bank's performance and position. Bank Asia is always committed in maintaining high standards in the dissemination of relevant and material information to all of its stakeholders. Detailed explanation have been provided in **page no. 114** of AIR-22 under sub-heading 1.3.1 and details regarding individual capitals have been described in **page no. 134-147**.

1.2.g) Bank Asia's governance practices

Details on Bank Asia's governance practices that have been implemented within legal boundaries and key policies is given in **page no. 164** under sub-heading 1. :

1.2.h) The responsibility those charged with governance take for promoting and enabling innovation

Bank Asia has a well-defined and well-structured Corporate Governance framework in place to support the Board's aim of achieving long-term and sustainable value. To maintain a leading governance practices in the highly regulated industry in which the Bank operates, the Board Committees assist the Board to fulfil its governance role effectively for promoting and enabling innovation for the long-term sustainability of the Bank businesses. The detailed explanations are given in the following segments:

- Statements of Directors' responsibility to establish appropriate System of Internal Control Pg: 244
- Statement of Directors' on Adequacy of the System of Internal Control Pg: 244
- Responsibility Statement of MD and CFO Pg: 245

1.2.i) Remuneration and incentives linked to short, medium and long term value creation as well as organization's use of and effects on the capitals

Bank Asia set remuneration policy and always update it accordingly. Remuneration for senior executives is market-based and competitive in order to attract, motivate and retain skilled and competent employees. Details on page no. 260 under sub-heading 6.

1.3 STAKEHOLDER IDENTIFICATION/RELATIONSHIPS

Bank Asia's Stakeholders are the groups or individuals that can reasonably be expected to be significantly affected by an organization's business activities, outputs or outcomes or whose actions can reasonably be expected to significantly affect the ability of the organization to create value.

We identify our stakeholders through conducting impact analyses in respect of

Responsibility: Bank Asia has direct legal responsibility to regulators, tax authority etc.

Influence: Decision making of the bank is influenced to reach its intended goals by shareholders and employees etc.

Proximity: The local community that influence heavily our daily operation. Dependency: Those who are dependent on their operational performance, e.g. business partners, and those whom we are dependent, e.g. customers.

Representation: Those who represent Bank Asia to the outside world, e.g. employees, board and those whom we face for various decision making purposes, e.g. business association leaders, local community leaders.

As a value driven financial brand Bank Asia try to maintain transparency in providing both financial and non-financial data activities of the bank. Bank Asia prioritizes stakeholders' issues based on materiality mapping determining the level of relevance and significance on economic, environmental, social and financial impacts.

1.3.a) Identification of stakeholders:

Bank Asia identified its stakeholders through conducting impact analyses in respect of:



Details on page no. 210 of AIR-22 under Stakeholders engagement.

1.3.b) Bank Asia's Stakeholder engagement methodology Bank Asia believes in the proper stakeholders' engagement in every aspect of its banking activities.



Details on **page no. 210** of AIR-22 under Stakeholders Engagement-Alignment with SDGs

1.3.c) Identification of stakeholders' material matters and how such matters are applied

Bank Asia prioritizes stakeholders' issues based on materiality mapping determining the level of relevance and significance on economic, environmental, social and financial impacts.

Details on page no. 213 of AIR-22 under Material Aspects and Boundaries.

1.3.e) How the stakeholders are engaged in assessing impacts, implications and outlook in respect of Bank Asia's business model. Details on page no. **210** of AIR-22 under Stakeholders engagement.

1.3.1 CAPITALS

The capitals are stocks of value that are increased, decreased or transformed through the activities and outputs of the organization and, hence, the value of capital is not fixed over a period of time.

We divide our capitals into 6 distinct segments as stated in the <IR> framework guideline, where we state the interconnectedness of our stated capitals, how their values are enhanced, eroded or transformed over time. The six capitals are aligned with relevant material aspects and adjusted accordingly with their pertinent strategic pillars, highlighting their associated risks and mitigation strategies to create a comprehensive value creation model for our key stakeholders. The brief description of the capitals are given below while the detailed description can be found in pages no. 134-147



Integrated Report

1.4 BUSINESS MODEL

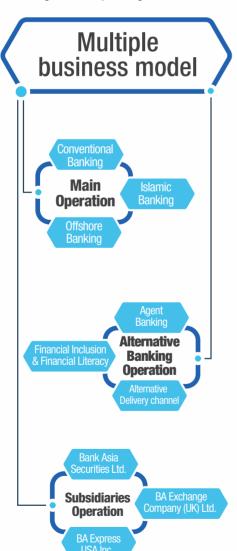
An organization's business model is its system of transforming inputs, through its business activities, into outputs and outcomes that aims to fulfil the organization's strategic purposes and create value over the short, medium and long term.

Details of the Business model given in page no. 148 of AIR-22

1.4.1 MULTIPLE BUSINESS MODEL OF BANK ASIA

Bank Asia's business model can be divided into three distinct segments: Main Banking Operations, Subsidiary Company Operations, Branchless Banking Operations.

Main Banking Operations: This is further classified into 3 segments, i.e. Conventional Banking based on the traditional banking system, Islamic Banking based on the principles of Islamic Shariah based banking and Offshore Banking. A detailed explanation is given in the prior segment, i.e. 1.4.



The financial statements of the Bank have been prepared in accordance with the "First Schedule (Section 38) of the Bank Company Act 1991 (amended upto 2018), BRPD circular no. 14 dated 25 June 2003, other Bangladesh Bank Circulars, International Financial Reporting Standards

(IFRSs), International Accounting Standards (IAS), and the standards set by the FRA the Financial Reporting Council (FRC) as per The Financial Reporting Act 2015 (FRA) enacted in 2015. Section 38 of the Bank Company Act 1991 has been replaced through BRPD Circular no. 10 dated October 04, 2015.

Subsidiary Company Operations:

Bank Asia Securities Ltd. (BASL) a majority owned subsidiary is incorporated in Bangladesh and acts as a stock broker and stock dealer in capital market. The financial statements of the BASL are prepared on a going concern basis under historical cost convention in accordance with Bangladesh Financial Reporting Standards (BFRS).

BA Exchange Company (UK) Ltd. & BA Express USA Inc. are 2 fully owned subsidiaries of Bank Asia operating in the United Kingdom and United States, respectively. Their primary business operation is the channelling of remittance into the country. Financial statements of BA Exchange Company (UK) Ltd. and BA Express USA Inc. are prepared on a going concern basis under the historical cost convention and in accordance with the Financial Reporting Standards for smaller entities.

 Branchless Banking Operations: This segment mainly consists of our Channel Banking Operations which follows their own business models. Under this banking operation:

Alternative Delivery Channel (ADC): Details in page no. 87
Agent Banking: Detailed description in page no. 90

Financial Inclusion and Financial Literacy Department: Detailed description in page no. 89

1.5 PERFORMANCE

Bank Asia's integrated report provides explanation on the extent to which we have achieved our Goals in line with our company's vision and mission



Vision: To build a society where highest human dignity and rights receive the highest consideration along with reduction of poverty



Mission: Bank Asia is committed to establish high quality service, high standard of integrity with technology driven innovative service



Core Values

Bank Asia plays an intermediary role between economic development and conservation of the environment

1.5.a) Comparative analysis through Quantitative indicators of Bank Asia

An analysis of Bank Asia Five Years' Performance of several key factors have been detailed on **page no. 42** of AIR-22

1.5.b) Bank Asia's material effects on capitals up and down the value chain

We have provided a detailed explanation on the material matters impacting our capitals in the following pages:

- Financial Capital: Page no. 136
- Human Capital: Page no. 138
- Manufactured Capital: Page no. 140
- Intellectual Capital: Page no. 142
 - Natural Capital: Page no. 144
- Social & Relationship Capital: Page no. 146

1.5.c) Key stakeholder relationships and how Bank Asia has responded to key stakeholders' legitimate needs and interests Bank Asia believes in the proper engagement with our stakeholders in every aspect of our business activities and maintaining a smooth and interactive relationship with them. Details on how we engage with our stakeholders have been provided in page no. 210 under Stakeholder engagement and how we resolve stakeholder complains and concerns have been provided in page no. 236 under Stakeholders Relationship/Grievance Redressal.

1.5.d) Orgnisation's outlook that describes the linkages between past and current performance Million Tk

Item	2021	2022	Growth
Loans & Advances/ Investments	262,267	277,870	5.9%
Deposit	317,782	337,695	6.27%
Import	225,789	210,588	-6%
Export	141,496	171,275	7%
Remittance	128,441	132,243	2.96%

KPIs that combine financial measures with other components

Balance Sheet Including Human Capital

Million Tk

y	
Particulars	31-Dec-22
Total Asset (Conventional)	468,401
Human Asset (Individuals' value)	35,754
Value of investments	17
Total Asset including Human Asset	504,172
Capital & liabilities	
Total Liabilities (Conventional)	468,401
Human Capital	35,771
Total Capital & Liabilities including Human capital	504,172

REDUCING CARBON FOOTPRINT

Million Tk

Renewable Energy	2,027.30
Energy & Resource Efficiency	375.84
Liquid Waste Management	237.06
Environment Friendly Brick Production	345.69
Green/Environment Friendly Establishments	158.50
Green Agriculture	228.16

1.6 INTERNAL CONTROL, COMPLIANCE AND RISK MANAGEMENT OF BANK ASIA LIMITED

Bank Asia's integrated report elaborates on specific risks and opportunities that affect the organization's ability to create value over time.

Acknowledgement of Directors' Responsibility in respect of Bank Asia's internal control system to safeguard Stakeholder Interest

Bank Asia's Board of Directors acknowledges its overall responsibility to establish appropriate System of Internal Control and ensure Adequacy

of the System of Internal Control. The Directors acknowledge their overall responsibility for the Bank's systems of internal control for establishing efficiency, effectiveness, reliability, timeliness, completeness and compliance with applicable laws and regulations. The Board has supervised the policies and various parts of businesses to construct an effective internal control system which is essential for sustainable growth maintaining efficient conduct of business. They have also reviewed the adequacy and completeness of accounting records, well preparation of financial statements, and efficient management of risk, strengthening bank's assets and overall internal control process.

Statements of Directors' responsibility to establish appropriate System of Internal Control, Adequacy of the System of Internal Control and Responsibility Statement of MD and CFO are given in **page no. 245** of AIR-22.

Moreover, Internal control, Financial Reporting, Internal & External Audit, legal compliance, and Corporate Governance Guidelines/ Notification issued by Bangladesh Bank and BSEC. Details on page no. 241 of AIR-22 under Roles & Responsibility of Board Audit Committee

The structure of Bank Asia's Internal Control & Compliance and their activity highlight throughout the year.





Integrated Report

1.6.a) The internal and external risks, opportunities, strengths & weaknesses and Bank Asia's assessment of these factors

Through SWOT analysis, Bank Asia has identified specific factors that affects our business operations both internally and externally. Details in **page no. 128** of AIR-22.

1.6.b) The specific steps being taken by Bank Asia to mitigate or manage key risks

The Bank's overall Risk Management Framework provides the foundation for balancing between risk and reward in order to maximize shareholders' returns which are consistent with the Bank's strategies and risk appetite. Details in page no. 158 of AIR-22 under Risk Mitigation methodology.

Risk Management and Review process under the supervision of Process Development and Review Unit of the Bank. This unit will proactively review various operational processes (regardless of any specific risk) to identify any area of development. Based on such identification the unit will take necessary steps to enrich the process i.e. through policy/process development and eventual implementation, which can not only safeguard bank's asset but also contribute strongly towards profitability.

1.6.c) Risk Management Report

Risk Management report includes details about different types of risk, their root cause, the potential impact on banking business activities, our response on risk mitigation, and overall risk rating of the borrowers. Details given in CRO's statement on page no. 152.

1.6.d) Effectiveness of the internal controls

The Senior Management Team (SMT) of the Bank reviews the overall effectiveness of the control system of the bank on a yearly basis and provides feedback to the Board of Directors on the effectiveness of internal control policy, practice, and procedure. Internal auditors conduct comprehensive internal audit of the internal control system of the bank. The significant deficiencies identified by the internal audit team are reported to the Audit Committee of the Board.

1.7 STRATEGIC FOCUS AND RESOURCE ALLOCATION

Our Integrated Report describes Bank Asia's strategic objectives that is to our current business model and the resource allocation plans to implement these strategies.

1.7.a) Bank Asia's short, medium and long term strategic objectives

Bank Asia has identified several short, medium and long-term objectives that may affect our business operations. Details on **page no. 123** of AIR-22 under Strategic Plans of Bank Asia.

1.7.b) Bank Asia's Strategic Focus to implement our Organisational Goals



1.7.c) Bank Asia's Segment Analysis and industry position in terms of Deposit and Advance, as well as Export and Import business

Through Segment Analysis we have provided an overview of Bank Asia's Operating Profit, Total Assets and Profit Before Tax on a Consolidated and Solo basis. Details on **page no. 61** of AIR-22 under Segment Analysis.

An analysis of the Bank Asia's performance in comparison to the banking industry in respect of our major financial indicators, i.e. Deposit and Advance, as well as Export and Import business have been detailed in page no. 126-127 of AIR-22.

1.7.d) Bank Asia's current business model related to our strategic objectives

Bank Asia's business model defines the system of transforming inputs, through our business activities, into outputs and outcomes that aim to fulfil our strategic purposes and create value over the short, medium and long term. Details on **page no. 148-149** of AIR-22 under Our Business Model.

1.7.e) Bank Asia's resource allocation plans to implement our strategic objectives

Bank Asia's Resource allocation plan is detailed on **page no. 130** of AIR-22 under Strategic Focus.

1.7.f) Bank Asia's measure of achievements against target outcomes

Bank Asia's achievement against set targets over 6 major financial indicators, i.e. operating profit, Deposits, Loans, Import, Export, and Remittance have been given in detail and discussed on **page no. 58** under Performance Highlights of the President and Managing Director's Review.

1.8 ORGANISATIONAL OUTLOOK

The outlook segment in our Integrated Report describes the challenges in pursuing our strategic objectives and the potential implications to our business model and future financial performance.

Details on **page no. 123** of AIR-22 under Strategic Plans and Outlook of Bank Asia, **page no. 299** of AIR-22 under Capital Planning (Banking Operation) 2021-2025.

1.9 BASIS OF PREPARATION AND PRESENTATION OF INTEGRATED REPORT

Bank Asia's Integrated Report 2021 has been prepared in accordance with the <IR> framework guideline as its basis as outlined by the International Integrated Reporting Council (IIRC).

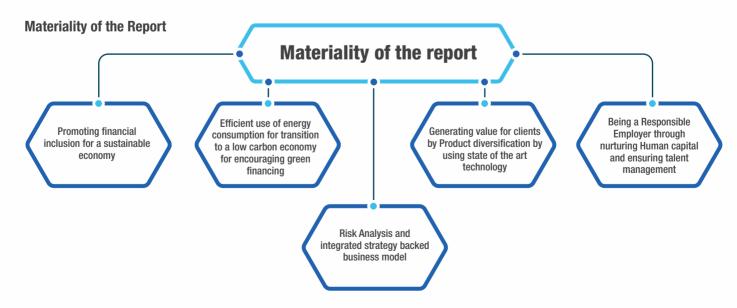


1.9.a) Factors considered in our materiality determination process

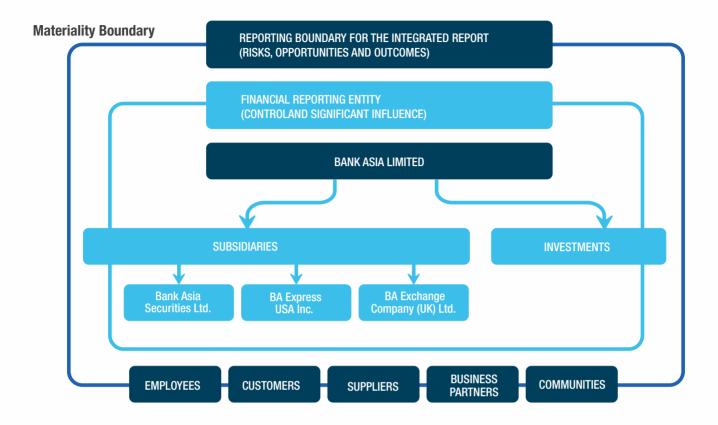
In our Integrated Report, the matters which significantly affect our organization's ability to create value in the short, medium and long term are considered to be material. Details on **page no. 55** of AIR-22 under Priorities we followed in 2021 and in **page no. 213** of AIR-22 under Material Aspects and Boundaries.

1.9.a.i) Bank Asia's Materiality Determination Process

The process of determining materiality is entity specific and based on industry and other factors, as well as multi-stakeholder perspectives. Through materiality analysis, Bank Asia can identify what should be the vital priorities of the bank so that we can delineate our key triple bottom line keeping the short, medium and long term goals in mind. Bank Asia has an edge by developing strategies focusing on our fundamental priorities to facilitate our operational activities, embolden our goal-oriented performance, vitalize our sustainability framework and institutionalize our corporate governance philosophy for both internal and external stakeholders.



Integrated Report



1.9.a.ii) Role of those charged with governance and key personnel in the identification and prioritization of material matters

The Board and Senior Management Team are the key personnel in the identification and prioritization of material matters of Bank Asia. The senior management team prepares proposals after thorough analysis which is then reviewed by the Board Committee before being sent for final approval to the Board of Directors. Details on page no. 252-254 under sub-headings 1.12-1.19.



1.9.b) Reporting Boundary

The report boundary of the year 2022 covers only the bank's operation run by corporate office, its branches, SME service centres and other direct networks in Bangladesh. Impacts of the activities of our subsidiaries, NGO networks or our suppliers in other countries are not within the scope of this report. Bank Asia has three subsidiary companies, one in Bangladesh and two others in UK and USA, but no joint venture. As owner, the Bank controls the activities of its subsidiaries. Bank Asia Securities Limited (BASL), a majority owned subsidiary is incorporated in Bangladesh and acts as a stock broker and stock dealer in capital market. The financial statements of the BASL are prepared on a going concern basis under historical cost convention in accordance with Bangladesh Financial Reporting Standards (BFRS). BA Exchange Company (UK) Ltd. in UK and BA Express USA Inc. at NY, USA are two wholly owned subsidiaries with a primary responsibility of remittance channelling to Bangladesh from UK and USA market. Financial statements of BA Exchange Company (UK) Ltd. and BA Express USA Inc. are prepared on a going concern basis under the historical cost convention and in accordance with the Financial Reporting Standards for smaller entities

Summary of the significant frameworks, standards and principles used to evaluate Bank Asia's material matters 1.9.c)

Standards and Principles

Integrated Reporting

International Framework of the International Integrated Reporting Council (IIRC)

Governance, Risk management and operations

- o Company Act, 1994
- Bank Companies Act 1991 (Amendment) 2018
- o BSFC Ordinance 1969
- Corporate Governance Code by BSEC in 2018
- Bangladesh Bank's guideline
- DSE & CSE Listing Rules

Sustainability Reporting

- In accordance with the GRI Standards
- United Nations Sustainable Development Goals

- Financial Reporting

 International Financial Reporting Standards
- International Accounting Standards
- **UK Accounting Standards**
- Generally Accepted Accounting Principle

Additional Reporting

- International Standards on Auditing (ISAs)
- The Income Tax Ordinance 1984
- The Income Tax Rules 1984
- Relevant circulars, rules and regulations of Bangladesh Bank (The Central Bank)
- Vat Act 2012 by NBR & value added tax rules 2016 (& amendments)
- Rules & Regulations of CDBL
- o Other applicable rules and regulations of the land

2. RESPONSIBILITY FOR AN INTEGRATED REPORT

Statements from those charged with governance that includes:

Acknowledgement of the responsibility over the integrity of the integrated report 1.a)

The Board and the management ensures that reasonable care has been taken in preparation and presentation of this Annual Integrated Report and addresses all material issues and make fair presentation on Bank's integrated performance and its overall impact. Details from page no. 104-105 of AIR-22 under Integrated report.

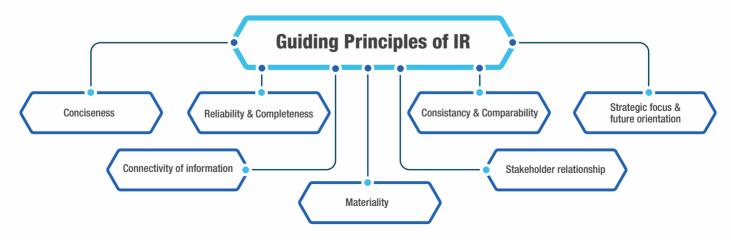
Acknowledgement to the preparation and presentation of the integrated report

The Board and the management also ensures that reasonable care has been taken in preparation and presentation of this Integrated Annual Report and addresses all material issues and make fair presentation on Bank's integrated performance and its overall impact. Details on page no. 245 of AIR-22 under Responsibility Statement of MD and CFO.

2.c) Their opinion or conclusion about whether the integrated report is presented in accordance with the Framework The Board and the management ensures that the Integrated Annual Report has been prepared pursuant to the checklist in accordance with the International Framework of the International Integrated Reporting Council (IIRC), Details on page no. 104-105 of AIR-22 under Integrated report.

3. OTHER QUALITATIVE CHARACTERISTICS OF BANK ASIA'S INTEGRATED REPORT

Bank Asia Annual Integrated Report has been prepared in accordance with the Guiding Principles as laid out by the <IR> framework. Below is a brief outline of the key elements addressed by Bank Asia.



Integrated Report

3.1 Conciseness

Bank Asia has prepared the Annual Integrated Report 2021 in a concise manner but providing sufficient context to explain our organisation's strategies, governance practices, performance and prospects while ensuring the information provided is as relevant to the context as possible. The report provides cross-referencing where appropriate and kept repetition to a minimum if not avoided completely. However, where necessary, detailed explanation and/or referencing has been provided.

3.2 Reliability and completeness

Bank Asia's integrated report includes all material matters, both internal and external, in a balanced way and without material error. Bank Asia's overall material aspects and boundaries have been explained in **page no. 213**, and the material aspects of the six individual IR capitals as well as their capital trade-offs have been explained in their respective segments from **page no. 134-147** of AIR-22.

3.3 Consistency and comparability

Bank Asia has presented the data and information in a way that enables comparison with other organizations to the extent it is material to our organization's own ability to create value over time.

The deposit and advance strategy: this segment briefly highlights the position of Bank Asia's deposit and advances in comparison to the Banking Industry, and our strategies to create value over time. Details on **page no. 126** of AIR-22 under deposit and advance strategy

Export and import strategy: this segment briefly highlights the position of Bank Asia's Export and Import in comparison to the Banking Industry, and our strategies to create value over time. Details on **page no. 127** of AIR-22 under Export and import strategy

Horizontal and vertical analysis: Horizontal Analysis shows Bank Asia's financial Performance comparison over a period of years. We show a 5 (five) year comparison and took the values of the year 2018 as the base year. Details on **page no. 46** of AIR-22

Vertical Analysis shows the amount of line items as percentage figures taking a specific item as the baseline figure for analysis. For our Profit & Loss analysis the total revenue is considered as the base item, and for the Balance sheet the Total Asset is the base item. Details on **page no. 48** of AIR-22

Statement of NPL: This segment describes the total Classified Loans of the industry versus Bank Asia and the strategies for NPL management and recovery process. Details on **page no. 170** of AIR-22

Banking Industry: An overall highlight of the country's banking industry in terms of key financial indicators has been detailed on page no. 69 of AIR-22

Bank Asia's environmental performance: This segment details the environmental friendly initiatives undertaken by Bank Asia, such as, Energy Savings, Waste Management, Reducing Carbon Footprint and some our investment in Environmental friendly sustainable projects. Details on page no. 214of AIR-22

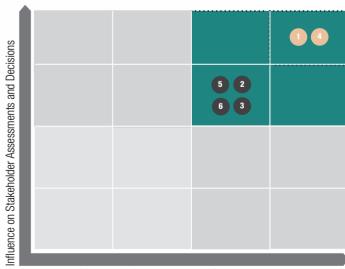
3.4 Connectivity of information

Our integrated report shows the value creation activities that describes the factors which affect the organization's ability to create value over time.

Value creation activities: This segment explains our overall banking activities that creates value over time by considering our external factors that impact our key business activities, how those are linked to the value we have created through our activities of and the overall outcome of our value creation process. All these factors are then interlinked with the relevant UN SDGs. Details on page no. 132-133 of AIR-22

3.5 Materiality

Bank Asia's integrated report discloses information about matters that substantively affect our ability to create value over the short, medium and long term



Significance of Economic, Environmental and Social Impacts

3.6 Assurance on the Report

For maintaining proper transparency Bank Asia Ltd. has always obtained Combined Assurance from the following perspective:



- **Financial Statement Audit Report** Hoda Vasi Chowdhury & Co.
- **Gratuity Fund Financial Audit** Hoda Vasi Chowdhury & Co.
- Provident Fund Financial Audit Hoda Vasi Chowdhury & Co.
- Investment (Bond) Surveillance Rating-CRISL & CRAB
- Entity / Credit Rating | CRAB
- **Superannuation Fund Audit** Hoda Vasi Chowdhury & Co.
- Risk Management Assurance Bangladesh Bank
- Benevolent Fund Audit Hoda Vasi Chowdhury & Co.
- Cash Incentive Hoda Vasi Chowdhury & Co.



• Corporate Governance Certification Suraiya Parveen & Associates



Information Technology

• ISO Certificate
British Standard Institute (BSI)



Global Reporting Initiative (GRI)

Strategic Plans & Business Outlook of Bank Asia

	Goals	Plans
Short-Term (< 3 years)	 Strengthening bank's capital base to absorb future shock Maintain a sound asset portfolio and to curb NPL in acceptable level by ensuring cash recovery from NPL and write off loans Attract new customer segments Mobilization of low cost fund for business Improve customer satisfaction and achieve brand loyalty Increase productivity and engagement of employees Using digital based retail customer assessment, lending and documentation for faster loan process Special focus on non-funded business to earn substantial non-interest income and commission. Strengthen financial inclusion across Bangladesh 	 Continuous communication with clients, fine tuning of internal credit risk grading rules to comply with the risk management strategy of Board, observe portfolio health with improved monitoring/ reporting tools Incentivize borrowers to get them rated to reduce risk weighted assets and raise capital when required Revisiting existing product lines, realignment to cater new customer segments and offer competitive rate Encouraging and refining customers to use internet/ app based banking service for money withdrawal, transfer etc., process reengineering to meet regular issues Run CASA campaign round the year and increasing rapport with local big corporates/ Govt. offices/ agencies Evaluating prospective borrowers ability by using different Al tools and do digital documentation Set up more clusters in divisional districts for quick loan assessment and approval, thus save turn-around time. Efficient use of all agent outlets, micro merchants, subbranches etc. to collect small ticket deposit and loans Placing right people in right place, establish career planning for key roles, arrange objective based training and ensure due recognition etc.
Long-Term (> 3 years)	 Innovate and introduce new banking product to attract new segments of the customer Build state of the art IT infrastructure Shifting bank's focus on business and change sector concentration from corporate to SME/Retail business Increasing market share for specific clientele, including students, NRB clients, freelancers, etc. Further improvement of customer service Become number 1 employee/ employer of choice among all the PCB's and create a sustainable work force Move closer to "net-zero equation" to reduce carbon footprints 	 Continuous efforts and Investment on new banking product development by doing extensive R & D. Investment in new IT innovation and incorporate new value added services to provide better banking experience Selective growth in corporate business while accelerating in SME/Retail by maximum utilization of our diversified distribution channels Focus on digitization and make a strong brand presence in both physical and digital market. Development of Al/chat boat based customer service solution Invest in human capital by regular spending on local/foreign training & development program Increasing investments in green financing to leave a good impact in the environment and to build a better future.

ECONOMIC OUTLOOK

As the economy was recovering from the aftereffects of Covid-19, it was severely impacted by the conflict between Ukraine and Russia. The economy has been trending in the direction of entering a recession. After a 6.2% rebound in 2021, global production is anticipated to decrease to 3.4% in 2022. The pandemic has already weakened the economy, and it now faces higher-than-anticipated global inflation, resulting in tighter financial conditions. Food and energy prices and supply-demand imbalances are expected to raise global inflation to 8.8% in 2022 from 4.7% in 2021. Export restrictions raised global food prices. The Russia-Ukraine war and dollar appreciation will reduce world trade growth to 4.3% in 2022 from 10.4% in 2021. Bangladesh's economy is also suffering alongside the rest of the world due to the conflict between Russia and Ukraine. It has disrupted the global supply chain and caused a significant economic shock in Bangladesh. International commodity prices rose abnormally due to the war. Bangladesh relies on imports for fuel. industrial raw materials, and machinery. The Bangladesh government's fuel and energy price hikes also raised domestic inflation. Though exports grew 23.7% in 2022 over 2021, abnormal import growth and negative remittance growth (-3.6% over 2021) led to the highest trade deficit of USD 12.31 billion in December 2022. Due to a shortage of foreign currency, especially the US dollar, foreign exchange reserves fell to USD 33.74 billion on December 31, 2022, from USD 48.06 billion on August 31, 2021, covering only six months of import payments. Despite these challenges, GDP grew 7.1% in FY 2021-22, and the Bangladesh government has set a 7.5 percent target for FY 2022-23.

IMF policies aim to revive the global economy after 2022's downturn. Since inflation's long-term effect is to lower people's standard of living, it is a significant concern for them. High-debt governments must raise taxes and cut spending to reduce foreign currency borrowing. Ending the war in Ukraine would increase global commodity supply, so governments should remove trade barriers rather than stock food and energy. Countries using fossil fuels like coal to address the energy crisis should transition to renewable energy.

ESG Approach and our priorities







Environment

It is our firm belief that our success as an organisation is defined by the long-term wellbeing of the people we engage with, the places in which we operate and the planet that we leave to our future generations.

Energy Savings
Water Usages
GH₂G Emission
Waste Management
Reducing Carbon Footprint

Social

Bank Asia has always been conscientious about giving back to the community that keeps us going. For this we have always prioritised on our CSR activities and what we can do for the betterment of society.

Education
Health
Disaster Management
Art & Culture

Governance

Our Corporate Governance framework is based on Integrity, transparency & accountability, effective internal controls, a strong risk culture and accountability to stakeholders where Bank Asia strives to perform at our very best.

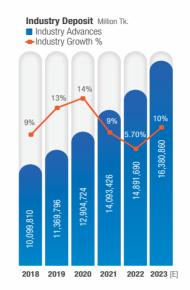
Good Governance
Integrity
Transparency &
Accountability
Ethics & Compliance
Risk Management
Internal Control

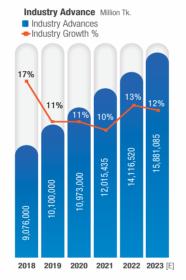
Details of Environmental performance, CSR & Corporate Governance are described in page no. 214, 230, 238

Deposit and Advances Strategies

DEPOSIT STRATEGIES

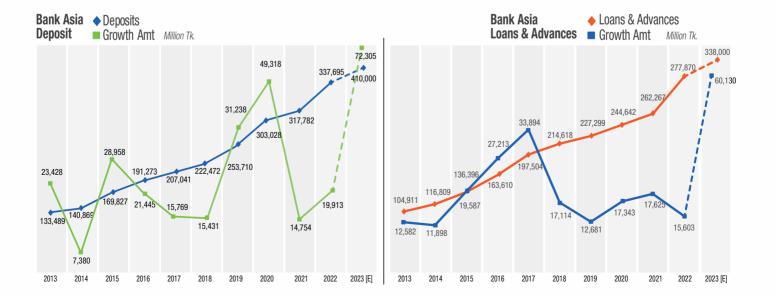
- Boost deposit mobilization through agent banking activities
- Establishing low cost sub-branches in important locations and reaching mass people through post office banking
- Reinforcing corporate liability marketing dept.
- Taping different government agencies e.g.
 Foreign Missions, Roads & Highway, LGED,
 Bangladesh Bridge Authority etc. and also other different corporate houses, e.g. Foreign Air Lines, Telecom companies etc. and maintaining regular intense social interaction with different segments of the society.
- Cross Selling of different products including retail to corporate customers.
- Strengthening important channels like ABAK (Amar Bari Amar Khamar), a govt. project to collect and distribute funds to the mass people
- Offering cash management services, i.e. collection of institutional accounts and effective use of EFTN service to ensure fast & secure cash service.
- Rigorous CASA campaign, Hajj deposits campaign and so on.
- Exploit mobile banking services to tap huge low ticket domestic remittance and mobile wallet to facilitate retail shopping.





ADVANCES STRATEGIES

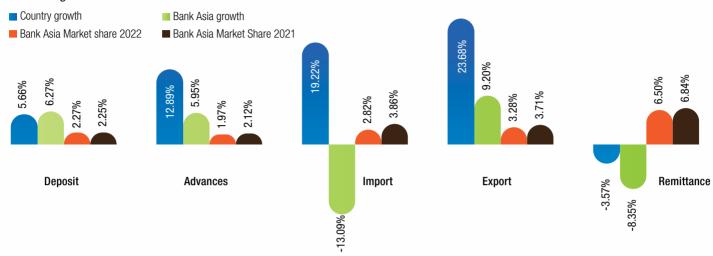
- New emerging sectors like power, ship building, ship breaking, jute yarn, ceramic, pharmaceuticals industry etc. to be more focused.
- Existing thrust sectors like agro based industries, leather, frozen food, textile industry to be more focused.
- Backward linkage industries to be targeted which will provide a good source of SME business through availing the benefit of supply chain management.
- More priority to export oriented industries to help increase forex flow, earn through multi channel which will help increase no cost fund of the Bank.
- Special attention will be given to expand SME credit portfolio to achieve relatively higher yields and also to reduce adverse effects of large volume defaults.
- Risk Management techniques should apply to ensure strong internal control over business operation.
- Identifying probable problem accounts through Early Warning System ('EWS') and taking appropriate care of those and formulating exit plan, where necessary.



Import and Export Strategies

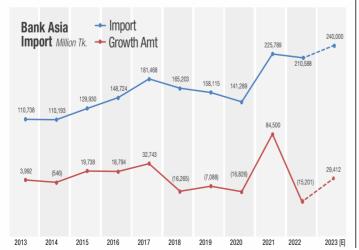
Country Position Vs Bank Asia Position

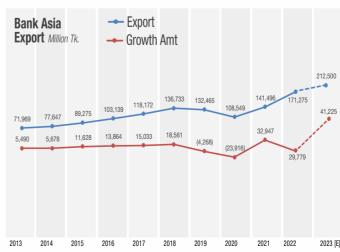
Percentage %



IMPORT & EXPORT STRATEGIES

- Arranging credit lines from international agencies at a competitive rate to facilitate international trade business particularly for import clients, thus strengthen foreign exchange reserve for the country.
- Establishing bilateral business agreement with different European and Chinese counterpart banks to route their transactions into Bangladesh through our bank.
- Boosting Bank Guarantee business in the form of Bid Bond with local repo offices in Bangladesh of the foreign contractors offering competitive
 rate to facilitate mega projects like Metrorail, Padma Bridge, Six lane and eight lane high ways etc.
- Creating bilateral agreements with the renowned oversees banks and FI's to get more overseas funds since LIBOR Rate is gradually reducing, thus helping to reduce the import cost for industrial and local importers and manufacturers
- Marketing for not only established business houses but also the potential clients having strong entrepreneurship spirit to grow.
- Garments sector will be more focused where tested and potential clients will be in the portfolio basket under the regime of calculative risk return trade-off.
- Emerging ship building and ship breaking sectors will explore new opportunities which the Bank will tap for increasing international trade.
- Industries having backward linkage will yield better opportunity and reduce risk exposure.
- Focusing on service export sectors like IT and Education.





STRENGTHS

- Strong capital base
- Sound Credit Rating over the years
- Robust network to reach banking services across the country
- Focusing customer satisfaction as the main priority
- Brand Image validated locally as well as internationally through exploring transparency and reliability
- Pioneer in Financial inclusion
- Efficient Cost to income ratio in compare with peer banks
- Strong human resource as 67.5% of employees aged below 40 years

WEAKNESSES

- Diversification of products & services
- Significant loans concentrated in large loan
- Limited scope of alternative income avenues
- Dependency on industry culture
- Less Advertisement resulting lower presence before customers

SWOTAnalysis

- Continuous expansion in untapped business and grab new opportunities
- Digitization to cater different needs of customers
- Scope in digital Financial Inclusion
- Investment

OPPORTUNITIES

- Liquidity crunch in Banking Industry
- Economic crisis due to disrupted supply chain for Russia and Ukraine war
- Higher inflation
- Rising trend of NPLs
- High Competition
- Depletion of Forex reserve

THREATS







- আয় বণ্টন অনুপাত বা আইএসআর পদ্ধতিতে মুনাফা নির্ধারণ 🌑
 - শুধুমাত্র হালাল খাতে বিনিয়োগ 🌑
 - দৈনিক স্থিতির ভিত্তিতে মুনাফা এবং মাসিক ভিত্তিতে চূড়ান্ত হিসাব 🌑
 - সম্পূর্ণ পৃথক ইসলামিক সফটওয়্যার নির্ভর হিসাব ব্যবস্থা 🔵

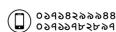
দেশব্যাপী ব্যাংকের সকল শাখা ও এজেন্ট পয়েন্টে **চার্জ ফ্রি** অনলাইন ব্যাংকিং সেবা

ব্যাংক এশিয়া ইসলামিক ব্যাংকিং কর্পোরেট অফিস, ব্যাংক এশিয়া টাওয়ার

৩২ ও ৩৪ কাজী নজরুল ইসলাম এভিনিউ কারওয়ান বাজার, ঢাকা–১২১৫ ইমেইল– ibd.ba@bankasia-bd.com











শুদ্ধতাই আপনার মুনাফা

Strategic Focus

Improved performance through capacity building and employee productivity revitalizing efficient service delivery, organizational effectiveness, strong public relations and customer satisfaction equipping employees with expertise, necessary skills and knowledge properly addressing employee motivation, satisfaction, health and morale to improve employee productivity altogether culminate performance of the bank.





BUSINESS KPI'S

Bank Asia has chosen some financial and non-financial Key Performance Indicators (KPIs) that are important for its future success. Financial KPIs: Proportion of SME portfolio, Loan loss rate, Cost Management, Net-operating Income Growth, Operating Income Mix, Cost to Income, Shareholder Returns. Non-Financial KPIs: Employee engagement, Brand perception, Customer satisfaction, IT performance &system reliability, Number of CASA customers, Proportion of non-interest income, Distribution outlet outside bank's own network.



BUSINESS KRI'S

Bank Asia has chosen some forward looking Key Risk Indicators (KRIs) to focus on emerging risk to recover, improve or maintain its performance. Bank Asia is committed to create good risk culture that includes clear guidelines, clear responsibilities and risk awareness programs to identify. KRIs: Emerging impediments to financial performance, regulatory status, Asset growth outpacing capital growth, increase in SMA in the bank's geographic location or customer cluster, increase in approvals of credit proposal exceptions, increase in percentage of interest only loans to total loans, significant changes in funding mix period to period.



CLUSTER PROGRAM FOR BRANCHES

Bank Asia implemented zonal mentorship concept involving Senior Management to monitor branches seamlessly with a view to managing core risks of the bank, optimizing the revenue streams (profitability), expediting credit approval process that will help achieve goals, make smart business decisions, overcome work place challenges and learn new skills.



CUSTOMER SATISFACTION

Bank Asia is sincere to create higher customer satisfaction and loyalty by its brand enhancement programs, personalizing banking, creating brand ambassadors, Online product innovation, measure and reduce customer effort, creating differentiated customer value proposition, conducting customer satisfaction survey for identifying client expectations as well necessary actions to be taken for service improvement.



GOING GREEN IN THE BANKING FUTURE

Bank Asia firmly promotes green banking to reach its long term strategic objective to be a green, triple bottom line bank where every decision will be taken with both financial and environmental considerations in mind. The Bank's green banking initiatives includes online & paperless banking, reduction of green house gas emission, mapping bank's carbon foot print, efficient energy use, environment friendly projects like ETP, Zigzag and HHK technology, plants nursery, biogas and horticulture projects etc.



PROMOTING FINANCIAL INCLUSION

One of the strategic priorities of Bank Asia is to promote financial inclusion for combating poverty which the bank firmly believes to achieve by its deposit services, agricultural credit program, small enterprise financing for productive new off farm employment of 'missing middle', Solar home system projects with NGO-MFI partners, foreign remittance of poor migrant workers channeling through partner MFIs, domestic remittance distribution, mobile operation through mobile banking, ABAK project for the ultra- poor people and agent banking for the underserved population.



GIVING BACK

Bank Asia believes in giving back to the community and it will continue to promote education, fulfill its commitment to community health, disaster management, clean environment, sports, art and culture.



FOCUSING MORE ON SME SEGMENT

The SME segment of the country has been playing a critical role in diversifying the country's economy, improving production and creating job opportunities. It is also an important gateway for ensuring financial inclusion. In recent years Bank Asia has been shifting its focus from corporate clients to include more of the SME segment to enable economic development and ensure financial inclusion.

Resource allocation area	Human Resources	Office equipment (Tk.)	Floor space (sq. ft.)
Business Head	1	1,165,113.01	245.44
Zonal Office	7	8,155,791.04	1,718.05
Branch Banking Services	1,473	1,716,211,458.17	361,527.16
Chairman, MD's & DMD's Secretariat	4	4,660,452.02	981.74
HR Planning & Manning	73	85,053,249.45	17,916.82
Operations Support	126	146,804,238.78	30924.92981
Finance Function	18	20,972,034.11	4,417.85
Treasury Function	18	20,972,034.11	4,417.85
Loan processing & supervision	407	474,200,993.53	99,892.43
International Operation	116	135,153,108.72	28,470.57
Information Systems	94	109,520,622.59	23,070.98
Board Secretariat	11	12,816,243.07	2,699.80
Internal Audit & Compliance	33	38,448,729.21	8,099.39
Channel Banking	484	563,914,695.01	118,791.00
Subsidiaries	27	31,458,051.17	6,626.77
Total	2,892	3,369,506,814.00	709,800.77

Our Activities and Values

EXTERNAL FACTORS

KEY BUSINESS ACTIVITY

VALUE CREATION ACTIVITIES



Finance



Competitors



Social cost & benefits







Environment

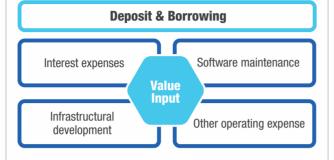


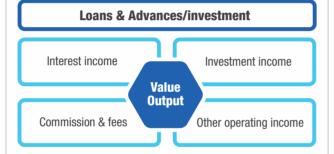
Infrastructure



Fthical









- To support economic growth, through credit, investment capital, trade finance and infrastructure financing we facilitate allocation of capital
- Facilitate access to financial services, enabling socio-economic development and personal wealth creation, which are relevant to the markets in which we operate
- Enable financial protection and diversification through risk transfer also engage with stakeholders and responsive to their concerns
- To ensure customers have safe as well as convenient access to their savings and funds we deploy and maintain the integrity of banking infrastructure
- Focused on technologically advanced banking systems appropriate to our industry to make banking more facile & interactive for customers
- Build and maintain a good governance framework to protect and enrich value creation in line with our code of ethics and values
- Actively make progress against our strategic priorities to achieve our vision and sustainable development goals.
- Reduce our operational impacts and promote positive change
- Strengthen risk management policy with strong internal control system for managing overall risk exposure of bank

- Being a financial institution engaging in banking activities, we are a part and parcel of economy and facilitate at a fundamental level of economic growth and social development of the economies we serve.
- We always believe that one of our greatest strength is Human Resource and for quality and value added service to the stakeholders, we frequently arrange training and development programs to our employees. We have also made 12.49% growth in employment creation from last year.
- Ultimately, the most significant outcomes of our business activities are contribution to socioeconomic development, which we are achieving through profitability and the amount of dividend and tax of Bank Asia in 2022 was Tk. 7,570 million.
- As the Basel Capital Accord (Basel III) requires banks to allocate financial capital to meet capital requirements, so we facilitate allocation of capital to support economic growth and in 2022 our reinvestment amount was Tk. 7.173 million.
- To protect and enrich value creation we had Tk. 10.04 million as environmental savings and as financial inclusion we are serving 5.54 million account holders through Agent banking program
- In order to keep positive impacts on lives we disbursed Tk. 7,416.94 million to 91,408 rural farmers.

Number of Employees

We recruit talented people and train them so that they can increase the company's value by giving their best effort

OUTCOME OF VALUE CREATION



Tax Amount (Million)

By paying taxes, we contribute directly to governments to build stronger economies

2022	7,570		
2021	5,493		
2020	6,038		

Environmental Savings (Million)

Our commitment gradually increasing over the years for maintaining eco friendly environment

2022	10.04	
2021	9.95	
2020	9.80	

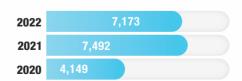
A/C of Agent Banking

Provide banking services to geographically dispersed poor segment of the society through Agent banking since 2013



Reinvestment (Million)

Wealth is reinvested for further growth of our business, which ultimately benefit our stakeholders

























Our Capital, Our Strength to build a resilient business



Our Financial Capital is the pool of funds which includes our monetary resources such as funds arranged from valued depositors and shareholders in the form of deposits, equity and reinvestment which is for making loans, advances and investment.

Our fundamentally strong capital base, sustained business growth and consistent shareholder returns are the outcome of our disciplined approach towards raising, lending and managing our financial capital which includes deposits from customers, equity of shareholders, retained earnings and external borrowings among others.

- 10.88% Return on Equity
- 0.67% Return on Asset
- 17.70% CRAR
- Tk. 46,111 million Capital



Our Human Capital refers to the skills and experience of our employees which enable Bank Asia to implement its strategies and deliver better services that create value to our stakeholders. Bank Asia focus on making industry-competitive, developing and motivated workforce.

Through continuous training and development programs, we further developed our workforce and enhance our human capital. This skilled and motivated workforce enables us to acquire new customers, serve and retain our existing & potential customers.

- 2,865 Employees
- 60,984 Manhours Training



Bank Asia's Manufacturing Capital includes all infrastructure created and utilized within our integrated business model. These include our regional footprint of banking operations, business processes and technologies etc. for providing effective, efficient and innovative services to our customers.

Manufactured capital facilitates our engagement with customers, people, the society and other stakeholders. Our distribution network comprising of branch banking & branchless banking or, Channel Banking constitute this capital. It also covers our IT infrastructure and security.

- 135 Branches
- 5,414 Agent Outlets
- 218 Own ATMs





























Our Intellectual Capital consists of intangible intellectual resources like brand image, knowledge & expertise based assets like skills and competencies of employees, innovative research and development team, market reputation that offers a competitive edge to Bank Asia. Structured network, qualitative database, emergent technologies like better software, good security systems are also used in our bank. It is an important factor for achieving success and helps to survive in the competitive environment.

- 357,557 Smart APP users
- 4,370 Youtube subscribers
- 1,23,598 Facebook followers



The natural capital consists of the natural resources that are utilized in its value creation model and consumed to conduct our business for delivering our products and services as well. Our natural capital also impacted by the emissions & waste material that generates from the activities for conducting our business. We are always aware regarding environmental protection by minimizing environmental damages. We screen all our large loans to assess them for environmental and social risks. We are practicing to use renewable energy at our offices and reducing carbon offset print for ensuring green banking system

- 3,249 Green finance Disbursement
- 764 No. of borrower
- Tk. 10.04 million Environmental savings



Our Social and Relationship Capital refers to the long-term relationships we have created with our stakeholders like business partners, regulators, customers, shareholders which helps to build and maintain a strong social reputation and trust. Furthermore, to improve the underprivileged segment of the society the Bank always focused on investing in CSR activities.

- CSR Tk. 237.48 million
 - Health Tk. 47.00 million
 - Education Tk. **15.63** million
 - Disaster Management
 Tk. 138.70 million
 - Sports & Culture Tk. 17.00 million
 - Others Tk. 19.15 million































Value Added Stage

Bank Asia use Financial Capital to expand business network & invest in various projects also provide diverse forms of deposit schemes through assessment in terms of risk exposure, capital adequacy, loan provision and regulators' instructions in advancing loans and making investment.

Initiatives

- Effective and responsible investment of shareholder's fund
- Managed treasury fund proactively
- Re-pricing the loans to reduce the cost of fund

CRAR

2020	17.16%
2021	15.72%
2022	17.70%

Challenges

- Maintaining sound asset portfolio
- Sluggish credit growth impacting lower lending opportunity
- Upkeep the spread to maintain profitability over the years
- Maintaining sustainable growth and financial stability

CAPITAL (Tk. in million)

2020	43,754	
2021	41,370	
2022	46,111	

Value created in 2022

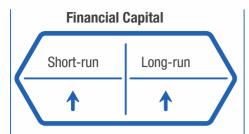
- Deposit grew by 6.27% and stood at Tk. 338 million whereas advance became Tk. 278 million with a growth of 5.9%
- Total assets of the bank became Tk. 468 million with a growth of 6.9%
- Provided financial access to marginal people through 5,414 Agent Banking outlet, , 1,349 DPO (Digital Post office) outlets,
 Micro merchant beneficiaries & other social safety net program



Partex Pulp & Paper Mills Ltd. financed by Bank Asia

Capital Trade-off

Administrative expense saving



The reduction in per head administrative cost increases the productivity of financial capital

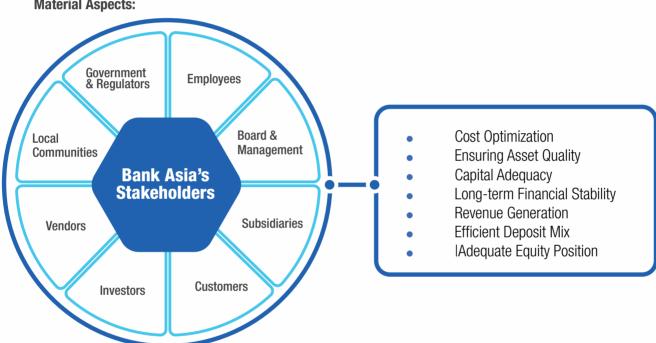
Manufactured Capital Short-run Long-run

As the administrative expense per head decreases, it saves cost but it reduces the productivity of the manufactured capital

Social & Relationship Short-run Long-run

The reduction in operating expense moderately affects the social and relationship capital and the cash inflow goes both ways

Material Aspects:



Outlook Forward

Quality of Loans

The goal is to provide loans selectively in order to keep the existing classified loans in a manageable state

Risk Management

Emphasis is placed on optimizing valuable collaterals and diversifying the business portfolio to ensure minimal risk with maximum return

Investment

A higher degree of importance is given to the investment portfolio to generate adequate income

Deposit Efficiency

The idea is to decrease the cost of deposit as the time goes by. Already, the High Cost deposit decreased by TK. 8,121 million indicating efficiency



Value Added Stage

Bank Asia focuses on strong internal business process platform with output based infrastructural facility in all of the branches by creating & implementing technological innovation.

Initiatives

- Developing a structured system for unbiased performance evaluation
- Acquires fresh, talented and right employees in the right place
- Provides long term training and development opportunities
- Ensures safe, healthy and equitable environment for all employee
- Provides competitive remuneration
- Rewards performance based bonus and incentives

Challenges

- Evaluating employee appraisal process within due time
- Retaining experienced and skilled employees
- Developing human resources towards company's vision & growth
- Maintaining productivity and efficiency

Human Capital in million Tk.

2020	21,121			
2021	23,037			
2022		35,771		

Value created in 2022

- Ensure a healthy environment for work which improves the performance of employees
- Provided transport facilities to the female employees
- Provided trainings to the employees as needed
- Established a SMART KPI method to evaluate the performance of employees in a transparent manner
- Young and energetic human resources as 67.5% of staff members aged below 40 years



Certificate awarding ceremony of 59th foundation training

Capital Trade-off

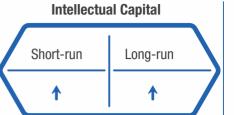
Training & Development Benefits Hiring new personnel



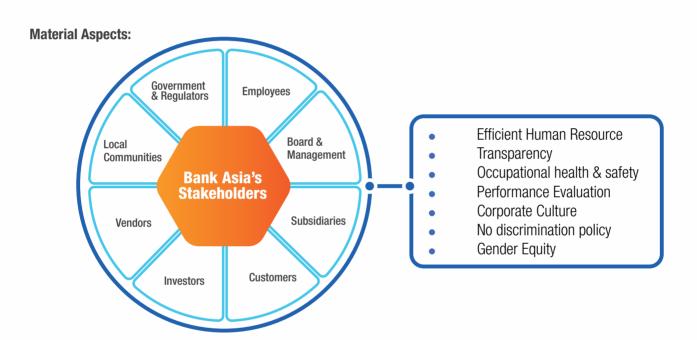
Here, the operating expense increases for the development of human resources both in the short-run and long-run. But in the long-run it will pay-off through better returns.



As the investment grows in this segment, the employees will receive training, compensation, and benefits both in the short and long-run. The company will further strengthen human capital by hiring competent personnel.



Through giving proper need-based training, the employees will be able to improve themselves and their work ethic. This will help in growing the intellectual capital of the company.



Outlook

Forward

Digitalization in Training Process:

Integrating technology in training and workshop to enhance the HR process

Fair Corporate Culture

Flexible, fair, and non-discriminating environment for employees

Right Placement:

Hiring the right personnel through fair and competitive recruitment process

Performance Driven: Program well set KPIs for performance and inherent quality analysis for individual growth

Leadership and Team Development program: Development of self-managed and effective employees through team building and excursion activities



Value Added Stage

Bank Asia focuses on strong internal business process platform with output based infrastructural facility in all of the branches by creating & implementing technological innovation.

Initiatives

- Stay updated to adapt to changes and overcome the challenges
- Involvement in strategic planning
- Spreading the geographical boundaries through opening more channels
- Developing the technological requirements

Challenges

- Increasing infrastructure facility to support growth.
- Careful management of operation to address and protect the customer need.

No. of **Agent Outlets**

2020	4,628	
2021	4,898	
2022	5,414	

Value created in 2022

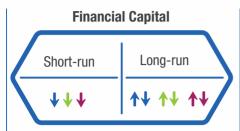
- Adoption of digital banking solutions (internet banking, smart app, e-payment solution, etc.) grew significantly throughout the pandemic
- Most of the branches were kept open during the lockdown periods
- ICT division developed remote working platform for to enable smooth working environment from their homes



Inauguration ceremony of Rampura Branch

Capital Trade-off

- Investment in property, plant, and equipment
- Investment in expansion
- Investment in information technology



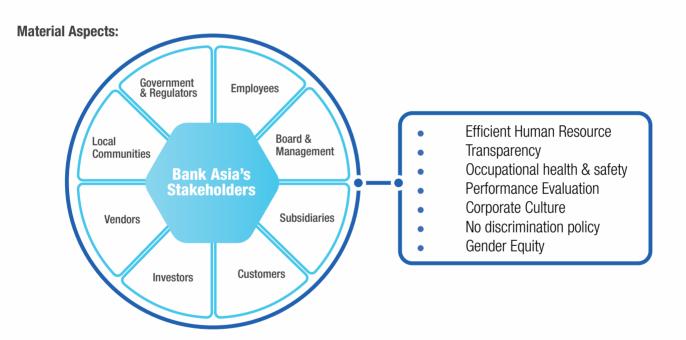
Here, the operating expense increases for the development of financial capital both in the short-run and long-run. But in the long-run, the investments will pay-off through better returns.



As the capital expenditure grows, the infrastructure of the bank will grow both in the short and long run. This will assist in the expansion process of the bank.



Through proper investment in expansion and property of the business, trust and social reputation is built among the stakeholders of the company



Online Banking: Customers can get access to necessary banking services from their homes or on the go.

Outlook Forward

Improve Process: To utilize the manufactured capital at a maximum level, process innovation is necessary.

Infrastructure buildup: Build the necessary infrastructure and provide the necessary establishments to ensure the smooth operation of banking operations, both physical and virtual.



Value Added Stage

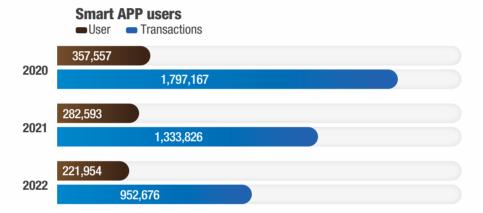
Bank Asia creates market reputation by introducing, expanding & diversifying product portfolio, reducing service waiting time, conducting customer service quality survey.

Initiatives

- Uses high quality and updated software, anti-virus, increased automation, and provides employee training
- Involvement in research and development and market analysis
- Offers unique products and services through innovation

Challenges

- Adopting the changes in technology
- IT and informational risk identification and management
- Ensure quality investment in technology infrastructure



Value created in 2022

- Developed Artificial Intelligence Workforce (AIW)
- Implementation of Robotic Process Automation for real-time payments in order to channel remittance from abroad
- Implementation of Oracle RAC and Apex 19.2 for core banking system in order to enhance the operations of Agent Banking System



Bank Asia Limited receives the trophy of Overall Winner in the 22nd ICAB National Award

Capital Trade-off

- Digitalization and Automation
- Service innovation

 $\uparrow \uparrow \uparrow$

Maintenance of IT infrastructure



There is a heavy expense incurred due to investments in digitalization and automation along with IT maintenance



As the capital expenditure grows, the manufactured capital of the bank will grow both in the short and long run.



Through proper investment in intellectual property, trust and social reputation is built among the stakeholders of the company





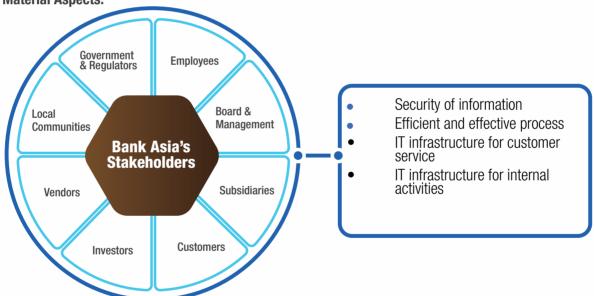
Service innovation and proper investment in IT will increase the overall intellectual property of the business





The digitalization will reduce the overall carbon footprint of the environment for which it will add value to the natural capital

Material Aspects:



Easy access for customers: Implement alternative delivery channels to provide customers with immediate access to bank products and services

Outlook Forward **Be up-to-date with technology:** Focus on digitalization in order to be updated with the change in technology

Quality-based banking service: Focus on increasing investment and capital by providing quality banking services and knowledge-based services to our customers



Value Added Stage

Bank Asia tries to create a public awareness on the preservation of natural capital, reduction of wastage and keep the environment free from pollution through its operational activities and by publishing Sustainability Report which conveys a unique message to our stakeholders each year.

Initiatives

- Introduced E-products such as SMS banking, internet banking
- E- Commerce and payment solution
- Actively involved in green financing activities (Tk.6555.47 million)
- Provide 8 trainings and seminar on green banking to spread awareness to 280 employees of 420 man hours

Challenges

- Resource optimization to reduce energy wastage
- Maintain green and sustainable environment

Agricultural credit disbursement Tk. in million

2020	4,664		
2021	3,869		
2022	5,427		

Value created in 2022

- Reduction of CO2 emissions by providing training to the employees through ZOOM, Cisco Webex & True Conference
- Net Saving from environmental activities is Tk. 10.04 million
- Disbursed Tk. 6,555.47 million for Green financing activities
- Disbursed Tk.14.506.11 million under Sustainable Finance scheme
- Tk. 2,403.14 million spent on renewable energy projects
- Invested Tk. 237.06 million for liquid waste management disposal



Spectra solar park financed by Bank Asia Limited.

Capital Trade-off

- Sustainable Green Banking establishments
- Sustainable Green Office practices



As the green financing initiatives increase, capital outflow upsurges. Later on, this sustainable practice pays off in the future

Short-run Long-run

As the green office practices are established, the manufactured capital increases both in the short and long run

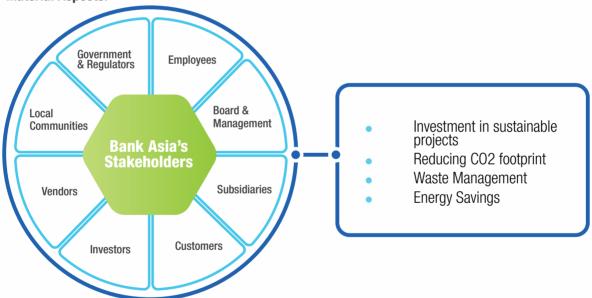




The investments made in green banking will increase the brand value of the bank which will result in increased social & relationship capital



Material Aspects:



Sustainable Banking Operations:

Sustainable Banking activities that do not adversely impact the environment

Outlook Forward **Reducing Carbon footprint:** Proper resource management throughout the organization to reduce carbon footprint

Green Investment: Investment in green, renewable and environmental friendly projects in compliance with regulatory guidelines



Value Added Stage

Social and Relationship Capital is vital importance for the sustainable value creation of Bank Asia. We take a holistic approach to sustainable value creation with our customers, trade partners and merchants or communities by nurturing our long-standing relationships. Through CSR activities we work closely with various communities to improve their lives and livelihood opportunities.

Initiatives

- 50 Bed indoor hospital at Ma Amiran Hospital and Diagnostic Centre
- Focuses on SDG through various CSR activities in different sectors
- Provides support to unprivileged people through social safety net program.

Challenges

- Empowering shareholders
- Evolving customer needs
- Addressing the shareholder's needs

CSR Tk. in million

U	TK. III IIIIIIIIIII		
2020	283		
2021	247		
2022	237		

Value created in 2022

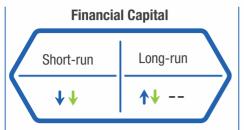
- Donated Tk.100.00 Million to Prime Minister's Relief and Welfare Fund for the flood-affected people of the country.
- Donated Tk. 39.54 million establishing & running hospital
- Provided Tk. 5.92 million for curative treatment of patients
- Donated Tk.1.54 Million Free medicine/health equipment to individual/a group of patients
- Provided Tk. 3.07 million under Bank Asia Higher Studies scholarship program
- Donated Tk. 138.70 million for disaster management.



A patient is receiving treatment from Bank Asia Ma Amiran Hospital & Medical College

Capital Trade-off

- Efforts in increasing community service
- Customer service investments



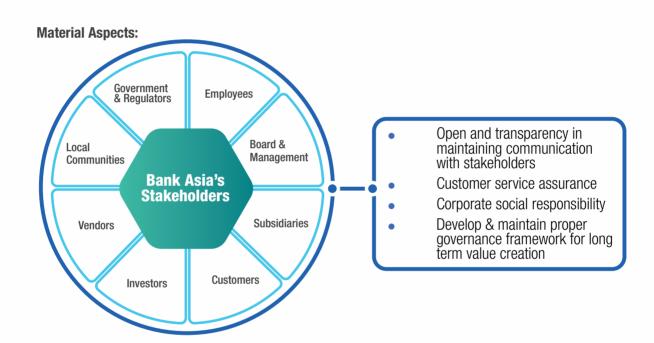
As the CSR initiatives increase, capital outflow upsurges. Later on, this sustainable practice pays off in the future



As the sustainable investment grows, the infrastructure of the bank will grow both in the short and long run



Through proper investment in expansion and property of the business, trust and social reputation is built among the stakeholders of the company



Outlook

Forward

Customer Focus:

Enrich customer relationship management for retaining and building better relationship with the customers **Agreement** with UN, UNDP, IFC, ADB, Bangladesh bank, Remittance InPay

Branding: Reach more segments through enhancing marketing efforts and communicate with more people

CSR: Focus on the overall betterment of the nation through CSR activities in different sectors like health, education, sports and culture etc.

Capturing market segment: Increase product selection to capture more segments as well as customers

Our Business Model

Inputs



Investment on

- Equity
- Long term Debt
- Capital Expenditure



Investment on

- Environmental Management
- Awareness Development
- Sustainable Finance



Investment on

- Employee Training & Development
- Employee Engagement Programs
- Employee Benefits



Investment on

- Research & Development
- Technological Innovation



Investment on

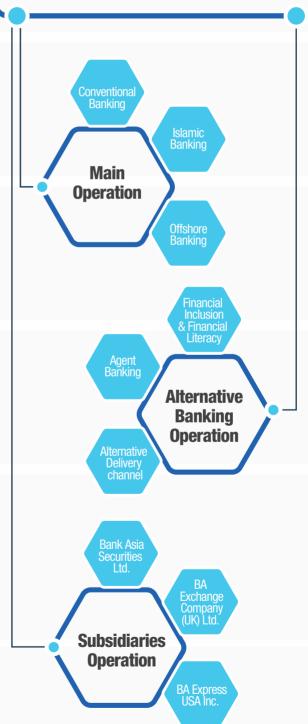
- Community Development
- Stakeholder's Engagement



Investment on

- Infrastructural Development of Distribution channel
- Information Technology (IT)

Business Operations



Activities

Output

Outcome

- Effective and responsible investment of shareholder's fund
- Diversifying the business portfolio
- Cost reduction initiatives
- Curbing CL ratio
- Supporting the entrepreneurs through CMSE
- Use deposit money to facilitate lending
- Minimizing risk through approved regulatory environment
- Installled solar panels in 11 branches of Bank Asia
- Introduced E-products such as SMS banking, internet banking and payment solution
- Turned into eco-friendly banking system
- Adoption of SDG's
- Providing services through Online Credit Approval(OCAS) which helps in carbon sequestration of the planet
- Prioritize financing any eco-friendly projects
- Established a real-life SMART KPI to evaluate the contribution of all individuals in a transparent manner
- Create pool of talent and skilful managers by arranging development programs
- Ensures hygienic & congenial workplace for all employees
- Group Health Insurance for the employees
- Performance management & appraisals
- Yearly performance bonus for motivation

- Implemented Robotic Process Automation (RPA) for real-time payments
- Set-up arrangement with OPGSPs to bring the earned money by exporting service in nonphysical form

- Payment to the Stakeholders
- Promoting financial inclusion
- Growth in operating profit
- Timely repayment of debt with stated return
- Transparency & integrity in financial reporting
- Sustainable growth
- Financial Stability
- Satisfactory Return
- Reduction of wastage through monitoring
- Management of liquid waste efficiently
- Reduction of energy and carbon footprint
- Ranked as one of the top 10 sustainable banks by BB in 2021
- Raised awareness regarding conservation of energy, water, saving paper, etc.
- Generate value for clients through sustainable and innovative solutions
- Biodiversity preservation
- Skilled and competent employee force
- Career growth and organizational development
- Talents and performances development
- Job satisfaction & career progression
- Creation of sustainable workforce
- Play a vital role in materializing the mission, vision, goals and objectives of the bank
- Increasing of profit through improved productivity & efficiency
- Involvement in research and development and market analysis
- Focus on build up capital through offering quality banking facilities and knowledge- based services
- Implemented Oracle Real Application Cluster and migrate Oracle Database 120.1.0.1 to Oracle Database 12.1.0.2 for the Bank
- Improved and innovative products launched
- Certified with ISO/IEC 27001:2013
- Received "Intellectual Property Protection Award 2020" by Bangladesh Copyright Board, for the bank's conscious and responsible role in the protection of intellectual property.
- Expanding and diversifying product portfolio
- Quick service to the clients.
- A better prepared organization for facing disruptive business models

- Focuses on SDG through various CSR activities in different sectors
- Provides support to unprivileged people through social safety net program
- Empowering communities through Agri/Rural credit
- Established one of the largest agent banking network, with over 5,414 outlets opened across the country in last 8 years
- Being the pioneer of Agent banking in the country with the goal of serving the grassroots people, Bank Asia has built 5,414 Agent Banks and on boarded 56500+ micro merchants, 1349 Post Office Banking Outlets
- **Empowering Shareholders**
- Better Stakeholder relationship
- Partnership with UNDP under LGED Ministry
- Incresing number of outlets lower the operational cost and increase the popularity of agent banking
- Overall betterment of the nation
- Long term customer relationship
- Enriching brand visibility and reputation

- Introduced mobile app based service
- Stay updated to adapt changes and overcome the challenges
- Total 218 owned ATM and 13000+ shared ATM providing services
- Alternative delivery channel

- Strong internal business process platform
- Expand in the geographically dispersed segment

Risk

Management Report

Below gives an overview of the locations of our risk disclosures.

RISK Management Framework

Page: 154-157

RISK Mitigation Methodology

Page: 158-163

Disclosure of RISK Reporting

Page: 164-169





At the edge of 2022, we have duly realized the imminent of a new global economic order where the financial market players have to chart a path through the current fog of uncertainty to reposition for a brighter future. On a nutshell, the global economy remains fragile going into 2023. In just three years we have seen a pandemic, severe supply chain disruptions, a war, an energy crisis and now tensions in banking markets. The resulting swings in activity and prices have presented policymakers with the challenge of identifying turning points in their underlying dynamics at a time of disruption in the economy and the financial sector. Inevitably, we need to navigate between the risk of underreacting — which could prolong the inflationary effects of these shocks — and that of overreacting, which could turn volatility into instability. The global economy is projected to grow by 1.7% in 2023 and 2.7% in 2024. The sharp downturn in growth is expected to be widespread, with forecasts in 2023 revised down for 95% of advanced economies and nearly 70% of emerging market and developing economies. In the context of Bangladesh, growth is expected to slow to 5.2 percent in FY2022/23 due to rising inflation and its negative impact on household incomes and firms' input costs, as well as energy shortages, import restrictions, and monetary policy tightening.

During 2022, the bank remained utmost vigilant to understand the emerging risk spectrum, followed by constant calibration of risk models to accommodate the transforming generics of financial risk. Both the senior management and Board extended

dedicated attention to visualize the material uncertainties. As a result of proactive risk management culture the bank was in complete control to form risk management strategy based on an informed manner. The Board has adopted risk appetite in line with macroeconomic outlook, broad objective and risk management maturity of the bank. The set boundary of risk appetite was the center point for all other risk management tools for example, sector wise lending for credit portfolio and nonfunded exposes, counterparty limit for money market operation, stop loss limit against investment activities etc. Apart from concentrating into visualized risks, the bank has constantly applied stress testing methodology to pin-point the unexpected but presumable risk factors of the bank. Alongside of financial risk, during the year 2022, the bank has extended substantial focus on managing its non-financial risks like climate change, information security, talent retention etc.

The next ten years in risk management may be subject to more transformation than the last decade. As such to avoid the chances of becoming overwhelmed by the new requirements and demands the bank has already taken its stand through forming of outlook and defining strategy. Below are six key trends that the bank has used to visualize the picture of upcoming financial risk management:

- 1. Continued expansion of the breadth and depth of regulatory vigilance: It is expected that during the coming days introduction of new regulation, revision of existing and transformation of supervisory evaluation process with go hand-on-hand. For example, introduction of risk based loan pricing, outline of Basel IV or complete discontinuation of qualitative statement with quantitative data by the regulator.
- 2. Changing customer expectations: Over the next decade, shifts in customer expectations and technology are expected to cause massive alterations in banking and give it an entirely different profile. By then, widespread technology use is likely to be the norm for customers. Over the last two years, the amount of innovation has increased across the sector, and investment in financial-technology (fin-tech) start-ups has grown rapidly. Innovation affects every part of the value chain, but the most important disruption will probably occur in banks' origination and sales processes.
- 3. Technology and analytics as a risk dynamism: Technology will not only change customer behavior, but also enable new risk-management techniques, often coupled with advanced analytics. Concepts like big data, machine learning, Crowdsourcing are likely to become integral part of risk management
- 4. The emergence of nonfinancial risk: The tremendous increase in fines, damages, and legal costs related to operational and compliance risk over the past five years has forced banks to pay much more attention to these risks. This will probably increase even further, due to the regulatory trends discussed earlier and given the expected rise in capital requirements for operational risk
- 5. Avoidance of biases to form better risk decision: Another risk is that of making wrong decisions due to unrecognized biases. To address that, in coming days risk management function need to ensure capabilities for Bias recognition and Elimination techniques.
- 6. Need for strong cost savings: The banking system has suffered from slow but constant margin decline. This downward pressure on margins is expected to continue across all geographies. There are even expectations that this pressure to accelerate due to further tightening of regulations. Banks will possibly need to rethink their operating costs so they can deliver more value at lower cost. Once banks have exploited traditional and incremental cost-cutting approaches such as zero-based budgeting, value-added analysis, and outsourcing, it is expected that simplification, standardization, and digitization will likely be the only sizable avenues left for substantial cost savings.

Rashidul Kabir Rajib Chief Risk Officer

RISK MANAGEMENT FRAMEWORK

The Risk Management Division of Bank Asia Limited plays a critical role in ensuring that the bank is operating in a safe and sound manner, and that risks are identified, assessed, and managed in a comprehensive and integrated manner. The division works closely with other departments within the bank to ensure that risk management practices are integrated into all aspects of the bank's operations. The division helps to ensure compliance with regulatory requirements, protect the bank's financial health, enhance the bank's reputation, and ensure operational efficiency. Our key focus areas during the year were:

- 1. Transformation from practice based operation for uniform business practices through adoption of policies and procedures
- 2. Unlike silo basis we are thriving toward enterprise wide risk management culture through building awareness and knowledge
- Instead of accommodating risk through fresh capital injection, we are managing risk to minimize capital requirement
- 4. We are reviewing our risk assessment model through effective back testing to ensure proper alignment with trending risk nature and standard practices
- 5. Operational risk management, particularly fraud risk and cyber risk



The way we manage risk:

Shaped by

Our culture and values, guiding our approach to risk management



Risk Management Framework

Determined by

Our overall strategy and objectives reflecting our risk appetite



Supported by

Training on topics such as internal control, ethics, anti-fraud, authority limits, crisis and business continuity management and compliance

Governed by

Policies defining risk management and control standards for all our operations, published on our internet and regularly updated

Risk Governance Structure of Bank Asia Limited

The primary goals of risk management are to ensure that the outcomes of risk-taking activities are consistent with the bank's strategies and risk appetite, and that there is an appropriate balance between risk and reward in order to maximize shareholders' returns. The bank's enterprise-wide risk management framework provides the foundation for achieving these goals.

This framework is subject to constant evaluation to ensure that it meets the challenges and requirements of the global markets in which the bank operates, including regulatory standards and industry best practices. The risk management programs of the bank's subsidiaries also conform in all material respects, to the bank's risk management framework, although the actual mode of execution of their programs may be different.

In line with global and national level risk management framework Bank Asia Ltd. has own Risk management framework for overall risk management of the Bank. The above framework is combination of Board level oversight, Management oversight and Operational level risk management structure.

Bank Asia Limited has three level of structure in regards to managing risk. **Board of Directors Management Level Executive Risk Management** Committee **Board Risk Management** Supervisiory Review Process Risk Management Division Committee Committee Core Risk Management **Operational Level** Strategic Level Committee Policy Review Committee

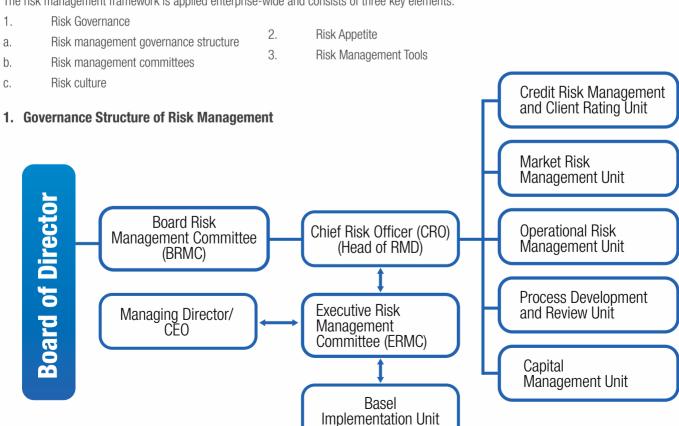
Three Lines Defense model of Bank Asia Limited

First line of defense: The first line of defense is comprised of the business units and functions responsible for managing risks on a day-to-day basis. This includes front-line employees, supervisors, and managers who are accountable for identifying, assessing, and managing risks in their respective areas of responsibility.

Second line of defense: The second line of defense is comprised of risk management and compliance functions. These functions provide independent oversight, guidance, and support to the first line of defense. They help to ensure that risks are identified, assessed, and managed effectively, and that the bank complies with applicable laws, regulations, and internal policies.

Third line of defense: The third line of defense is comprised of internal audit functions. Internal audit provides independent and objective assurance that the first and second lines of defense are functioning effectively and that risks are being managed appropriately. They also assess the adequacy and effectiveness of the bank's risk management and control processes.

The risk management framework is applied enterprise-wide and consists of three key elements:



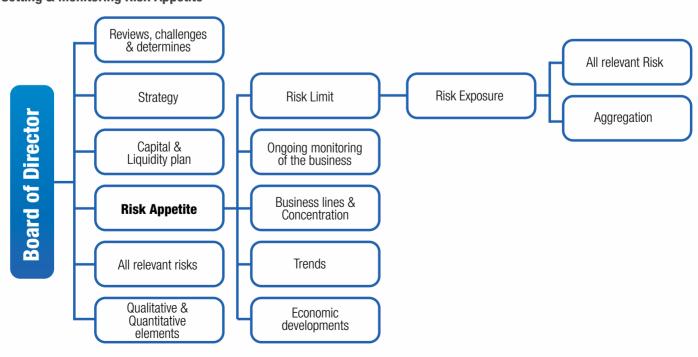
Particulars	Roles and Responsibilities
Board Risk Management Committee	 Design and implement Risk strategy and policy Review, monitor and understand risk profile of the bank Review and recommend bank's risk appetite, limit and tolerance level Review of Management level operational risk structure Performance review and recommendation
Executive Risk Management Committee	 Identifying, measuring and managing bank's existing and potential risks through detailed risk analysis Determining general principal for measuring, managing and reporting the bank's risk Minimizing/controlling risks through ensuring proper implementation of the decisions; Reviewing risks involved in new products and activities and ensuring that the risks can be measured, monitored, and controlled adequately; Oversee the development, implementation and maintenance of the bank's overall risk management framework and risk appetite, strategy, principals and policies Ensure bank's Risk Management practices are in line with regulatory benchmark and industry best practice
Supervisory Review Process Committee	 Ensure that the bank has an internal process to identify and assess all relevant risks of the bank Vetting/recommending general principal for development of ICAAP document Ensure that capital is adequately allocated against the ICAAP outcome Error free and timely reporting of ICAAP outcome to Strategic layer and BB
Core Risk Assessment Committee	 Adoption of in-house core risk assessment methodology Perform periodic assessment of Core Risk Guidelines' implementation status Review and approval of core risk rating and recommendation for improvement Extend supervisory support for implementation of committee's resolution
Policy Review Committee	 To review the Department/Division specific SOP/Policy/PPG before approval To place the requirement of new policies of the bank To monitor the adoption of Policy of the bank

2. Risk Appetite

The risk appetite refers to the level of risk that the bank is willing to accept in order to achieve its strategic objectives. This involves assessing the risks associated with various types of financial products, services, and activities, and establishing guidelines and limits to manage those risks within acceptable levels. Setting the risk appetite is an exercise where Bank's risk capital is allocated effectively and risk limits are set within the risk strategy of the Bank. Thus, the risk appetite is set, covering overall group position of a bank ensuring main business units are in line with the business objectives set by Board of Directors.

Considering the importance and regulatory requirement, Risk Management Division of Bank Asia Limited has developed risk appetite for each year. The risk appetite framework was designed to ensure that the bank maintains a sound risk management culture, and that risks are managed in a manner that is consistent with the bank's overall risk tolerance and strategic goals. Like previous year, Bank Asia Limited has considered new areas under risk appetite statement. Parameter wise risk appetite was set considering historical trend, Central Bank benchmark, International Benchmark and perception of the senior management.

Setting & Monitoring Risk Appetite



Setting & Monitoring Risk Appetite

Risk Areas		's target in line egic planning	BA's Status	
	Risk Appetite	Risk limit	Dec-22	Dec-21
Credit Risk				
Overall growth of total loans and advances (funded) (%)	18.00%	15%	5.95%	7.20%
Overall growth of total loans and advances non-funded (%)	12.76%	12.00%	-11.73%	42.37%
Top-20 borrower-wise credit concentration (%) (funded)	30.00%	23.00%	25.86%	16.06%
Gross NPL to total loans (%)	4.50%	3.50%	4.29%	4.98%
Recovery against classified loan (%)	30.00%	15%	20.20%	5.01%
Off-balance sheet exposure to total assets (%)	40.00%	37.00%	32.56%	39.70%
Rescheduled loans to total loans (%)	8.00%	6.00%	4.22%	0.27%
Restructured loans to total loans (%)	6.00%	5.00%	3.57%	0.81%
Written off loan to total NPLs (%)	15.00%	11%	0.41%	5.98%
Amount of loan outstanding with acceptable rated customers (risk weight up to 100%) to the amount lies with total rated customers (%)	100.00%	98%	100.00%	100.00%
Market Risk	(
Impact on net interest income(NII) due to 1% adverse change in interest rate	5.00%	7.00%	4.38%	7.50%
Exchange rate shock to operating income	2.00%	1.00%		1.15%
Net open position limit		+/-USD 5.83 crore		5.83
Value at Risk(VAR) for FX	0.16%	0.15%	2.94%	0.15%
High cost deposit to total deposit (%)	45.00%	50%		48.00%
Wholesale borrowing guideline(WBG) limit	25% of bank's eligible capital	30% of bank's eligible capital		
Operational R	isk			
Loss due to internal and external fraud	0.00%	0.00%	0.00%	0.00%
Operational loss due to employment practice and workplace safety, clients, products, and business practice, damage to physical assets, business disruption and system failure, execution, delivery and process management	0.00%	0.00%	0.00%	0.00%
Expected operational loss as % of operating income	0.00%	0.00%	0.00%	0.00%
Capital Manage	ment			
Capital to risk weighted assets (RWA) ratio (CRAR)	14.50%	13.00%	19.10%	15.86%
CRAR after combined minor shock	11.00%	11.00%	14.59%	17.39%

Risk Culture of Bank Asia Limited

Risk culture in Bank Asia refers to the values, beliefs, behaviors, and attitudes that shape the way the BA's employees and leadership manage risk. It is the collective mindset and approach to risk-taking and risk management within the organization.

A strong risk culture promotes a disciplined and controlled approach to managing risks, fosters an environment where employees feel comfortable raising concerns and reporting incidents, and ensures that risks are managed in line with the bank's RAS and tolerance levels.

A weak or poor risk culture, on the other hand, can lead to increased exposure to risk, increased likelihood of regulatory or legal issues, and reputational damage. Therefore, promoting a strong risk culture is essential for a bank to maintain its safety and soundness, and to protect its reputation and franchise value.

The Board of Directors regularly reviews the risk profile of the Bank and its subsidiaries and makes every senior leader a responsible stakeholder in developing a strong risk culture within the Bank. Further, the Bank ensures that, every employee has a clear understanding of their responsibilities in terms of risks undertaken by them in every step they take in their regular business activities. BA's has developed a risk management framework covering risk governance, which includes, risk management structure comprising different sub committees and clearly defined reporting lines ensuring risk management unit is functioning independently. Risk governance of the Bank also includes setting the risk appetite statement, risk limits, risk management functions, capital planning, risk management policies, risk infrastructure and MIS and analysis to monitor Bank's risk profile.



RISK MITIGATION METHODOLOGY

The success of banking operation largely depends on choosing the best equation between risk and return. This implies that by nature the banking operation is subject to various risks. However to ensure the sustainability, among all other factors creating value (i.e. return/profit) is a basic requirement for any financial organization. Keeping the uncertainty factor in mind each bank need to adopt a risk management framework that should be effectively enough to manage all material uncertainties to achieve the goal of the organization.

Risk Mitigation Plan

- Risk Appetite
- Internal Credit Rating
- Early Alert System & Overdue Management Routine
- Sectorial Lending Cap
- Risk Based Pricing

- Deferral Management Process and Documentation Review
- Policy/process review
- Operation process review and reengineering
- Capital Rationing
- Internal ICAAP

Risk mitigation approaches

Risk types	Governing documentation	Application to risk appetite limits/ tolerances
Credit risk	Credit policy manual, credit instruction manual, risk appetite	 Exposure to a single customer or group of related parties. Industry concentrations (exposure and risk adjusted concentration limits).
Market risk	Asset liability management policy, Foreign exchange risk management policy and Treasury mid-office operating guideline	Various VaR limits, stress test results, equity and debt investment exposures. • Structural interest rate and foreign exchange exposure. • Duration analysis.
Liquidity and funding risk	Asset liability management policy, Fund transfer pricing policy.	 Hold appropriate levels of unencumbered high quality liquid assets that can be readily sold or pledged; Limits to control the maximum net cash outflow over specified short-term horizon; and Diversification of funding by source, type of depositor, instrument, term.
Operational risk	Internal control & compliance policy, fraud & theft risk prevention & management policy, Information Communication Technology ICT security policy, outsourcing policy, AML policy, People management policy	Systematic identification, measurement, mitigation and monitoring of operational risk, • Minimization of residual operational risk; and • Expressed quantitatively by an aggregate loss limit
Reputational risk	Customer service & complaints management policy	Low tolerance for reputational, legal, or taxation risk arising from business activities, initiatives, products, services, transactions or processes, or from a lack of suitability of products for clients.
Environmental & social risk	Credit policy manual, Credit instruction manual	Ensuring that projects are developed in a socially responsible manner
Strategic risk	Risk appetite, annual budget, strategic planning	It links the Bank's risk appetite framework with the enterprise strategy, business line strategies and corporate function strategies.

Risk Management Division

The Risk Management Division of Bank Asia Limited acts as the core wing for overall risk management at the bank. The division consists of five subunits, and the head of the division is also the Chief Risk Officer (CRO) of the bank. There are four purely risk-related committees at management level and a risk management committee at board level.

Structure & Reporting Line

- RMD consists of 05 units
- CRO act as Head of RMD and report to Board RMC
- CRO is member of all risk related committee of the bank
- CRO is the chairman of ERMC
- President & Managing Director is the Chairman of SRP Team
- At least quarterly risk reporting to Board RMC and Board

Risk mitigation approaches

Particulars	Particulars
Credit Risk Management and Client Rating Unit	Is primarily responsible for finding out and recommending mitigation for all credit risk related issues of the bank. Major focus of the unit will be to ensure continuous understanding of any kind of changes in risk parameter and review of credit related activities of the bank to measure the performance of existing credit risk management tools. This unit is also responsible for developing internal client rating model and periodic credit related reporting of the bank management and Board Risk Management Committee.
Market Risk Management Unit	Is primarily responsible to identify, assess, manage, report and any risk arising from Asset-Liability mismatch, change in yield curve and/or market volatility (FX or equity investment).
Operational Risk Management Unit	Operational Risk Management Unit is primary responsible to manage any possible operational risk resulting from people, process, system and external forces.
Process Development and Review Unit	Process Development and Review Unit is basically a process reengineering unit. This unit will proactively review various operational processes (regardless of any specific risk) to identify any area of development. Based on such identification the unit will take necessary steps to enrich the process i.e. through policy/process development and eventual implementation, which can not only safeguard bank's asset but also contribute strongly towards profitability
Capital Management Unit	Capital Management Unit is primarily responsible to ensure execution of Pillar –II capital computation. More precisely the unit will develop methodologies/models to accurately calculate additional capital requirement on top of minimum capital requirement.

1. CREDIT RISK:

Credit risk is the potential risk that the bank may incur losses as a result of its borrowers or counterparties failing to repay their loans or meet their financial obligations. In other words, it is the risk of default by the borrower or counterparty, which can result in the bank losing the principal amount and interest on the loan. Effective credit risk management is essential for the financial health and stability of a bank. The BA use various techniques to manage credit risk, such as credit analysis, credit scoring models, risk rating systems, top 20 borrower analysis etc.

Approaches of Credit Risk Management:

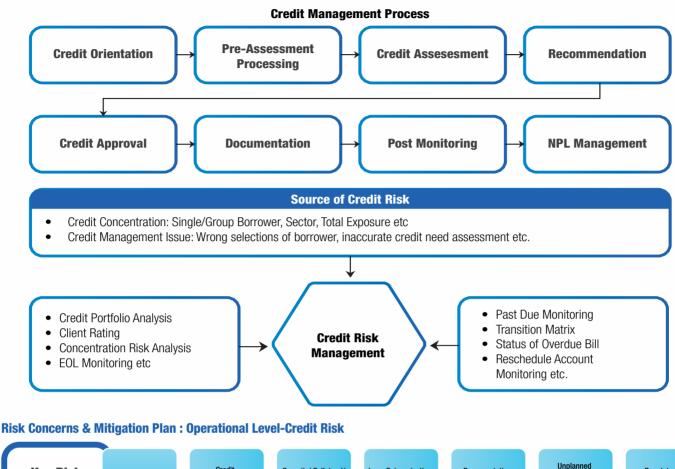
The following approaches are being used for calculating risk-weighted assets (RWA) for banks. These approaches are intended to ensure that banks hold sufficient capital to cover their credit and operational risks.

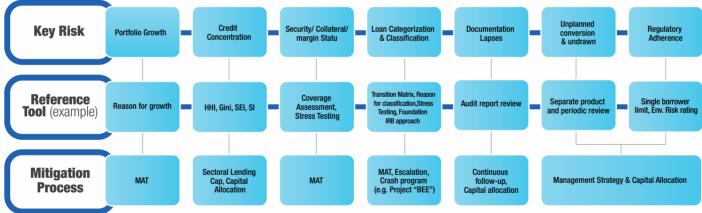
- 1. Standardized approach: Bank Asia Limited used the standardized approach for calculating risk-weighted assets (RWA) of credit risk to determine the amount of capital bank must hold in reserve to cover potential credit losses. Under the standardized approach, banks assign a risk weight to each of its assets based on the credit rating of the borrower. The RWA is then used to calculate the minimum amount of capital that the bank must hold in reserve to cover potential credit losses. The higher the RWA, the more capital the bank must hold in reserve.
- 2. Internal ratings-based (IRB) approach: This approach allows banks to use their own internal models to estimate the credit risk of their borrowers and counterparties. Under the IRB approach, banks assign probability of default (PD), loss given default (LGD), and exposure at default (EAD) to each loan or credit exposure. These inputs are then used to calculate the RWA. Risk Management division of the bank already has develop internal rating model for the implementation of IRB approach.
- **3.** Advanced measurement approaches (AMA): The AMA is an extension of the IRB approach. This approach is a more general framework for calculating RWA that allows banks to use a wide range of models and data inputs to estimate credit risk.

Credit Risk Management Procedure:

Credit risk primarily triggers either from unwillingness or inability of a credit borrower to serve its obligation, resulting economic loss to the bank. Credit risk arises from on balance sheet claims such as loan and overdrafts as well as off balance sheet commitments such as guarantee, acceptance, letter of credit etc. Similar to most other banking institutes, in the case of Bank Asia Limited, loans are the largest and most obvious sources of credit risk.

Bank's credit risk management specifically addresses the following areas:





2. MARKET RISK:

Market risk is defined as the risk of losses against expected (fair) value of financial assets, liabilities and off-balance sheet items resulting from absurd market condition (e.g. macro-economic factors). The underlying risk is also considered as non-diversifiable risk, i.e. risk that cannot be avoided. In general market risk is often triggered by other forms of financial risks such as credit and market liquidity risks. For example, a downgraded of the credit standing of an issuer (e.g. share) could lead to a drop in the market value of the securities issued by the issuer. Furthermore, a major sale security by another holder could depress the price of the security.

Approaches for Measuring Market Risk:

There are several approaches for measuring market risk in banking, including:

1. Standardized approach: The standardized approach applies a set of pre-defined risk factors and sensitivities to determine capital requirements for market risk. The risk factors and sensitivities are based on the asset classes, including equities, interest rates, foreign exchange, and commodities. This approach is simpler and more transparent than the internal models approach, but it may not capture the full extent of market risk faced by banks.



- 2. Internal models approach: The internal models approach allows banks to use their own models to calculate capital requirements for market risk, subject to approval by regulators. The internal models approach is more risk-sensitive and can better capture the specific market risk exposures of individual banks. However, it requires a high degree of technical sophistication and validation. Under both approaches, BA calculate daily value-at-risk (VaR) for each trading desk, based on a 99% confidence level and a 10-day holding period.
- **2.1 Interest Rate Risk** arising from mismatches in the interest rate profile of assets, liabilities and capital instruments including basis risk arising from different interest rate benchmarks, interest rate re-pricing risk, yield curve risk and embedded optionality.
- **2.2 Equity risk** is defined as loses due to changes in market price of equity held by the Bank. To measure and identify this risk, marks to market valuations of the equity instruments that are traded in secondary market are made. The minimum capital standard for equities is expressed in terms of two separately calculated charges for the "specific risk" of holding a long or short position in an individual equity and for the "general market risk" of holding a long or short position in the market as a whole.
- **2.3 Foreign exchange risk** arising mainly from our strategic investments which are denominated in currencies other than the BDT. Foreign exchange position is managed by treasury division. In the year ended 2022, Total Risk Weighted Assets for Foreign Exchange Risk is Tk. 4,500.56 million and capital requirement is Tk. 450.06 million.
- 2.4 Commodity risk is the risk of loss due to changes in spot and forward prices and the volatility of precious and base metals, and energy products. A commodity is defined as a physical product which is or can be traded on a secondary market, e.g. agricultural products, minerals (including oil) and precious metals. The price risk in commodities is often more complex and volatile than that associated with currencies and interest rates. Commodity markets may also be less liquid than those for interest rates and currencies and, as a result, changes in supply and demand can have a more dramatic effect on price and volatility. These market characteristics can make price transparency and the effective hedging of commodities risk more difficult. For spot or physical trading, the directional risk arising from a change in the spot price is the most important risk. However, banks using portfolio strategies involving forward and derivative contracts are exposed to a variety of additional risks, which may well be larger than the risk of a change in spot prices.

3. LIQUIDITY RISK:

Liquidity risk is the potential for loss to an institution arising from either its inability to meet its obligations as they fall due or to fund increases in assets without incurring unacceptable cost or losses. An institution short of liquidity may have to undertake transaction at heavy cost resulting in a loss of earning or in worst case scenario; the liquidity risk could result in bankruptcy.



Banking organization like Bank Asia Ltd., where off-balance sheet exposure is significant or has strong dependency on corporate deposit or experiencing step asset (i.e. primarily credit portfolio or investment book) growth is exposed to high level of Liquidity risk. Liquidity risk should not be seen in isolation, because financial risks are not mutually exclusive and liquidity risk is often triggered by consequence of other financial risks such as credit risk, interest rate risk, foreign exchange risk etc.

4. OPERATIONAL RISK:

Operational Risk refers to the risk of loss resulting from inadequate or failed internal process, people and system or from external events. This definition includes legal risk but excludes strategic and reputational risk. Unlike other risk as faced by the bank, the operational risk is inherent in most of the process and operations of the bank and cannot be separated from other risks. Operational risk in a bank are the functions of the bank's overall environment and culture, employee competence and integrity, management strategies and philosophies, extent and degree of process centric approach to business, etc.

Approaches for Measuring Operational Risk:

The Basel Committee on Banking Supervision (BIS) has developed several approaches for calculating capital requirements for operational risk. These approaches are intended to ensure that banks have sufficient capital to cover potential losses arising from operational failures, such as fraud, misconduct, and system failures. Here are the main approaches for operational risk:

- 1. Basic Indicator Approach (BIA): The BIA is the simplest approach and it involves calculating the capital charge as a percentage of the bank's gross income. Under this approach, the bank apply a fixed percentage of gross income to determine the capital requirement for operational risk.
- 2. Standardized Approach (TSA): The TSA applies a set of fixed risk weights to different business lines based on their perceived level of operational risk. The TSA assigns risk weights to each business line based on the size of the business line's gross income.
- 3. Advanced Measurement Approach (AMA): The AMA allows banks to use their own internal models to measure and manage operational risk. Under this approach, banks develop their own models to estimate potential losses from operational failures, based on internal data and external market data.



5. REPUTATION RISK:

Reputation risk is the current or prospective risk to earnings and capital that arise from decline in the customer base, costly litigation due to adverse perception of the stakeholders. It originate from the lack of compliance with industry service standards or regulation, failure to meet commitments, inefficient and poor quality customer service, lack of fair market practices, unreasonably high costs and inappropriate business conduct. In a nutshell, "reputation risk arises from the failure to meet stakeholders' reasonable expectation of bank's performance and behavior". Reputation risk is a subset of operational risk which can adversely affect the capital base if the driving forces of the risk turn worse. Banks assess reputational risk in ICAAP document under Pillar-2 by considering following key indicators:

- Credit Rating conducted by ECAls
- Internal fraud
- External fraud
- Non-payment or delayed payment of accepted bills (foreign & domestic)
- Quality of customer service.

Assessing above key indicators for all aspects bank maintains additional capital for that/those risk/risks.

6. STRATEGIC RISK:

Strategic risk means the current or prospective risk to earnings and capital arising from imperfection in business strategy formulation, inefficiencies in implementing business strategy, non-adaptability/ less adaptability with the changes in the business environment and adverse business decisions. Strategic risk induces operational loss that consequentially hampers the capital base.

In this context, strategic risk possesses a significant space in the ICAAP of the banks, following aspects is considered:

- CAMELS rating optimum level up to 2 (satisfactory)
- Operating expenses as % of operating income- optimum level up to 45%
- Classified loans as % of total outstanding loans- optimum level up to 5%
- Classified loan recovery as % of total classified loans- optimum level minimum 20%
- Written-off loans as % of total classified loans- optimum level up to 15%
- Interest waiver as % of total classified loans-optimum level up to 5%.

7. INTERNAL CONTROL & COMPLIANCE RISK:

Internal control is the process, affected by a company's board of directors, management and other personnel, designed to provide reasonable assurance regarding the achievement of objectives in the effectiveness and efficiency of operations, the reliability of financial reporting and compliance with applicable laws, regulations, and internal policies.

Bank's senior management is responsible for establishing a compliance policy that contains the basic principles to be approved by the board and explains the main processes by which compliance risks are to be identified and managed through all levels of the organization.

The board and management are accountable for the bank's compliance, the compliance function has an important role in supporting corporate values, policies and processes that help ensure that the bank acts responsibly and fulfils all applicable obligations.

8. MONEY LAUNDERING RISK:

Money Laundering Risk can be defined as the loss of reputation and expenses incurred as penalty for being negligent in prevention of money laundering. The bank has a designated chief compliance officer at Head Office and Compliance officers at branches who independently review the transactions of the accounts to verify suspicious transactions.

The convergence of several remarkable changes in the world markets propelled Money Laundering to become a worldwide problem. Bank Asia considers Money Laundering and Terrorist Financing Risk not only a compliance requirement of the regulatory bodies but also as one of its core business values. Bank Asia Limited included various activities with the existing to mitigate Money Laundering, Terrorist Financing and Proliferation Financing. For more information on how we manage our Money Laundering Risk, refer to Directors Report on pages 97.

9. ENVIRONMENTAL AND CLIMATE CHANGE RISK:

Environmental and climate change risk refers to the uncertainty or probability of losses that originates from any adverse environmental or climate change events (natural or manmade) and/or the non- compliance of the prevailing national environmental regulations. This is a facilitating element of credit risk arising from environmental issues. These can be due to environmental impacts caused by and / or due to the prevailing environmental conditions. Environmental and climate change risk can hamper the business stability of the borrowers in respect of both- i) profitability and ii) reputation. Consequentially, the extent of risk for the banks will be higher.

10. INFORMATION TECHNOLOGY (IT) RISK

IT risk refer to Financial loss, disruption or reputational damage caused by failure of people, processes or technology that's leading to cyber-attack on critical systems and/ or unavailability of critical technology components.

Key Risk	Mitigation Process
Network Risk - Improper Configuration,	Is primarily responsible for finding out and recommending mitigation for all credit risk related issues of the bank. Major focus of the unit will be to ensure continuous understanding of any kind of changes in risk parameter and review of credit related activities of the bank to measure the performance of existing credit risk management tools. This unit is also responsible for developing internal client rating model and periodic credit related reporting of the bank management and Board Risk Management Committee.
Data Centre Risk - Server Failure,	Bank Asia has deployed configured Routers, Firewalls, WAF, and Switches etc. to make DDR-Distance Disaster Recovery site operational and established VPN connectivity with all branches, booth, and departments.
Hardware Risk – Power Faults, Equipment Incompatibilities, damage etc.	Bank has established a Tier-3 standard Disaster Recovery (DR) site which is fully functional since August, 2021. Bank has also successfully completed drill test on November 27, 2021 for network, Storage, Database and Application connectivity in different combinations to ensure Business continuity for branch banking operation (CBS only) through Disaster Recovery Site.

Core Risk Assessment Procedure:

The Central Bank has put in place six separate core risk guidelines (such as for credit, foreign exchange, asset liability management, internal control and compliance, information and communication technology, and anti-money laundering) to make sure that banks are good at managing risk as a whole. Bangladesh Bank does a core risk audit every year and gives core risk ratings for each area. The rating is also used as one of the parameters used to determine the CAMELS rating of the bank, and side by side, this rating is also used to determine the additional capital requirement under the BASEL regime. As per the direction of the central bank, BA has formulated a management-level committee for core risk management, and as per the guidelines, the risk management division of the bank has conducted core risk assessments on a yearly basis for internal rating, which is required to submit the central bank to ICAAP.

DISCLOSURE OF RISK REPORTING

Risk management report addresses the disclosure requirements of Basel III pillar 3, and materials risk that effect bank's earning, capital and shareholders' value and management action plan against that risks set out by Bangladesh Bank. Banks prepared its statement regarding capital adequacy statement in line with pillar I of Basel III on quarterly basis and submitted to Bangladesh Bank by following month both in solo basis and consolidated basis. Solo basis included Bank's conventional banking, Islamic banking and Off- shore banking. Consolidated basis included Bank and its three subsidiary companies i.e. Bank Asia Securities Limited, BA Exchange Company (UK) Limited and BA Express USA Inc.

Risk Monitoring & Reporting

CRMR: The half-yearly paper covers 100+ parameters (specified by BB).

Risk Report: The monthly basis risk report focuses on risk aspects which requires immediate focus. The report is the core discussion point of various risk committees i.e. ERMC, BRMC etc

ICAAP: The yearly basis BBank report covers risk areas like documentation lapses, concentration, liquidity, reputation, environmental, settlement, core risk etc. Further to that the bank has developed it's own ICAAP which will be adopted during 2017 and expected to be executed on half-yearly basis.

Reports to Board/Board RMC: Meeting of Board RMC takes places on monthly basis and based on requirement of the committee various memos/process/policies are submitted mostly covering risk issues.

Minimum Capital Requirement (MCR) Calculation:

The MCR is a process for figuring out how much capital a bank needs based on its credit, market, and operational risks. It is required by Basel. The underlying assessment is a mandatory requirement of the Central Bank, and assessments are carried out on a quarterly basis. Concerning MCR calculation, the Risk Management Division of the bank does the necessary analysis to understand the trend of the bank's MCR, builds the necessary model to predict the overall MCR of the bank, and makes the necessary recommendations for improvement. The bank performs the minimum capital requirement (MCR) calculation on a quarterly basis, which is generated from the bank's own developed (i.e., RMD) automated web-based system. The said software is capable of calculating how much capital is required for each 100 taka of lending (branch-specific and mode of lending, i.e., funded and non-funded). It is mentioned here that at the end of 2022, the bank was able to maintain the CRAR of 17.70%.

Value at Risk (VaR):

Value at Risk (VaR) is a statistical measure of the potential loss of an investment portfolio over a specific time horizon, with a given confidence level. VaR is a risk management tool that is often used by financial institutions like banks. VaR calculates the maximum loss that an investment portfolio is likely to incur with a given probability over a specified time period.

The Risk Management Division of the bank has already developed a VaR model for both Fex and equity. The VAR of Fex is regularly monitored by the RMD, and the report is regularly presented in the ALCO on ALCO paper.

Stress Testing:

Stress testing is a risk management tool that the bank use to assess the potential impact of adverse market conditions on its portfolio. The purpose of stress testing is to identify potential vulnerabilities in the bank's portfolio and to determine the level of capital the bank needs to hold to withstand adverse market conditions. According to the instruction and guideline of Bangladesh Bank, RMD has perform Stress Testing on quarterly basis and presented to the Risk Management Committee of the Board. Under sensitivity analysis of Stress Testing bank can determine the possible impact on the bank's capital adequacy ratio due to a sudden change in business or market conditions (i.e., performing loans directly downgraded to BL, NPL increases due to the default of top large borrowers, interest rate risk, FX risk, equity shock, etc.). During 2022 bank can able to maintain a post-shock CRAR of at least 10% at a minor shock magnitude.

Individual Shocks	CRAR after Minor Shock (%)	
	Dec 21	Dec 22
Performing loan directly downgraded to B/L :Sectoral Concentration 1	15.50	18.90
Performing loan directly downgraded to B/L :Sectoral Concentration 2	15.56	18.89
Increase in NPLs due to default of Top large loan borrowers	12.78	16.49
Negative Shift in NPLs categories	15.58	18.88
Decrease in the FSV of the Collateral	15.67	18.92
Increase in NPLs	14.14	17.27
Interest Rate	14.75	17.59
FEX : Currency Appreciation	15.80	19.09
Equity Shock	15.66	18.85
Combined Shock	12.30	15.11

Gap Analysis:

Gap analysis is a method of measuring the potential impact of changes in interest rates on a bank's balance sheet. The objective of gap analysis is to identify the magnitude and direction of a bank's interest rate sensitivity, and to quantify the potential impact of changes in interest rates on the bank's earnings and capital. Through Gap analysis, BA assess the interest rate sensitivity of reprising mismatches in the Bank's non-trading operations. Interest rate sensitive assets, liabilities and off-balance sheet instruments of the Bank are assigned to defined time periods based on expected re-pricing dates.

Duration GAP:

Duration gap is a measure of the sensitivity of a bank's assets and liabilities to changes in interest rates. It represents the difference between the weighted average maturity of a bank's assets and liabilities. On a quarterly basis RMD performs stress testing with analysis of duration, gap, and sensitivity. The duration gap analysis helps to assess the impact of adverse interest rate movements on a bank's earnings and economic value. Through the year 2022, Bank Asia Limited was able to maintain its capital adequacy after minor shocks in all events.

Trend of Duration Gap



Supervisory Review Process under Basel accord:

The second part of Basel III, called the Supervisory Review Process (SRP), is a way to figure out how much more capital a bank needs based on its risk profile and how well it manages risks. Under the Risk-Based Supervision Framework, the second pillar of Basel III is an important part of making sure that a bank has enough capital. The Internal Capital Adequacy Assessment Process (ICAAP) is the method used to decide if a company needs more capital. It is mentionable that ICAAP is a process that takes into account all those risk areas that are not reasonably addressed under Pillar I of Basel III while evaluating credit, market, and operational risks, as well as all those risk factors that are not covered under Pillar I. Bank Asia Limited has assessed the additional capital requirement on a yearly basis based on central bank guidelines, and the whole ICAAP process has been reviewed by the SRP team of the bank and approved by the Board of Directors.

Supervisory Review Process under ICAAP:

This is also a part of Basel regime. Under this process banks are required to assess the additional capital requirement against risk that has not been considered under Pillar I (i.e. Minimum Capital Requirement). As per global standard each bank is required to develop necessary model for assessment of these risk, this assessment process is known as Internal Capital Adequacy Assessment Process (ICAAP). As per current practice of Bangladesh, the central bank has developed an ICAAP format and advised all banks to report the ICAAP on yearly basis. Bangladesh Bank has also advised all banks to form a committee (i.e. Supervisory Review Committee). The regular arrange a meeting with the committee each year to identify the final additional capital requirement based on the ICAAP document.

Bank Asia's Risk Profile

SI	Risk Category	202	2	2021	
OI.	nisk Galegory	Tk. in million	Percentage	Tk. in million	Percentage
Α	Credit Risk	225,796	86.68%	231,814	88.09%
i	On- Balance sheet	177,871	68.28%	176,962	67.25%
ii	Off- Balance sheet	47,925	18.40%	54,852	20.84%
В	Market Risk	8,306	3.19%	7,030	2.67%
i	Interest Rate Risk	6,258	2.40%	1,318	0.50%
ii	Equity Position Risk	1,598	0.61%	1,811	0.69%
iii	Foreign exchange	450	0.17%	3901	1.48%
С	Operational Risk	26,385	10.13%	24,309	9.24%
		260,487	100.00%	263,153	100.00%

Concentration Risk:

Concentration risk arises for invest most or all of the assets to single or few individuals or entities or sectors or instruments. It indicates bank's failure to diversify its loan and investment portfolios, concentration risk emerges. Downturn in concentrated activities and/ or areas may cause huge losses to a bank relative to its capital and can threaten the bank's health or ability to maintain its core operations.

Bank assesses concentration risk in ICAAP document under Pillar-2 in following two ways:

i. Credit Concentration Risk: When the credit portfolio of a bank is concentrated within a few individuals or entities or sectors, credit concentration risk arises. Following individual concentration is considered for credit concentration risk:

- Sector wise exposure
- Division wise exposure (geographic concentration)Group wise exposure
- Single borrower wise exposure
- Top borrower wise exposure.

Conton	2022	2021		
Sector	Tk. in million	%	Tk. in million	%
Chief Executive and other senior executives	187	0.07%	210	0.08%
Agriculture	7,409	2.67%	5,936	2.26%
Industry	138,477	49.84%	136,529	52.06%
Constructions	8,404	3.02%	9,489	3.62%
Power, Gas, Water and Sanitary Services	13,915	5.01%	9,460	3.61%
Transport, Storage and Communication	2,533	0.91%	1,964	0.75%
Trade Services	51,879	18.67%	46,140	17.59%
Housing Services	18,449	6.64%	19,312	7.36%
Banking and Insurance	4,857	1.75%	3,129	1.19%
Professional and Misc. services	31,760	11.43%	30,098	11.48%
Total	277,870	100.00%	262,267	100.00%

Geographical concentration

3				
Division	2022		2021	
Division	Tk. in million	%	Tk. in million	%
Dhaka Division	228,942	80.79%	215,118	72.27%
Chattagram Division	32,305	12.18%	30,732	21.45%
Khulna Division	4,374	2.26%	4,077	1.84%
Rajshahi Division	5,567	2.45%	5,657	2.27%
Barisal Division	1,181	0.37%	1,389	0.35%
Sylhet Division	3,044	1.07%	3,070	1.04%
Rangpur Division	1,912	0.65%	1,679	0.56%
Mymensingh Division	545	0.23%	545	0.23%
Total	277,870	100.00%	262,267	100.00%

Top borrower wise exposure

SI.	Name of clients –	Outst	Outstanding (Taka) 2022			Outstanding (Taka) 2021		
No.		Funded	Non Funded	Total	Funded	Non Funded	Total	
1	ACI Group	4,426	509	4,935	-	-	-	
2	Summit Group	4,561	1,275	5,836	-	-	-	
3	BSRM	3,418	3,674	7,092	-	-	-	
4	Doreen Power Group	5,267	1,885	7,152	-	-	-	
5	Bashundhara Group	6,793	87	6,880	4,770	2,119	6,889	
6	CITY Group	4,424	3,437	7,861	404	5,557	5,961	
7	Western Marine Group	-	-	-	4,351	106	4,457	
8	Pran Group	4,937	3,541	8,478	2,463	2,646	5,109	
9	Echotex Group	1,024	4,579	5,602	1,228	3,809	5,038	
10	MAX Group	3,121	3,179	6,300	3,333	1,539	4,873	
11	Saiham Group	-	-	-	3,020	1,768	4,787	
12	Spectra Group	-	-	-	2,076	2,708	4,784	
13	AA Group	-	-	-	2,147	2,542	4,689	
14	Bulk Trade International Ltd	-	-	-	82	4,227	4,309	
15	Gemcon Group	-	-	-	3,116	1,073	4,188	
16	Meghna Group	-	-	-	493	7,241	7,733	
17	Ahmed Group	-	-	-	-	5,865	5,865	
	Total	37,972	22,165	60,136	27,483	41,198	68,681	

- **ii. Market Concentration Risk:** When the investment portfolio of a bank is concentrated within a few instruments or any instrument of few companies or any instrument of few sectors, market concentration risk arises. Following individual concentration is considered for market concentration risk:
- Instrument (financial securities) wise investment
- Sector wise investment in listed instruments
- Currency wise investment of foreign exchange portfolio.

Assessing concentration of above indicator for all aspects bank maintains additional capital for that/those risk/risks

1. Market Discipline

In line with Pillar III of Basel III, Bank prepared market discipline statements on yearly basis and submitted to Bangladesh Bank accordingly. Bank also disclosed market discipline in separate Annual Integrated report (page no. 174) and bank's websites

2. Risk Management Paper

Risk Management Report for different risk related issues are prepared and presented to top management and submitted to Bangladesh Bank. On the basis of said paper, awareness was created regarding different risks.

3. Capital Management of Bank

Bank's capital management framework serves to ensure that the bank (both in solo basis and consolidated basis) are able to maintain adequate capital level. The bank capital management objectives are to:

- Maintain sufficient capital resources to meet minimum regulatory capital requirements set by Bangladesh Bank in accordance with Basel III requirements
- Maintain sufficient capital resources to support the bank's risk appetite
- Cover unexpected loss of the bank and support the bank's credit rating
- Ensure the bank holds capital in excess of minimum requirements in order to achieve the target capital adequacy ratios set by management and approved by the board, to maintain minimum adequacy in stress situation.

Raising Tier I and Tier II capital

Bank Asia is always keen to maintain sufficient capital base against doing business to support healthy growth of business and ensure compliance with the Basel III capital accord in line with Bangladesh Bank roadmap. Bank's CRAR (Capital to Risk weighted Asset Ratio) reached to 17.70% as on December 31, 2022 against minimum required 10%. Furthermore, to keep the adequate capital base in next 5 years bank has issued further 7 year floating rate non-convertible subordinated bond of Tk.5,000 million on November 25, 2019 and Bank Asia 1st Perpetual Bond on December, 2022.

7 Years Floating Rate Non-Convertible Subordinated Bond3 and Bond4 of each Tk. 5.000 million

To support healthy business growth and ensure compliance with the Basel III capital accord in line with Bangladesh Bank Roadmap Bank Asia has completed another two Subordinated Bonds each of Tk. 5,000 million as Tier-2 capital in April 2017 and November, 2019.

Coupon Bearing Conditional Convertible Perpetual Bond of Tk. 5,000.00 million of Bank Asia

To bring the good business growth and ensure compliance with the Basel III capital accord in line with Bangladesh Bank Roadmap Bank Asia has also taken decision for issuing perpetual bond of Tk. 5,000 million out of which Tk. 4,500 million under private placement and Tk. 500 million under public offer. In this regard, Bank Asia has raised fund of Tk.3,340 million under private placement. This capital will be added to bank's Tier-1 capital.

4. Capital planning

Bank's capital planning is a dynamic, ongoing and forward-looking mechanism to incorporate changes in a banks strategic focus, risk tolerance levels, business plans, operating environment, or other factors that materially affect capital adequacy.

Capital planning assists the banks Board of Directors and senior management to:

- identify risks, improve banks understanding of overall risks, set risk tolerance levels, and assess strategic choices in longer-term planning.
- ii. identify vulnerabilities i.e. concentrations and assess their impact on capital,
- iii. integrate business strategy, risk management, capital and liquidity planning decisions, have a forward-looking assessment of the bank's capital needs, including capital needs that may arise from rapid changes in the economic and financial environment.

Capital planning considers both short- term and long-term capital needs and is coordinated with a bank's overall strategy and planning cycles, usually with a forecast horizon of five years. Bank capital planning include following components:

- Identifying and evaluating risks
- Setting and assessing capital adequacy goals that relate to risk
- Maintaining a strategy to ensure capital adequacy and contingency planning
- Ensuring integrity in the internal capital planning process and capital adequacy assessments.

5. Capital Relief by Reducing Risk

In the year 2022, the Board of Directors and the Senior Management of the bank emphasized rigorously on corporate borrowers credit rating to lower our risk profile as well as to reduce the capital requirement of the bank.

6. Borrower's Rating

As prescribed by Bangladesh Bank, all banks in Bangladesh assessing credit risk under standardized approach of the Risk based capital adequacy framework (Basel III) where External Credit Rating Institutes (ECAIs) duly recognized by BB performs borrowers rating. According to Credit rating of individual borrower, Risk Weighted Asset (RWA) is calculated for assessing the Minimum Capital Requirement (MCR) under Pillar-I of Basel III

Key Initiatives taken by Risk Management Division in 2022

Considering the new trends of global and national risk, Risk Management Division of the bank has taken different initiatives to strengthen the overall risk management function of the bank during 2022. Followings are the major initiatives to mitigate risks without obstructing growth prospective.

Diagnosis on Risk Management and Credit underwriting with International Finance Corporation (IFC):

Bank Asia Limited has entered into an agreement with the International Finance Corporation (IFC) to receive advocacy services for risk management and credit underwriting. The IFC will provide guidance to Bank Asia on enhancing its risk management practices and credit underwriting standards. The partnership between Bank Asia and IFC is expected to benefit the bank by improving its operational efficiency, risk management capabilities, and ability to offer better services to its customers.

Risk Conference 2022:

The Risk Management Division of the bank has used the digital platform to put on the Risk Conference for the second year in a row. The conference reviewed the bank's risk management policies and practices as well as ways forward for the bank's overall risk management. On

the program, key resource persons from Bangladesh Bank, NIBM of India, and BIBM and the bank's senior management delivered valuable speeches and presentations on various risk management issues for the bank. A total of around 2,000 employees of the bank attended the conference.

Risk Appetite:

Risk appetite is how much and what kind of risk a company is willing to pursue, keep, or take. The appetite should be in line with business objectives and obligations to stakeholders. As with the previous year, the Risk Management Division of the bank has prepared and set the risk appetite for the year 2022 based on a macroeconomic perspective, an industry outlook, an internal budget, historical trends, a central bank benchmark, an international benchmark, and the perception of the senior management. Bank Asia's risk appetite framework consists of a risk appetite statement, risk areas, risk capacity, risk tolerance (an acceptable range of variation around risk appetite), and the current year's target in line with strategic planning. The risk appetite statement and key risk appetite monitoring help ensure that the bank stays within appropriate risk boundaries.

Sectoral Lending Cap:

Given the post-pandemic situation and the global and national economic slowdown, 2022 was one of the most difficult years for the bank. To ensure strategic objectives, the bank has duly adopted the lending cap for 2022, and throughout the year, the bank has regularly monitored the changes in its credit portfolio in view of the approved lending cap. Based on observation, various strategies have been formulated to manage sector-wise exposure. Similar to last year, the bank has initiated the formulation process for the lending cap for 2023.

Review and approval of ICRRS:

The Risk Management Division of the bank has looked at the ICRRS through the automated platform as part of its regular analysis of credit risk. To shorten the approval time and speed up the approval process, the RMD developed the platform. Through the "CPR" system, all of the branches have given the ICRRS the documents and information it needs. Over 7,000 ICRRS have been reviewed and approved to date.

Recovery Plan:

A recovery plan is a comprehensive document that outlines strategies and measures to be taken in the event of severe financial distress or the potential failure of the bank.

The bank's Risk Management Division has created a thorough recovery plan in accordance with Bangladesh Bank guidelines, which the board of directors has approved. The goal of the plan is to make sure that the bank can quickly and effectively deal with financial stress and get back on its feet if it is in danger of failing or if it is in serious financial trouble. Under the recovery plan stress model, the bank has thought about five possible stress situations. These include withdrawal of deposits, downgrade of asset quality, earnings shock, interest rate shock, equity and investment shock, and withdrawal of deposits.

Review of cross divisional Policy, PPG & SoP:

The bank has made significant improvements in its migration to uniform operations instead of practice-based operations. As part of that, the bank's policy/operation procedure development/review remains a top priority. Through the review of existing policies, procedures, and SOPs, the risk management division can evaluate the effectiveness of the bank's risk management framework and identify potential areas for improvement. This review process involves examining the bank's risk appetite, risk management strategies, and risk assessment methodologies. In addition to developing direct risk-related policy and procedure, RMD has simultaneously focused on ensuring the development and review of cross-divisional policy and procedure. A supervisory committee has been formed (i.e., the Policy Review Committee) to streamline this massive process. During 2022, a number of policies were reviewed by the committee.

Counterparty Limit:

The counterparty limit is the maximum amount of exposure that a bank will accept from any single counterparty. Bank Asia Limited's Integrated Treasury is involved in both money market and foreign exchange activities. The main functions of the money market are borrowing and lending of local currency in the call money market, term borrowing and fund placements in the interbank market in both local currency (LCY) and foreign currency (FCY). Focusing on the fixation of counterparty limits in both LCY and FCY is critical for commercial banks to reduce risk. Counterparty (CP) limits restrict the risk exposure to a particular counterparty. Bank Asia Limited regularly reviews the counterparty limit as per bank policy. The latest counterparty limit was fixed and approved by the Board of Directors on its 487th meeting dated December 27, 2022.

- The maximum counter-party limit of the concerned bank is 15% of the regulatory capital of Bank Asia or 15% of the concerned bank's regulatory capital, whichever is lower.
- There is no counter-party limit for a CRG score of "substandard," "doubtful." or "bad and loss."

The counterparty limit was calculated by the Treasury Mid Office as per policy, with the recommendation of the Executive Risk Management Committee (ERMC) and the board.

Review of Top 20 Borrower:

To assess credit risk and make sure the bank's loan portfolio stays healthy and profitable, it is important to look at the top 20 borrowers. Most of the time, the top 20 borrowers make up a big part of the bank's loan portfolio, so their creditworthiness and loan performance have a big effect on the bank's overall financial health. The bank's risk management division looks at the top 20 borrowers and makes a report on them every three months. Several things were taken into account when writing the report, such as exposure, security coverage, performance history, and scenario analysis. In 2022, the top 20 client portfolios of the banks showed that all of their risks were within the regulatory limit and the board-approved risk appetite limit.

Policy development for performance evaluation of panel lawver:

Bank Asia Limited has been paneling law firms through its board-approved lawyer enlistment policy, which was developed by the Risk Management Division of the bank, since 2019. As part of the policy, RMD has developed a procedure and questionnaire for the evaluation and depaneling of the existing panel lawyers. The draft policy is in the review process and will be implemented in 2023.

Surveyor enlistment 2022:

A surveyor or valuer is a third party who figures out the value of goods that are easy to sell and are or will be under the bank's control, as well as land, buildings, and machinery that are or will be used as security for the bank's investment. The quality of the surveyor or valuer should be checked to protect the bank's investment, since they are an important part of the credit approval process. In this regard, the bank's Board of Directors has approved Bank Asia Ltd.'s 2017 surveyor enlistment policy, which the division's Risk Management department created. According to the policy, RMD has evaluated surveyor companies for enlistment. In 2022, 19 (nineteen) firms have been selected from the 82 (eighty-two) participants to carry out the valuation.

Development of market intelligence platform for Early Alert:

The Risk Management division has been planning to implement the early alert system through a digital system within the year 2023. It would provide an overview of the aspects of client forecasting along with a relative industry. This system is designed to provide the bank with early warning signals, enabling it to take proactive measures to mitigate the risks. Typically, it is used in the context of safety or risk management. An early alert system is used to detect and respond to emerging situations

before they escalate into more serious incidents. It can detect potential fraudulent activities in real-time, enabling the bank to take immediate action to prevent financial losses. The system can monitor transactions for unusual patterns, such as large withdrawals or transfers, and generate alerts if any suspicious activity is detected. The early alert system is initially being practiced among the RMD members, and RMD is planning to implement the early alert system for all users in the bank.

Documentation Lapses Monitoring:

Every year, the bank meets its additional capital requirement for gaps in its funded credit portfolio's documentation. For the time being, a strong monitoring process helps the bank reduce the capital charge against the documentation lapses. The Risk Management Division of the bank has developed web-based software for capital calculation of documentation lapses under ICAAP. A comprehensive audit of Bangladesh Bank has been conducted to review the documentation lapses under ICAAP.

CONCLUSION

Bank Asia continuously followed international standard regarding managing risk as specified by Bank for International Settlement (BIS) in its core principles of effective banking supervision specially following along with others:

Principle 15 – Risk management process

Principle 16 – Capital adequacy

Principle 17 – Credit risk

Principle 18 – Problem assets, provisions and reserves

Principle 19 – Concentration risk and large exposure limits

Principle 20 – Transactions with related parties

Principle 21 – Country and transfer risks

Principle 22 – Market risks

Principle 23 – Interest rate risk in the banking book

Principle 24 – Liquidity risk

Principle 25 – Operational risk

The global economy continues to be volatile and under stress, and our continued commitment to sound risk management has proved to be effective as reflected in our strong capital and liquidity position. We recognize that maintaining and continually enhancing our risk management capabilities will be critical in the months ahead to ensure that the bank's financial and strategic objectives are achieved within approved levels of risk appetite



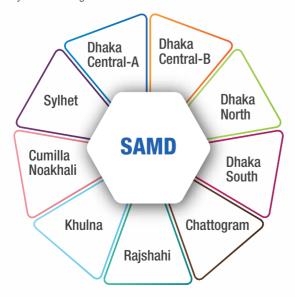
Statement on Non-Performing Loan (NPL) Management

Maintenance of quality assets is one of our core business. In this regard. SAMD at Bank Asia works in close collaboration with the divisions and branches to achieve the best results and outputs. There are two main reasons why financial loans default: either wilful misconduct on behalf of the borrower or actual customer factors such as business collapse, death. natural disasters, pandemics, etc. SAMD of Bank Asia is aggressive and relentless in its pursuit of willful defaulters and deliberate malfeasants, but it is sensitive and responsive in addressing legitimate challenges as well. SAMD brings delinquent accounts to the negotiation table, enhancing the possibilities of settlement. As the Bank manages and deals with public fund, it cannot wait for an unlimited period of time. In such a scenario, if the Bank's earnest negotiation efforts fail to produce a favorable outcome. the Bank has no alternative but to liquidate the mortgaged properties to repay the loan. Through the liquidation of collateral, SAMD has strived to resolve long-pending accounts in the last three years. As part of its NPL management role. SAMD plays a pivotal role in releasing classified/writtenoff funds to the bank, as well as releasing interest suspense and unpaid interest. SAMD's persistent efforts over the years have enabled the bank to significantly lower its NPL ratio while also ensuring that any recoveries from classified or written-off accounts considerably enhance the bank's profits.

Strategies for NPL Management & Recovery process

- Robust NPL supervision, follow-up, and monitoring, ensuring rescheduled and restructured loan accounts by applying on-site and off-site basis. In every NPL prone branch, a recovery unit must be formed and a weekly feedback to be taken by SAMD.
- Proper monitoring, follow up and supervision in pre-classification stage should be ensured by C&LL, EFD, ME, CMSE, CRM and other concerned departments.
- Human resources in SAMD should be allocated properly and optimum utilization should be ensured.
- Appropriate legal action to be initiated.
- Achievement of loan recovery Budget by the concerned Business Units as set by the Board.
- An emphasis is placed on the Legal Team and the involvement of a law firm with strong/expert credentials.

In addition recovery strategies are formulated based on analysis carried out by the following nine zones/units of the Division:



Benefits for creating these 9 zones:

- Focused approach
- Wider area coverage (all NPL Branches)
- Accountability of staff performance (KPI)
- Crossed training development & empowerment of SAMD team members
- Created collaboration among the SAMD staff
- Strong Branch connectivity and subsequent follow-ups
- Systematic distribution of NPLs based on volume, gravity & availability of talents/resources with SAMD

All the zones/units are working on different area applying standard recovery process towards achievement of their set goals. They are also keeping good contribution in the profitability of the Bank through recovery of NPL vis a vis release of Interest Suspense kept suspended against NPL accounts.

Npl Status of Banking Industry of the country

The amount of classified loans in the country decreased to Tk. 1,206.57 billion in December 2022 from Tk. 1.032.73 billion in December 2021.

Default Loan trend (amount in crores)



NPL& Recovery Status of Bank Asia

The Bank ended the year (2022) with Non-performing loan (NPL) of Tk. 13,519.79 million which is 4.87% of the total loans & advances. We have now Tk. 4,151.41 million under stay order at the end of 2022.

- At the end of 2022, the Bank's total write off loans was Tk.
 17,201.98 million against 241 accounts. The closing balance has increased due to addition of Tk. 1,125.75 million as newly write off loans. Mentionable that an amount of Tk. 318.75 million has been recovered from written-off accounts during 2022 and write-off outstanding stand of Tk. 15,661.33 million.
- During the year 2022, 87.77% of rescheduled loans remained unclassified (UC) i.e. cash recovery and installment payments of major rescheduled/ restructured borrowers were regular. It may also be noted that the remaining 12.23% of rescheduled loans that were downgraded to classified status constitutes 25.50% of total classified loans. Management has already increased recovery initiatives from those defaulted loans.

Cash recovery from written off loan during the Year/Period was highest from inception of written-off which was Tk. 318.75 million in

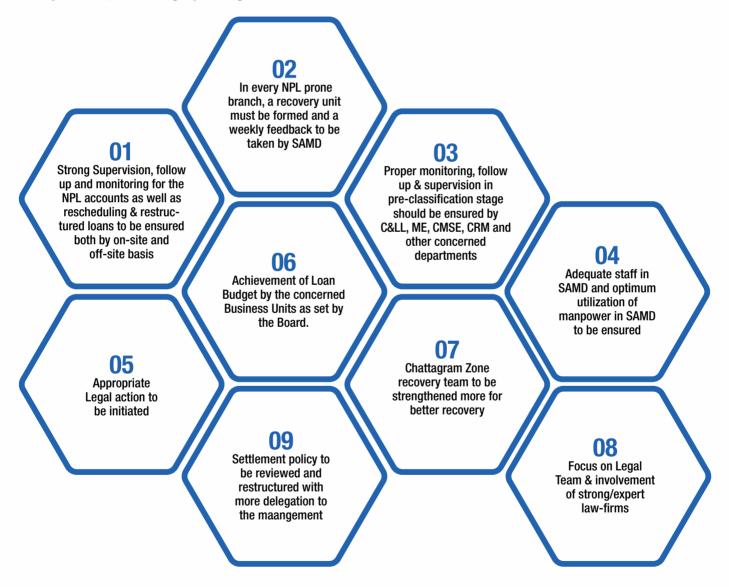
Country vs Bank Asia

Amount in billion

Classified Loans	Bank	Asia	Country		
	2022	2021	2022	2021	
CL Amount	13.52	13.07	1,252.6	1032.73	
CL Ratio (in %)	4.87%	5.14%	8.96%	7.9%	

NPL BY BANKS TYPE (June 2022) Amount in billion							
Types of Banks	Total CL	Required Provision	Provision Maintained	EXCESS(+)/ SHORTFALL(-)			
SCBs	554.3	315.2	209.1	-106.1			
SBs	41.9	23.9	24.5	0.6			
PCBs	626.8	499.4	468.3	-31.1			
FCBs	29.6	24.1	28.7	4.6			
TOTAL	1252.6	862.6	730.6	-132			

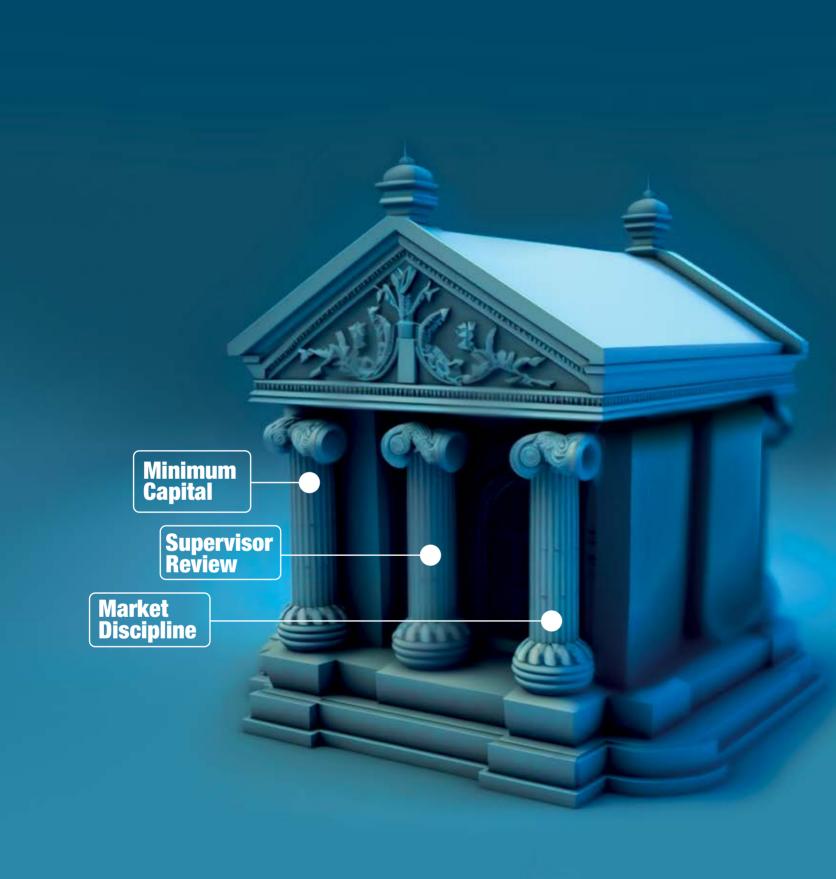
In the year 2022, our strategic planning will be as follows:



We are optimistic that by deploying our above mentioned strategies, we will be able to keep the classified loan of the bank within 4.30% at the end of the year 2023.

Being one of the most compliant banks in the industry, Bank Asia is putting all out efforts to recover money from defaulted clients and stop fresh inclusion of CL. For success in that front, management is further streamlining its credit appraisal process, adopt negotiability, proper and timely legal actions and subsequent monitoring and follow up drives with its employees.

Basel III Pilar 3 Market Disclosure



Basel III Pillar 3 Market Disclosure

Annual Disclosure for the year ended December 31, 2022

The public disclosure of prudential information is an important component of Basel Committee on Banking Supervision's framework of capital measurement and capital adequacy, known as Basel III. Bangladesh Bank has specified the standard of disclosure through Guidelines on Risk Based Capital Adequacy (December 2010) which revised in Basel III Guideline on December 2014 with effect from January 2015. The standard aims to enhance the transparency in Bangladeshi financial market by setting minimum requirement for the disclosure of information on the risk management practice and capital adequacy.

In line with the Bangladesh Bank BRPD Circular no. 35 of December 29, 2010 as to Guidelines on 'Risk Based Capital Adequacy for Banks' and subsequent BRPD Circular 18 dated December 21, 2014 on 'Guideline on Risk Based Capital Adequacy', following detailed qualitative and quantitative disclosures are provided in accordance with the central bank directions covering scope of capital adequacy framework, capital of the bank, risk exposure and assessment methodology, risk mitigation strategies and capital adequacy of the bank.

To cope up with the international best practices and to make the bank's risk absorbent capital 'Guidelines on Risk Based Capital Adequacy (RBCA) for banks' (Revised Regulatory Capital Framework in line with Basel II) was introduced from January 01, 2009 as a parallel run with BRPD Circular No. 10, dated November 25, 2002 (Basel I). At the end of parallel run, Basel II regime started from January 01, 2010 and the guidelines on RBCA came fully into force with its subsequent supplements/revisions. After that, Bangladesh Bank issued 'Guidelines on Risk Based Capital Adequacy (RBCA) for banks' (Revised Regulatory Capital Framework in line with Basel III) vide its BRPD Circular 18 dated December 21, 2014 that Basel III reporting start from January 2015 and full implementation will start from January 2020. Instructions regarding Minimum Capital Requirement (MCR), Adequate Capital and Disclosure requirement as stated in the guidelines had to be followed by all scheduled banks for the purpose of statutory compliance.

Basel III Pillar 3 Market Disclosure

1. SCOPE OF APPLICATION:

Qualitative Disclosures

a) The name of top corporate entity in the group to which this guidelines applies

b) An outline of differences in the basis of consolidation for accounting and

regulatory purposes, with a brief

(i) that are fully consolidated

is risk - weighted)

group:

and

description of the entities within the

(ii) that are given a deduction treatment;

deducted (e.g. where the investment

(iii) that are neither consolidated nor

BANK ASIA LIMITED

The consolidated financial statements of the Bank include the financial statements of i) Bank Asia Limited ii) Bank Asia Securities Limited iii) BA Exchange Company (UK) Limited. and iv) BA Express USA Inc.

Bank Asia holds 99.99%, 100% and 100% shares of Bank Asia Securities Limited, BA Exchange Company (UK) Limited and BA Express USA Inc. respectively.

The bank has an approved disclosure policy to observe the disclosure requirements set out by the Bangladesh Bank and International Financial Reporting Standards (IFRS) and International Accounting Standards (IAS) as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB) into Bangladesh Financial Reporting Standards (BFRS) and Bangladesh Accounting Standards (BAS) where relevant to the bank.

A brief description of these institutions are given below:

Bank Asia Limited

Bank Asia Limited ("the Bank") is one of the third generation private commercial banks (PCBs) incorporated in Bangladesh on 28 September 1999 as a public limited company under the Companies Act 1994, governed by the Banking Companies Act 1991. The Bank went for public issue of its shares on 23 September 2003 and its shares are listed with Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited. At present the Bank has 135 branches (131 branches, 4 SME/Agri branches and 4 SME service centers). Moreover, it has 14 sub-branches and 218 own ATM booths. The Bank has three subsidiary companies namely, Bank Asia Securities Limited incorporated in Bangladesh, BA Exchange Company (UK) Limited incorporated in United Kingdom and BA Express USA Inc. incorporated in USA. The Bank has also an Offshore Banking Unit (OBU) at Chittagong Export Processing Zone, Chittagong.

Bank Asia Securities Limited

Bank Asia Securities Limited, a majority owned subsidiary company of Bank Asia Limited was incorporated as a private limited company in Bangladesh on 04 August 2010 bearing certificate of incorporation no. C-86230/10 dated 04 August 2010 under the Companies Act 1994 having its registered office at Hadi Mansion (2nd Floor), 2 Dilkusha Commercial Area, Dhaka 1000 which has commenced its business on the 17 April 2011.

BA Exchange Company (UK) Limited

BA Exchange Company (UK) Limited was incorporated as a private limited company under United Kingdom Companies Act and registered with Companies House of England and Wales vide registration no. 07314397 as a fully owned subsidiary company of Bank Asia Limited, BA Exchange Company (UK) Limited launched its operation in London on 16 May 2011. BA Exchange Company (UK) Limited attaches a fresh width to the Bank's remittance operation and expands its global presence for remittance services. Bank Asia stretched its business in United Kingdom through its wholly owned subsidiary to facilitate speedy and dependable medium for remitting the hard-earned money of expatriates to home.

BA Express USA Inc.

BA Express USA Inc. is fully owned subsidiary company of Bank Asia Limited incorporated in New York State Department of Financial Services (NYSDFS) in USA. The company obtained license to receive money for transmission within USA and abroad and to transmit same, pursuant to the provision of Article 13-B of the USA Banking Law, subject to all rules and regulations made by the Superintendent of Financial Services of New York relating to such business, effective November 22, 2013. The company has started its commercial operation from June 01, 2014.

 Any restrictions, or other major impediments, on transfer of funds or regulatory capital within the group The rules and regulations of BRPD of Bangladesh Bank that govern'Single Borrower Exposure Limit' for the customers are equally applicable for the Bank in financing its own subsidiaries. Bank is following latest Bangladesh Bank circular in determining maximum amount of finance to the subsidiaries of the Bank

Quantitative Disclosures

 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.

Not applicable for the bank

2. CAPITAL STRUCTURE

Summary information on the terms and

Tier 2.

conditions of the main features of all capital

instruments, especially in the case of capital instruments eligible for inclusion in Tier 1 or

Qualitative Disclosures

The composition of regulatory capital is different than accounting capital. In line with Basel regime the structure of regulatory capital consists of Tier 1, Tier 2 & Tier 3. However the capital structure of Bank Asia Limited consists of only Tier 1, Tier 2 capital and Additional Tier-1 Capital.

Tier 1: The components of Tier 1Capital are given below:

- Common Equity Tier-1
- Additional Tier- 1

Common Equity Tier-1: Common equity tier -1 consists of

- Paid Up Capital,
- Statutory reserve.
- General reserve
- Retained earnings,
- Minority Interest.

Additional Tier- 1:

- Non-cumulative irredeemable preference share
- \bullet $\,$ $\,$ Instruments issued by banks that meet the qualifying criteria for AT1 (the instrument is perpetual, i.e. no maturity date)

Minority interest (AT1 issued by consolidated subsidiaries to third parties)

Tier 2: Tier 2 capital consists of the following items:

50% revaluation reserve for fixed asset & securities, subordinated debts and general provision.

Quantitative Disclosures

Million Taka

SI	Particulars Partic	Solo	Consolidated
a)	Tier-I (Core Capital)		
a.1	Paid up capital	11,659	11,659
a.2	Statutory reserve	11,750	11,750
a.3	General reserve	8	8
a.4	Retained earnings	3,106	2,957
a.5	Minority interest in subsidiaries	-	0.010
a.6	Dividend equalization account	-	-
a.7	Others	-	-
a.8	Sub-Total (a.1 to a.7)	26,523	26,374
	Less: Regulatory adjustments	-	-
a.9	Reciprocal Crossholdings in the CET - 1 Capital of Banking, Financial and Insurance Entities	40	40
a.10	Others if any	-	-
a.11	Common Equity Tier -1 capital (Going-Concern Capital)/ Core Capital (a.8 – a.9)	26,484	26,335
a.12	Additional Tier 1 Capital	3,340	3,340
a.13	Total Tier- 1 Capital	29,824	29,675
b)	Tier-II (Supplementary Capital)	-	-
b.1	General Provisions for unclassified loans	8,563	8,563
b.2	General Provisions for Off-balance sheet exposure	1,195	1,195
b.3	General Provision for Covid-19	530	530
b.4	Asset revaluation reserves up to 50%	-	

Basel III Pillar 3 Market Disclosure

SI	Particulars Particulars Particulars Particulars Particular Particu	Solo	Consolidated
b.5	Subordinate debt	6,000	6,000
b.6	Other reserve	-	-
b.7	Sub-Total (b.1 to b.6)	16,288	16,288
	Less: Regulatory adjustments	-	-
b.8	100 % of revaluation reserve for fixed assets, securities and equity securities	-	-
b.9	Total Tier-2 Capital Available	16,288	16,288
b.10	Maximum Limit Tier-2 Capital Available(Tier-2 capital can be maximum up to 4.0% of the total RWA or 88.89% of CET-1, whichever is higher)	17,752	17,560
b.11	Excess Amount over Maximum Limit T-2	-	-
b.12	Total Tier- 2 Capital	16,288	16,288
c)	Tier-III (Eligible for market risk only)	=	-
c.1	Short-term subordinated debt	-	-
c.2	Sub-Total (c.1)	-	-
d	Total Eligible Capital (a.13+ b.8+ c.2)	46,111	45,962

3. CAPITAL ADEQUACY

Qualitative Disclosures

Capital Calculation Approach

With regard to regulatory capital computation approaches (Minimum Capital Requirement) the bank is following the prescribed approach of Bangladesh Bank. Below are risk wise capital computation approaches that the bank is currently applying:

- Credit Risk Standardized Approach (SA)
- Market Risk Standardized Approach (SA)
- Operational Risk Basic Indicator Approach (BIA)

Capital of the Bank

In parallel to business growth, the bank effectively manages its capital to meet regulatory requirement considering the risk profile. Below are few highlights:

- Currently Bangladesh Bank prescribed Minimum Capital Adequacy Ratio (MCR) including buffer is 12.50%, whereas as on December 2022 the CRAR of the bank was 17.70%.
- During the same period Minimum Capital Requirement (MCR) of the bank was Tk. 26,049 million and eligible capital was Tk. 46,111 million: i.e. the bank hold TK. 20,062 million surplus capital.

Reduction of Capital Requirement through increasing Rated Clients

As per Basel-III norms capital adequacy i.e. buffer capital is a must for banks to protect the unexpected losses against the risk profile and future business growth of the bank. Under the Standardized Approach of the RBCA guidelines of Basel-III, counterparties credit rating are determined on the basis of risk profile assessed by the External Credit Assessment Institutions (ECAIs) duly recognized by Bangladesh Bank to derive risk-weights of exposures under the portfolio of claims. According to the guideline, the rated exposures of a bank will reduce the Risk Weights and the regulatory capital requirement as well as create the room to expand the business of the bank. This will also enable the bank to assess the creditworthiness of the borrowers as well, to an acceptable level.

To withstand these challenges, the Board of Directors & the Senior Management of the bank emphasized rigorously round the year on corporate borrowers credit rating to lower our risk profile as well as to reduce the capital requirement of the bank. Accordingly, the Risk Management Division (RMD), CRO along with the branches has taken all-out efforts to increase the number of corporate borrower's exposures rated. They are constantly taking the initiatives through guidance of the Senior Management; series of meetings, correspondence, awareness program with the allied concerns i.e. branches of the bank & ECAIs.

A summary discussion of the Bank's approach to assessing the adequacy of its capital to support current and future activities

	Quantitative Disclosures						
			Million Taka				
SI.	Risk Category	Solo	Consolidated				
Deta	nils of Risk Weighted Assets (RWA)						
а	Credit Risk						
a.1	On- Balance sheet	177,871	178,913				
a.2	Off- Balance sheet	47,925	47,925				
a.3	Total Credit Risk (a.1+a.2)	225,796	226,838				
b	Market Risk	8,306	9,730				
С	Operational Risk	26,385	26,614				
	Total RWA (a.3+b+c)	260,487	263,182				
Deta	nils of Risk wise Minimum Capital Requirement (MCR)						
a	Credit Risk	-	-				
a.1	On- Balance sheet	17,787	17,891				
a.2	Off- Balanced sheet	4,792	4,792				
a.3	Total Credit Risk (a.1+a.2)	22,580	22,684				
b	Market Risk	831	973				
С	Operational Risk	2,638	2,661				
Tota	I Minimum Capital Requirement	26,049	26,318				
Tota	l Maintained Capital	46,111	45,962				
Total	Capital Surplus	20,062	19,644				
Deta	nils of Tier wise Capital of the Bank	-	-				
1	Tier- 1 Capital	29,824	29,675				
2	Tier- 2 Capital	16,288	16,288				
3	Tier- 3 Capital	-	-				
Tota	l Capital	46,111	45,962				
Tota	l Capital to Risk Weighted Assets Ratio (CRAR) (Total Capital / RWA)	17.70%	17.46%				
	1 CRAR (Tier 1 Capital / RWA)	11.45%	11.28%				
Tier	2 CRAR (Tier 2 Capital / RWA)	6.25%	6.19%				
Capi	ital Conservation Buffer (2.5% of RWA)	5.45%	5.28%				

Basel III Pillar 3 Market Disclosure

4. CREDIT RISK

Oualitative Disclosures

(a) The general qualitative disclosure requirement with respect to credit risk, including:

Bank classifies loans and advances (loans and bill discount in the nature of an advance) into performing and non-performing loans (NPL) in reference to BRPD Circular No.14 dated September 23, 2012, BRPD Circular No. 19 dated December 27, 2012 and BRPD Circular No.08 dated August 02, 2015 on the captioned subject.

- 1. Any Continuous Loan or Demand 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. Whereas, In case of any instalment (s) or part of instalment (s) of a Fixed Term Loan is not repaid within the fixed expiry date, the amount of unpaid instalment (s) will be treated as past due/overdue after six months of the expiry date.
- Definitions of past due and impaired (for accounting purposes)
- 2. A Continuous Loan, Demand Loan, Fixed Term Loan or any instalment(s)/part of instalment(s) of a Fixed Term Loan which will remain past due/overdue for a period of:
- a. 03 (three) months or beyond but less than 09 (nine) months, the entire loan will be put into the "Sub-standard (SS)".
 - b. 09 (nine) months or beyond but less than 12 (twelve) months, the entire loan will be put into the "Doubtful (DF)".
 - c. 12 (twelve) months or beyond, the entire loan will be put into the "Bad/Loss (B/L)".
- 3. Loans have to be treated as defaulted loan as per section 5(GaGa) of the Banking Companies Act, 1991 and to be reported accordingly as per formats given in BRPD Circular No.08 dated August 02, 2015. In this regard, a portion of the "Sub-standard (SS)" loans will be reported as defaulted loan.

We kept all other instructions of BRPD Circular No.14 dated September 23, 2012 and its subsequent modifications unchanged.

Description of approaches followed for specific and general allowances and statistical methods

Types of loans and advances		Provision				
		STD	SMA	SS	DF	BL
	House finance	1%	1%	20%	50%	100%
Consumer	Loans for professionals	2%	2%	20%	50%	100%
Conloamor	Other than housing finance & professionals to setup business	5%	5%	20%	50%	100%
Provision for loan to broker house, merchant banks, stock dealers, etc		2%	2%	20%	50%	100%
Short-term agri-credit and micro credit		1%	1%	5%	5%	100%
Small and medium enterprise finance		0.25%	0.25%	20%	50%	100%
Others		1%	1%	20%	50%	100%

In addition Special general provision COVID-19 should be kept between 1 to 2% as per BRPD Circular Letter No. 53, Dt. 22.02.2022.

Qualitative Disclosures

The Bank has structured delegation and sub-delegation of credit approval authority for ensuring good governance and better control in credit approval system. The Board of Directors and its Executive Committee hold the supreme authority for credit approval in line with the recommendation from credit committee consisting of the senior management of the bank. Credit proposal processing, assessment of risks and mitigates there against, placing before credit committee, seeking approval from the competent authority, policy formulation & implementation, green finance, issuance & sanction advice are the major activities of CRM division. Separate segments for Corporate, Retail, SME, Credit Cards have been formed under CRM division in order to diversify the credit risk. Moreover, towards mitigating the risks and to reduce turnaround time, Bank Asia has developed a robust credit approval system in which all the loans based on their size are approved and disbursed through newly established clusters and also through Corporate Office in centralized system. The credit proposals recommended by branches are scrutinized by CRM division. Sanctions are conveyed to the Branches after getting approval from various dedicated authority, Head of Credit, President & Managing Director and Board of Directors if needed. Limits are loaded into the system by Credit Administration Department but it is not operative until the branch complies all the terms and conditions incorporated in the sanction advice. The above arrangement ensures the segregation of duties & responsibilities and thus minimizes the credit risk.

To stream line the overall credit portfolio, the bank has taken various initiative, for example, complete separation of business and risk, supervision of fresh credit proposal from branch through business wings at corporate office, empowerment of CRM and other risk management wings, digitization of loan documentation management process etc. Further to the above credit proposal format is also redefined as it is one of the key tools to maintain quality portfolio since its informs us risk, credit requirement, performance, liability position, compliance, financial position, environmental issues, effective rate of return, details of business etc. of the customer to mitigate credit risk.

Discussion of the Bank's credit risk management policy

The standardized approach is applied for risk weighting of exposure as per directive of Bangladesh Bank. It requires banks to use risk assessment. The Bank is following Credit Risk Grading (CRG) manual for assessing a borrower and making decisions of disbursing loans and advances/ investments while nominating the External Credit Assessment Institutions (ECAIs) duly recognized by Bangladesh Bank to derive risk-weights of exposures under the portfolio of claims. Maximum counterparty/group exposure are limited to 15% (funded) of the bank's capital base as stipulated by BB where a higher limit is required for projects of national importance subject to prior approval of Bangladesh Bank. The single borrower exposure limit has been increasing day by day of the bank with the increase of the total capital of the bank. But the management of the bank is exercising the prudential limit to a single borrower in order to minimize concentration risk of the bank considering the security coverage, satisfactory performance, credit risk grading status, earning potentials, capital requirement, etc. against the limit.

Quantitative Disclosures

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Particular	Outstanding
b) Total gross credit risk exposures	277,870
Chief Executives & Others senior executives	187
Agriculture	7,409
Industry	138,477
Constructions	8,404
Power, Gas, Water and Sanitary Services	13,915
Transport, Storage and Communication	2,533
Trade Services	51,879
Housing Services	18,449
Banking and Insurance	4,857
Professional and Misc. services	31,761
c) Geographical distribution of exposures	277,870
Dhaka Division	228,942
Chattogram Division	32,305
Khulna Division	4,374
Rajshahi Division	5,567
Barishal Division	1,181
Sylhet Division	3,044
Rangpur Division	1,912
Mymensingh Division	545
d) Industry or counterparty type distribution of exposures	277,870
Chief Executive & other senior Executives	187
Agriculture	7,409
Food Manufacturing	14,168
Beverage industry	245
Tobacco industry	-
RMG industry	33,952
Textile industry	24,299
Wood cork and allied products	47
Furniture and Fixture	313
Paper and paper products	5,024
Leather and leather products	3,157
Rubber products	4,578
Chemical and chemical products	916
Basic metal products	11,430
Electrical machinery and apparatus	3,499
Other manufacturing industries	23,046
Ship building	4,469
Ship breaking	1,435

Particular	Outstanding
Pharmaceutical	7,900
Constructions	8,404
Power, Gas, Water and Sanitary Services	13,915
Transport, Storage and Communication	2,533
Trade Services	51,879
Housing Services	18,449
Banking and Insurance	4,857
Professional and Misc. services	31,761
Others	-
e) Residual contractual maturity breakdown of the whole portfolio, broken down by major types of credit exposure	277,870
Repayable on demand	45,333
Not more than 3 months	42,259
More than 3 months but not more than 1 year	77,497
More than 1 year but not more than 5 years	94,466
More than 5 years	18,316
f) By major industry or counterparty type	-
Sector wise past due loan classification categorie	es:
Sub- Standard	775
Doubtful	253
Bad and Loss	12,491
Total	13,520
Specific and general provisions	19,080
Total General Provision:	8,563
Total Specific Provision:	10,517
g) Gross Non Performing Assets (NPAs)	-
Non Performing Assets (NPAs) to Outstanding Loans Advances	13,520
Movement of Non Performing Assets (NPAs)	4.87%
Opening balance	13,470
Additions	5,120
Reductions	4,674
Closing balance	13,916
Movement of specific provisions for NPAs	
Opening balance	7,290
Less: Write-off	(948)
Add: Recovery from previously written off	347
Transfer from General Provision	2,102
Add: Provisions made during the period	1,730
Closing balance	10,520

5. EQUITIES: DISCLOSURES FOR BANKING BOOK POSITIONS

Qualitative Disclosures

Investment in equity mainly for capital gain and cash dividend income purposes. Besides these, Bank has some investment for relationship and strategic reasons.

Differentiation between holdings on which capital gains are expected and those taken under other objectives including for relationship and strategic reasons

Investment in equity securities are broadly categorized into two parts:

i) Quoted Securities that are traded in the secondary market (Trading Book Assets).

ii) Unquoted securities are categorized as Banking book equity exposures which are further sub-divided into two groups: unquoted securities which are invested without any expectation that these will be quoted in near future. And securities those are acquired under private placement or IPO and are going to be traded in the secondary market after completing required formalities. Unquoted securities are valued at updated NAV basis.

The equity markets are traditionally volatile with a high-risk, high-returns profile. As such investors in the equity market have to plan and strategize to reduce their risks and increase their returns. Equity investments must therefore go hand in hand with a good risk management plan in place. In an uncertain marketplace like the present, investor cannot afford to place all hope in only one thing. Therefore, it is very important to protect the total investment value by means of diversification.

Bank Asia has been operating in the capital market of Bangladesh since 2009. The Bank invested in shares both in primary as well as secondary market. Bank Asia has been started its own portfolio operation from May 04, 2010. Since then the Bank was mainly involved in "Own Portfolio Management" activity.

Discussion of important policies covering the valuation and accounting of equity holdings in the banking book. This includes the accounting techniques and valuation methodologies used, including key assumptions and practices affecting valuation as well as significant changes in these practices.

Investments in shares of Bank Asia are made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of capital as well as the probable income to be derived. The Bank recognizes that no investment is totally free from risk and that occasional measured losses are inevitable in a diversified portfolio and will be considered within the context of the overall portfolio's return, provided that adequate diversification has been implemented and that the sale of a security is in the best interest of the Bank.

The Management of the Bank has constituted an Investment Committee / team comprising of members from the senior executives of the Bank who have sound experiences and knowledge on Capital Market activities.

Investment team of Bank Asia reviews status of the own portfolio investment on regular basis and follows top-down approach where they review and analyze economy outlook, sectoral growth and specific company analysis. Company specific risk is minimized through proper diversification. To manage market risk, we follow economic research. Moreover, it has been noted that, the major source of market risk comes from the frequent change of regulation. Thus, it is important to maintain close relationship with the regulatory body and keep aware if there is any upcoming regulation change.

Our investment in shares are being monitored and controlled by the Investment Committee are reflected in accounts through proper methodologies and accounting standards of the local & international. Investments are valued on mark to mark basis on a particular period.

Quantitative Disclosures

Million

Taka

SI.	Particular	Amount
OI.	Particular	AIIIOU

a) Value disclosed in the balance sheet of investments, as well as the fair value of those investments; for quoted securities, a comparison to publicly quoted share values where the share price is materially different from fair value:

a.1	Value of quoted shares	
	Cost price	1,030
	Market price	799
	Value of unquoted shares	
	Cost price	103
	Market price	237
b)	The cumulative realized gains (losses) arising from sales and liquidations in the reporting period	Nil
C)	Total unrealized gains (losses)	(99)
	Total latent revaluation gains (losses)	475
	Any amounts of the above included in Tier 2 capital.	Nil
d)	Capital requirements broken down by appropriate equity groupings, consistent with the bank's methodology, as well as the aggregate amounts and the type of equity investments subject to any supervisory provisions regarding regulatory capital requirements.	
d.1	Specific Risk	799
d.2	General Market Risk	799
d3.	Total (d1+d2)	1,598

6. INTEREST RATE RISK IN THE BANKING BOOK

Qualitative Disclosures

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

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 affected 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.

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 Adequacy Ratio (CAR) 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 interests rate changes i.e. 1%, 2% and 3%.

Quantitative Disclosures

Million Taka

SI.	Particular		Amount	
1	Market Value of Assets	464,915		
2	Market Value of Liabilities	400,386		
3	Weighted Average of Duration of Liabilities (DL) in years	0.81		
4	Weighted Average of Duration of Assets (DA) in years	1.94		
5	Duration GAP (DA-DL) in years	1.24		
6	Yield to Maturity (YTM -Assets)	6.99%		
	Yield to Maturity (YTM -Liability)	3.43%		
	Magnitude of Interest Rate Change	1%	2%	3%
7	Fall in Market Value of Equity	(5,378.68)	(10,757.30)	(16,136.00)
Stre	ss Testing	Minor	Moderate	Major
8	Regulatory capital (after shock)	40,732	35,353	29,975
9	RWA (after shock)	255,108	249,730	244,351
10	CRAR (after shock)	15.97%	14.16%	12.27%

7. MARKET RISK

	Qualitative Disclosures
Views of BOD on trading/ investment actives	The Board approves all policies related to market risk, sets limits and reviews compliance on a regular basis. The objective is to provide cost effective funding last year to finance asset growth and trade related transaction.
Methods used to measure Market Risk	Standardized 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'.
Market risk Management system	The Treasury Division manage market risk covering liquidity, interest rate and foreign exchange risks with oversight from Asset-Liability Management Committee (ALCO) comprising senior executives of the Bank. ALCO is chaired by the Managing Director. Alco meets at least once in a month.
Policies and process for mitigating Market Risk	There are approved limits for Market risk related instruments both on-balance sheet and off-balance sheet items. The limits are monitored and enforced on a regular basis to protect against market risks. The exchange rate committee of the Bank meets on a daily basis to review the prevailing market condition, exchange rate, forex position and transactions to mitigate foreign exchange risks.

Quantitative Disclosures

Million Taka

	Million Taka
Particular	Amount
The capital requirement for:	
Interest Rate Risk	625.77
Equity Position Risk	159.81
Foreign exchange	45.01
Commodity Risk	-
Total capital requirement against Market Risk	830.59

8. OPERATIONAL RISK

Qualitative Disclosures		
Views of BOD on system to reduce Operational Risk	The policy for operational risks including internal control & 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 & Compliance Division to protect against all operational risk.	
Performance gap of executives and staffs	Bank has a policy to provide competitive package and best working environment to attract and retain the most talented people available in the industry. BA's strong brand image plays an important role in employee motivation. As a result, there is no significant performance gap.	

Oualitative Disclosures

Potential external vulnerable events

Considering the increasing complexity of banking operation resulted from various trending macro economic scenario and excessive competitive environment, it is unlikely to completely avoid potential external vulnerable events. However, through effective risk management operation the impact from potential external vulnerable events are quite minimum.

Policies and processes for mitigating operational risk

Operational risk, defined as any risk that is not categorized as market or credit risk, is the risk of loss arising from inadequate or failed internal processes, people and systems or from external events, it is inherent in every business organization and covers a wide spectrum of issues. In order to mitigate this, internal control and internal audit systems are used as the primary means. The Bank Asia Limited manages this risk through a control based environment in which processes are documented, authorization is independent and transactions are reconciled and monitored. This is supported by an independent program of periodic reviews undertaken by internal audit, and by monitoring external operational risk events, which ensure that the bank stays in line with industry best practice and takes account of lessons learned from publicized operational failures within the financial services industry. Bank Asia Limited has operational risk management process which explains how the bank manages its operational risk by identifying, assessing, monitoring, controlling and mitigating the risk, rectifying operational risk events, and implementing any additional procedures required for compliance with central bank requirements. Operational risk management responsibility is assigned to different level of management within the business operation. Information systems are used to record the identification and assessment of operational risks and to generate appropriate regular management reporting. Risk assessment incorporates a regular review of identified risks to monitor significant changes.

On top of that, as part of recent development, the bank is in the process of adoption of globally recognized operational risk assessment tools, e.g. Risk Control Self Assessment for assessment of all possible operational risk and adoption of Key Risk Indicator (KRI) to help the bank to set operational risk trigger parameters.

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.

Quantitative Disclosures

Million Taka

Particular	Solo	Consolidated
Capital Requirement for Operational Risk under MCR	26,049	26,318

9. LIQUIDITY RATIO

Qualitative Disclosures

Liquidity risk is the risk that a given security or asset cannot be traded quickly enough in the market to prevent a loss (or make the required profit) or when a bank is unable to fulfill its commitments in time when payment falls due. Thus, liquidity risk can be of two types:

a) Funding liquidity risk: The risk that a firm will be unable to meet its current and future cash flow and collateral needs without affecting its daily operations or its financial condition

Views of BOD on system to reduce liquidity Risk

b) Market liquidity risk: The risk that a firm cannot easily offset or sell a position without incurring a loss because of inadequate depth in the market

Banking organization, where off-balance sheet exposure is significant or has strong dependency on corporate deposit or experiencing step asset (i.e. primarily credit portfolio or investment book) growth is exposed to high level of Liquidity risk. Liquidity risk should not be seen in isolation, because financial risks are not mutually exclusive and liquidity risk is often triggered by consequence of other financial risks such as credit risk, interest rate risk, foreign exchange risk etc.

Qualitative Disclosures

In the perspective of Bangladesh, identifying and monitoring the driving factors of liquidity risk is viewed from the following aspects:

Regulatory Liquidity Indicators (RLIs):

- Cash Reserve Requirement (CRR)
- Statutory Liquidity Ratio (SLR)
- Medium Term Funding Ratio (MTFR)
- Maximum Cumulative Outflow (MCO)
- iviaximum cumulative outflow (woo)

Methods used to measure Liquidity Risk

- Advance Deposit Ratio (ADR)/Investment Deposit Ratio (IDR)
- Liquidity Coverage Ratio (LCR)
- Net Stable Funding Raito (NSFR)

Bank's own liquidity monitoring tools:

- Wholesale Borrowing and Funding Guidelines
- Liquidity Contingency Plan
- Management Action Trigger (MAT)

Computation of Capital Charge against Liquidity Risk: If annual average of any RLIs of any bank falls bellow Bangladesh Bank's requirement the bank will be required to maintain additional capital for that RLI (or those RLIs).

As per Bangladesh Bank guideline management maintain sufficient CRR and SLR.

Liquidity Risk Management System

In December 2014, the Bangladesh Bank started to two new liquidity metrics as part of the implementation of Basel III. These are a short term liquidity stress metric, the Liquidity Coverage Ratio (LCR), and a longer term funding metric, the Net Stable Funding Ratio (NSFR). Banks have to maintain LCR and NSFR are at a minimum of 100%.

Policies and processes for mitigating Liquidity Risk

Bank Asia Limited Asset-Liability Management Committee (ALCO) has responsibility for monitoring liquidity measures and limits. Liquidity is maintained in excess of the maximum cumulative outflows calculated within these stress tests. Board Risk Management Committee set policies and process to mitigate all risks including Liquidity risk.

Quantitative Disclosures	
	Million Taka
Particular	Amount
Liquidity Coverage Ratio (LCR)	145.18%
Net Stable Funding Ratio (NSFR)	114.80%
Stock of High quality liquid assets	95,271
Total net cash outflows over the next 30 calendar days	65,623
Available amount of stable funding	362,172
Required amount of stable funding	315,484

10 LEVERAGE RATIO

10. LEVERAGE RATIO		
Qualitative Disclosures		
	In order to avoid building-up excessive on and off-balance sheet leverage in the banking system, a simple, transparent, non-risk based leverage ratio has been introduced by Bangladesh Bank. The leverage ratio is calibrated to act as a credible supplementary measure to the risk based capital requirements. The leverage ratio is intended to achieve the following objectives:	
Views of BOD on system to reduce excessive leverage	a) constrain the build-up of leverage in the banking sector which can damage the broader financial system and the economy.	
	b) reinforce the risk based requirements with an easy to understand and a non-risk based measure.	
	The policy for Leverage Ratio including on and off balance sheet exposure and capital related policy. The Bank has a well structured delegation and sub-delegation of credit approval authority for ensuring good governance and better control in credit approval system. The Board of Directors and its Executive Committee hold the supreme authority for any credit approval in line with the credit committee consisting of the senior management of the bank.	
Policies and processes for managing excessive on and off balance sheet leverage		
	Calculation of Leverage Ratio	
	A minimum Tier 1 leverage ratio of 3% is being prescribed both at solo and consolidated level.	
	Leverage Ratio = Tier 1 Capital (after related deductions) Total Exposure (after related deductions)	
Approach for calculating exposure	The exposure measure for the leverage ratio will generally follow the accounting measure of exposure. In order to measure the exposure consistently with financial accounts, the following will be applied by the bank:	
	 i. On balance sheet, non-derivative exposures will be 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.	
Quantitativa Disclosuras		

Quantitative Disclosures			
		Million Taka	
Particular	Solo	Consolidated	
Tier-1 Capital (A)	29,824	29,675	
Exposure measure :			
On balance sheet exposure	462,290	464,525	
Off balance sheet exposure	73,061	73,061	
Less: Regulatory adjustment made to Tier I capital	40	40	
Total exposure (B)	535,311	537,546	
Leverage Ratio (A/B)	5.57%	5.52%	

11. REMUNERATION

Qualitative Disclosures

Name, composition and mandate of the main body overseeing remuneration:

Managing Director, Senior Management Team (SMT) & Head of Human Resorce Division (HRD) governs the remuneration related policies and practices in alignment with the bank's short & long term objectives. They play an independent role, operating as an overseer; and if required, make recommendation to the Board of Directors of the Bank for its consideration and final approval for any remuneration related policy. The main work includes presenting recommendations to the Board regarding remuneration, compensation packages of Senior Management, incentive schemes and retirement benefits. They also assist the Board of Directors to ensure that all employees are remunerated fairly and get performance-based compensation by ensuring effective remuneration policy, procedures and practices aligned with the Bank's strategy and applied consistency for all employee levels.

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:

a. Information relating to the bodies that oversee remuneration. Remuneration Committee of Bank Asia also oversee its two foreign subsidiary i.e. BA Exchange Company (UK) Limited and BA Express USA Inc. and one local subsidiary i.e. Bank Asia Securities Limited.

A description of the types of employees considered as material risk takers and as senior managers, including the number of employees in each group:

Risk Takers are senior employees who can take, or influence the taking of material risk for Bank Asia or for a material business unit.

Designation	No of Employee
President and Managing Director	01
Additional Managing Director	01
Deputy Managing Director	04
Senior Executive Vice President	11
Executive Vice President	7
Senior Vice President	16

Qualitative Disclosures

Key features of remuneration policy:

We target a fair human resources management by using a performance-based system. Our salary policy is the same in all branches and service points for the beginner level. In addition, to drive further development of individual skill sets and competencies, speaking foreign languages is compensated. There is no incidence of gender discrimination in terms of remuneration.

Bank Asia compensation program focuses on individual short-term goals vis-a-vis long-term success and overall profitability of the Bank. Both our short-term annual incentive and long-term compensation plans promote our pay-for-performance philosophy, as well as our goal of having a meaningful amount of pay at-risk, and we believe both plans provide us a competitive advantage in the acquisition and retention of talents.

Objectives of remuneration policy:

The overall objective of the Bank's remuneration policy is to establish a framework for attracting, retaining and motivating employees, and creating incentives for delivering long-term performance within established risk limits. Performance is judged, not only on what is achieved, but also on how it is achieved as well as alignment with the Bank's values.

 Information relating to the design and structure of remuneration processes.

Whether the remuneration committee reviewed the firm's remuneration policy during the past year, and if so, an overview of any change that was made:

The remuneration committee reviewed the firm's remuneration on 2022 and revised the remuneration by conducting a survey considering the following facts:

- Oversee Bank's remuneration position and revise the structure according to the competitive market
- Align compensation strategy with business strategy
- Determine the percentage of increment at each job grade
- Get acquainted with inflation in the economy

Based on the survey, Banks changes the remuneration on Compa-Ration based of its existing employees

A discussion of how the bank ensures that employees dealing with risk and its compliance are remunerated independently of the businesses they oversee :

Control function of internal control and compliance directly responds of Audit Committee of the Board and dotted report to the President and Managing Director. Credit Risk Officer reports to President and Managing Director directly.

Qualitative Disclosures

An overview of the nature and type of the key measures used to take account of these risks, including risks difficult to measure (values need not be disclosed):

A balanced scorecard approach has been adopted by the Board with real-life SMART KPI to evaluate the contribution of all individuals in a transparent manner to assess quantitative and/or qualitative performance vis-a-vis set target of a given year. We have infused 80/20 strategy in performance measurement system; as such 80% Objective and 20% Organizational & Personnel behavior factors.

c. Description of the ways in which current and future risks are taken into account in the remuneration processes.

d. Description of the ways in

period with levels of

remuneration.

which the bank seeks to

link performance during a

performance measurement

A discussion of the ways in which these measures affect remuneration:

The way in which each individual contributes to or impacts on the key criteria differs depending on the area of the business/target activities in which they operate and nature of activities specified by the management. These differences are reflected in the expected outcomes and performance indicators developed for each individual employee/role and satisfactory performance against these indicators is required to qualify for annual increment of remuneration, performance bonus, promotion and other benefits.

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:

Since the implementation of real-life SMART KPI to evaluate the contribution of all individuals, no change has been taken place.

An overview of main performance metrics for bank, top-level business lines and individuals:

Bank Asia is solely depending on the contribution of its existing talents. From the year 2013, Bank Asia introduced a real-life SMART KPI to evaluate the contribution of all individuals in a transparent manner to assess quantitative and/or qualitative performance vis-a-vis set target of a given year. We have infused 80/20 strategy in performance measurement system; as such 80% Objective and 20% Organizational & Personnel behavior factors are introduced. The benefits of using KPI are the followings:

- Reduce the number of decisions and make decisions based on objectivity and facts.
- Quantify the achievement of goals
- Focus on facts and see where individual improvement is/are needed.
- As individual initiative grows, it becomes more difficult to remain as close to the operational details as
 it is, in such case, KPI results can bring back to reality.
- Employees are clear about his/her obligations to deliver during the year and accordingly would be able to plan to meet the expectation.
- Last but not the least, unbiased performance evaluation at the end of the year.

A discussion of how amounts of individual remuneration are linked to bank-wide and individual performance:

Yearly performance bonus, salary increment, staff house building loan are directly linked with employee's individual performance.

A discussion of the measures the bank will in general implement to adjust remuneration in the event that performance metrics are weak.

Variance performances like performance bonus, salary increment are determined by the outcome of scorecard in prescribed KPI of the individual.

e. Description of the ways in which the bank seeks to adjust remuneration to take account of longer-term performance.

Bank Asia provides its Employees incentive compensation delivered in the form of deferred cash awards, subject to performance based on Key Performance Indicators (KPI).

190

f. Description of the different forms of variable remuneration

different forms.

that the bank utilizes and

the rationale for using these

Qualitative Disclosures

A summary of Short-term and Long-term compensation plan are given below:

Total Compensation = Fixed Pay (Salary)+Variable Pay (Bonus)+Variable Pay (Long term incentive)

Form of variable remuneration offered by Bank Asia:

Cash Form:

Short-Term Incentives / Rewards

- 1. Yearly fixed and incentive bonus;
- 2. Yearly Increment;
- 3. Business accomplishment financial award;
- 4. Special Increment for special assignments/accomplishment;
- 5. Car, fuel and car maintenance allowance for executives;
- 6. Cash Risk allowance for cashier:
- 7. Charge allowance for Head of Branches

Long-Term Incentives / Rewards

- 1. Provident fund;
- 2. Gratuity;
- 3. Benevolent fund
- 4. Employee house building loan with minimum interest rate
- 5. Provident fund loan with minimum interest rate
- 6. Periodically salary review (enhancement)
- 7. Furniture allowance for executives
- 8. Yearly professional membership fees for professional certificates holder

Non-Cash Form:

Short-Term Incentives / Rewards

- 1. Medical insurance coverage for self, wife and two children;
- 2. Accelerates promotion for top talents;
- 3. Study leave

Long-Term Incentives / Rewards

1. Foreign training award;

	Quantitative Disclosures		
Pa	rticular		Million Taka
g.	Number of meetings held by the main body overseeing remuneration during the financial year and remuneration paid to its member.	Meeting regarding over remuneration was he	
		No.	Amount
h.	 Number and total amount of guaranteed bonuses awarded made during the financial year. Number and total amount of sign-on awards made during the financial year. Number and total amount of severance payments made during the financial year 	2	255.4
			Nil
			Nil
i.	Total amount of outstanding deferred remuneration, split into cash, shares and share-linked instruments and other forms.	Nil	
	Total amount of deferred remuneration paid out in the financial year.	Nil	

Quantitative Disclosures

- j. Breakdown of amount of remuneration awards for the financial year to show:
- fixed and variable

Breakdown of Remuneration is as follows (Taka in million):

,	
Particular	Amount
Basic salary	1,696
Allowances	1,636
Festival bonus	255
Gratuity	865
Provident fund contribution	163
Performance bonus	420
Total	5,036

- deferred and non-deferred.
- different forms used (cash, shares and share linked instruments, other forms).

Nil

All the remunerations are provided in the form of cash

k. Quantitative information about employees' exposure to implicit (e.g. fluctuations in the value of shares or performance units) and explicit adjustments (e.g. claw backs or similar reversals or downward revaluations of awards) of deferred remuneration and retained remuneration:

Total amount of outstanding deferred remuneration and retained remuneration exposed to ex post explicit and/or implicit adjustments.

Nil

Total amount of reductions during the financial year due to ex post explicit adjustments.

Nil

Total amount of reductions during the financial year due to ex post implicit adjustments.

Nil



Air Pollution A Threat to Life, A Call to Action

WHAT'S INSIDE

Achievement for Sustainability Report	196
Sustainable Banking Operations	197
Message from President and Managing Director	199
Report Parameter	200
Triple Bottom Line	200
Strategic Focus for Sustainability	201
Corporate Profile	202
Primary Brands, Products & Services	204
Stakeholders' Engagement	210
Material Aspects and Boundaries	213
Environmental Performance	214
Economic Performance	218
Sustainable HR Development	224
Corporate Social Responsibility	230
Market Performance	234
Stakeholders Relationship/Grievance Redressal	236



Achievement for Sustainability Report

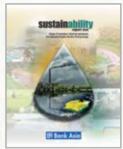


2022









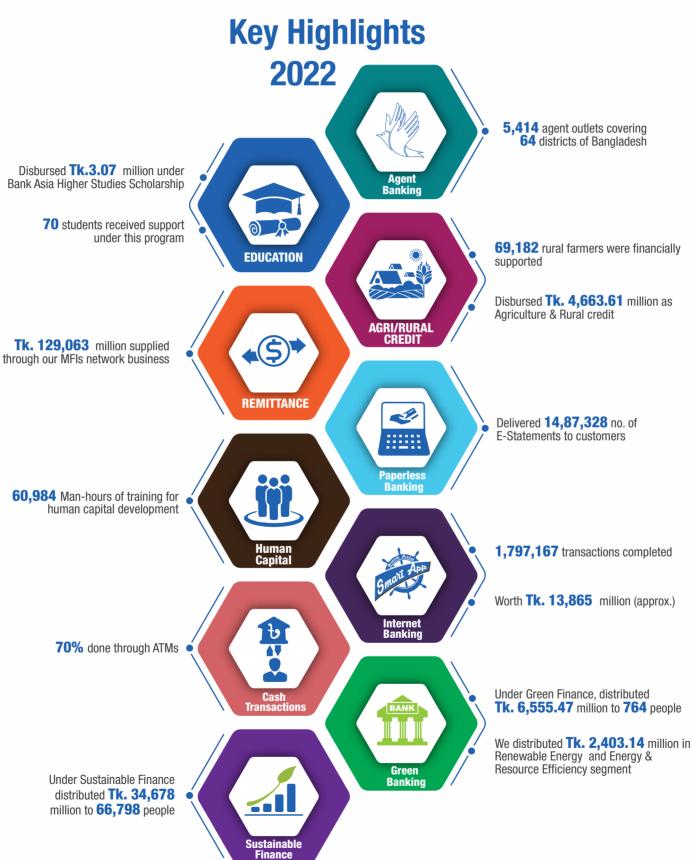


Bank Asia produces separate full scale *Sustainability Report* every year following GRI Guidelines including GRI Content Index and page reference. For more details visit: **www.bankasia-bd.com**

Bank Asia achieved Asia Sustainability Reporting Rating (ASRR) by NCSR and ICSP, Jakarta, Indonesia

- Bank Asia has been granted "Gold Rank" in Asia Sustainability Reporting Rating 2022 by NCSR (National Centre for Sustainability Reporting) and ICSP (Institute of Certified Sustainability Practitioners) for Sustainability Report 2021
- Bank Asia has been granted 'Gold Rank' in ASRR 2021 by NCSR and ICSP for Sustainability Report 2020
- Bank Asia has been granted 'Gold Rank' in ASRR 2020 by NCSR and ICSP for Sustainability Report 2019
- Bank Asia has been granted 'Gold Rank' in ASRR 2019 by NCSR and ICSP for Sustainability Report 2018
- Gold Rank- Best Sustainability Report in ASRR 2018 14th SRA 2018 for Sustainability Report 2017 by NCSR and ICSP
- 'Winner-Best Sustainability Report in Overseas category' 13th SRA 2017 for Sustainability Report 2016
- Best Sustainability Report in Bangladesh 12th SRA 2016 for Sustainability Report 2015
- Best Sustainability Reporting Award 2015, Runner up 1 in Overseas Category for Sustainability Report 2014
- Sustainability Reporting Award 2014 (SRA 14) for Most Impressive Report 2013 for Sustainability Report 2013
- Sustainability Reporting Award 2013 (SRA 13) for Most Progressive Report 2012 for Sustainability Report 2012
- Commendation for the first time 9th SRA for Sustainability Report 2012

Sustainable Banking Operations





Message from the President and Managing Director

The year 2022 shows that the economy recovered and resumed its upward trajectory following the COVID 19 wave. Despite the challenges that were presented by the century's largest pandemic, we showed perseverance and were able to turn things around. Bangladesh has adapted to these circumstances and allowed businesses to resume operations. With the economy gradually regaining its footing, the country's GDP for fiscal year 2022 is estimated to be 7.1%. Throughout the year, the government has provided various incentives to sectors which have been affected by the pandemic. A number of factors indicate that Bangladesh is making progress, such as having a growing GDP, a declining poverty rate, women's empowerment, and coping with climate change.

In its capacity as a responsible corporate citizen, Bank Asia firmly believes that sustainability is a key element of competitiveness. Green financing and banking activities are part of Bank Asia's commitment to sustainable development. In order to achieve a low carbon economy, these activities are designed to support the transition. By focusing on environmental sustainability, Bank Asia contributes to a better future for the economy and the planet.

The Bank Asia Sustainability Report 2022 will focus on "Air Pollution" which discusses how it creates harmful effects on human health and the environment. In the absence of a green, sustainable future from now onwards, the consequences would be devastating. Among the initiatives taken by Bank Asia in order to promote a sustainable future would be the following:

Road to Sustainability – Think and act to build a Sustainable Future

Bank Asia aims to create a better future by growing responsibly and sustainably, followed by the implementation of eco-friendly measures across the organization. The bank circulates Green Banking Policy guidelines to raise awareness and conserve energy and water as well as saving paper and fundamental resources. In our banks day to day operation, more than 30% electricity is saved every year using day light inside the corporate office. In 2022, we have taken Green banking initiatives such as E-Statements, SMS Banking, E-Mail correspondence etc., which resulted in net savings of Tk. 10.04 million. For saving money & travel time where reducing CO2 emissions, Bank Asia implemented a Video Conferencing System between Head Office and its 130 branches to attend meetings virtually.

Bank Asia has invested Tk. 3,249 million in green finance and Tk. 31,429 million in sustainable linked finance initiative. We have also disbursed Tk. 7,417 million to 91,408 rural farmers where approved Tk. 904 million to 15,424 farmers through the Online Credit Approval System (OCAS). As part of our commitment to our green economy, Bank Asia signed a participation agreement with Bangladesh Bank for lending in solar energy, bio-gas, and effluent treatment plants (ETPs) and hybrid hoffman kilns (HHKs).

In 2022, Bank Asia was rated among the Top 10 Banks in the Sustainability Rating for 2021 conducted by the Bangladesh Bank for the 2nd consecutive year. It was a tremendous achievement for the bank and it acknowledges the Bank as a sustainable and environmentally friendly one.

We believe-Society is the priority

To contribute to the social, economic and environmental development, Bank Asia spent Tk. 237 million in several CSR activities. Some of those include investing Tk. 47 in various healthcare initiatives, providing Tk. 16 million in education sector. Bank Asia also donates Tk. 139 million for the flood affected and cold —hit people of the country.

Financial Inclusion – Expanding Access to Financial services

The rapid adoption of digital technology has led to rapid financial inclusion in Bangladesh. In addition to maintaining price and economic stability, Bangladesh's central bank supports development aspirations. People in Bangladesh still lack access to basic financial services despite many initiatives taken in the meantime.

Bank Asia has completed 9 years of financial inclusion in Bangladesh. 91% of Bank Asia's 5,414 agent outlets are in rural areas. In the last 6 years, Bank Asia's agent outlets have grown five times and it has added about 5.54 million customers. By increasing the number of agents and outlets, the rural people will have access to formal financial services as well as employment opportunities.

Bringing growth in Agriculture

Bank Asia supports farmers and agro-based entrepreneurs in Bangladesh with agricultural credit. Agro-based entrepreneurs and farmers can access a range of agricultural credit products from the bank. Bank Asia has achieved remarkable loan disbursement target given by Bangladesh Bank for FY 2021-2022.

Nourishing Human Asset

In a service based organization, the human resource is considered as the major asset, so we provide our employees ample opportunities for personal growth through comprehensive training and other development programs. In 2022, Bank Asia provided 60,984 man hours of training on different operational and behavioral aspects for the development of human capital.

Award and Recognition

Regardless of the circumstances, Bank Asia believes in transparency when disclosing information to stakeholders. We are proud to share that, Bank Asia has been awarded the 'Gold Rank' in Asia Sustainability Reporting Rating 2022 by NCSR (National Centre for Sustainability Reporting) and ICSP (Institute of Certified Sustainability Practitioners) in Indonesia for its Sustainability Report 2021.

Lastly, my sincere gratitude and appreciation go out to all of our stakeholders who have contributed to our success and Bank Asia's vision for a sustainable future for Bangladesh.

Areef Billah Adil Chowdhury
President and Managing Director

Report Parameter

Bank Asia is the pioneer in the banking industry to publish Sustainability Report as per GRI framework. Our prior two reports were based on GRI reporting framework G3/ G3.1 guidelines. But from the year 2014 to 2017 we have prepared our sustainability report based on GRI reporting framework G4 guidelines. From 2018 we are reporting on GRI reporting framework GRI Standards with an effort to measure, disclose and be accountable to internal and external stakeholders in terms of governance, economic, environmental and social aspects including both positive and negative contribution. This report has been prepared in accordance with the GRI Standards: Core option.

Reporting Scope

This report intends to touch upon all significant environmental, economic and social impacts resulting from Bank Asia's activities in the financial year 2022. This is our Tenth Sustainability Report and there is no significant changes regarding scope, boundary or measurement methods and explanation of the effect of any restatement of information comparing to the previous report. The Sustainability Report will be prepared once in a year describing activities and achievements through-out the year.

Boundary of the Report

The report boundary of the year 2022 covers only banks operation run by corporate office, its branches, SME service centers and other direct networks in Bangladesh. Impacts of the activities of our subsidiaries, NGO networks or our suppliers in other countries are not within the scope of this report. Bank Asia has three subsidiary companies, one in Bangladesh and two others in UK and USA, but no joint venture. As owner, the Bank controls the activities of its subsidiaries. Bank Asia Securities Limited (BASL), a majority owned subsidiary is incorporated in Bangladesh and acts as a stock broker and stock dealer in capital market. The financial statements of the BASL are prepared on a going concern basis under historical cost convention in accordance with Bangladesh Financial Reporting Standards (BFRS). BA Exchange Company (UK) Ltd. in UK and BA Express USA Inc. at NY, USA are two wholly owned subsidiaries with a primary responsibility of remittance channeling to Bangladesh from UK and USA market. Financial statements of BA Exchange Company (UK) Ltd. and BA Express USA Inc. are prepared on a going concern basis under the historical cost convention and in accordance with the Financial Reporting Standards for smaller entities.

Feedback

We welcome any feedback on our sustainability reporting. For further information and comments, please contact Sustainability Reporting Team of the Bank led by Mr. Mohammad Ibrahim Khalil, FCA, Chief Financial Officer, Mr. Md. Shamim Hasnat, CSRS, Assistant Vice President, Group Finance; Mr. Mahbub-Ul Anam Khan, CSRS, SEO, Group Finance and Ms. Nahid Tania Khan, CSRS, SEO, Group Finance. They may be reached through

E-mail: sustainability.ba@bankasia-bd.com

Triple Bottom Line



PEOPLE

Bank Asia always plays a very dynamic role in contributing to the society through its CSR program, which are thoroughly illustrated in CSR section. In the context of value creation model for its employees, the bank has made footprints by achieving: Operating profit and Net profit per employee was Tk. 3.73 million and Tk. 1.06 million respectively during 2022. 60,984 man-hours training (both physically & virtually) have been provided to 2,807 employees in 2022 in home and abroad. Bank Asia works with a wide range of suppliers, vendors, agents and others. To create value the Bank works with them through collaboration by applying its own policy and practice for selecting these suppliers and others.



PLANET

As one of the strategic focuses of Bank Asia, 'going green' movement includes efficient energy consumption, paperless office, financing renewable energy etc. Bank Asia's achievements in green initiatives are detailed out in other parts of the report. As greening of mind, training provided to staffs regarding green banking under foundation and other trainings course in 2022



PROFIT

During 2022, Bank Asia generated operating profit of Tk. 10,695 million.

Strategic Focus for Sustainability

Bank Asia firmly promotes green banking to reach its long term strategic objective to be a green, triple bottom line bank where every decision will be taken with both financial and environmental considerations in mind. The Bank's green banking initiatives includes Online & paperless banking, reducing green house gas emission, mapping bank's carbon foot print, efficient energy use, environment friendly projects, plant nursery and horticulture projects etc.

GOING GREEN IN THE FUTURE OF BANKING One of the strategic priorities of Bank Asia is to promote financial inclusion for combating poverty which the Bank firmly believes to achieve by its deposit services, agricultural credit program, small enterprise financing for productive new off farm employment of 'missing middle', Solar home system projects with NGO-MFI partners, foreign remittance of poor migrant workers channeling through partner MFIs, Amar Bari Amar Khamar (ABAK) Project, Agent Banking channels, domestic remittance distribution through bank branches and agent banking outlets.

PROMOTING FINANCIAL INCLUSION

GIVING BACK

Bank Asia believes in giving back to the community and it will continue to promote education, fulfill its commitment to community health, disaster management, clean environment, sports, art and culture.

CUSTOMER SATISFACTION

Bank Asia is sincere to create higher customer satisfaction and loyalty by its brand enhancement programs & creating brand ambassadors, personalized banking, online product innovation, measure and reduce customer efforts for greater value proposition.

Corporate Profile

Bank Asia Limited was incorporated on September 28, 1999 as a private commercial bank with the aim of contributing for the development of the economy by bringing superior quality, technology driven banking products and services. In 2001, Bank Asia set a milestone by acquiring the Bangladesh operations of the Bank of Nova Scotia of Canada, first in the banking history of Bangladesh. At the beginning of the year 2002, the bank again acquired the Bangladesh operations of Muslim Commercial Bank Limited of Pakistan. Bank Asia has associated Islamic banking, Off-shore banking, Agent Banking, ABAK (Renamed EBEK), Post Office Banking, Social Safety Net Program, Rural Finance, Digital banking program and many more specialized services with its core banking activities. To excel in this new era of technological triumph. Bank Asia has successfully introduced internet banking, cutting edge ICT, state of the art network solution, 24/7 ATM service and many other e-products. Bank Asia maintains an environment of strong corporate governance that helps to maintain its excellent brand image; reflected by consistent financial performance for its stakeholders. To attain sustainability, we focus more on strategic priorities measured by quantitative and qualitative determinants. Besides maintaining a steady growth, Bank Asia always prioritized in the structural and moral development of the society. From the very beginning the bank has started its Corporate Social Responsibility (CSR) activities for the development of our country's unprivileged segments in the areas of education, health, environment, sports, arts & cultures and the likes.

Nature of Ownership and Legal Form

Bank Asia Limited was formed as a public limited company under the Companies Act 1994, and governed by the Banking Companies Act 1991. The Bank obtained Certificate of Incorporation on September 28, 1999 and banking license on October 06, 1999. It went for public offering on September 23, 2003.

Number of countries where the organization operates

Bank Asia runs its operation only in Bangladesh. However, the Bank has two fully owned subsidiaries in overseas. Among these subsidiaries, 'BA Exchange Company (UK) Limited' and 'BA Express USA Inc.' facilitate as speedy and dependable medium for remitting the hard-earned money of expatriates back home. 'BA Exchange Company (UK) Limited' started its operation in London on May 16, 2011. The 3rd subsidiary of Bank Asia 'BA Express USA Inc.' started its operation on June 1, 2014 in New York. It has also opened its 2 new overseas branches in Jamaica and Brooklyn for remittance channelling to Bangladesh.

Banking Channel

Currently we have 135 branches, SME service centers & 14 subbranches across the country spread over different zones that includes 131 branches, 4 SME agricultural branches and 4 SME service centers. Geographically 69 are placed in capital Dhaka, 39 in Chattogram, 7 in Sylhet zone, 7 in Khulna zone, 6 in Rajshahi, 4 in Rangpur, 2 in Barishal, and 1 in Mymensingh. All these branches and SME centers are efficiently supervised and monitored by Zonal heads who take care of their overall performance indicators on a regular basis. Due to the low operational cost as well as increasing popularity of agent banking operations, Bank Asia is emphasizing on adding new agent outlets. There are total 5,414 agent outlets in 64 districts. Agent banking network outreaches the customers through individuals, passport, institutions, UDC, Post office. Post Office Banking is new inclusion in the financial ecosystem. At present there are 1,349 where we have 3,895 on-boarded agents. Bank Asia has Automated Teller Machine (ATM) that provides banking services to its customers 24 hours a day, 7 days a week and 365 days a year. In our total 70% cash transactions of Bank Asia are done through its 218 own ATMs and more than 13,000+ shared ATMs all over the country. In terms of Internet banking, currently we have more than 267,872 active users.

SCALE OF THE REPORTING ORGANIZATION

As of the end of 2022, our Bank's operating profit is Tk. 10,695 million and total assets are Tk. 468,401 million. The Bank's Capital to Risk Weighted Assets Ratio (CRAR) is 17.70%

MEMBERSHIP WITH ASSOCIATIONS

- Bangladesh Institute of Bank Management (BIBM)
- Bangladesh Associations of Banks (BAB)
- Association of Bankers Bangladesh (ABB) The Institute of Bankers Bangladesh (IBB)
- The American Chamber of Commerce in Bangladesh (AMCHAM)
- Bangladesh Foreign Exchange Dealers Association (BAFEDA)
- Bangladesh Association of Publicly Listed Companies (BAPLC)
- Money Market Dealers Association
- Metropolitan Chamber of Commerce and Industry
- Baridhara Cosmopolitan Club
- Islamic Banks Consultative Forum (IBCF)
- Central Shariah Board for Islamic Banks of Bangladesh (CSBIB)
- The Accounting & Auditing Organization for Islamic Financial Institutions (AAOIFI), Bahrain

Number of employees 2,865

Number of branches 135 (131 branches, 4 SME/Agri branches and 4 SME service centers), 14

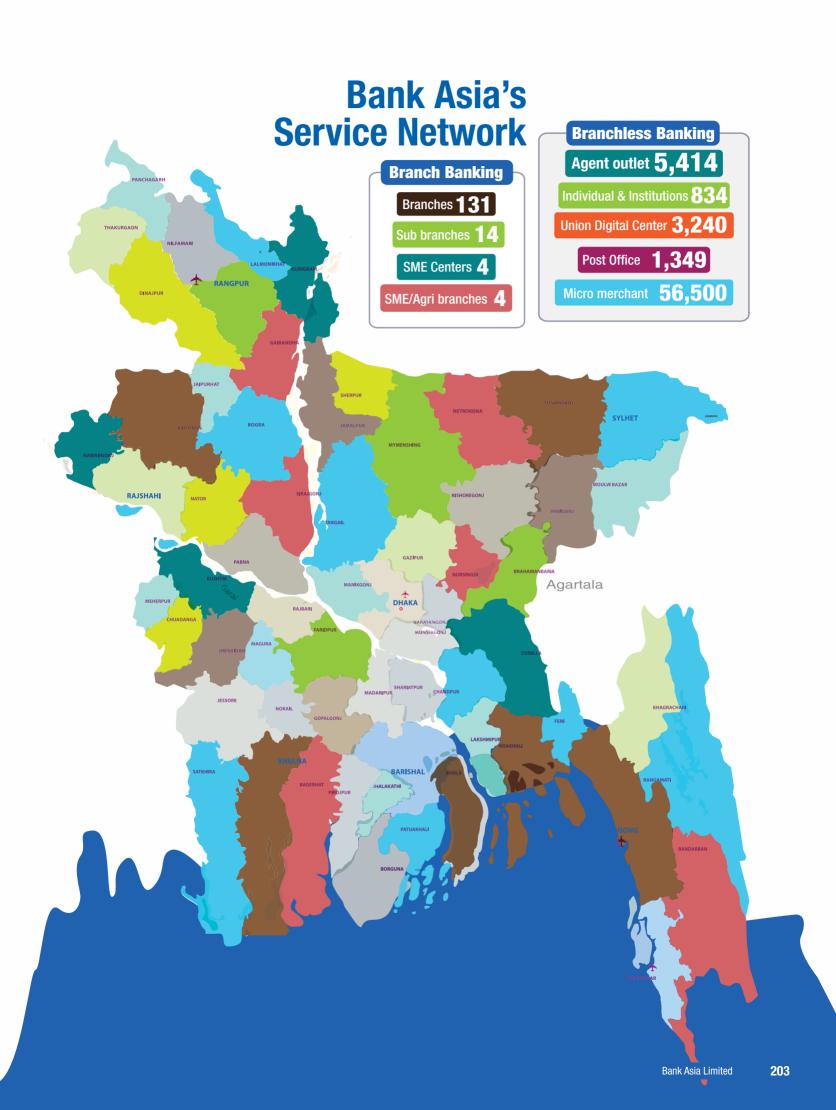
sub-branches

Total operating income Tk. 20,232 million

Total debt & equity Tk. 439,761 million & Tk. 28,640 million

Number of ATMs 218 own ATMs and more than 13,000+ shared

Number of credit cards 143,194 Number of VISA debit cards 881.769



Primary Brands Products & Services

Since its inception, Bank Asia Limited has been able to maintain a very sound corporate brand image amongst its peer group of new generation private commercial banks in Bangladesh. Over the years, the corporate brand identity was strengthened mainly due to the superior excellency in customer relationship management and also innovating various technology driven unique banking services that catered the need of people from all socio-economic background.

The brand identity of Bank Asia Ltd emerged from an outstanding corporate banking establishment and escalated towards a broad extended sphere of audiences ranging from semi-urban to deep rural, to the remotest possible landscapes where people need banking, to achieve the noble goal of financial inclusion. Bank Asia Limited has pioneered

the idea of financial inclusion by providing banking to the unbanked with an intention of eradicating poverty by ensuring access to finance for all, which matches our brand slogan, "For A Better Tomorrow".

With this frame of mind, Bank Asia has championed brands like Agent Banking, Post-Office Banking, Micro Merchant etc. These strategic business units (SBU) are providing banking products and services almost identical with its corporate brand, however to an extended group of consumers who were completely untapped by the goodness of modern banking. To achieve both financial inclusion and customer satisfaction, the products & services portfolio of the bank consists of all of the banking needs of an individual, despite of their geographic, demographic or socio-economic class.

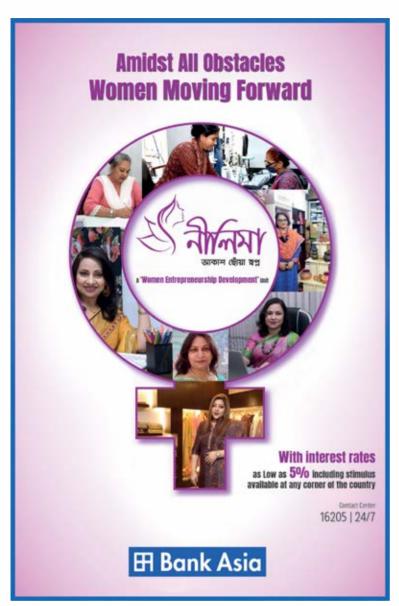


NEELIMA



Launching program of NEELIMA on International Womens Day





Neelima – A Platform for Women Entrepreneurs' Development

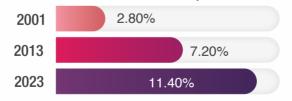
Women Entrepreneurs' Development Unit a newly formed venture of Bank Asia under MSME & Agri Division started working formally from September, 2021 as per Bangladesh Bank SMESPD Circular no.02, dated September 05, 2019. In 2022, the unit has launched a brand name **NEELIMA** on 8th March, 2022 to create a platform for women entrepreneurs in the market. The unit has achieved a phenomenal growth to attract women entrepreneurs for disbursement of loan.

Achievement of Women Entrepreneur Development Unit (WEDU) in 2022

- Mou Signing with Joyeeta Foundation
- Mou signing with largest online platform Women E-Commerce and Trust
- Providing Training to Women Entrepreneurs on CMSE Business to
 - 150 at Jamalpur 200 at Chittagong
 - 30 at Meherpur 120 at Mymensing
 - 38 at Dinajpur
 38 at Faridpur
- Launching Neelima CMSME Campaign to enhance the related Portfolio

Growth in loan outstanding **154%**Growth in number of customers **202%**

Growth of Women Enterprises in economy







No. of Loan A/C



Products & Services



RETAIL BANKING PRODUCTS

Low Cost/No Cost Deposit Accounts

Current Deposit Account	Star Savings Account	Foreign Currency Account
Savings Bank Account	Short Notice Deposit Account	Account for Under-privileged Section (10 Taka, Street Urchin, Beneficiaries of National Service program, Cleaners, Garment Workers, Technicians of Small Industries, etc.)

Term Deposit (s)

Fixed Deposit Regular

Scheme Deposit (s)

Monthly Benefit Plus	Bhromon(Travellers)	Bank Asia Sanchay Plus
Anchol(Women)	Double Benefit Plus	Deposit Pension Scheme Plus
Nirvabona(Senior Citizens)	Triple Benefit Plus	Shonchoy E KotiPoti

School Banking Account

Duranta



Consumer Finance

House Finance Shapner Abash

- Griha Shaj
- Shapner Kuthir
- Shapner Nirman
- Nijer Bari

Auto Loan

- Shapner Bahan
- Motorcycle loan
- Bicycle loan

Unsecured Personal Loan

- Proyojon
- RMG-Proyojon
- Chuti (Travel Loan)
- Sheba
- Loan for Landlords (Hospitalization Loan)
- Student Support Loan
- Wage Earner's Support
- Purnata
 - Senior Citizen Support)

Consumer Durable Loan

- Green Energy Loan
- Shabolombi (Loan for Professionals)
- Loan for Landlords
- Water Supply and Sanitary Loan (WSS)



Credit Card

Visa Signature Credit Card (with Priority Pass)	Master Titanium Credit Card	LankaBangla Card Cheque
VISA Platinum Credit Card (with Priority Pass)	Master Gold Card	Shadhin Card
VISA Gold Credit Card	Master Silver Card	Gift Card
VISA Butterfly Credit Card	Virtual Card	Prepaid Travel Card
VISA Classic Credit Card	VISA Prepaid Hajj Card	Islamic Credit Card
		Salamah Platinum Card (with Priority Pass)



Islamic Banking Products

Deposits

Al Wadiah Current Account (AWCA)	Smart Junior Saver (School Banking) Account	Mudaraba Term Deposit Account (MTDA) for different tenure
Mudaraba Savings Account (MSA)	Mudaraba Savings Account (MSA) - Smart	Corporate Term Deposit Account (CTDA) for different tenure
Mudaraba Corporate Privilege Savings Account (MCPSA)	Mudaraba Special Notice Deposit Account (MSNDA)	Mudaraba Hajj Savings Scheme (MHSS) (1 to 10 Years tenure)
Mudaraba Deposit Pension Scheme (MDPS) (3 to 12 Years tenure)	Mudaraba Monthly Profit Paying Deposit Scheme (MMPPDS)	Cash Waqf

Investment Products

Bai Murabaha Muajjal (both Local and Post Import)	Hire Purchase Shirkatul Melk (HPSM)	Musharaka
Murabaha Import Bills	Quard against Accepted Bills	Quard against MTDR & Schemes
Istisna'a – Export	Post Export Finance -Foreign (PEF-f)	Musharakah Export Finance – Inland (MEF-i)

Islamic SME Financing Products

SALAMAH Srishti	SALAMAH Somriddhi	SALAMAH Bahon
SALAMAH Subidha	SALAMAH Sondhi	SALAMAH Suborno
SALAMAH Sofol	SALAMAH Seba	Uttaran-Islamic For MSE Finance

Islamic Agri Financing Products

Islamic-Cropping Support	Islamic-Dairy & Fattening Support	Islamic-Poultry Support	
Islamic-Fishery Support	Islamic-Equipment Support		



MICRO , SMALL , MEDIUM & AGRICULTURE BANKING PRODUCTS

Deposits

All conventional deposit products except savings bank deposit, scheme deposits and other deposits for only individual customers.

Micro & Small Enterprise Finance

Asset Product

Shomadhan-Over draft for Trading, Manufacturing, Service & Women Entrepreneur	Bahon-Commercial Vehicle Finance	Sristi-Collateral free Term loan for Manufacturing	
Shubidha —Collateral free Term loan for Trading	Uttaran-For existing excellent CMSE loan borrowers.	an Shombridhi —Term loan for Manufacturing	
Shondhi-Term loan for Trading	Shofol-Collateral free Term loan for Service	Goti-Revolving Demand Loan	
Subarno–Term loan for Women Entrepreneur	Sheba –Term loan for Service	Nirontor–SOD for Entrepreneurs	
Utshob–Collateral free Seasonal Ioan	Shombhabona–Term loan for New Entrepreneur	Start-Up Loan- Term loan for IT based innovative business or service entrepreneurs.	

New product-"CGS (SP) Surakkha"- no/insufficient collateral under Credit Guarantee Scheme (CGS) to facilitate stimulus package for CMSE segment

Liability Product

Astha-SME Current Account



Medium Enterprise Finance

Funded Products

Secured Over Draft (SOD)	Demand Loan (Workorder)	Lease Finance
Over Draft A/C	Forced Demand Loan against L/C	Over Draft-SP
SOD (Earnest Money)	House Building Loan – Commercial	Term Loan Industrial
Payment against Document (PAD) Cash	Term Loan Others	Documentary Bills Purchased – LCY
House Building Loan - General		

Non Funded Products

Letter of Guarantee	Back to back Letter of Credit (Local & Foreign)	
Letter of Credit (Sight/Deferred/UPAS/EDF)	Letter of Commitment	

Agricultural Finance

SOD (10 Taka Savings)	Dairy and Fattening Demand Loan	Equipment Term Loan
Poultry Demand Loan	Short Term against 10 Taka Savings	Fishery Demand Loan
Fishery Term Loan	Agriculture Term Loan against NGO	Demand Loan against NGO
Demand Loan against 10 Taka Savings	Dairy and Fattening Term Loan	Cropping Demand Loan
Poultry Term Loan		



CORPORATE BANKING

Cash Management Products

Bank Asia provides corporate customers a full range of cash management products and services. A wide range of solutions are offered to help them plan, monitor and manage their liquidity and meet payments, receivables, accounts and information requirements. Specific products and services are as follows:

Day-to-day cash control	Payments and items in the course of being paid	Short-term foreign exchange positions
Account Packages – Current, SND and Fixed Deposits	Cash Pick Up & Delivery	Electronic payments
Monitoring money at the bank, both active and non-active cash	Short-term investments	Booths
Receipts and items in the course of collection	Short-term borrowings	

Funded Products

Secured Over Draft (SOD)	Loan against Imported Merchandize	Loan General
Cash Credit Hypo	Loan against Cash Incentive	Transport Loan
Over Draft	Payment against Document (PAD) Cash	Loan against Packing Credit
SOD (Earnest Money)	Loan against Documentary Foreign Bill	Loan against Trust Receipt
Exporter's Cash Credit	FCY	House Building Loan - General
Documentary Bills Purchased – FCY	Forced Demand Loan against L/C	Lease Finance
Documentary Bills Purchased – LCY	Term Loan Industrial	PAD (Export Development Fund)
Demand Loan (Work order)	Term Loan Others	Export Development Fund (EDF) Loan (FCY)
Time Loan	Demand Loan (Work order)	

Non-Funded Products

•		······································
: Latter of Guarantee	: Letter of Credit (Sight/Deferred/UPAS/EDF)	Back to back Letter of Credit (Local & Foreign)
: Letter of Guarantee	: Letter of Great (Sign) Defetted/OFAS/LDI /	Dack to back Letter of Credit (Local & Foreign)
	,	3 /

Structured Financing

LCY syndication arrangement	Advisory services	Customized financial solutions
FCY term Loan and syndication	Trustee and agency services	Special arrangements (IPFF/ Special fund of BB/ Agribusiness Loan etc)
Multilateral financing	Arranging Debt (Bonds/Commercial Paper)	



OFF-SHORE BANKING UNIT (OBU) PRODUCTS

	n-Shore Customers		Other Banks	5	for On-Shore Custo	
UPAS Loan	Bill Purchase	UPAS Loan	Bill Purchase		Term Ioan ECA Ioan	Syndication loan
	Lat Finance for "AU Tone				aloul) for allition for "All	

Import & Export Bill Discounting

١	Norking	Capital	Final	nce tor	"A"	Type
(100 % I	Foreign	own)	Custo	mers	S

Import & Export Bill Discounting

Trade Finance (non-funded) facilities for "A" Type (100 % Foreign own) Customers

Long-term Finance facilities

LTR Packing Credit Demand Loan	Overdraft	Import	Export
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Deposit products

Nonresident Foreign Currency Deposit	Foreign Company/ Institutional Deposit
Current Deposit	Current Deposit
Savings Account	-
Term Deposit	Term Deposit



AGENT BANKING

Products

Current Deposit Account	Term Deposit Scheme (TDS)	SME Loan
Savings Bank Account	Remote Banking (ABAK)	Retail Loan
Short Notice Deposit Account	10 Tk. Account	Islamic Loan
 School Banking Solution Smart Junior Saver School Banking Account School Fee Collection Payroll Banking for Teachers 	Current Account (Astha)	Debit Card
Deposit Pension Scheme (DPS)	Agri Loan	Near Field Communicator Card

Services

Account Opening	Passport Fee Collection	E-Commerce Service
Deposit and Withdrawal from Account	SME Loan Processing	E-Ticketing Service
Fund Transfer within Bank and to any Bank in Bangladesh	Agricultural Loan Processing	Digital Health Care Service
Inward Foreign Remittance Payment	Retail Loan Processing	Insurance Product Service in life and health category
Utility Bill Payment	Repayment of Loan Installment	Micro-Merchant Digital Payment Apps
Balance Inquiry	Disbursement and Payment of Social Safety Net	Cheque Book
Account Statement (Mini)	Salary Disbursement Solution	Bank POS
Insurance Premium Collection	A-Card for Farmers	RMG POS Service
Fund Transfer to MFS (bkash)	Fish Card for Farmers	

TREASURY PRODUCTS

Money Market, Fixed Income & Capital Market

Call Money	LCY/FCY Swap	Repo/ALS (Assured Liquidity Support)
Notice money	Fixed Income & Capital Market investment	Reverse Repo
LCY/FCY Term	Investment (GSEC) service for customers	Interest Rate Swaps

Foreign Exchange

Spot Foreign Exchange	Foreign Exchange Option	Cross Currency Swaps
Forward Foreign Exchange	Forex Swaps	



CAPITAL MARKET SERVICES

Money Market, Fixed Income & Capital Market

Brokerage Services	Daily Market Update and News Summary	Margin Loan
Research services	Online Trading	CDBL Services
Agent Banking	Wide Branch Network	Panel Broking
Attractive Commission Offering	Institutional Trade	

Stakeholders' Engagement

Bank Asia believes in the proper stakeholders' engagement in every aspect of its banking activities. We identify our stakeholders through conducting impact analyses in respect of

- Responsibility: Bank Asia has direct legal responsibility to regulators, tax authority etc.
- Influence: Decision making of the bank is influenced to reach its intended goals by shareholders and employees etc.
- Proximity: The local community that influence heavily our daily operation.
- Dependency: Those who are dependent on their operational performance, e.g. business partners, and those whom we are dependent, e.g. customers
- Representation: Those who represent Bank Asia to the outside world, e.g. employees, board and those whom we face for various decision making purposes, e.g. business association leaders, local community leaders.

As a value driven financial brand Bank Asia try to maintain transparency in providing both financial and non-financial data activities of the bank. Bank Asia prioritizes stakeholders' issues based on materiality mapping determining the level of relevance and significance on economic, environmental, social and financial impacts.



Aligned with SDG

Stakeholders	Ways of inclusion	Their priorities	Our response
3 GOOD HEALTH AND WELL-BEING 9 ROUSTIPE, INNOVATION AND MERASTRUCTURE	 Market research and product innovation Customer Service Enhancement Program Customer Relationship Management Direct Customer feedback Different channels, Branches, Agent outlets, Call Centre, Priority Centre, ATM Booth, Internet Banking & others 	 Quality Service Delivery Good returns from deposits Preferential pricing, charges and commission Privacy and Information Security Dispute Resolution Product Information, Affordability and Convenience Product variation according to market demand Strict Shariah compliance in Islamic products and services 	 Proper Actions are taken of customer complaints if any service goes against the customer service policy of the bank Front desks and relationship managers ensure fast and high quality service delivery following one to one relationship E-products like internet banking, mobile apps, SMS banking, EGP service, E- commerce, Epayment solution ALCO sits every month to decide pricing and rates based on market analyses All network nodes are run by online core banking system (CBS) Focusing more on contactless banking
3 GOOD HEALTH AND WELL-BEING 5 GENORALTY COLUMN TO THE CO	 Business conferences, teleconferences, video conference etc. Training, workshops and orientation program, Internal meeting, Group emails, Intranet circulation, Team building through cross-cutting working groups 	 Regular training & Performance development Periodical salary review to adjust with cost of living index Proper job description setting as per individual skill Performance driven career progression Ensure hygienic and congenial workplace Group Health Insurance Quarantine Leave Policy Sick Leave Policy Transport facilities for female employees Sports Tournament 	 60,984 man hours of training to 2,807 participants in 2022 also Virtual training with employees to raise their awareness on digitalized banking industry Tk.21,447,511 received as insurance claim Salary package adjusted in line with market competitiveness and inflation Yearly performance Bonus and festival bonus for employee motivation All sorts of safety measures such as fire extinguishers, separate stairs are available and smoke free premise Well set KPIs for performance and inherent quality analysis Pick and drop facilities has been provided through
8 DECENT WORK AND ECONOMIC GROWTH		Cleaning DayDebating Club	 13 vehicles Formulation of 'Female anti-harassment policy' and 'Grievance handling policy' to resolve complaints in a fair manner Social Distancing maintained by ensuring homeoffice rotation wise work GYM in corporate office and BAITD Child Care Center facilities Introduced Sick Leave policy
Subsidiaries 16 PEACE JUSTICE AND STRONG INSTITUTIONS 17 PARTNERSHIPS 17 PARTNERSHIPS 18 PARTNERSHIPS	 Policy formulation Agreed upon strategic goals 	Goals and Strategic focuses are based on local environment analysis & regulatory purview	Review local market and environment before setting its strategic priorities ensuring proper representation from subsidiaries

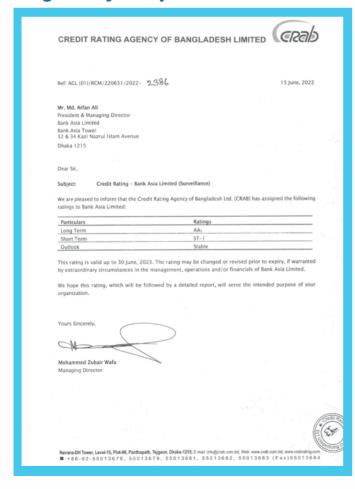
Aligned with SDG

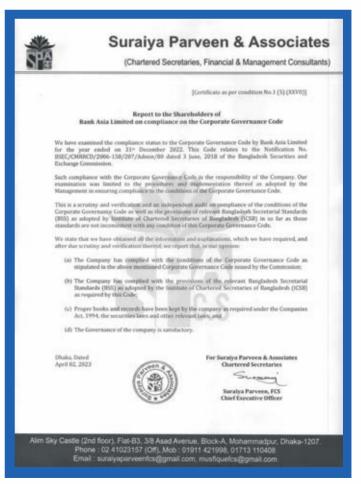
Aligned with SDG			
Stakeholders	Ways of inclusion	Their priorities	Our response
Shareholders/investors 8 DECENTWORK AND ECONOMIC GROWTH 9 MOUSTRY INVOVATION 9 AND NETASTRUCTURE	 AGM, EGM, Annual & Semi annual report Corporate disclosures Price Sensitive Information (PSI) Quarterly financial report 	 Sustainable growth Sound governance and risk management performances Business ethics Assets quality 	 Maintained attractive plough back ratio Timely repayment of debt with stated return Each queries of the investors meet up through our share department efficiently and fairly Established risk management culture Transparency & integrity in financial reporting
Board and Management 16 PEACE JUSTICE AND STRONG INSTITUTIONS THE PEACE JUSTICE INSTITUTION INSTITUT	 Decisions based on financial and business delegation of different levels Major decisions must be placed to board for approval 	 Governance principles, policies & procedures formulation Strategic focus & value creation Strategic business planning 	At least one board meeting in every month, frequent executive committee meeting, audit committee meeting Board members meet management on various occasions like annual & semi-annual business conferences, different remarkable day celebration
Government & regulatory Authority 10 REDUCED NEQUALITIES 16 PEAGE JUSTICE AND STRONG INSTITUTIONS	 Surveillance by Bangladesh Bank Meetings Directives and circulars Strict ethics and compliance with applicable laws, rules and regulations 	 Proper compliance with laws & regulations Timely reporting as per requirement Timely payment of right amount income tax and VAT 	 We ensure proper compliance and timely reporting to government bodies and regulators as per requirement Contributed Tk. 7,570 million to National Exchequer which significantly contributed to Government's revenue collection Regularly reports to the Central Bank, BSEC, tax and VAT authorities
Local Communities 1 MOVERTY 3 GOODHEATH 4 CHAPTER 4 CHAPTER 6 PLAN MARIER 6 AND SAFETHER 10 NEUROSCHES 11 SISTANABET THE 11 STANABET THE 12 STANABET THE 13 STANABET THE 14 STANABET THE 15 ON LAND 17 PARTICESH'S 18 STANABET THE 18 STANABET THE 19 STANABET THE 19 STANABET THE 11 STANABET THE 11 STANABET THE 12 STANABET THE 13 STANABET THE 14 STANABET THE 15 ON LAND 17 PARTICESH'S 18 STANABET THE 18 STANABET THE 18 STANABET THE 19 STANABET THE 19 STANABET THE 19 STANABET THE 10 STANABET THE 10 STANABET THE 10 STANABET THE 11 STANABET THE 12 STANABET THE 13 STANABET THE 14 STANABET THE 15 ON LAND 16 STANABET THE 17 PARTICESH'S 18 STANABET THE 18 STANABET THE 18 STANABET THE 19 STANABET THE 19 STANABET THE 19 STANABET THE 19 STANABET THE 10 STANABET THE 10 STANABET THE 11 STANABET THE 11 STANABET THE 12 STANABET THE 13 STANABET THE 14 STANABET THE 15 ON LAND 16 STANABET THE 17 PARTICESH'S 18 STANABET THE 18 STANABET THE 18 STANABET THE 18 STANABET THE 18 STANABET THE 19 STANABET THE 19 STANABET THE 19 STANABET THE 10 STANABET THE 10 STANABET THE 11 STANABET THE 12 STANABET THE 13 STANABET THE 14 STANABET THE 15 ON LAND 16 STANABET THE 17 STANABET THE 18 STAN	 Promoting financial inclusion both banked and unbanked people CSR activities Financing in environmental friendly projects 	 Provide banking facility to geographically dispersed poor segment of the society Benefit economy by poverty reduction through banking services to rural poor people by ABAK Project Compensation for adverse direct or indirect impact for bank's activities Support to under privileged people through Social Safety Net Program Bank Asia Foundation (BAF) formation 	 Strongly consider environmental and social impact and restrain from adverse impact upon society Conducted large scale CSR activities of Tk. 237.48 million Significant contribution to education, health, disaster management, Art &culture, environmental and Sports sector Healthcare Aid of Tk. 47.00 million disbursed Tk.3.07 Million provided as part of Bank Asia Scholarship program 100,000 blankets distributed to cold struck people
Business Partners 12 RESPONSIBLE CONSIDERING MODIFICATION OF THE PROPERTY OF	Procurement management, training and communication	 Fair trade Fair enlistment Sustainable and stable growth of the bank	 Free from any bias or coercion from influencing quarters Ensure fair play and competition to award work order Timely payment to vendors

Material Aspects and Boundaries

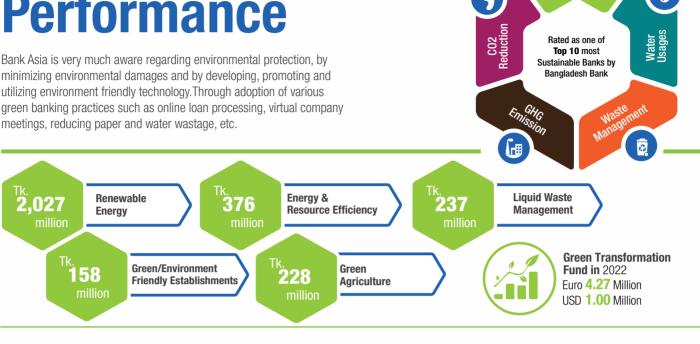
Material Aspect	Boundaries inside the organization	Boundaries outside the organization
Financial Inclusion	Client base of the organization increases with diversity, taping business opportunities, increase of revenue generation	The community including the overall economy benefitted from reduction of poverty through augmenting economic activities in the geographically dispersed areas
Energy Consumption	Efficient use of scarce resources	Sequestration of carbon emission and the national GHG inventory will be reduced
Human capital & Talent Management	Enhancement of operational level efficiency. Attaining cost savings through reducing time requirement. Customer retention rate will be higher	The clients will be benefitted from customer friendly efficient services and will be more loyal to bank
Agriculture Credit	Product diversification and attachment to mainstream of the economic activity of the country	As an agricultural country, share croppers and marginal farmers will be benefitted by lower interest rate and their poverty level will be improved
Environment Friendly Investment	As a responsible corporate entity, the Bank believes in doing business without compromising with the eco system. It emphasizes conserving scarce resources for next generation	Public awareness as well as regulatory requirement enforced the organization to increase environment friendly investment gradually
Building the Community	Discharging our responsibility towards society to ensure sustainable balanced growth in economic, social and ecological arena	Overall betterment of the nation through CSR activities in different sectors like health, education, sports and culture etc.

Regulatory compliance Certificate





Environmental Performance





Energy Savings

To achieve long-term sustainable development, Bank Asia plays an active role for making 'low carbon economy'. Since 2011, Bank Asia has worked toward more energy efficient operations throughout its network of banking centers, reducing costs by millions of dollars and drastically reducing its emissions, consumption, and waste in the process.

- More than 30% electricity is saved every year using the day light inside corporate office;
- Energy savings bulbs being used in the office
- E-mail has been focused of both internal and external communications with an aim to reduce the paper consumption thereby reducing deforestation
- Loan sanctions have been uploaded in the MISDB in pdf format instead of hard copies
- For branding & marketing communication purpose, Bank is more focusing on Face book, Websites & other online platforms.



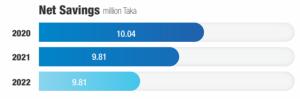
Spectra Solar Park financed by Bank Asia Ltd.

Carbon offset projects

We have disbursed Tk. 7416.94 million to 91,408 rural farmers where approving Tk. 903.52 million to 15,424 farmers through Online Credit Approval System (OCAS).

Reducing Energy & Resource Consumption

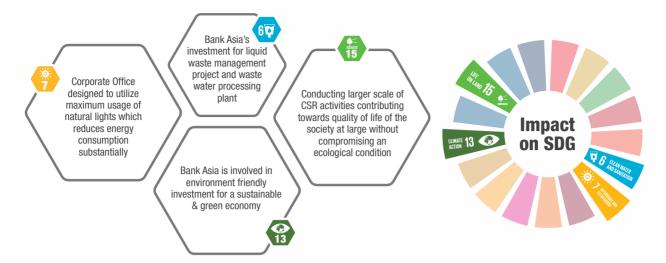
 New Issuing, Replacement, Activation and PIN request are automated which reduced Debit Card issuance time to 2-3 days from 7-9 days as well as saved 450,000 pages and 90,000 courier service delivery cost.



The Green Banking initiatives taken by Cards Division includes
 E-Statement, SMS Banking, E Mail corresponding etc during 2022
 amounted towards net savings worth Tk. 10.04 million

Financing Renewable Energy and Energy & Resource Efficiency

- In 2022, we have disbursed Tk.2,027.30 million in Renewable Energy and Tk.375.84 million in Energy & Resource Efficiency under Green Finance. This will enable the business entities to improve their Energy & Resource Efficiency and will reduce their operating cost to a great extent through using renewable energy without any adverse effect on the environment.
- Apart from financing to Renewable Energy, Bank Asia is also cautious about its own use of renewable energy. Solar panels are already installed in 11 branches located at Patherhat, Madhobdi, Dohajari, Hajigonj, Faridpur, Elephant Road, Lalmatia, Sonaimuri, Bashabo SME Service Centre, Bank Asia Bhaban & Nimtola Branch





WATER USAGES

Bank Asia is very much conscious about efficient use of water. As a financial institution its use of water is already very much restricted. Major consumption of water is for drinking purpose. Our bank is also non- compromising about ensuring pure and safe drinking water for its employees and visitors. But normal supply water in Bangladesh is not safe for drinking. Therefore, to overcome the situation every branch and corporate office are supplied with specially procured filtered mineral water. The management of the bank takes special care so that wastage of water is minimum. Total consumption is controlled by monitoring per employee drinking water cost per month which was Tk. 291 per employee in 2022.

Waste Management

The process involved in dealing with the waste generated by day to day banking activities, food consumption, physical wear & tear of computer and office equipment, obsolete furniture & fixture and newspapers.

Being a financial institution Bank Asia does not deal with any hazardous waste.

- Both sides of papers are used and wasted papers are collected using bins after shredding
- Donate old equipment and furniture for charity or sold
- Food wastes are collected by community cleaners on daily basis
- Toner, cartridges and newspapers disposed of through community cleaners.

Financing Liquid Waste Management

In 2022, Bank Asia has disbursed an amount of Tk.237.06 million in Liquid Waste Management and as of December the outstanding was Tk.1210.55 million. This includes Central ETP, Biological ETP, Combination of Chemical & Biological ETP etc. In 2022, we also financed various projects under Establishment/Green Building amounting to Tk.158.50 million, which helps to reduce environmental effect.



Partex Pulp & Paper mills Itd. financed by Bank Asia Limited

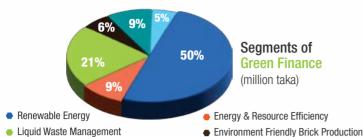
Ar∰ GreenHouse GAS EMISSION

Saving CO2 emission

For saving money & time and to lessen the emission of CO2, Bank Asia implemented Video Conferencing System between Head Office and branches in order to attend meetings. BAITD (Bank Asia Institute of Training & Development) also provided virtual training to the employees using ZOOM, Cisco Webex & True Conf. platforms throughout the year.

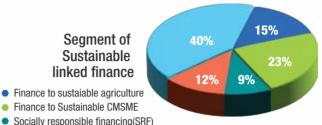
Reducing Carbon Footprint

As part of our commitment for our green economy Bank Asia have signed a participation agreement with Bangladesh Bank under refinance scheme in 2011 for lending in solar energy, bio- gas, and effluent treatment plant(ETP) & hybrid hoffman kiln (HHK).





- Green Agriculture



- Working capital & demand loan of Green products/projects/initiatives
- Priority green/eco friendly products for trading sector

Refinance Scheme

Bank Asia has participated an agreement with Regulatory Bank as a participant in the refinance scheme for Green Product / Initiatives practicing with these appreciated initiatives in Bio- Gas and Green Industries projects. Apart from that, we also participated in agreement with Bangladesh Bank for availing Green Transformation Fund (GTF) and Technology Development/Up-gradation Fund (TDF). The outstanding amount of our GTF Fund as of 31.12.2022 was EURO 4.27 million & USD 1 million.

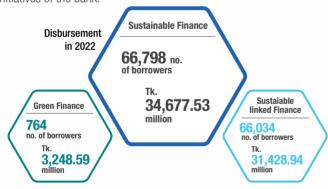
Initiative to Reduce the Bank's Adverse Impact on **Environment**

Bank Asia does not finance any tobacco related business, weapons & munitions, Gambling, casinos, pornography (goods/stores/ web-based), alcoholic beverage and all offices of the bank are declared smoking free zone. We incorporated environmental and climate change risk as part of the existing credit risk methodology prescribed to assess borrowers through Environmental & Social Due Diligence (ESDD) checklists.

Initiatives for Green Banking

Sustainable Finance Unit and its initiatives

On view of making Bank Asia more green, Sustainable Finance Unit has been restructured and included more members to promote sustainable initiatives of the bank.



Reinforcing and Strengthening ESRM guideline

Bank Asia has been taking initiative to strengthen and fortify the current ESRM guideline and implement the proposed ESRM guideline of Bangladesh Bank.

The organizational roles and responsibility defined in the ESRM Guidelines are built upon the principles of integration of E&S risks into the bank or FI's overall credit policy. It clearly delineates the responsibility of different functions of the bank in terms of E&S risk assessment and the decision-making process based upon E&S risk rating.

Since 2011. Bank Asia has started Environmental & Social Due Diligence (ESDD) through ESDD Checklist in its investment proposals by following ESRM Guidelines. In 2022, total 4,119 number of finances were rated where disbursement of Tk. 334.433 million was made to 3.511 number of finances.

Sustainability Report & Rating

- Since 2012. Bank Asia has published Sustainability Report and achieved Gold Rank- Best Sustainability Report in Asia Sustainability Reporting Rating 2021 - 17th SRA 2022 by NCSR (National Center for Sustainability Reporting) & ICSP (Institute of Certified Sustainability Practitioners)
- In 2022, Bank Asia was rated among the Top 10 Banks in Sustainability Rating for 2021 conducted by Bangladesh Bank which is for the 2nd consecutive year. It was a tremendous achievement for the organization and is the acknowledgement of the Bank being a sustainable and environment friendly one.

Online Banking

- Online banking system is a great way to reduce wastage of paper.
- Bank Asia account holder is facilitating e-commerce transaction such as e-ticket purchasing of bus, train, airways, cinemas & movies, mobile flexiload, hotel booking, bill payment such as hospital bill payment, advertisement bill payment, passport fees payment, WASA, DESA, qubee bill payment, computer accessories & service related payment, e-shopping etc. by the debit/ credit card of Bank Asia with less expense & in faster time from any time anywhere.
- We have also integrated Internet banking system to NPBS on first phase and through this connectivity our customers can transfer fund from their Account to Inter-Bank Accounts and Debit & Credit Cards real time and vice versa.
- In our banking system 'e-Commerce' has incorporated for its valued customer where Bank plays as payment partner & account holders can shop online through internet banking.
- Our banking system provides services through a unique banking app "Bank Asia SMART APP" both for branch & Agent Banking customers, also secures all kinds of transactions and information about customers.

Compliance

During 2022, Bank Asia has not faced any penalties for non-compliance with applicable laws and regulations concerning the impacts of its operations on communities.





Number of outlets 1.349

Growth 46%



209,382 Million

Growth 92%



Number of Female customers 103.966

Deposit Million Tk.

2022 3.080

2021 1,370

Profit Million Tk.

2022 121

2021 48.7

Post Office Banking

To bring low-cost, secured financial services to the doorstep of the unbanked people of Bangladesh as a part of financial inclusion for empowerment through Digital Post Offices.

The mission of Bank Asia & Bangladesh Post Office is to provide more protected financial inclusion by offering technology-driven banking solutions to the unbanked people living in rural and dispersed areas of Bangladesh.

Objectives:

- Provide Secured Banking Services
- Build 8,500 Agent Outlets in Digital Post Offices
- Provide Foreign inward Remittance Services
- Provide facilities for Utility bill payment, Passport fee payment, Social Safety Net **Payment Services**
- Process Agricultural, SME & Retail Loan
- Enable e-Commerce Services through Agents
- Promote school banking in the locality
- Train and Develop the prospective SME Entrepreneurs
- Financing Solar Home System and renewable Energy Sectors as a Green Banking Initiative



Bank Asia has launched the country's first Women ATM booth

Economic Performance

Value Added Statement shows the wealth created by an organization & how is that wealth distributed among different stakeholders. In the year 2022 bank's net value addition was Tk.12,566 million; 40% was distributed to employees as salaries, 22% to shareholders as dividend & reserve, 28% to government as income tax and rest of the amount used for business expansion and growth.

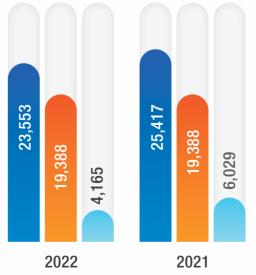


Value Added Statement 2022

To employees as salaries 40% To Government as Income Tax 22% To providers of capital 28% Retained profit 2% Depreciation 8%

Market Value Added

Market Value of Equity ■ Book Value of Equity Market Value Added



Items	2022	2021
Income from banking services	35,149	29,394
Less: Cost of services & supplies	18,434	15,445
Value added by banking service	16,715	13,949
Non-banking income		
Provision for loans & Off-balance sheet exposure & others	(4,149)	(4,786)
Total	12,566	9,164

Million Taka

Distribution of value addition	202	2	202	1	
	Amount	%	Amount	%	
To employees as salaries	5,064	40%	3,891	42%	
To providers of capital as dividend & reserve	2,798	22%	2,630	29%	
To Government as income tax	3,500	28%	1,700	19%	
To expansion & growth	To expansion & growth				
Retained profit	247	2%	77	1%	
Depreciation	956	8%	868	9%	
Deferred Taxation	-	-	0	-	
	1,203	-	943	-	
Total Value Addition	12,566	100%	9,164	100%	

Market Value Added Statement

Market value added statement shows the difference between the market value of the bank and the capital contributed by shareholders. During the year 2022, total market value of the bank was Tk. 23,553 million & total book value of equity is Tk. 19,387.72 million i.e. addition of market value was Tk. 4,165 million.

Particulars	No.of shares (in million)	Share price (in taka)	Taka (in million)
Market Value	1,166	20.2	23,553
Book Value	881.26	22	19,388
Market Value Added			4,165



By creating employment, Social Safety
Net Program, Agent banking & other
supporting activities for rural credit
empowerment Bank Asia tries to reduce
poverty & inequalities for ensuring
sustainable economic growth



Economic Value Addition During The Year

Economic Value Added (EVA) indicates the true economic profit of the company. EVA is an estimate of the amount by which earnings exceed or fall short of required minimum return for shareholders at comparable risks. As a commercial banking company we are deeply concerned about delivery of value to all of our shareholders/equity providers.

Particulars	2022	2021	2020
Invested fund by shareholders			
Shareholders equity	28,640	27,357	27,381
Add: Cumulative Provision for loans/ investment/ off-balance sheet items, offshore banking units & others	21,859	18,312	15,620
Total invested fund by shareholders	50,499	45,669	43,001
Average invested fund by the shareholders [A]	48,084	43,170	40,671
Earnings for the year			
Profit after taxation	3,046	2,707	2,036
Add: Provision for loans/ investment, off-balance sheet items and Offshore banking units	4,149	4,786	2,113
Earnings for the year [B]	7,195	7,493	4,149
Average cost of equity (based on Shanchay Patra rate issued by the Government of Bangladesh) plus 2% risk premium[C]	13%	13%	13%
Cost of average equity [D= A x C]	6,251	5,612	5,287
Economic Value Added [B-D]	944	1,881	(1,138)

Contribution to National Exchequer

As a corporate entity, Bank Asia pays tax and VAT on its own income according to prevailing laws of the country. Besides, the bank deducts income tax, VAT and excise duty at source from customers and suppliers and deposits the same to the national exchequer. During the year 2022, the Bank contributed Tk. 7,570 million to national exchequer.

Particulars	2022	2021
Income tax payment on bank's earnings	2,403	1,207
Income tax, VAT, and Excise duty deducted at source from various payment and services by the bank	5,069	4,193
Income tax payment by the employees	98	93
Total Payment	7,570	5,493

Contribution to National Exchequer

- ■Income tax payment on bank's earnings
- Income tax,Vat,Excise duty deducted at source from various payment & services by the bank
- Income tax payment by the employees
- Total payment



Supporting Activities Through CMSE

Bank Asia SME has stepped into the territories where no Bank or Fls of Bangladesh have reached so far. In 2022, with 4 SME Service Centers & 131 branches in urban & rural areas. Bank Asia strongly focused on cottage & micro enterprise financing, cluster financing, grooming-up new entrepreneurship development, promoting women entrepreneurship, creating business network for CMSE entrepreneurs and financing in untapped areas to underserved people. Besides, we have been organizing capacity development and awareness building programs especially for women entrepreneurs in collaboration with Bangladesh Bank, SME Foundation etc. in different districts in order to increase the loan portfolio and get more people under the reach of credit in manufacturing industries, service oriented business. This year,

CMSME disbursement portfolio stood Tk. 42,839.10 million & compared to previous year's Tk. 36,624.64 million with a growth of 16.97%.

Initiatives in the year of 2022

- The CMSE Department of the Bank has launched a new product titled "Start-up Term Loan" - to support completely new entrepreneurs and creative initiatives of entrepreneurs in order to innovate faster, create new jobs, develop technical skills. Moreover, an agreement has been signed between Bangladesh Bank & Bank Asia for refinance scheme under Start-up Fund.
- Signed Agreement with Bangladesh Bank on a project namely "Supporting Post COVID-19 Small Scale Employment Creation Project" to finance CMSE entrepreneurs outside of Dhaka & Chattogram region at privilege rate. In 2022, Bank Asia has availed Tk. 387.69 million as refinance against 676 accounts from Bangladesh Bank under this project
- Executed agreement with Bangladesh Bank concerning ADB funded Entrepreneurship Development Training Program under Skills for Employment Investment Program (SEIP). In collaboration with Bangladesh Bank, 50 entrepreneurs have been trained initially in the training sessions held at Cox's Bazar and Chattogram from which around 25% of the entrepreneurs have been financed from Bank Asia Limited.
- Signed Agreement with SME Foundation regarding on "Revolving



Participation in the 10th National SME product Fair-2022

Credit Wholesaling Fund for CMSEs" aiming to finance the targeted entrepreneurs of the priority sub-sectors, clusters, groups, areas including women entrepreneurs eligible for pre/re-financing facility.

- Signed an agreement with Truvalu.enterprises Limited on "COVID-19 Recovery for MSME in Bangladesh" with a goal for business recovery and business continuity of MSMEs along with job retention via access to finance and technical assistance. We have financed to 24 SME entrepreneurs amounting Tk. 46.09 million under this project.
- Organized Training & Workshops for 430 entrepreneurs as well as 281 officials of the bank throughout 2022.
- Participated in 10th National SME Product Fair-2022 organized by SME Foundation.

Investment for Social Empowering Empowering communities through AGRI/Rural credit

In our drive to bring the low income group under our ever expanding financial inclusion umbrella, Bank Asia has always tried to focus on disbursing Agricultural/Rural credit which is one of the most influential macroeconomic driving sectors of our economy. In 2022, Bank Asia managed to distribute Tk. 4,663.61 million to 69,182 rural farmers as part of our agriculture/rural credit scheme.

FINANCIAL INCLUSION

Agent Banking

Bank Asia pioneering in Agent Banking service in Bangladesh has gained significant progress within eight years of inception in terms of number of agents, accounts and deposits. Around 5.54 million people have already been included under our Agent Banking platform. The Bank has implemented 5,414 Agent outlets in 64 districts in most geographically dispersed poor segment of the society. After overcoming the unprecedented challenges caused by the pandemic, the Bank undertook several risk mitigation measures going into 2022. Some of these measures include online communication tools for business meetings, implementation of eKYC for account opening, alternative verification tool for different payments in conjunction to bio-metric systems, virtual training and virtually inaugurating outlets, arranging meetings and interview sessions with partner, etc. Based on these actions, in 2022 we successfully managed to increase our number of agent accounts by 12.8% compared to the previous year and the deposit amount stood at Tk. 38,856.37 million which was increase of 14.71% in comparison to 2021.



Farmers center is the one stop solution for rural Micro and Small Enterprises (MSEs), offering digital banking services

Post Office Banking

With a vision to expand network and ensure service reach to grass root level bank has built up a strategic relationship with the Posts and Telecommunications Division of Bangladesh Government. From now on people will get Bank Asia service from Digital Post e-Centre across the country. The Post Office Banking division currently has 1,349 outlets. Currently there are 209,382 active accounts with deposits and advances standing at Tk. 3,080 million and Tk. 121 million, respectively.

Micro Merchant

Micro Merchant is another forward milestone for Financial Inclusion of Bank Asia and 2022 has been a milestone year for us. We have total of 56,500 micro merchant throughout urban and rural areas of Bangladesh. Total number of transactions in our micro merchant channel stood at 7.49 million worth Tk. 12,366 million.

Micro Merchant banking App has achieved the Project Management Excellent Award 2022.

Community Supportive Investment

Bank Asia is always conscious of its Corporate Social Responsibility (CSR) contributing towards quality of life of the society at large without compromising an ecological condition. In 2022, Bank Asia spent an amount of Tk. 237.48 million for the overall betterment of the nation. The Bank's stakeholders were immensely benefitted by way of its community based social programs; education support where total donation was Tk. 15.63 million (6.58%), health support Tk. 47 million (19.79%), disaster management Tk. 138.70 million (58.40%), Sports & culture Tk. 17.00 million (7.16%) and others Tk. 19.15 million (8.07%)

Foreign Remittance

In 2022, the wage remittance inflow for the year ended at Tk. 129,063 million with a growth of 3.92% ranked 4th position among banks of the country whereas the country growth decline at 3.62%. Bank Asia is the pioneer and prominent in Financial Inclusion through introducing Agent Banking Model that helps us to grow in cross border remittance business. There are many factors contributing to the decline in remittance inflows, including the widespread use of "Hundi" as a result of the widening exchange rate differential between the official channel and the black market, the war in Russia and Ukraine, and decreased wages for undocumented workers in GCC nations, among others.

Bank Asia Limited has achieved Remittance Award 2022

by the Center for Non Resident Bangladeshis (NRB)

Online Payment Gateway Services (OPGS)

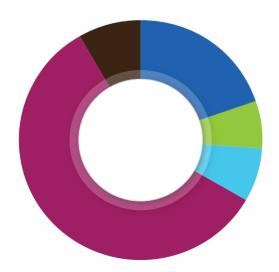
Bank Asia is the first Bank to set-up arrangement with OPGSPs in Bangladesh like 'Payza' and 'Payoneer' to bring hard earned money which is earned by exporting services in nonphysical form e.g. data processing, off-shore IT service, software development, business process outsourcing (BPO) etc. In 2022, we have done 401,609 transactions of USD 157.44 million. In 2022, Bank Asia Cosponsored the largest SMB and Freelancer Conference-2022 in Bangladesh organized by Payoneer.

Financial Assistance from Government

Bank Asia does not receive any financial assistance from the government and also does not contribute to any political organization. But we support all the public policy developed for the betterment of nation and we never lobby for making any policy in favor of us.

Compliance

Bank Asia is very much conscious about legal and regulatory compliances. The bank reports regularly to the central bank, the Bangladesh Securities and Exchange Commission, tax & VAT authorities on required compliance issues. During 2022, the bank has not faced any significant penalties for non-compliance with applicable laws and regulations for running its economic activities in Bangladesh



Community Investment 2022

Million Taka

Health 47 | 20%

Education 16 | 7%

Sports & Culture 17 | 7%

Disaster Management 139 | 58%

Others **19** | **8%**

Financial Inclusion at a glance

Being the pioneer of financial inclusion, Bank Asia has already completed 9 years of journey for agent banking operations in Bangladesh. With the experience from Agent Banking operation and ABAK (formerly known as EBEK), Bank Asia has become capable enough to provide services to all Government Social Safety Net Programs. Over the time, we have made partnership with Social Welfare Department under Ministry of Social Welfare and providing services to Senior Citizen, Widow, Disabled & other beneficiaries.

Services covered under this program

- Old aged allowances
- Widow, deserted & destitute women allowances
- Bedye allownaces
- Stipend for Bedye Community
- Lifestyle development of Unprivileged Community
- Stipend for unprivileged Community
- Disable allowances
- Stipend for disable allowances

- Hijra allowances
- Stipend for Hijra Community
- Lifestyle development of Tea Worker Community
- Rohingya Caregiver
- Maternity & Lactating Mother allowances
- Vulnerable Group Development (VGD) Program
- National Payment Service Program

At a Glance Report of Bank Asia Social Payment is given below

Particulars Particulars	Social Safety net	Women's Affairs Programs	National Service	Others
District	17	55	09	56
Upazilas	65	341	09	186
UDC	655	2,550	91	1,372
Benificiaries	1,596,986	1,089,755	4,219	212,352
Deposit (Tk. in Million)	1,267.33	1,350.28	105.39	97.58
Male Beneficiaries	642,387	-	1,855	107,522
Male Deposit (Tk. in Million)	552.76	-	46.25	52.72
Female Beneficiaries	954,599	1,089,755	2,364	103,595
Female Deposit (Tk. in Million)	714.57	1,350.28	59.14	44.86

To support the government's poverty alleviation efforts through creation of sustainable employment in agriculture and non-agriculture sectors, 220 upazilas of 48 districts of 08 divisions of the country "Rural Livelihood Project- 3rd Phase" is included in the annual development program of the government. Bank Asia Limited expressed its interest in disbursing the Rural livelihood program 3rd phase loan program under Bangladesh Rural Development Board (BRDB) to genuine beneficiaries through banking channels. In continuation of this, a MoU was signed with BRDB on April 11, 2022.



A beneficiary received loan of RLP 3rd phase from BRDB officer



VGD beneficiaries withdraw their deposit from agent outlet



For making payment of disable allowance, a Bank Asia officer is trying to enroll a woman's fingerprint by feet



A briefing by BRDB upazila Officer to the beneficiaries about loan disbursement of RLP 3rd phase in Tangail



An elderly woman is receiving old age allowance from Bank Asia staff at UDC

Sustainable HR Development

EMPLOYEE PROFILE

We strive to make Bank Asia a great workplace by creating a performance driven culture that rewards success and encourages employees to take control of their personal development. Through the process of learning and rewarding we intent to enable individuals to think, behave, take actions and make decision independently.



SALARY POLICY

We target a fair human resources management by using a performance based system. Our salary policy is same in all branches and service points for the entry level. In addition, to drive further development of individual skill, increment is given based on performance yardstick. There is no incident of discrimination in terms of remuneration provided to male and female employees.

BENEFITS TO EMPLOYEES

Every employee is paid salary on monthly basis, which is a combination of basic salary, fringe benefits and other benefits disbursed on 25th of each month or previous working day if 25th is holiday. Considering the health safety of the employees due to the unprecedented outbreak of COVID-19 pandemic, HRD has amended Quarantine Leave Policy and introduced Sick Leave Policy for the employees of the Bank. Bank Asia's benefit schemes are as follows:

Fringe Benefit Schemes Other Benefit Schemes House rent allowance Group Health Insurance Benevolent Conveyance allowance Medical allowance Leave fare assistance Entertainment allowance Furniture allowance House maintenance House Building Loan (HBL) allowance Car loan Provident fund loan Utilities allowance Mobile phone allowance (talk time) Car maintenance allowance Mobile handset allowance Risk allowance Ex-gratia payment **End Service Benefit Plans Minimum Notice Period Regarding Operational Changes** Bank Asia provides the Minimum notice period before switching following benefit plans to job is 3 months for regular employees and 1 month for contractual employees. its employees on retirement according to individuals' Minimum notice period before changing entitlement department is 1-30 days as per Provident fund situation or demand of concerned branch/ department. Gratuity Superannuation Leave encashment

New Employees

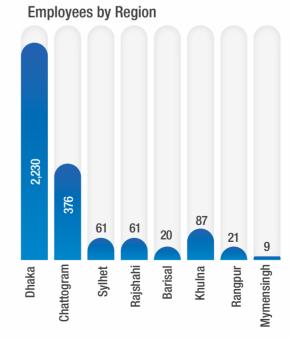
318 new employees were recruited during 2022 where 48.59% for branches & 51.41% for Corporate Office to ensure effective and timely support.

Employees by Diversity

Employees by Diversity Bank Asia ensures equal opportunity as an employer irrespective of locality, gender or ethnicity. Local employees 2,865 dominated in diversity composition and 4 indigenous.

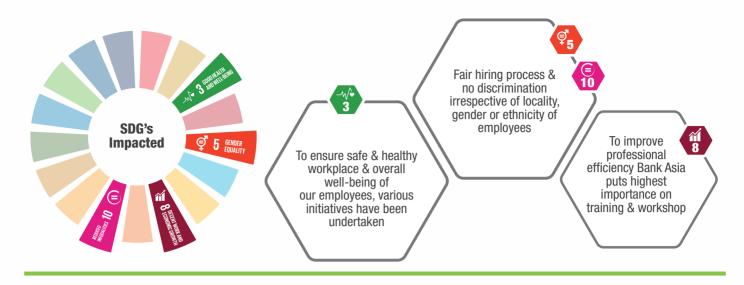
Employees by Region

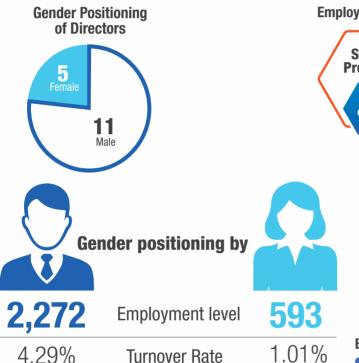
Bank's employees are mainly spread over Dhaka and Chittagong. It retains the highest number of employees in Dhaka, which was 77.84% in 2022 for corporate office and branches in Dhaka city. We follow fair hiring process which demonstrates no discrimination in locality, religion of employees in this process.



Gender Positioning of Employees

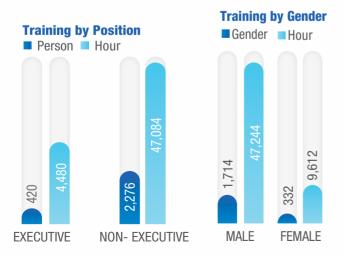
Bank Asia has been maintaining a very balanced male and female ratio, which was not only reflected in the board of directors but also in the bank management at different levels.



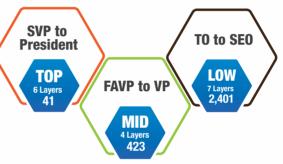


LEARNING & DEVELOPMENT

As "Efficiency" is our strength Bank Asia continuously provide training to maintain the highest level of operational efficiency, customer focus, and people orientation to employees.



Employees by Employment Hierarchy



60,984
Man-Hours of Training

2,807
Participants

Bank Asia and Green Banking

- Bank has organized 2 foundation training courses under (Bangladesh bank, BIBM, Foreign Training, Training by other institutes) each 6 weeks long for entry level employees to improve knowledge base and proficiency in banking. Training Institute of Bank Asia has provided 2 trainings on Green Banking under Foundation training course & other training related to Green banking to the employees of the Bank.
- A number of training and workshop was organized related to Green Banking & Environmental Risk Management, Reporting format of Green Banking activities, financial inclusion, CSR and Green Banking
- Through OCAS (Online Credit Approval System) Diganta software more than 20,000 Agri credit proposals & 32,271 SME credit proposals amounting Tk. 24,687.48 million have been approved in 2022.
- Electronic sanction archive system has been developed for 6 departments; namely: CRM, CMSE, I.B.D., SAMD, CFC & Agricultural wing.
- Implemented Artificial Intelligence Workforce (AIW) bot for verifying NID of customers.

Training by Different Institutes

Particulars Particulars Particulars	2022		
	Nos.	Hours	
In House Training	2,624	55,920	
Bangladesh Bank	33	280	
BIBM	69	928	
Training by other institutes	81	3,856	
Total No. of Participants & Man Hour	2,807	60,984	

Anti-Money Laundering Training

Bank Asia aims to complying Central Bank's comprehensive guidelines on Trade based Money laundering in each trade transaction & working on awareness & expertise of all concerned officers/ executives and relationship officer/Relationship manager as to identify & manage money laundering risk. Bank Asia is committed to preventing money laundering and terrorist financing. Anti-Money Laundering Department (AMLD), Corporate Office always arranges and conducts AML workshops to train all the employees of our Bank and about 100% of total employees (Branch/Corporate Office) obtained AML & CFT related training

OCCUPATIONAL HEALTH, SAFETY & ENVIRONMENT

All the branches, SME service centers and SME/agriculture branches and every department of corporate office are well decorated having sufficient breathing spaces and adequately equipped with fire-fighting equipment and fire drills. The COVID-19 infected employees have been provided all out support. The emergency support team of the Bank took care of the infected employees by providing proper doctor's advice, foods, emergency medicine, oxygen and ambulance facilities. A team of logistics and support services department of the bank is specially entrusted to visit regularly to monitor cleanliness, safety measures and other amenities remains ensured in all outlets. If found any deviation, take prompt steps and thus ensuring modern, healthy and safe workplace for its employees.

Maternity Leave

As per bank's policy, every female employee is entitled to get 6 months' maternity leave with regular salary and allowances. During 2022, 59 female employees availed 180 days each with a total of 10,620 days. An employee can avail this leave not more than two occasions during the entire period of service.

Paternal Leave

As per bank's policy, any employee who has been in the continuous service of the bank is entitled to get 5 working days' paternal leave from the date of joining. An employee can avail this leave not more than two occasions during the entire period of service. During 2022, 106 male employees availed this paternal leave.

Child Care Center Facilities

Bank Asia, in collaboration with 20 other private commercial banks, has established a child day care center named "Pushpita" with a total space area of 5,666 sq. ft. There are 11 nannies, 5 teachers, 1 supervisor, 1 child care co coordinator for overall maintenance of the center. Parents have the opportunity to watch their babies through their device from anywhere, any time through Live CCTV footage.

EMPLOYEE PERFORMANCE EVALUATION

Bank Asia established a real-life SMART KPI to evaluate the contribution of all individuals in a transparent manner to assess quantitative and/ or qualitative performance vis-à-vis set target of a given year. To evaluate the performance of Bank Asia's employees KPI is used in the following manner: We have infused 80/20 strategy in performance measurement system; as such 80% Objective and 20% Organizational & Personnel behavior factors are introduced. The benefits of using KPI are the followings:

- Reduce the number of decisions and make decisions based on objectivity and facts.
- Quantify the achievement of goals.
- Focus on facts and see where individual improvement is needed.
- As individual initiative grows, it becomes more difficult to remain as close to the operational details as it is, in such case, KPI results can bring back to reality.
- Employees are clear about his/her obligations to deliver during the year and accordingly would be able to plan to meet the expectation. Last but not the least, unbiased performance evaluation at the end of the year

CULTURAL EVENTS AND AMUSEMENT

Celebration of Pohela Falgun 1428

Bank Asia has celebrated the first day of Spring of Bengali calendar 1428 in a festive manner. Mr. A Rouf Chowdhury, Chairman of the Bank, celebrated the day along with Chairman of the Board Executive Committee, Chairman of the Board Audit Committee and Directors were attended the program.

International Women's Day

"Let Her Lead"- with this slogan, Bank Asia celebrated International Women's Day 2022 in a festive manner. The leading female employees from different arenas of the bank shared their stories of journey towards a successful career.



Celebration of International Women's Day

Arranging Fruit Festival

Bank Asia has organized a 'Fruit Festival' for its employees with a variety of seasonal fruits.

Celebrating Father's Day-2022

Bank Asia observed Father's Day-2022 to express gratitude and love for all the fathers of the world. Attendees of the event recollected the memories of their fathers by recalling their work, integrity, contributions, inspirations and sacrifices.



Celebration of Fathers Day

Appreciate and motivate its support staffs

To acknowledge, appreciate and motivate its support staffs, Bank Asia Ltd., has organized a **Support Staff Appreciation Day**. On this occasion, Bank arranged various food items for Support Staffs and the officials served the food to them.



Support Staff Appreciation Day organized by Bank Asia

Sustainable HR Development

Glorify Independence Day

Bank Asia observed the Independence Day of Bangladesh. The National Flag was hoisted as well as The National Anthem was performed in front of Bank Asia Tower, Karwan Bazar, Dhaka in the morning of 26 March 2022.

Glorify National Mourning Day

Bank Asia Ltd observed "National Mourning Day" on 15th August 2022 with day long activities. The activity started early in the morning with half-mast hoisting of national flag and singing of national anthem at the premises of Bank Asia Tower, Karwan Bazar, Dhaka. Then tree plantation activity was performed at the same premises. A virtual discussion meeting was held to recall the great life, work and unforgettable memories of the father of the nation Bangabandhu Sheikh Mujibur Rahman. At noon, A Doa Mahfil and food distribution program were taken place in an Orphanage and Madrasa for visually impaired children at Matuail, Jatrabari of the capital city.

Transport Facilities

At present 13 vehicles used for pick and drop facility specially for female employees of Bank Asia in Dhaka and Chittagong region where majority of the pool vehicles have been converted into CNG driven.

Human Rights, Child Labor and Other Issues

Bank Asia does not tolerate child, forced or compulsory labor. In 2022 no incident of discrimination and violation involving rights of indigenous people and forced and child labor has been recorded.

Grievance Redressal Policy

For building awareness regarding human rights among the employees in the bank, Bank Asia formulates

- Female anti-harassment policy
- Grievance handling policy

POLICY, PRACTICES, AND PROPORTION OF SPENDING ON SUPPLIERS

Bank Asia works with a wide range of suppliers and maintains good relationship with them. Our chain of suppliers consists of the following parties:

- Construction contractor
- Graphics and interior designers
- Advertisement agency
- Newspaper
- Printing maintenance
- Stationary suppliers
- Mineral water suppliers
- Transport facilitator

Statement on Compliance

In the year 2022, Bank Asia has been able to comply with all the regulations of Bangladesh government regarding use of product and services, information about product and services, marketing, communications, advertising, promotion. No incidents of fines/penalties have been recorded this year concerning the above mentioned issues.

Our bank always maintained the fundamental principle of business regarding protecting customer privacy. Customer's information/ data is not available to anyone other than the client himself and the Banks concerned personnel who is responsible for maintaining the data. We haven't received any complaints relating to breach of customer privacy and loss of data.

Bank Asia Foundation

To help and assist the poorer and distressed people of the society Bank Asia Foundation, a voluntary and non-profit organization formed to conduct CSR activities on behalf of Bank Asia Limited. Being a responsible corporate citizen, investing in activities for the betterment of society has been at the forefront of what we do. As such, Bank Asia invested Tk. 237.48 million in 2022 behind various societally beneficial activities.

Bank Asia Foundation (BAF) was inaugurated in 2017 with the aim of performing various CSR activities, especially investment in the health sector. With the goal, BAF set up a modern 250 bed Hospital at Malkhanagar, Sirajdikhan, Munshigonj and Medical College in 723 decimal land (donated by Late Mr. A. Rouf Chowdhury, Chairman of Bank Asia and BAF). The hospital includes a modern Diagnostic Centre, a model Pharmacy and an OPD where healthcare services were provided to 51,983 patients.

A new proposed 50 bed hospital of Bank Asia-Ma Amiran Hospital and Diagnostic Centre is being set up in the first and second floors along with existing 3 storied building with a total area of 26,000 sft (approx).

As part of the "Bank Asia Higher Studies Scholarship Program", BAF disbursed scholarship to 18 students of Tk. 0.918 million during 2022.

The activities of the BAF, amongst others, are as follows:

- 1. Providing treatment facilities through hospitals, clinics, medical & eye camps;
- 2. Giving scholarship to the well deserving students;
- 3. Distributions of blankets & warm cloths among the needy people;
- 4. Providing monetary & other support for the relief of affected by calamities such as food, fire, famine, cyclone & other natural calamities.
- 5. Promoting educational, scientific, religious & social activities/organizations
- 6. Other similar charitable activities



Services provided by Bank Asia-Ma Amiran Hospital and Medical College



Outdoor unit of Bank Asia-Ma Amiran Hospital and Medical College

Corporate Social Responsibility (CSR)

CSR is both short and long term time bound strategy to achieve a balance of economic, environmental and social imperatives (Triple Bottom Line Approach). CSR is not only philanthropy but also does it address the key sustainable development challenges through actionable programs and community investments to a considerable extent. CSR is to reduce all forms of poverty, inequality, social exclusion, improve the quality of food and healthcare availability and living standards of vulnerable groups of the society for sustainable and equitable development of the country.

Bank Asia following the Bangladesh Bank principles, prioritizes in social and environmental values which will benefit the people of the country.



Donation for Societal Improvement by CSR in matrix



Health

Tk. 47 Million 19.79%



Education

Tk . 15.63 Million **6.58%**



Art & Culture

Tk .17 Million 7.16%



Disaster Management

Tk . 138.70 Million 58.40%



Others

Tk . 19.15 Million 8.07%





Bank Asia donated blanket to Prime Minister Office

Donated free medicine/health equipment to 153,600 people during the COVID-19 pandemic



Tk .47 Million

Establishing & Running Hospital: Tk.39.54 Million

Establishment & running of MA Amiran Hospital, Malkhanagar, Sirajdikhan, Munshigonj Provide financial assistance for Curative treatment of 191 individual patients Curative treatment of individual patients: Tk.5.92 Million



To provide better access to educational opportunities for those in needs towards enhancing their employability and to ensure inclusive & balanced society Bank Asia provides educational support to the society





Through CSR activities Bank Asia tries to foster healthy communities towards enhancing well-being & productivity of the country

To provide better access to educational opportunities for those in needs towards enhancing their employability and to ensure inclusive & balanced society Bank Asia provides educational support to the society





Donation to Prime Minister's Education Assistance Trust by Bank Asia

Higher Studies Scholarship Tk. 3.07 Million

Bank Asia provided direct scholarship to 70 students for Higher Studies in different educational institutions.



Tk .15.63 Million

Donated to PMEAT: **Tk.12.00 Million**

Donated to Prime Minister's Education Assistance Trust (PMEAT) for expansion of the trust's regular activities.

Provide individual students to meet up their educational expenses

Educational Expenses to Individual Students: Tk.0.56 Million



Tk .17 Million

Bangladesh Olympic Association (BOA): **Tk.10 Million**

Paid Tk.10 Million to Bangladesh Olympic Association (BOA) for organizing Sheikh Kamal 2nd Bangladesh Youth Games-2023 where under privileged athlets participated from all over the country Donated to BAB for organizing Joy Bangla Utshob to mark the Golden Jubilee of Bangladesh Bangladesh Association of Banks (BAB): Tk.7.00 Million



Tk.138.70 Million

As a part of Corporate Social Responsibility (CSR), Bank Asia donated Tk.100.00 Million to Prime Minister's Relief and Welfare Fund for the flood-affected people of the country. The Bank also donated 75,000 pcs blankets to Prime Minister's Relief Fund for the underprivileged people of the country.

Apart from that, Bank Asia donated more than 25,000 blankets among cold-hit people in different parts of the country through Branch network during severe cold spell of winter to carry out its humanitarian activities.



Bank Asia distributed blankets among the underprivileged and winter hit people

Donation in BEPZA Public School & College: Tk.0.30 Million Donated to BEPZA Public School & College, KEPZ for construction of Guardian's Shed. Contributed to Child Day Care Center for the Bankers'

Child Day Care Center: **Tk.0.40 Million**



Tk . 19.15 Million

BRIDDHI Foundation: **Tk.0.20 Million**

Donated to BRIDDHI Foundation for Briddhi Crafts project who are onboarding 40 beneficiaries (female) in Korail Slum Donated to the members of deceased employees of the Bank

Others: Tk.18.25 Million

Two Years Comparative analysis

Particulars	2022	2021	Growth
Total Assets	468,401	438,293	6.9%
Deposits	337,695	317,782	6.27%
Loans & Advances	277,870	262,267	5.9%
Import	210,588	225,789	-7%
Export	171,275	141,496	21%
Inward Remittance	132,243	128,441	2.96%
Operating Profit	10,695	9,193	16%
Profit after Tax	3,046	2,707	12.5%
Shareholder's equity	28,640	27,357	5%
Classified loan ratio	4.87%	5.14%	-0.27%
Earnings Per Share(Taka)	2.61	2.32	13%
Net Asset Value Per Share(Taka)	24.56	23.46	1.10%
Return on Equity	10.88%	9.89%	4.8%
Return on Asstes	0.67%	0.64%	0.29%



Credit Ratings

The rating was assigned considering the bank's strong capital base, relatively low large loan concentration, provision cushion for loans and advances, prospective low-cost deposit base, operational efficiency in terms of cost to income ratio and good liquidity ratio.

Long term rating **AA1** of Bank Asia reflects that the bank has very strong capacity to meet its financial commitments with low credit risk.

Short term rating **ST-1** of Bank Asia reflects stable outlook having highest capacity for timely repayment of obligations with excellent position in terms of liquidity, internal fund generation, and access to alternative sources of funds.

Market Performance

Financial Calendar	Announced On
Audited Consolidated result for the year end-ed 31 December 2021	March 16, 2022
Unaudited Result for the first quarter ended 31 March 2022	April 26, 2022
Unaudited Result for the second quarter and half year ended 30 June 2022	July 28, 2022
Unaudited Result for the third quarter ended 30 September 2022	October 30, 2022

Distribution of Dividend	Details
(Cash% - Stock%)	15% Cash
Announcement Date	March 16, 2022
	April 28, 2022 (AGM)
Record Date	April 06, 2022
Distribution Date	May 08, 2022
Notice of 22 nd Annual General Meeting	April 04, 2022
23rd Annual General Meeting	April 28, 2022

Stock Detailed

Particulars	DSE	CSE
Stock Symbol	BANKASIA	BANKASIA
Company ID	11127	22022
Listing Year	2004	2004
Market Category	Α	А
Electronic Share	Yes	Yes
Total Number of Shares	11,65,906,860	11,65,906,860

DSE Trading Days (2022)	244
Year End Closing Price (December 29, 2022)	20.2

Availability of Information about BANK ASIA

Annual Integrated Report 2022 and other information about Bank Asia may be viewed on Bank's Website:

www.bankasia-bd.com

Corporate Office

32 & 34 Kazi Nazrul Islam Avenue, Karwan Bazar, Dhaka-1215 Phone:+8809617001100, Ext: 1213,1215 Fax:+8855013976 E-mail: bankasia@bankasia-bd.com

Though the year has started on a positive note with the expectation of the economic recovery from the effect of Covid consequence, but the positive impulse could not sustain for long due to outbreak of Russia-Ukraine war that resulted in an intense bearish sentiment on the capital market. Additionally, extensive manipulation, deceptive financial statements, poor initial public offerings and foreign investors' sale pressure were key factors affecting the market negatively.

The major setback occurred with reintroducing of the floor price mechanism in late July as it eventually made the market illiquid. Notwithstanding the negative circumstances, some positive activities were also accomplished in the year, such as making treasury bonds tradable, the inclusion of sukuk bonds, and approval of exit plan of two listed companies.

Major indices and turnover of stock market of Bangladesh mostly saw decline in whole year. DSEX, the key index of the Dhaka Stock Exchange, dropped by 8.1 percent, or 549 points, over the year 2022 to close at 6,206.8 points on December 28, the last trading session of the year. Due to the imposition of floor price, the daily average turnover plunged by 35% to Tk 960.25 crore in 2022 from the previous year's daily average turnover of Tk 1,474.9 crore.

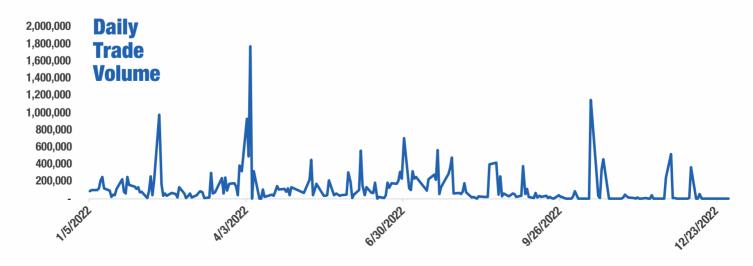
Along with the bearish trends of market, BASL has advanced its position to 10th of DSE's Top - 20 in terms of daily turnover throughout the year. Total Operating profit stood at Tk. 171 million in 2022. Number of total active clients reached at 12,231 in the end of 2022, which was 11,626 in December 2021. Margin loan outstanding stood at Tk. 3,977.67 million in December 2022, which was Tk. 4,244.36 million in December 2021.

Market Capitalization Million Taka



Market price of Share 2022 Month End Price





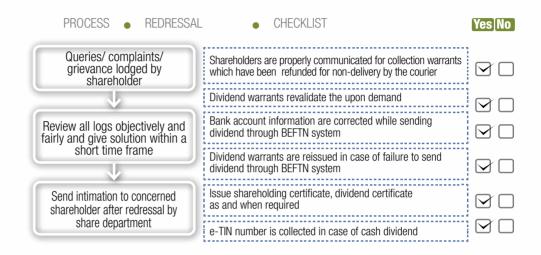
Stakeholders Relationship/ Grievance Redressal

Bank Asia strongly believes in maintaining smooth and interactive relationship with the stakeholders. We pursue high quality stakeholder's redressal policy proactively to handle all types of grievance, complaints in an effective and fair manner.

Bank Asia strongly believes in equitable treatment to every shareholder. We resolve any shareholders' complaint on a priority basis and have committed to serve the appropriate mechanism to address the shareholders' grievance within the time frame stipulated by the Bank.

REDRESSAL PROCESS OF BANK ASIA LIMITED

- Complaints raised by the investors/ shareholders must be dealt with courtesy and in a timely manner
- Complaints are treated and solved efficiently and treated fairly
- Communicate to the shareholders for collection of the dividend warrants which have been refunded for non-delivery by the courier
- Revalidate the dividend warrants upon demand
- Correction of bank account information while sending dividend through BEFTN system
- Re issue of dividend warrants, in case of failure to send dividend through BEFTN system



- Issue shareholding certificate, dividend certificate as and when required
- E-mail or letter must be send to all the investor who have submitted written complaints
- Request for e-TIN number in case of cash dividend

Redressal Statistics 2022

Requests received from shareholders

- Demat 12,31,100 shares;
- 1,17,56,340 bonous shares credit among the shareholders from suspense account
- Re-issue 891 dividend warrants for the year 2021 (which were returned from BEFTN)
- Issuance of 50 shareholdings certificate for income tax purpose;

Ways of addressing mentioned requests

- Demat confirmed all the shares timely;
- Credit all the shares as requested;
- 891 duplicate fractional dividend warrants for the year 2021 issued
- 50 shareholdings certificate were issued:

The bank continues to have regular communication with the shareholders through periodic updates of performance and at any time when it believes it to be in the best interest of shareholders generally.

REDRESSAL POLICY



SHAREHOLDER'S PERSPECTIVE

Bank Asia redressal system covers the following issues

- Receiving the complaints for non-receipt of dividend warrant, dividend intimation letter, cash dividend;
- Transfer of shares from suspense account to the shareholders BO account;
- Clarification of any price sensitive information over telephone;
- Grievance for not receiving of Annual Integrated Report, half-yearly financial position timely;
- Concerns relating to share dematerialization (DEMAT);
- Queries about and clarification on recent or upcoming price sensitive information over telephone, etc.

Any Investors may lodge their complaint related to their investment in the company through formal letter, Bank's official e-mail ID i.e. bankasia@bankasia-bd.com and phone call to the Company Secretary and/or Share Department. We focus in addressing those complaints within the shortest possible time.



CUSTOMERS' PERSPECTIVE

Customers are one of the key stakeholders of the Bank. We are very much conscious about customers' demand and always ready to serve them our best as per our Customers Service Policy and Customers Acceptance Policy (CAP). Like investors we also address up our customers queries and complaints through our corresponding department, division or unit. All the complaints are centrally handled by BOD (Branch Operation Department). In 2022, the Bank received 128 complaints from customers of various branches and all the problems were solved successfully through proper investigation and remedial action. Those problems were solved within 5 days (approx.) in which some complaints were met up within 24 hours. We have already introduced Branch level customer service & complaint management desk (BLCS & CMB) introduced at all branches of the bank.



EMPLOYEES' PERSPECTIVE

Employees are the main resource of the Bank, the human capital. We are committed to provide comfortable work environment to our employees for enriching their productivity. To resolve undesirable issues in the workplace and create a conducive and gender sensitive working environment we have separate Grievance Handling Policy and Female Anti- Harassment Policy. Our People Management Division takes necessary measures to redress if any adverse situation arises. In 2022, we didn't receive any significant complain related to our employees.

Redressal point for Shareholders

Bank Asia Limited Corporate Office Bank Asia Tower, Level: 02 32 & 34, Kazi Nazrul Islam Avenue Karwan Bazar, Dhaka

Phone: +8809617001100 | EXT: 1213-1215

Corporate Governance Report

The table below gives an overview of the locations of our Corporate Governance statement

	Page No
Report on the Activities of Audit Committee	240-243
Statement of Directors responsibility to establish appropriate system of Internal Control Statement of Directors on adequacy on the system of internal control	244
Chief Executive Officer and Chief Financial Officer's Statement of responsibilities for the year 2022	245
Corporate Governance structure of Bank Asia	246
Preface	247
Board of Directors Chairman and CEO	248-254
Vision, mission and strategy	255
Audit Committee	255
Objective and Activities of Audit Committee	256-257
Internal control & Risk management	257-258
Ethics and Compliance	258-260
Remuneration Committee	260
Human Capital	261
Communication to Shareholders and Stakeholders	261-262
Environmental and Social Obligations	262-263
Details of Board of Directors committee meeting	264-265
Shareholding structure of Bank Asia Limited	265-266
Bank Asia's dividend distribution policy	267-270
Corporate Governance compliance certificate	213
Corporate Governance disclosure checklist in line with:	
BSEC Notification	271-280
The Companies Act 1994 (Amended upto 2020)	281-282
 Bangladesh Bank BRPD Circular 11,18 and 19 issued on October 27, 2013 	283-293



Corporate Governance

Corporate Governance refers to the relations between the management of a company and it's Board of Directors, shareholders and other stakeholders. Corporate Governance also provides a framework for setting out a company's objectives and the means for achieving these and for tracking its performance.

Source: OECD

Report on the Activities of the Audit Committee



Report on the Activities of the Audit Committee

Audit Committee (the 'Committee') is the prime sub-committee of the Board of Directors (the 'Board') of Bank Asia Limited. The purpose of the committee is to assist the Board in fulfilling its oversight responsibilities relating to (i) the integrity of the Bank's financial statements and internal control systems (including the implementation and effectiveness of internal control over financial reporting); (ii) the performance of the internal audit function; (iii) the annual independent audit of the Bank's financial statements, engagement of independent auditors and evaluation of the independent auditors' qualifications, independence and performance; (iv) the compliance by the Bank with regards to legal and regulatory requirements; (v) the implementation and effectiveness of the Bank's disclosure controls and procedures; (vi) the evaluation of enterprise risk issues and (vii) the fulfillment of the other responsibilities set out by the regulators and the Board.

Composition of Audit Committee

The Audit Committee of the Board of Directors of Bank Asia Limited was constituted in the 44th meeting of the Board held on January 18, 2003 in compliance with the Bangladesh Bank directives.

The present Audit Committee of the Board is comprised of five Members of the Board of Directors including three Independent Directors having one Independent Director as Chairman in accordance with the Notification on Corporate Governance Code issued by Bangladesh Securities and Exchange Commission (BSEC) on 3 June 2018 (Notification No. BSEC/CMRRCD/2006-158/207/Admin/80) and Bangladesh Bank BRPD Circular No. 11 dated 27 October 2013.

The present Audit Committee was reconstituted by the Board in its 478th meeting held on August 17, 2022 consisting of the following members:

mornisoro.			
Names	Status with the Board	Status with the Audit Committee	
Mr. Dilwar H Choudhury	Independent Director	Chairman	
Mr. Mohd. Safwan Choudhury	Vice Chairman	Member	
Mr. Ashraful Haq Chowdhury	Independent Director	Member	
Major General Mohammad Matiur Rahman (retd.) (Retired from the committee on 14.06.2022)	Director	Member	
Mr. M. A. Baqui Khalily	Independent Director	Member	
Ms. Tania Nusrat Zaman (Appointed as new member of the committee on 17.08.2022)	Director	Member	

The Company Secretary acts as Secretary of the Committee. The Head of Audit, although being a part of Internal Control & Compliance administratively, reports directly to the Chairman, Audit Committee of the Board (ACB) and will be responsible to the ACB. The Head of Internal Control & Compliance (ICC) of the Bank concurrently reports to the Chairman, Board Audit Committee and the President & Managing Director of the Bank.

Access to the Committee

On any matter within the Committee's Charter, the Head of Internal Control & Compliance and Head of Audit have direct access to the Audit Committee.

Roles & Responsibility of Board Audit Committee

The roles and responsibilities of Audit Committee have been defined in line with the relevant provisions of Corporate Governance Guidelines/ Notification issued by Bangladesh Bank and BSEC, two paramount regulators for the Bank, and other best practices of governance. The following functions are common recurring activities for the Audit Committee of the Bank in carrying out its responsibilities in addition to any other responsibilities which may be assigned from time to time by the Board:

a) Internal Control

- Evaluate whether the management is establishing an appropriate compliance culture by communicating the importance of internal control and the prudent management of risk and ensuring that all employees have clear understanding of their roles and responsibilities;
- (ii) Review the management's actions in computerization of the Bank and its applications and Management Information System (MIS).
- (iii) Consider whether the internal control strategies recommended by internal and external auditors have been prudently and comprehensively implemented by the management;
- (iv) Consider reports relating to fraud, forgery and deficiencies in internal control or other similar issues detected by internal and external auditors and inspectors of the regulatory authority and place it before the Board after reviewing whether necessary corrective and remedial measures have been embraced by the management.
- (v) With governance and supervisory oversight from the Board of Directors, the Audit Committee will put in place policies and procedures to identify, measure, monitor and control risk.
- (vi) Review Management Letters issued by the statutory auditors.

b) Financial Reporting

- (i) The Audit Committee checks whether the financial statements reflect complete and accurate information and determine whether the statements are prepared according to the existing rules and regulations and standards enforced in the country and as per the relevant financial reporting standards prescribed by Bangladesh Bank;
- (ii) Discuss with the management and external auditors to review the financial statements before finalization.
- (iii) Review the quarterly and half-yearly financial statements with the management before submission to the Board for approval.
- (iv) Review statements of significant related party transactions submitted by the management.
- (v) Review the management's discussion and analysis before disclosing in the annual report.

c) Internal Audit

 Monitor/evaluate whether internal audit functions are truly independent.

Report on the Activities of the Audit Committee

- (ii) Review the activities and the organizational structure of the internal audit and ensure that no unjustified restriction or limitation hinders the internal audit process.
- (iii) Review and assess the annual internal audit plan.
- (iv) Review the efficiency and effectiveness of internal audit function.
- (v) Examine whether the findings and recommendations made by the internal auditors are duly considered by the management or not.

d) External Audit

- (i) Make recommendations to the Board, to be put to shareholders for approval in the AGM, in relation to appointment, re-appointment and removal of the bank's external auditors.
- (ii) Oversee the relationship with the external auditors including:
- Approval of their remuneration, i.e. fees for audit or non-audit services.
- Assessing annually their independence and objectivity taking into account relevant professional and regulatory requirements.
- Satisfying itself that there are no relationships (such as family, employment, investment, financial or business) between the auditor and the bank (other than in the ordinary course of business).
- (iii) Meet regularly with the external auditor, including once at the planning stage before the audit and once after the audit at the reporting stage. The Committee shall meet the external auditor at least once a year, without management being present; to discuss their views and any issues arising from the audit.
- (iv) Review the findings and recommendations made by the external auditors for removal of irregularities, if any, detected are duly acted upon by the management.

e) Compliance with existing laws and regulations

Review whether the laws and regulations framed by the regulatory authorities (Central Bank, BSEC and other bodies) and internal regulations approved by the Board have been duly complied with.

f) Other responsibilities

- Submit a comprehensive compliance report to the Board on a quarterly basis on regularization of the omission, fraud and forgeries and other irregularities detected by the internal and external auditors and inspectors of regulatory authorities;
- (ii) External and internal auditors shall submit their related assessment report, if the committee solicits;
- (iii) Perform other oversight functions as desired by the Board of Directors and evaluate the committee's own performance on a regular basis.

Reporting to the Board

The Audit Committee regularly reports its activities to the Board of Directors following each meeting. The Audit Committee report immediately to the Board of Directors in case of any of the following findings:

- (i) Report on conflict of interests;
- (ii) Suspected or presumed fraud or irregularity or material defect in the Bank's internal control system;
- (iii) Suspected infringement of laws, including securities related laws, rules and regulations;
- (iv) Any other matter which shall be disclosed to Board immediately.

Reporting to the Authorities

Report anything which has material impact on the financial condition

and results of operation.

Meetings of the Audit Committee

A total of 08 (Eight) Audit Committee Meetings were held during the year 2022 against minimum 04 (Four) meetings as per regulatory requirement. Meeting dates are as follows:

SI. No.	Meeting	Date of Meeting
1	223 rd Audit Committee Meeting	19 January, 2022
2	224 th Audit Committee Meeting	20 February, 2022
3	225 th Audit Committee Meeting	16 March, 2022
4	226 th Audit Committee Meeting	26 April, 2022
5	227 th Audit Committee Meeting	21 June, 2022
6	228 th Audit Committee Meeting	28 July, 2022
7	229 th Audit Committee Meeting	28 August, 2022
8	230 th Audit Committee Meeting	30 October, 2022

Major issues reviewed by the Audit Committee during 2022

In addition to regular concerns such as review of existing risks & mitigation measures, compliance culture of management, monitoring internal audit function and financial statements, Audit Committee gave special focus on timely return, findings and recommendations of External & Bangladesh Bank auditors etc. In the year 2022, the Audit Committee reviewed and discussed the following issues, amongst others:

- Annual financial statements of the Bank for the year ended 31 December 2021 as certified by the External Auditors before submission to the Board for consideration.
- ii. Summary of Audit and Inspection reports on the Branches, Divisions and Departments of the Bank.
- iii. AML/CFT Issues of Audit and Inspection reports on the Branches.
- iv. Annual Risk Based Audit Plan.
- v. Management Letter of the Bank submitted by the external auditor for the year ended 31 December 2021.
- vi. Un-audited quarterly and half-yearly financial statements of the Bank.
- vii. Bangladesh Bank comprehensive and Core risk inspection report and the recommendations made therein.
- viii. Actions taken by the management with regard to shortcomings raised in the Bangladesh Bank Inspection report and by the Internal Audit Team of the Bank.
- ix. The corrective measures taken by the management with regard to the lapses pointed out on the internal control and other issues raised by internal and external auditors and inspectors of the regulatory authority.
- x. The compliance status of the audit objections and the recommendations made by the Bangladesh Bank Inspectors, External Auditors and the Internal Auditors in their reports.
- xi. Draft Annual Integrated Report of the Bank.
- xii. Annual Integrated Health Report of the Bank.
- xiii. Implementation of Core Risk Management Guidelines including Internal Control and Compliance Risk and compliance thereof.
- xiv. On-site & Off-site Monitoring Reports.

- xv. Irregularities/Lapses in the Quarterly Loan Documentation Checklist (LDCL) including compliance status.
- xvi. Shortcoming/Deviation in the Quarterly Operations Report (QOR) including compliance status.
- xvii. Half-vearly Self-Assessment of Anti-Fraud Internal Controls including implementation status.
- xviii. Status of recovery of classified loans and necessary guidelines provided to the management to reduce Non-Performing Loan (NPL).
- xix. Submission of Audit Committee's decision and implementation status on Audit Observations to the Board of Directors (BOD) of the Bank.
- xx. Appointment of Auditors.
- xxi. The overall effectiveness of Internal Control Policy, Practice and Procedure of the Bank.

The minutes of the Audit Committee Meetings with observations and recommendations were circulated among the members of the committee and to the Board of Directors of the Bank for information.

The Audit Committee further affirmed that:

- The rules and regulations of Bangladesh Bank and all other regulatory authorities and Bank's own policy guidelines approved by the Board are duly complied with.
- Adequate internal control and security measures have been taken by the Bank facilitating Information Technology (IT) based banking including
 generation of proper Management Information System (MIS).
- The system of internal control and business processes have been strengthened including development of human resources towards creation of a compliance culture in the Bank.
- Efforts have been made to keep assets of the Bank safe along with liabilities and commitments being transparent.
- The Financial Statements of the Bank have been prepared in accordance with International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) which contained full disclosure.
- The good governance is in place in the Bank.

Acknowledgement

The Audit Committee expresses its sincere thanks to the members of the Board, Management and Auditors for their excellent support extended to the Committee. The Committee is also grateful to both Bangladesh Bank and to the Bangladesh Securities and Exchange Commission for the direction and guidance, which facilitated due discharge of its duties and responsibilities.

On behalf of the Audit Committee.

Dilwar H Choudhury

Chairman

Audit Committee of the Board

Statements of Directors' responsibility to establish appropriate System of Internal Control

In order to achieve short-term business objectives and long-term sustainability, strengthening and streamlining internal controls is crucial. The year 2022 was marked by geopolitical tension, financial market volatility, soaring inflation and, most importantly, an increased challenge in ensuring effective internal audits and control systems.

Board members are cautious about bank internal controls in order to achieve and maintain satisfactory credit and investment standards. The board reviews quarterly the reports submitted by its audit committee regarding compliance with recommendations made in internal and external audit reports and the Bangladesh Bank inspection reports.

The board of directors acknowledges its overall responsibility for the bank's systems of internal control to ensure efficiency, effectiveness, reliability, timeliness, completeness and compliance with applicable laws and regulations. Every year, the board reviews the qualifications, expertise, and resources of the external auditors as well as the effectiveness of the audit process and recommend reappointment.

The board of directors confirms that the board, through its committees, has reviewed the effectiveness of the bank's systems of internal control for the year ended 31 December 2022. This process involved confirmation that a system of internal control in accordance with appropriate financial reporting practice was in place throughout the financial year. This was up to the date of the signing of these financial statements. It also involved an assessment of the ongoing process for the identification, evaluation and management of individual risks. Besides, it assessed the role of the various committees and banks' risk management functions and the extent to which various significant challenges are understood and are being addressed.

On behalf of the board of directors.

W. Carlotte.

Romo Rouf Chowdhury Chairman

Statement of Directors' on Adequacy of the System of Internal Control

To ensure this, the Company has taken proper and sufficient care in setting up a system of internal control, which is reviewed, evaluated and updated on an ongoing basis. The internal control and compliance division (ICCD) of the bank conducts periodic audits to provide reasonable assurance that the established policies and procedures of the bank were consistently followed.

The Board of Directors follows some definite rules and regulations as stated in the 'Banking Companies Act 1991 (amended up to 2018)'. In this regard, the board of directors tried hard to maintain sound corporate governance and performed their responsibilities. A broad business strategy, robust policies for internal control system and risk management have been developed and implemented properly and a risk-based internal audit has been accomplished as per 'section 15 Kha & 15 Ga of the Banking Companies Act 1991 (amended up to 2018)' for ensuring that the bank is appropriately and effectively managed and controlled.

In addition to overseeing policies and various parts of the business, the board has also developed an effective internal control system following the 'Guideline on ICC in Banks' dated 8 March 2016 and subsequent amendment dated 4 September 2016 as published by Bangladesh Bank (BB). This is essential for sustainable growth and efficient operations of the bank. The board has also reviewed the adequacy and completeness of accounting records, fair presentation of financial information, efficient management of risk, strengthening bank assets, and the overall internal control process as per the BB's BRPD Circular No. 11 dated 27 October 2013.

The board of directors monitors the effectiveness and functionality of internal control systems through an audit committee. All the conditions depicted in the Banking Companies Act 1991 (amended up to 2018), guidelines issued by BB and corporate governance guidelines issued by Bangladesh Securities and Exchange Commission (BSEC) have been properly maintained at the time of establishment of the audit committee. The principal activity of the audit committee was to review the internal control system as well as manage the core risk of the bank. The Bank's process for monitoring compliance with laws and regulations and codes of business ethics has been properly reviewed by the committee.

The audit committee (AC) has observed managerial arrangements for increasing the internal control features of the prevalent management information system (MIS). The AC has also reviewed the corrective initiatives undertaken by management in response to fraud-forgery and deficiencies in internal control as published last year. All compliance reports have been properly presented before the board of directors and regulators in a timely manner. Apart from this, all other regulatory functions of the internal control system of the bank have been executed appropriately.

On behalf of the board of directors,

Romo Rouf Chowdhury

Chairman

RESPONSIBILITY STATEMENT OF MD AND CFO

Name of the company: Bank Asia Limited

Declaration by MD and CFO

March 16, 2023

The Board of Directors

Bank Asia Tower

32 & 34. Kazi Nazrul Islam Avenue

Kawran Bazar, Dhaka-1215

Subject: Declaration on Financial Statements for the year ended on December 31, 2022

Dear Sirs,

Pursuant to the condition No. 1(5)(xxvi) imposed vide the Commission's Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated June 3, 2018 under section 2CC of the Securities and Exchange Ordinance, 1969, we do hereby declare that:

- 1. The Financial Statements of Bank Asia Limited for the year ended on December 31, 2022 have been prepared incompliance 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 Company's state of affairs have been reasonably and fairly presented in its financial statements:
- 4. To ensure above, the Company 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 Company were consistently followed: and
- 6. The management's use of the going concerns 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 Company's ability to continue as a going concern.

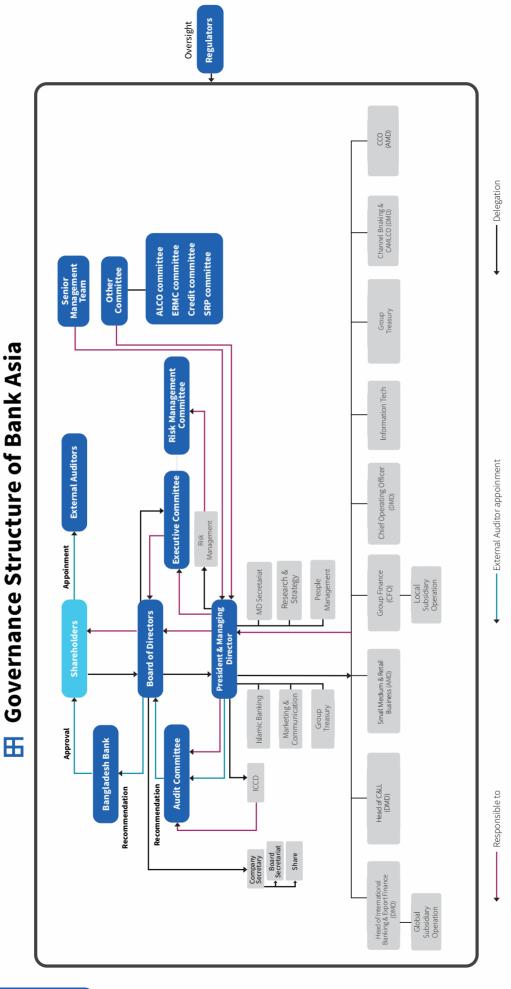
In this regard, we also certify that:

- (i) We have reviewed the financial statements for the year ended on December 31, 2022 and that to the best of our knowledge and belief:
 - (a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (b) these statements collectively present true and fair view of the Company'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 Company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board of Directors or its members.

Sincerely yours,

Areef Billah Adil ChowdhuryPresident and Managing Director

Mohammad Ibrahim Khalil, FCA Chief Financial Officer



Bank Asia Limited's Board of Directors, along with the support of the Board Committees and Management Committees, are responsible for overseeing the implementation of Bank Asia's Governance framework, in order to ensure that the Bank adheres to high ethical standards. Bank Asia believes that the framework is crucial to ensuring effective and responsible decision-making, which assists the Bank in achieving its objectives and strategy.

CORPORATE GOVERNANCE FRAMEWORK IN BANK ASIA

Bank Asia is committed to maintaining a high standard of corporate governance in all aspects of its business systems, procedures, and practices. In order to support the Board's aim of achieving long-term and sustainable value, it has in place a well-defined and well-structured Corporate Governance framework that supports its objectives. Furthermore, it promotes a culture that values ethical behavior, integrity, and respect in order to protect shareholders' and other stakeholders' interests at all times. Bank Asia's long-term sustainability depends on maintaining leading governance practices in the highly regulated industry in which it operates.



To aid the Board in fulfilling its governance roles in an effective way, the Board Committees assist the Board with this process.

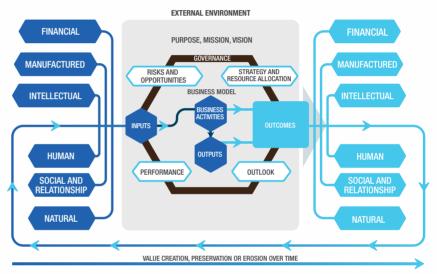
Bank Asia believes that governance as a whole has the greatest impact on the efficiency, effectiveness, as well as value-creation capability of deployed strategies and approaches. Therefore, the Bank intends to make governance an integral part of the organizational culture, making it a part of the structure, policies, and processes of management.

As a compliant entity, Bank Asia always gives its utmost efforts to comply corporate governance practices with all the aspects of the revised Corporate Governance Code (CGC) BSEC/ CMRRCD/2006-158/207/ Admin/80, dated June 3, 2018, on financial reporting and disclosure issued by Bangladesh Securities and

Exchange Commission (BSEC), listing regulations and directives of DSE and CSE and all aspects of Bangladesh Banks directives.

VALUE CREATION BY PRACTICING CORPORATE GOVERNANCE

In addition to providing comfort to investors, strong corporate governance builds trust and predictability in the organization. A company's ability to gain shareholder confidence and unleash shareholder value is strongly influenced by the ability to apply the principles of corporate governance. Throughout its history, Bank Asia has practiced sound corporate governance practices in an effort to maximize the value of its stakeholders by maximizing the value of the company.



By following good governance practices Bank Asia has been able to create values for all stakeholders of the Bank.

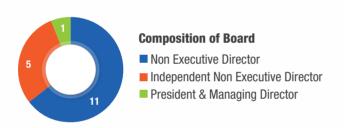
	Build and maintain good governance framework for value creation and ensuring sustainable business growth	Good Governance Practices result a solid growth in all aspect of business operations of the bank ROA:0.67% & ROE:10.88% Strong capital base: CRAR 17.70% Improved credit rating (both short term and long term) AA1 & ST1
	Follow openness & transparency in communication with stakeholders	 Transparent communication Providing both financial and non-financial data on regular basis Best presented Annual Report in 2021
	Focus on technologically advanced banking system	 Introducing OCAS-Diganta Project Robotic process automation Artificial Intelligence workforce
O _C	Enhance operational risk management	 Effective internal business process Platform Meticulously follow SOP in all aspect of business operation.

CORPORATE GOVERNANCE

1. BOARD OF DIRECTORS, CHAIRMAN AND CEO:

There is a primary responsibility on the part of the Board in ensuring the long-term success of the Bank and in creating sustainable shareholder value for shareholders. Ultimately, it is the Board of Directors who are responsible for the management, direction, governance, and performance of the Bank, and who lead and oversee the Bank's business operations. There is no doubt that the Board plays a significant role in ensuring that the tone for the Bank's culture and values is set from the very top of the organization. It is also the Board's responsibility to ensure there are the appropriate resources in place in order to achieve the strategy and deliver sustainable performance to the organization. The Board, by means of its Committees, directs and oversees the operation of the Bank within an agreed framework of controls, enabling risks to be assessed and managed within parameters that have been agreed upon in advance. In order to conduct proper business and ensure the Bank's success, the Board is collectively responsible to the Bank's shareholders and shareholders as a whole

The Board of Bank Asia comprises of 17 (seventeen) Directors as of December 31, 2022 including the President & Managing Director.



The Composition of the Board of Directors is as follows:

- a. Eleven Non Executive Director;
- b. Five Independent Non-Executive Director
- c. One Executive Director i.e. President & Managing Director

The present size and composition remains well-balanced and it's made up with professionals with a wide range of knowledge and experience in business, operations and finance to set direction of a large and expanding bank. The profiles of all Board members, comprising of their qualification, experience are disclosed in **Page no. 24-31** of this Annual Integrated Report 2022.

1.1 Bank Asia's policy on appointment of Directors

Bank Asia complied with pertinent guidelines and different circulars of Bangladesh Bank, rules and regulations of the Companies Act 1994 (amended up to 2020), Bank Companies Act 1991 (amended up to 2018), Bangladesh Securities and Exchange Commission (BSEC) Notifications, and Memorandum & Articles of Association of the Bank.

Bank Asia Limited appoints new Directors based on a mix of knowledge, skills, experience and perception. In addition to being elected by the shareholders at the Annual General Meeting, all appointments of the Board are subject to the approval of the Bangladesh Bank. Bank Asia's Board is always committed to ensuring diversity and inclusiveness in its composition and deliberations. This is because it embraces the

proposition that having a diverse Board would have a positive, value and relevant impact on the Bank. In this regard, the Board considers diversity from a number of different aspects, including gender, age, cultural and educational background.

Bank Asia follows all relevant rules and regulations in the case of nomination, removal, causal vacancy, and appointment of alternate directors in accordance with all applicable laws and regulations. The non-executive directors of the Bank are independent of the management and are not involved in the day-to-day running of the Bank on a day-to-day basis. The Board of Directors is responsible for the performance of the Bank as well as the governance of the Bank to its shareholders.

1.1.1 Roles and responsibilities of Board of Directors

The Board is accountable to shareholders for the performance of the Bank. The Board must at all times act honestly, conscientiously and fairly in all respects in accordance with the law applicable to the Company and must act in the best interests of the Company, shareholders and other stakeholders. The Board's role includes guiding the Company's strategic direction and culture, driving its performance and overseeing and evaluating the activities of management and the operation of the Company. Summaries of key responsibilities of the Bank are:

Strategic Decisions and financial performance evaluation

- Provide leadership and direction for the development and approval of the Bank's corporate strategy, investment, and performance objectives;
- Analyzing, approving, and monitoring the Banks's strategic, investment, financial plans and objectives on a regular basis;
- Evaluate, approve and monitor the annual budgets and business plan
- Finalize the Bank's dividend policy and other related guidelines of dividend disbursement
- Assess, approve, and monitor major capital expenditures, capital management, and all aspects of a capital project
- Approve all accounting policies, financial reports and material reporting by the Bank;
- Appoint the Chair of the Board and, where appropriate, any deputy chair or independent director;
- Engage in strategic planning including establish goals for management of the Bank and monitor the achievement of those goals;

Performance of Management

- Appoint, monitor and evaluate the Chief Executive Officer;
- Appoint, monitor and manage the performance of the Bank's management personnel;
- Place a succession planning for the key management positions of the Bank as identified from time to time
- Oversee senior management's implementation of the Bank's strategic objectives;
- Reviewing management's implementation of agreed strategies, business performance and culture;

Audit and Risk Management

- Appoint the external auditor and determine its remuneration and terms of appointment; with the recommendation of the Audit and Risk Management Committee;
- Monitor the Bank's operations in relation to, and in compliance

Size and membership of Board Committees as of December 31, 2022 $\,$

		Board Executive Committee	Board Audit Committee	Board Risk Management Committee
Committee Composition*			Minimum three members and maximum 5 members	
		Maximum Seven members	All members are Non-executive Directors	Maximum Five members
		All members are Non - executive Directors	Majority of members are Independent Directors	All members are Non - executive Directors
		Chair determined by the Board	Chair is Independent Director, who is not the Board Chairman	Chair determined by the Board
Mr. Romo Rouf Chowdhury	Chairman of the BOD, Non-Executive Director	✓		
Mr. Mohd. Safwan Choudhury	Vice Chairman, Non-executive Director		✓	
Mr. A. Rouf Chowdhury	Non-Executive Director	✓		
Mr. Rumee A Hossain	Non-executive Director	Chair ✓		✓
Mr. M. A. Baqui Khalily	Non-Executive Independent Director		✓	Chair ✓
Ms. Hosneara Sinha	Non-executive Director			
Ms. Naheed Akhter Sinha	Non-executive Director			
Ms. Romana Rouf Chowdhury	Non-executive Director	✓		✓
Mr. Ashraful Haq Chowdhury	Non-executive, Independent Director		✓	
Mr. Dilwar H Choudhury	Non-Executive Independent Director		Chair ✓	
Mr. Enam Chowdhury	Non-executive Director	✓		✓
Ms. Farhana Haq	Non-executive Director			
Mr. Md. Abul Quasem	Non-executive, Independent Director	✓		
Mr. Helal Ahmed Chowdhury	Non-executive Independent Director	✓		
Ms. Tania Nusrat Zaman	Non-executive Director		✓	✓
Mr. Nafees Khundker	Non-executive Director			
Mr. Areef Billah Adil Chowdhury	, Managing Director, Ex - Officio			

^{*} Composition requirements for each Committee are set out in the relevant Committee Charter.

CORPORATE GOVERNANCE

- with, relevant regulatory and legal requirements;
- Approve and oversee the integrity of the accounting, financial and other corporate reporting systems and monitor the operation of these systems;

Corporate Governance and disclosure

- Evaluate the overall effectiveness of the Board, its committees and its corporate governance practices
- Oversee the affairs of the Bank, including its control and accountability systems
- Approve the appointment of directors to committees established by the Board and oversee the conduct of each committee;

1.1.2 Code of Conduct for the Board of Directors

The Board of Directors follows a code of conduct which was adopted to provide guidance to directors to perform their duty in an honest, responsible and business-like manner and within the scope of their authority, has said for in the laws of country as well as memorandum and articles of association of the Bank.

1.1.3 Retirement and Re-election of Directors

According to clause 128, and 129 of the Articles of Association of the Bank, 5 (five) directors retired before the 23rd Annual General Meeting (AGM) held on 28th April, 2022 and all of the retiring directors was eligible for re-election as director. In addition, one Independent Director re-appointment was also approved by shareholders in the 23rd Annual General Meeting (AGM).

SI.	Name of Directors	Mode of Change
1.	Ms. Hosneara Sinha	Retired and Re-elected
2.	Mr. Romo Rouf Chowdhury	Retired and Re-elected
3.	Mr. Mohd. Safwan Choudhury (Nominated Director of Phulbari Tea Estates Ltd.)	Retired and Re-elected
4.	Mr. Nafees Khundker	Retired and Re-elected
5.	Major General Mohammad Matiur Rahman, ndu, psc (retd.),	Retired

In addition, some other changes in directorship recently were as follows:

SI.	Name of Directors	Date of Change	Remarks
1.	Mr. A. Rouf Chowdhury	18.02.2023	He was passed away on 18.02.2023.

1.1.4 Directors' Remuneration

Directors are not entitled to any remuneration other than attending the meeting of the Board and its committees. As per Bangladesh Bank guidelines, Director of Bank Asia Limited is entitled to receive Tk. 8,000 for attending each meeting of Board and its committee.

1.2 Adequate representation of non – executive directors

As per guideline of Bangladesh Bank, Bank Asia maintain adequate representation of non-executive directors in the Board. The Managing Director is the only Executive Director in the Board of Directors of the Bank. All other Directors are non-executive directors.

1.3 Independence of independent directors and their adequate representation

Participation of independent opinion in the Board is considered as an important element of good governance. Independent Directors exert an independent view on the policies and decisions of the Board and

emphasize that the policies and decisions are for the best interest of the whole bank. Bank Asia complies with applicable requirements regarding independence of the Board according to laws and regulations as well as according to the Corporate Governance Code by BSEC. The Board considers all of the members elected by the shareholders, apart from independent director of the Bank according to the Code.

The Board of Bank Asia Limited consist of 5 (five) Independent Directors in the Board. They are: Mr. Ashraful Haq Chowdhury, Telecom & Corporate Leader, two renowned retired bankers - Mr. Helal Ahmed Chowdhury, Mr. Dilwar H Choudhury and Mr. Md. Abul Quasem, a retired central banker and Mr. M. A. Baqui Khalily, is a renowned academician of the country and professor of a university, The Independent Directors are also member of the sub-committees of the Board. Two of them are members of the Executive Committee and one of them is a member of the Risk Management Committee and three of them are members of the Audit Committee.

1.4 Different position of the Chairman and the Chief Executive Officer

The functional responsibilities of the Chairman of the Board and of the President and Managing Director are kept separate and independent of each other. The Chairman of the Bank is elected by the directors of the Bank and the President and Managing Director is being appointed by the Board of Directors subject to receiving permission from Bangladesh Bank.

1.5 Roles and responsibilities of the Chairman

The Board elects one of the Non-Executive Directors as Chairman. Our Chairman is Mr. Romo Rouf Chowdhury, who became Chairman on 25 August 2022.

Roles of the Chairman

- Managing and leading Board Meeting to ensure robust decision making
- Building a high performance Board
- Ensuring the Board's focus on key tasks
- Engaging the Board in assessing and improving its performance
- Overseeing board succession
- Supporting the CEO & Managing Director

Responsibilities of the Chairman

- Ensure that all Board Committees are properly structured, composed and operated
- Ensuring appropriate steps are taken to provide effective communication with stakeholders' views are communicated to the Board as a whole
- Ensure effective operations of the Board and its committees in conformance with the highest standards of corporate governance
- Being the public face by acting as a spokesperson for the Board

1.5.2 Independence of Independent Directors

Bank Asia complied with relevant guidelines of Bangladesh Bank circulars, rules and regulations of the Bank Companies Act, 1991 (amended up to 2018) and guidelines of Bangladesh Securities and Exchange Commission regarding composition of its board of directors. While appointing new directors Bank Asia emphasizes the mix of knowledge, skills, experience and perception. The directors are elected by the shareholders in AGM. In case of nomination, removal, causal vacancy and alternate directors, Bank Asia follows all relevant rules and regulations. The Bank's non-executive directors are independent of management and free from day to day business of the bank.

1.6 Annual Appraisal of Board performance

The Board recognizes that the performance of the Board and its

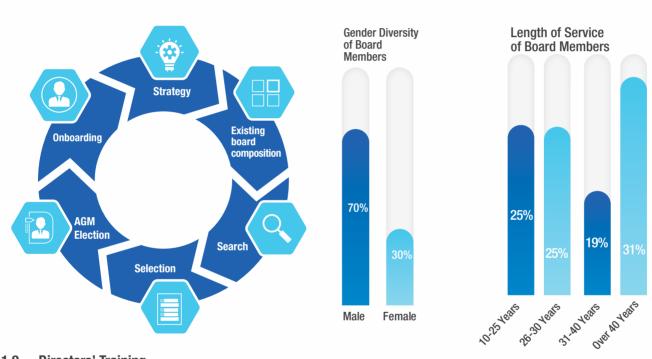
Committees is pivotal to the Bank's success and to the protection of the interests of shareholders. The Board and Committee performed an annual review and assessment of the performance, objectives, responsibilities, processes and procedures of the Board, each Committee and individual directors. The review process is led by the Chair with support from the Company Secretary and Committee Chairs.

1.7 Annual Evaluation of the CEO by the Board

While reappointing CEO, an evaluation report approved by the Board of Directors is submitted to Bangladesh Bank by the chairman of the Board. Besides, the Board of Bank Asia Limited annually evaluates Key Performance Indicators (KPIs) of CEO i.e. profitability, yearly budget achievement, dividend ratio, return on equity, return on assets, earnings per share, CAMELS ratings, credit rating, classified loan ratio, risk management etc. The performance of the CEO is also evaluated by the Board based on Bank's operational results mainly in the achievement of operational budgets.

1.8 Succession Plan

Bank Asia believes that the membership and composition of the Board should be reassessed from time to time so succession planning is a pivotal part of corporate governance practices to meet the company's long-term goals and objectives and to ensure that the knowledge, experience, and skillset of its members would be well suited to meet the demands of the ever-changing financial industry.



1.9 Directors' Training

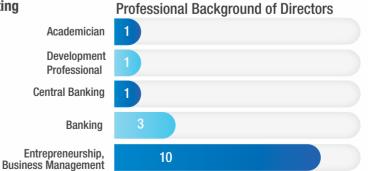
A variety of training is provided to Directors of the bank on specific aspects of its business when requested and, on a regular basis, as part of their responsibilities. Directors are informed of current issues during meetings of the Board and Committees, for example, directors receive briefings on cyber risks, as well as relevant commercial, legal, and regulatory developments which may affect the company. Directors have full and timely access to relevant information ahead of each board meeting and can contact members of management if they need any additional information before the meeting. In accordance with industry practice, the Chairman considers and addresses the development needs of the Board as a whole, if any. He also ensures that each director updates their individual skills, knowledge and expertise.

1.10 Knowledge and expertise in Finance and Accounting

Bank Asia's Board of Directors comprises members who have wide knowledge and experience in the fields of finance, accounting, economics, management, marketing, and business administration. As a result, they are able to interpret the bank's management's decisions prudently.

1.11 Board meeting

A meeting of the Board will usually be convened by the Chair. All directors are expected to diligently prepare for, attend and participate in all Board meetings. Meetings of the Board may be held or participated in by conference call or similar means. Resolutions of the Board may be passed



by circular resolution or in writing in accordance with the Bank's Constitution. The Board normally meets on a monthly basis, and the meeting dates are scheduled well in advance (before the commencement of each financial year) to enable the Directors to plan ahead. When required, the Board will meet on adhoc basis to consider urgent matters. Bank Asia as per requirement of BSEC conduct Board Meetings and record the minutes of

the meetings as well as keep the required books and records in line with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by Institute of Chartered Secretaries of Bangladesh (ICSB).

In addition, the Board reviews strategic matters of the Bank at every Board meeting. In addition, the Board conducts a half-year review of the Bank's strategy and approves the Bank's overall strategic direction on an annual basis. The Board also conducts workshops on specific subjects relevant to our business throughout the year. Board meetings are characterized by robust exchanges of views with Directors bringing their experience and independent judgment to bear on the issues and decisions at hand. Non-executive Directors regularly meet without management present, so that they can discuss issues appropriate to such a forum. In all other respects, senior executives are invited, where considered appropriate, to participate in Board meetings and are also available to be contacted by Directors between meetings.

1.11.1 Number of Board meeting

The Board had 20 (Twenty) scheduled meetings for the financial year ended 31 December 2022. The number of meetings of the Board and its committees held during the accounting year and the attendance of the Directors at those meeting are disclosed in **page no. 264-265** of this Annual Integrated Report 2022.



1.11.2 Key Activities performed by Board in 2022

The Board meets on a monthly basis and meetings are scheduled well in advance (before the commencement of each financial year) to enable members to plan ahead. When required, the Board will meet on an ad hoc basis to deliberate urgent matters.

During FY 2022, the Board met twenty (20) times to deliberate and consider a variety of significant matters that required its guidance and approval. The Board also had separate sessions with the management to discuss the Bank's strategies. Among the topics and strategies that were reviewed, deliberated and approved by the Board during FY 2022 were as follows:

Strategy

- Business Strategy of the bank
- Budget and Business plan for the vear 2022
- Capital and Dividend strategy
- Sustainability and Corporate Governance Strategy
- Human Resource policy

Risk, Compliance and oversight

- Risk appetite of Bank for the year 2022
- Audit Plan for 2022
- Capital adequacy statement in 2022
- Anti Money laundering issues
- Ethical issues
- Risk related with post COVID 19

Governance

- Evaluation and Fit and Proper Assessment
- Corporate Governance Disclosures
- Directors fees and disclosure the remuneration of top management
- Appointment of external Directors
- Governance on subsidiaries

1.12 Directors Report on Financial Statement and Corporate Governance

Board of Directors of the Bank requires to prepare financial statements for accounting year. Moreover, the Board of the Bank need to include an additional statements or disclosures in the Directors' report prepared under section 184 of the Companies Act, 1994 (Act no. XVIII of 1994). A separate statement of Director Responsibility for financial reporting and corporate governance is given in **page no. 244** of this Annual Integrated Report 2022.

1.13 Board Committee

The Board has three standing committees (the Committees) to facilitate and assist the Board in fulfilling its responsibilities. Other committees may be established from time to time with specific responsibilities as delegated by the Board. The composition of the Committees as at, and throughout the financial year ended, 31 December 2022 was as follows:

1.13.1 Audit Committee

The audit committee of the Board of Bank Asia was first constituted in January 2003 with the objectives of generating a platform for a compliant and secured banking. As per the BSEC notification no BSEC/CMRRCD/2006-158/207/Admin/80 dated 3 June 2018 Audit Committee must consists of at least 3 (three) members with 1(one) Independent Director. All the members of Audit Committee should be selected from Directors and the Chairman must be an Independent Director.

Bank Asia's Audit Committee consists of 5 (five) members. All of them are non-executive directors from whom 3 of them are Independent Directors and the Company Secretary of the bank is the secretary of the Audit Committee. Mr. Dilwar H Choudhury, the Chairman of the audit committee is an Independent Director and all the members are knowledgeable in financial industry and have long experience in banking industry. More information about members of Audit Committee is available in the Director's page no. 24-31 of this AIR 2022.

Committee	Members	Independent	Non-Executive
	Mr. Rumee A Hossain		✓
	Mr. A Rouf Chowdhury		✓
	Mr. Romo Rouf Chowdhury		✓
Executive Committee	Ms. Romana Rouf Chowdhury		✓
	Mr. Enam Chowdhury		✓
	Mr. Md. Abul Quasem	✓	✓
	Mr. Helal Ahmed Chowdhury	✓	✓
	Mr. Dilwar H Choudhury	✓	✓
	Mr. Mohd. Safwan Choudhury		✓
Audit Committee	Mr. Ashraful Haq Chowdhury	✓	✓
	Mr. M. A. Baqui Khalily	✓	✓
	Ms. Tania Nusrat Zaman		✓
	Mr. M. A. Baqui Khalily	✓	✓
	Mr. Rumee A Hossain		✓
Risk Management Committee	Ms. Romana Rouf Chowdhury		✓
	Mr. Enam Chowdhury		✓
	Ms. Tania Nusrat Zaman		✓

1.13.2 Executive Committee

The Executive Committee (EC) of the Board of Bank Asia was first constituted in January 2010 to ensure efficient, competent, compliant and secured structure for approval of credit proposals and business decisions. The number of members in EC is 7 (seven) nominated by the Board from directors. The EC time to time reviews policies and guidelines issued by Bangladesh Bank regarding credit and other operations that are customized and adopted by the management after approval of the board of directors. EC approves credit proposals as per approved policy of the Board.

1.13.3 Risk Management Committee

To minimize risk while implementing the policies and business plan of the Bank, the Board has formed a Risk Management Committee as per the guidelines of Bangladesh Bank. The Committee supervises whether the risks arise from credit, foreign exchange, internal control and compliance, money laundering, information technology, operation, interest rate, liquidity and other sources are identified, measured and adequate systems are in place to minimize such risks. Currently 5 (five) members are in the Risk Management Committee. They set risk appetite; formulate risk identification & control policy, recommend changes to the risk management framework. They also monitor the internal capital adequacy assessment process along with the effectiveness of the risk management framework, policies and standards. The Risk Management Committee assists the Board in relation to the oversight of risk including the risk appetite and risk management strategy.

1.13.4 Management Committee

Under the leadership of the President and Managing Director, the Bank Asia has executive management responsibility for the steering of the Bank and its business. It assumes overall responsibility for developing the Bank and business division strategies and the implementation of approved strategies.

- Senior Management Team (SMT)
- Supervisory Review Process (SRP) Committee
- Asset Liability Committee (ALCO)
- Credit Committee
- Policy Review Committee

1.14 CEO & Roles and Responsibilities of CEO

Bank's CEO is Mr. Areef Billah Adil Chowdhury. The detail information of CEO is given in separate part of director's information under **page no. 31** of this AIR 2022. The President and Managing Director is responsible for implementation of Board policies and overall Management of the Bank. He discharges his duties under the delegation of financial, business and administrative authority given to him by the Board.

The main responsibilities and authorities of the Managing Director are as follows:

- Undertakes the financial, business and administrative authorities when vested on him by the board and remains accountable for achievement of financial and other business targets by means of business plan, efficient implementation and prudent administrative and financial management.
- Ensures compliance of the Bank Company Act, 1991 (amended up to 2018) and other relevant laws and regulations in performing routine functions of the bank; and remains accountable to report to Bangladesh Bank if any violation occurs.
- At the time of presenting any memorandum by the management in the Board Meeting or Board Committee Meeting, the CEO points out if there is any deviation from the Bank Company Act, 1991 (amended up to 2018) and other relevant laws and regulations.
- Recruitment and promotion of all staff
 of the bank except those in the two tiers
 below him rest on the CEO. He acts
 in such cases in accordance with the
 approved service rules of the Bank.
- The authority relating to transfer of and disciplinary measures against the staff, except those at two tiers below the CEO, rests on him that he applies in accordance with the approved service rules. Besides, under the purview of the human resources policy as approved by the Board, he nominates officers for training etc.

1.15 Role of Company Secretary

An integral member of the governance team, the company secretary is responsible for ensuring that the Bank complies with all applicable laws, and ensuring that specific statutory registers are kept up to date, and filing required documents with the registrar of companies on a regular basis.

In addition, Company Secretary is accountable directly to the Board, through the Chair, on all matters to do with the proper functioning of the Board. Each director can communicate directly with the Company Secretary and vice versa. Main job role of Company Secretary include: develop and implement process to support good corporate governance, provide impartial advise to all board members and act diligently in the bank's interest and support the board and its committees in fulfilling their responsibilities and following best practices.

1.16 Role of Chief Financial Officer (CFO)

subsidiary boards.

Chief Financial Officer (CFO) oversee all the financial operations of the organization, including accounting, financial reporting, tax, business control. CFO manage all aspects of financial matters and decision making. Basically, the Chief Financial Officer directs a company's financial goals, objectives and budgets. He also advises the Board of Directors on the kind of actions to be adopted in upholding the high levels of financial control and reporting. Key responsibility and overall financial health of the Bank is separately disclosed in CFO's statement in **page no. 296** of Annual Integrated Report 2022.

1.17 Role of Head of Internal Audit and Compliance

The Head of Internal Audit and Compliance (HIAC) is responsible for Bank's strategic risk-based internal audit plan and managing the internal audit function in accordance with Bank's internal audit charter. Responsibilities include providing reasonable assurance of the effectiveness of the organization's risk management and the strength of its controls. The position assesses organization-wide compliance with the Bank's own policies and procedures, laws and regulations, and contractual terms and conditions. The Head of Internal Audit reports directly to the Audit Committee of the Bank's Board of Directors.

1.18 Attendance of CEO, CFO, CS & HIAC in Board Meeting

The CEO, CS, CFO and HIAC of the Bank attend the meetings of Board of Directors. It is also provided that they are not attending the meeting which involve consideration of an agenda item relating to their personal matters. In addition, they are not entitled for any remuneration for attending such meetings of the Board of Directors.

1.19 Governance of Board of Directors of Subsidiary Company

In group concept, Bank Asia limited is parent company with having following three subsidiary companies

- Bank Asia Securities Limited, incorporated in Bangladesh 99.99% owned
- BA Exchange Company (UK) Limited, incorporated in United Kingdom 100% owned
- BA Express USA Inc., incorporated in United States of America (USA) 100% owned The board of the parent company is aware of the material risks and issues that might affect both the bank as a whole and its subsidiaries. It exercises adequate oversight over subsidiaries while respecting the independent legal and governance responsibilities that might apply to its

	Composition of the Board of Directors of Three Subsidiaries of Bank Asia					
SI	Name and Designation	Bank Asia Securities Limited (BASL)	BA Exchange Company (UK) Limited	BA Express USA Inc.		
1.	Ms. Romana Rouf Chowdhury, Director	✓				
2.	Mr. Md. Abul Quasem, Director	✓	✓			
3.	Mr. Helal Ahmed Chowdhury			✓		
4.	Mr. Ashraful Haq Chowdhury			✓		
5.	Mr. Nafees Khundker, Director	✓				
6.	Mr. Enam Chowdhury, Director	✓	✓			
7.	Mr. M. Sahjahan Mina, Director	✓				
8.	Mr. Kazi Sanaul Hoque, Director	✓				
9.	Mr. Arref Billah Adil Chowdhury	✓	✓	✓		
10.	Mr. Md. Sazzad Hossain, Director	✓				
11.	Mr. Sheikh Mohammad Anisuzzaman,Director	✓				
12.	Mr. Mohammad Ibrahim Khalil,FCA, Director	✓				
13.	Mr. ABM Kamrul Huda Azad Director		✓			
14.	Mr. Ataur Rahman, Director			✓		

*The Board of Directors of all the subsidiaries conducted their roles & responsibility in line with all relevant regulatory act or guidance

2. **VISION/MISSION & STRATEGY**

2.1 **Vision/Mission Statement of Bank Asia Limited**

The Board of Directors are approved bank's vision/mission statements and disclosed in Annual Report. The Board of Directors defined the Bank's vision, mission, and strategic objectives and strictly adhere to it. Strongly believing in the vision and mission, Bank Asia tries to uphold and embrace it in every possible business context.

Vision ()



Mission (%)



Bank Asia is committed to establish high quality service, high standard of integrity with technology driven innovative service.

Core Values



Bank Asia plays an intermediary role between economic development and conservation of the environment.

Bank's vision, mission, strategic objective depicted on page no. 12 of this Annual Integrated Report 2022.

2.2 **Business Objectives and areas** of Business Focus

The Board of Directors of Bank Asia always set business objectives and areas for focus in consistent with market demand. Detail business objectives and areas of business focus depicted on page no. 123 of this Annual Integrated Report.

2.3 **Description of strategies to** achieve the company's business objectives

Bank Asia always formulate strategies and different action plan in the beginning of the year which are clearly aligned with banks mission, vision and business objectives. Detail strategies to achieve the bank's business objectives depicted on page no. 126-128 of this Annual Integrated Report.

AUDIT COMMITTEES

Bank Asia Limited has established an Audit Committee as a sub-committee of the Board of Directors in accordance with Bangladesh Bank BRPD Circular no. 11 dated Oct. 27, 2013, as well as related notifications and corporate governance codes from the Bangladesh Securities and Exchange Commission.

3.1 **Appointment and Composition** of Audit Committee

The audit committee of the Board of Bank Asia was established in January 2003 with the objectives of generating a platform for a compliant and secured banking. As per the

BSEC notification no BSEC/ CMRRCD/2006-158/207/ Admin/80 dated 3 June 2018, Audit Committee must consists of at least 3 (three) members with 1(one) Independent Director. All the members of Audit Committee should be selected from Directors and the Chairman must be an Independent Director.

Bank Asia's Audit Committee consists of 5 (five) members. All of them are non-executive directors from whom 3 of them are Independent Directors and the Company Secretary of the bank is the secretary of the Audit Committee. Mr. Dilwar H Choudhury, the Chairman of the audit committee is an Independent Director and all the members are knowledgeable in financial industry and have long experience in banking industry. More information about members of Audit Committee is available in the Director's Profile Page.



Composition of Audit Committee

- Total No. of Non Executive **Independent Directors**
- Total No. of Non Executive Directors

3.1.1 Chairman of the Audit Committee – an Independent Director

Mr. Dilwar H Choudhury, the Chairman of the Audit Committee is an Independent Non – Executive Director. He is a renowned banker and former Managing Director of IFIC Bank with having 4 decades of banking experience. More information about him is available in the Director's Profile Page no. 27 in Annual Integrated Report 2022.

3.1.2 Terms of Reference – Audit Committee

Financial Reporting

- Monitor the financial reporting process and ensure the integrity of the Bank's consolidated financial statements.
- Review the Bank's consolidated financial statements and any announcements relating to the Bank's financial performance prior to submission to the Board.
- Review the significant financial reporting issues and judgment to ensure the integrity of the statements

Internal Control

- Review the adequacy and effectiveness of internal controls. such as financial, operational, compliance and information technology controls, accounting policies and systems
- Approve changes to the Group Disclosure Policy

Internal Audit

- Review the adequacy and effectiveness of the Bank's internal audit function and processes, as well as ensure that Bank Audit is adequately resourced and set up to carry out its functions, including approving its budget.
- Oversee the Internal Audit.
- Review Bank Audit's plans, its effectiveness and the scope and results of audits.
- Approve the hiring, removal, resignation, evaluation and compensation of Head of Internal Audit.

External Audit

- Determine the criteria for selecting, monitoring and assessing the external auditor. Make recommendations to the Board on the proposals to shareholders on the appointment, re-appointment and removal of the external auditor and approve the remuneration and terms of engagement of the external auditor.
- Review the scope and results of the external audits and the independence and objectivity of the external auditor
- Review the assistance given by management to the external auditor

Related party transactions

Review all material related party transactions (including interested person transactions) and keep the Board informed of such transactions, and the findings and conclusions from its review

The Audit Committee has authority to investigate any matter within its terms of reference and has the full cooperation of and access to Management. It also has direct access to the internal and external auditors, who separately meet with the Audit Committee in the absence of Management at least once in every year. Besides formal meetings, the Audit Committee members meet among themselves and with the Finance team and the internal and external auditors as often as appropriate to be apprised of matters which are under review. Audit reports, findings and recommendations of the internal and external auditors are sent directly to the Audit Committee, independent of Management.

The Audit Committee reviews the quarterly and annual financial statements before recommending them to the Board for approval. In reviewing the financial statements, the Audit Committee assesses the accounting policies and practices applied and any judgment made that may have a significant impact on the financial statements.

3.1.3 Audit Committee comprises of Non-Executive Directors

All the members of the Audit Committee are Non – Executive Directors. No executive of Bank Asia is eligible to become a member of Audit Committee.

3.1.4 All members are suitably qualified and expertise in Finance and Accounting

All members of the audit committee are suitably qualified and all of them have expert knowledge of finance and accounting. All members of Audit Committee are very competent and come from a variety of educational backgrounds which brings a diversity and uniqueness in the committee.

3.1.5 Accessibility of Head of Internal Audit to the meeting of the Audit Committee

The Head of Internal Control and Compliance of Bank Asia Limited has direct access to the Audit Committee and he can raise any concern whenever required to Audit Committee.

3.1.6 Audit Committee meeting

The Audit Committee conducted 8 (Eight) meetings during the Year 2022. The attendance status of the meeting is given in **page no. 264** of the Annual Integrated Report 2022.

The number of Directors required to constitute a quorum is two. Of them one shall be Independent Director and Company Secretary shall act as the secretary of the committee.

3.2 Objectives and Activities of Audit Committee

Audit Committee of the Board has following objectives:

- Integrity of the financial statements and financial reporting systems and matters relating risks;
- External audit engagement, including the external auditor's qualifications, performance, independence and fees;
- Performance of the internal audit function:
- Financial reporting and compliance with prudential regulatory reporting. With reference to the Board Risk & Compliance Committee, this includes an oversight of regulatory and statutory reporting requirements; and
- Procedures for the receipt, retention and treatment of financial complaints, including accounting, internal controls or auditing matters, and
 the confidential reporting by employees of concerns regarding accounting or auditing matters.

3.2.1 Internal controls are well conceived, properly administered and satisfactorily monitored

The effectiveness of internal controls is continuously reviewed by the Audit Committee to ensure that they are working adequately and effectively. Audit Committee regularly evaluates the adequacy and effectiveness of the Bank's internal control systems by reviewing the actions taken on lapses/ deficiencies identified in reports prepared by Internal Control and Compliance Division. The Audit Committee also reviews ICCD's recommendations and management responses to these recommendations to ensure any lapses/deficiencies identified are being dealt with adequately and promptly.

3.2.2 Role to ensure compliance with laws, regulation

Bank Asia puts its best effort to remain compliant according to all banking laws and regulations including the regulatory reporting in due course. Being compliant, Bank Asia focuses to ensure sustainable business in the banking industry.

3.2.3 Audit Committee's involvement in the review of external audit function

On the basis of the proposal of the Audit Committee, the board of directors recommended Hoda Vasi Chowdhury & Co. Chartered Accountants, a Chartered Accountant firm in Bangladesh to the shareholders in 22th AGM to appoint them as statutory external auditors of the company for 2022. As per BRPD circular, the external auditors have provided their written assurance to the Bank in respect of their independence for FY 2022. In respect of fees, the details of the statutory audit and audit fees incurred for FY 2022 are set out under Note 42 on **page 375** of the Annual Report 2022. To ensure full disclosure of matters, the external auditors are regularly invited to attend the Audit Committee meetings as well as general meetings of the Bank.

3.2.4 Selection of appropriate accounting policies

The Board is also assisted by the Audit Committee in overseeing the financial reporting process and the quality of the Bank's financial statements to ensure that the Board dispenses with its fiduciary responsibility to present to the shareholders and the public at large, a clear, balanced and meaningful evaluation of the Bank's financial position, financial performance, and prospects. The Audit Committee is also tasked to review the appropriateness of the accounting policies applied by the Bank as well as the changes in these policies. Based on the Audit Committee's recommendations, the Board also ensures that the Bank's financial statements prepared for each financial year sets out a true and fair view in accordance with Bangladesh Financial Reporting Standards, International Financial Reporting Standards, and the requirements of the Companies Act, 1994 (amended up to 2020) and Bank Company Act 1991 (amended up to 2018).

3.2.5 Audit Committee involvement in interim financial statements

To comply BSEC Corporate Governance Code dated June 3, 2018, Audit Committee review along the management, the quarterly and half yearly financial statements before submission to the Board for approval.

3.2.6 Review of reliability of the management information used for such computation

Audit Committee expressed its satisfaction to the Board on the reliability of management information used for preparation of Financial Statements. Based on the Internal Audit Function and Statutory Auditor Observation Audit Committee review the reliability of information used for preparing such computation.

4. INTERNAL CONTROL AND RISK MANAGEMENT

The Board of Directors of Bank Asia believes that internal controls are in place throughout the Bank to ensure compliance with all relevant laws, regulations, and policies, as well as to provide confidence to the public. This integrated report contains additional disclosures to the extent that there were significant control failures or weaknesses in 2022 that could be related to one or more separate events. The Board of Bank Asia is responsible for overseeing that the internal control system and the risk management practices of the Bank are regularly reviewed. This is to ensure that they can meet the changing and challenging environment in which the Bank operates.

4.1 Statement of director's responsibility to establish appropriate system of Internal Controls

Strong internal control systems can ensure long-term profitability and bank goals and objectives. Additionally, it contributes to compliance with rules, regulations, and policies as well as minimizing financial and reputational losses.

In order to ensure efficiency, effectiveness, reliability, timeliness, completeness, and compliance with applicable laws and regulations, the Board of Directors recognizes their responsibility for the Bank's internal control systems. Bank Asia follows the Bank Company Act, 1991 (amended to 2018) Section 15 (kha) & (ga) that provides for the Board of Directors to establish policies for the bank company, as well as for the management of risk, internal controls, and compliance to ensure that these policies are implemented.

4.2 Key features of Internal Control system and the monitoring techniques

The key elements of the internal control system established by the Board that provides effective governance and oversight of internal controls include:

Organization Structure

In order to maintain a strong control environment, the Board has established an organizational structure with clearly defined responsibilities, authority limits, and accountability aligned to business and operations requirements

Annual Business Plan and Budget

A business plan and budget are submitted to the Board for approval each year. The performance achievements are evaluated against the targeted results on a monthly basis in order to allow for timely responses and corrective actions to be taken in order to mitigate risks. On a regular basis, the Board reviews reports from the Management regarding key operating statistics and legal and regulatory issues. Additionally, the Board approves any changes or amendments to the Bank's policies

Risk Management Committee

The Board has delegated risk oversight to the Risk Management Committee (RMC). To identify, measure, monitor, manage, and control material risk components impacting the business, the committee formulates policies and frameworks. The Risk Management Committee monitors and evaluates the risk management system on an ongoing basis.

Written Control Policies

A written Annual Performance Agreement (APA) and Internal Control Policy (ICP) from Management are in place. The APA outlines the specific responsibilities of the various divisions/departments, Management, the Internal Audit Committee, and the Audit Committee of the Board pertaining to internal control. The ICP is to create awareness among all employees of internal control components and basic control policies.

4.3 Directors have reviewed the adequacy of the system of internal controls

Based on the internal controls established and maintained by the Bank, work performed by internal and external auditors, reviews performed by management and various Board Committees as well as with CEO and CFO assurance, the Board, with the concurrence of the Audit Committee, is of the opinion that the Bank's internal controls adequate and effective as at 31 December 2022 to address financial, operational, compliance risks and information technology risks which the Bank considers relevant and material to its operations. Details are in page no 244.

4.4 Identification of key risk Bank is exposed to both internally and externally

The Bank's Risk Inventory sets out the Bank's major risk categories and related subcategories to which the Bank's businesses and operations could be exposed. The Risk Inventory facilitates consistent risk identification and is the starting point in developing risk management strategies and processes. The Bank's major risk categories are: Strategic Risk; Credit Risk; Market Risk; Operational Risk; Model Risk; Insurance Risk; Liquidity Risk; Capital Adequacy Risk; Legal, Regulatory Compliance and Conduct Risk; and Reputational Risk.



4.4.1 Risk Culture

Risk culture at the Bank is based on the firm commitments of its Board of Directors, Chief Executive Officer (CEO), and Senior Management Team (SMT), as well as its vision, purpose, and shared commitments, which establish a "tone at the top". During the implementation of these governing objectives, the Bank seeks to foster the behaviors of its employees, so that a culture is developed where the only risks taken by employees are those that can be understood and managed by them. It is the Bank's risk culture that promotes accountability, and learning from past experiences. In addition, it promotes open communication and transparency about the Bank's risk-taking practices on all levels.

4.4.2 Risk Governance

There is a Risk Management Committee which is the highest decision-making body in terms of risk management in the organization. In order to manage the risks inherent in the operations level, this department is responsible for establishing, approving, and managing risk policies as well as master risk management plans.

In order to manage all possible risks comprehensively and systemically, the company has put in place and operates an advanced control system. It is the responsibility of the Board of Directors (BoD) of Bank Asia Limited to develop and implement the appropriate environment and systems for managing risks as part of the company's business strategy, as well as delegate some of its risk management authority and responsibilities to the Risk Management Committee.

4.4.3 Risk Management

The Risk Management function, headed by the Chief Risk Officer (CRO), provides independent oversight of enterprise-wide risk management, risk governance, and control including the setting of risk strategy and policy to manage risk in alignment with the Bank's risk appetite and business



strategy. Risk Management's primary objective is to support a comprehensive and proactive approach to risk management that promotes a strong risk culture. Risk Management works with the business segments and other corporate oversight functions to establish policies, standards, and limits that align with the Bank's risk appetite and monitors and reports on existing and emerging risks and compliance with the Bank's risk appetite.

4.4.4 Cyber and Information Risk

Cyber and information risks are increasing in pace with rapid technological development and the increased use of data in the banking industry. These risks involve not only technology but people, processes, systems, culture and physical surroundings and their complex nature means they are more challenging to assess and mitigate than traditional operational risks. The bank invests continuously in its security, and regular technical security updates and upgrades of systems and platforms are prioritized in order to strengthen resilience. During the year focus was on further strengthening governance and the framework for cyber and information security risk management.

4.4.5 IT Governance

Information Technology Governance forms an integral part of the Bank Asia Corporate Governance. It deals primarily with optimizing the linkage between Strategic Direction and Information Systems Management of the Bank. In this regard, implementation of the organizational structure with well-defined roles for the responsibility of information, business processes, applications, infrastructure, etc. generates value for our shareholders while mitigating the risks associated with incorrect deployment and use of Information Technology.

4.5 Strategies adopted by Bank Asia to manage and mitigate the risks

Bank Asia always pursues the industry's highest asset soundness level. To achieve this, Bank Asia always focuses on strengthening its crisis management ability in preparation for any spike of uncertainty in global financial markets and economic downside risks. Bank Asia plans to bolster weaknesses in certain sectors, while preemptively responding to the toughening of different regulations and other changes in the business environments at home and abroad. Bank Asia is able to manage the growth of loan assets up to a level where stable capital adequacy can be maintained. We also pursue an adequate degree of profitability based on risk tolerance level and manage exposures by size, industry, and product, in order to reduce credit concentration risks and balance our loan portfolio. Asset soundness is managed through the continued improvement of credit evaluation systems and loan screening processes. In particular, high-risk loans are managed through the identification of borrowers at potential risk based on a systematic credit risk assessment employing early-warning systems and regular or irregular auditing of borrowers' credit standing. However, details of the risk management strategies are described in page No. 152-169 of this Annual Integrated Report 2022.

5. ETHICS AND COMPLIANCE

In order to build trust between Bank Asia and different stakeholders, corporate integrity, ethical conduct, and accountability are fundamental requirements. The corporate culture of Bank Asia is embedded in its commitment to maintaining and upholding the highest standards of corporate governance, integrity, and ethical conduct, which is an integral part of the Bank's corporate governance processes.

5.1 Disclosure of statement of Ethics and values

Our Code provides a set of guiding principles to assist us in making the right decisions, ensuring as a Financial Institution we uphold the reputation of our institution as a compliant institution. Bank Asia's employees are committed to creating greater accountability, transparency, and trust with customers and the broader community. All employees of the Bank are committed to complying with the Code, which is fully supported by the Board and Senior Management. The complete Code of Conduct is available on **page no. 13 & 15** of the Annual Integrated Report 2022. It is designed to ensure that the Bank maintains high standards of corporate governance, integrity, and ethical conduct, which are integral to its corporate governance practices.

5.2 Dissemination of the statement of ethics and Business Practice

Bank Asia, as a custodian of public funds, has a responsibility to safeguard its integrity and credibility. Therefore, Bank Asia sets out clearly the code of ethics and conduct for its employees. The code stipulates the sound principles that will guide all employees in discharging their duties. It sets out the standards of good banking practice. For any new conduct related issues, Human Resources Division time to time circulate it to the employees of Bank Asia Limited.

5.2.1 Board's commitment to establishing high level of ethics and compliance

Bank Asia's Board of Directors has always been committed to establishing a high level of ethics and compliance among all employees of the Bank. The Board of Directors always encourages management so that every employee maintains a high ethical standard. The Board of Bank Asia also acknowledges its responsibility for ensuring that the bank's business activities are conducted in accordance with the highest standard of ethics and compliance.

5.2.2 Business Ethics and Practices for Employees

Bank Asia's employees have always been committed to uphold the highest standard of ethics and compliance according to the Bank's policy.

5.3 Board's commitment to establishing high level of ethics and compliance

Bank Asia's Board of Directors has always been committed to establishing a high level of ethics and compliance among all employees of the Bank. Board of Directors always encouraged management so that every employee maintains a high ethical standard. The Board of Bank Asia also acknowledge its responsibility for ensuring that the bank's business activities are conducted in accordance with the highest standard of ethics and compliance.

5.4 Establishment of Anti-Fraud program and whistle Banking Policy

5.4.1 Whistle- blowing policy

The Bank has in place a whistle-blowing policy which encourages all staff and members to raise genuine concerns or suspicions about possible improprieties in accounting, auditing, financial reporting or any other fraudulent activities. Procedures for handling of feedback/complaints received from customers and independent investigations to be conducted have been established.

5.4.2 Establishment of effective anti-fraud program and controls

The anti-fraud program helps Bank Asia to support its commitment to protecting revenue, reputation and other assets. Bank Asia established anti-fraud and anti-corruption program for the employee by conducting different trainings.

5.4.3 Accountability

The Board provides shareholders with quarterly and annual financial results. In presenting these statements, the Board aims to provide shareholders with a balanced and understandable assessment of the Bank's performance and position with a commentary at the date of announcement of the competitive conditions within the industry in which it operates. The Management provides all directors periodically with accounts and detailed reports on the Bank's financial performance and related matters prior to each Board meeting. The directors may at any time seek further information from and discuss with the Management on the Bank's operations and performance. Compliance Department with direct reporting line to the Risk Management Committee is set up to ensure compliance with legislative and regulatory requirements. The Board believes in conducting itself in ways that will deliver maximum sustainable value to all shareholders.

5.4.4 Avoiding conflict of interest

In Financial Institution like Bank, there exists high possibility of arising conflicts of interest between Board of Directors and the management of the company. To avoid such unwanted situation Bank Asia has separated the responsibility/authority of these two interest groups of the bank. To avoid conflict of interest and also to make accountable the bank has already taken the following measures:

- Loan to the directors is restricted subject to full filing certain terms and conditions of regulatory guidelines.
- If there is any related party transaction, the management discloses the matter in the Annual Report and it is also approved by the general shareholders in AGM.
- Executive committee of the Board can approve loan to anyone up to a limited portion.
- Audit committee regularly reviews the financial and other related statements and gives recommendation to the management regarding any changes in policy and also presents to the Board for further evaluation.
- Board of directors' approval is needed for loan re-scheduling.

5.4.5 Related Party Transaction

The Bank has in place policies and procedures governing related party transactions. The Board approves all related party transactions and ensures that these transactions with the Company are undertaken on an arm's length basis. The Audit Committee reviewed all material related party transactions and kept the Board informed of such transactions. During the year, the Company had collected deposits from its Directors and their related parties. No preferential treatment had been extended to the Directors and their related parties for these deposits. Details are given in page no. 375 of this AIR 2022.

5.4.6 Confidential Information

Bank Asia is committed to making information about its operation available to the public. Though there are some price sensitive information are related with the operation of the Bank. Until an announcement in relation to such information is made, directors and all employees of the Bank must ensure that such information is kept strictly confidential.

5.4.7 Insider Trading

Insider trading is the trading of a public company's stock or other securities (such as bonds or stock options) by individuals with access to nonpublic information about the company. The reason insider trading is illegal is because it gives the insider an unfair advantage in the market, puts the interests of the insider above those to whom he or she owes a fiduciary duty, and allows an insider to artificially influence the value of a company's stocks. The Board member shall also not pass such information to someone who buy or sell securities. Accordingly, Bank Asia's Board designed the Code of Conduct for all the members of the Board and abide by the code of integrity and good governance in line with the National Integrity Strategy of Bangladesh.

5.5 Code of Conduct for Employees

Bank Asia believes in working and growing together to deliver utmost satisfaction to customers in terms of service by inducing fellow feeling in the workplace and upholding ethics and compliance. The detailed code of conduct of employees is illustrated in page no. 13 of Integrated Annual Report 2022.

6. REMUNERATION COMMITTEE

6.1 Charter of Remuneration Committee

As per Bangladesh Bank BRPD Circular no. 11 dated October 27, 2013, every bank has to form three committees in addition to the Board of Directors i.e. 1 (one) executive committee, 1(one) audit committee and 1(one) risk management committee. The mentioned circular is also restricted to form any other permanent, temporary or sub- committee except the above mentioned three committees. As such, the Bank did not form any remuneration committee or other board committee on a permanent basis. Board has approved a policy for yearly remuneration increase for its staff and acknowledgment of performing employees. Accordingly, management has placed policy before the board on a regular basis.

6.2 Composition of Remuneration Committee

At the management level, the Managing Director, Head of the Human Resources Division, and Chief Financial Officer are charged with governance of compensation and remuneration. In most cases, they make a proposal to the Board that is reviewed and validated by a special policy committee of the Board. After incorporating their recommendations, compensation/remuneration decisions are approved by the Board. The main work includes presenting recommendations to the Board regarding remuneration, Management compensation packages, incentive schemes, and retirement benefits. They also assist the Board of Directors to ensure that all employees are remunerated fairly and get performance-based compensation by ensuring effective remuneration policies; procedures and practices aligned with the Banks' strategy and applied consistently for all employee levels. On a need basis, the President and Managing Director, Senior Management, Head of the Human Resources Division, and Chief Financial Officer meet to oversee the remuneration policy.

6.3 Key policies with regard to remuneration of directors, senior management and employees

6.3.1 Key policies with regard to remuneration of directors

With reference from Bangladesh Bank Circular directors are only entitled to the remuneration for attending the meeting of the board and its subcommittee. For attending the Board Meeting, Audit Committee Meeting, Executive Committee Meeting and Risk Management Committee Meeting, the Directors receive an honorarium. Details of remuneration of directors are included in page No. 370 of AIR 2022.

6.3.2 Key policies with regard to remuneration of senior management and employees

The remuneration of senior management is market oriented in order to attract and motivate skilled employees. The total remuneration package to senior management includes basic pay, allowance, retirement benefits (Gratuity and Provident Fund) and other benefits as per bank's policy. Executives are also paid a yearly performance bonus determined based on the performance of the company and executive's personal area of responsibility and yearly established target.

6.4 Number of meeting of Remuneration Committee

For finalization of the salary and increment several meetings of the HR committee were held in 2022.

6.5 Remuneration of directors, chairman, chief executives and senior executives

6.5.1 Chairman and directors

During 2022, the expenditures incurred related to directors were Tk. 3,024,000 for Directors' honorarium. Details are in page no. 370.

6.5.2 President and Managing Director

Total remuneration to President and Managing Director for the year 2022 is Tk. 18,854,125 and in the year 2021 it was Tk. 20,401,265. Details are in page no. 370

6.5.3 Remuneration of Senior Executives

Bank Asia set remuneration policy and always update it accordingly. Remuneration for senior executives in market-based and competitive in order to attract, motivate and retain skilled and competent employees.

7. HUMAN CAPITAL

Training, development, health, and support are always regarded by Bank Asia as investments, not expenses. As a value-driven organization, Bank Asia views its employees as the most valuable capital that contributes to realizing the bank's mission, vision, goals, and objectives.

7.1 Human Resource Policy

The Human Resource policy of Bank Asia serves as a baseline with clarity on the philosophy and principles for Human Resource Management Policy and Development in Bank Asia. It incorporates key principles and philosophies that support Bank Asia's Mission and Vision. The Human Resource Policy consists of a set of policies and guidelines that governs all aspects of human resource management, from talent acquisition and development,

performance and consequence management, code of conduct to cessation of employment. A Disciplinary Policy is also established to provide for a structure where disciplinary matters are dealt with fairly, consistently and in line with the prevailing labor laws and employment regulations.

Detail of Human Resource related activities are included in page no. 220-224 of this AIR 2022.

7.1.1 Talent Management

Bank Asia is a responsible employer that believes in the welfare of its employees and focuses on their career trajectory so it encourages its employees to undertake continuing education and training to develop and maintain the skills and knowledge needed to perform their roles effectively, including by participating in workshops held throughout the year, attending relevant site visits and undertaking relevant external education.

7.1.2 SUCCESSION PLANNING

For the recruitment and selection process of potential candidates, it is important to review Bank Asia's Talent Pool and secure the curricula vitae of prospective candidates discreetly from various internal and external sources to ensure that the Bank Asia always has a steady pool of talent for selection whenever there is a need to appoint employees. Relevant training and exposure is provided to its employees to prepare them for a higher role so that in-house employees are prioritized and included throughout the growth of the organization.

7.1.3 Performance Review

Bank Asia believes that the performance of its employees should be reassessed from time to time to meet the company's long-term goals and objectives and to ensure that the knowledge, experience, and skillset of its employees would be well suited to meet the demands of the everchanging financial industry. Some key metrics are in place to evaluate the performance of the employees which include: meeting financial target, increasing customer base, punctuality and presence etc.

7.2 Human Resource Accounting

Human Resource accounting is the process of recognizing the value of a company's investment to its employees and reporting the investments in the balance sheet which is currently accounted as a simple operational expense in the traditional accounting practices that dealt with only physical asset creation. Unlike this traditional concept, in HR accounting the investments made in human resources are viewed as a capital expenditure because of the benefits that can be enjoyed for a long period of time and measured in monetary terms. HR accounting provides valuable information to the investors who are interested to make long term investment in the company.

Bank Asia reported the total value of Human Capital to be Tk. 35,771 million in the year 2022 compared to Tk. 23,043 million in the year 2021 using Present Value of Future Earning Model (Lev &Schwartz) which discounts total benefits payable to employees with the assumption of minimum expected earnings from the year mentioned up to respective retirement.

Balance Sheet including Human Capital

Particulars	31-Dec-22	31-Dec-21
Total Asset (Conventional)	468,401	438,293
Human Asset (Individuals' value)	35,754	23,037
Value of investments	17	6
Total Asset including Human Asset	504,172	461,330
Capital & liabilities		
Total Liabilities (Conventional)	468,400	438,293
Human Capital	35,771	23,037
Total Capital & Liabilities including Human capital	504,172	461,330

7.3 Organizational Chart

Bank Asia's organizational chart outlines the internal structure of the Company. It emphasizes on the roles, responsibilities and relationships between individuals within the Company. It is used to illustrate the structure of Bank Asia as a whole as well as the Company segregated by divisions and departments

The organizational chart is shown on page no. 19 of this annual integrated report.

8. COMMUNICATION TO SHAREHOLDERS AND STAKEHOLDERS

Bank Asia always acknowledges the importance of an effective, transparent and regular communication with its stakeholders, institutional investors to provide a clear picture of the Bank's performance and position. Bank Asia is always committed in maintaining high standards in the dissemination of relevant and material information to its all stakeholders.

8.1 Strategy to facilitate effective communication with shareholder and other stakeholders

8.1.1 Communication through quarterly/annual report

Bank Asia's investor engagement efforts focus on building confidence and maintaining strong, transparent relationships with stakeholders. Quarterly unaudited financial results and the annual audited financial statements of the Bank are published in the newspaper and other electronic means to make communication with the stakeholders

8.1.2 Communication through AGM

Bank Asia treats all shareholders fairly and equitably and discloses all material information relating to the Bank in a timely manner. The Bank encourages and supports shareholder attendance at general meetings and participation in decisions concerning key corporate changes, such as any amendment to the Bank's Constitution and the authority to issue ordinary shares. A notice of a general meeting, related information and a proxy form are sent to shareholders within the statutory timeline of at least 21 days before the meeting. The notice of meeting is also advertised in two widely-read newspapers. In addition, the notice and the proxy form are published on the Bank Asia's website.

8.1.3 Communication through Digital Platform

Bank's corporate website https://www.bankasia-bd.com/, facebook page provides a brief description of its history, current operations and strategy, as well as an archive of news and historical financial information of the Bank. Bank also ensure on time disclosures as required by Bangladesh Bank, Bangladesh Securities and Exchange Commission (BSEC)

8.1.4 Communication through newspaper & TV media

Bank Asia Limited publishes its Price Sensitive Information (PSI), awareness campaigns, award giving ceremonies through newspaper and TV media.

8.2 Policy on ensuring participation of Shareholders in AGM

Bank Asia's AGM is another significant avenue of communication and dialogue with shareholders in general meeting. During AGM the Board as well as management present a comprehensive review of the bank's performance as well as current developments or update on the Bank.

The Bank strongly encourages and supports shareholder participation at its AGM. The Bank sends out the Notice at least 21 days before the AGM which provide ample time for shareholders to receive and review the Notice and reply with their attendance. The Bank holds the AGM at a central location with convenient access to public transportation. A registered shareholder who is unable to attend may choose to appoint one proxy to attend and vote on his behalf. As the authentication of shareholder identity information and the integrity of the information transmitted still remain a concern, the Bank has decided, for the time being, not to implement voting in absentia by mail, email or fax. Shareholders are allowed to speak in the AGM freely to give their valuable suggestions. Details are included in page no. 71

8.2.1 Hybrid AGM

On April 04, 2022 Bank Asia notify the shareholders that 23rd AGM will be held at Convention Hall, Bank Asia Tower, 32 & 34, Kazi Nazrul Islam Avenue, Karwan bazar, Dhaka as on April 28, 2022. In view of the Post — Covid 19 situation, 23rd AGM were held by electronic means. Shareholders were invited to participate in the virtual 2022 AGM by (a) observing and/or listening to the AGM proceedings via live audio-visual webcast (b) submitting questions in advance of the 23rd AGM. The Chairman and President and Managing Director were present in person at the virtual 23rd AGM proceedings, while the rest of the Directors joined the AGM by way of video conference.

8.2.1 Uphold Shareholder Right

Bank Asia advocates fair and equitable treatment to all shareholders. All price-sensitive information is timely disclosed publicly. Shareholders are given the opportunity to participate effectively in and vote at general meetings of shareholders and they are informed of the rules, including voting rights and procedure that governs such general meetings of shareholders. Shareholders are entitled to attend and vote at the AGM by person or proxy.

8.2.2 Redressed of Shareholders Complaints

Any complaint, received at AGM or throughout the year, related to transfer and transmission of shares, non-receipt of Annual Reports, and dividend timely and other share related matter is resolved lawfully in time. Details are included in **page no. 234-237** of this AIR 2022.

9. ENVIRONMENT AND SOCIAL OBLIGATION

9.1 Policies and practices relating to social and environmental responsibility of Bank Asia Limited

As part of Bank Asia's responsibility to give back to society, it is always committed to advocating the practice of good environmental practices. As part of its CSR program, Bank Asia carefully planned activities to support the varying social needs of the community and to stimulate the involvement of employees in the program. General description of Bank's policies and practices relating to social and environmental responsibility of Bank Asia Limited are described in page no. 226-228, 230-232

9.1.1 Policies and Practices relating to Social Responsibility of Bank Asia Limited

The importance of doing things for the betterment of society has always been one of the foundations of what we do as responsible corporate citizens. BANK ASIA places a high priority on social values that will benefit the citizens of the country in the long run. As part of the program, it supports healthcare, education, arts, and culture for disadvantaged segments of the population.

9.1.2 Policies and Practices relating to Environmental Responsibility of Bank Asia Limited

For a safe, resilient, and sustainable environment for the people of the country in times of adversity and disaster, as well as to support the people of the country in rebuilding their lives and livelihoods, Bank Asia provides support to the society under disaster management and infrastructure development programs.

9.2 Bank Asia's Disclosure of specific activities undertaken by the entity in pursuance of these policies and practices Bank Asia as a socially committed organization has taken several initiatives related with social and environmental responsibilities. It plays an active role in making a sustainable and green economy. Bank Asia as a socially committed organization has taken several initiatives related with social and

environmental responsibilities which are described in page no. 214 & 230 of this AIR 2022.

9.2.1 Activities Undertaken on Social Responsibility

As a responsible corporate citizen we understand the need to invest in the society we operate in for bringing about challenges that impact lives in positive ways. Keeping this thing in mind, Bank Asia spent an overall Tk.237.48 million. Bank Asia donated-

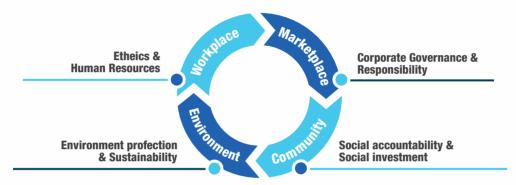
- Tk.100 million to PM's Relief and Welfare Fund for the flood affected people.
- Tk.47 million on health sector
- Tk.15.63 million on education sector
- Tk.17 million on Sports & cultural sector

9.2.2 Activities Undertaken on Environmental Responsibility

Bank Asia's Sustainable Finance Unit has restructured and expanded in order to promote green initiatives within the institution and to make Bank Asia a greener bank. Over the last few years, the company has been working to improve energy efficiency throughout its network of banking centers, reducing costs as well as reducing emissions, consumption, and waste in the process.

In 2022, Bank Asia donated-

- Tk. 2,707 million in renewable energy
- Tk. 1.210 million under liquid waste management
- Tk. 532 million under Green/Environment friendly establishment
- Tk. 513 million under energy & resource efficiency
- Tk. 346 million on environment friendly brick production and
- Tk. 301 Green agriculture



Bank Asia has not faced any penalties for non-compliance with applicable laws and regulations concerning the impacts of its operations on communities.

9.3 Sustainability Reporting

Bank Asia is the first Bank in Bangladesh which has the pride to publish GRI Certified Sustainability Report. Since 2012 Bank Asia has been publishing Sustainability Report as per GRI standard content index. Sustainability Reporting discloses how business impacts are the social, environmental and economic aspect of the surroundings. It also includes the aspect of Corporate Governance with importance.

Like the previous year, Bank Asia has published Sustainability Report and awarded 'Gold Rank' in Asia Sustainability Reporting Rating 2022 by NCSR (National Centre for Sustainability Reporting) and ICSP (Institute of Certified Sustainability Practitioners) in Indonesia for sustainability report 2021.

In 2022, Bank Asia published sustainability report 2021 by addressing a serious issue 'Rising Temperature'. Details of this report are available in Bank's website.

CERTIFICATE AND COMPLIANCE CHECKLIST

Certificate on compliance of Corporate Governance Certificate from professional accountant on compliance of corporate governance is exhibited in page no. 213 of the Annual Integrated Report 2022.

BSEC compliance for Chief Executive Officer and Chief Financial Officer's Statements of Responsibilities

Chief Executive Officers and Chief Financial Officer Statement in line with BSEC notification is given in page no. 245.

Status of compliance in line with Bangladesh Securities and Exchange Commission (BSEC) regulation

Status of compliance with the conditions imposed by the Commission's Notification No.BSEC/CMRRCD/2006-158/207/Admin/80, dated 03 June, 2018 issued under section 2CC of the Securities and Exchange Ordinance, 1969: (Report under Condition No. 7.00) is exhibited in a separate segment page no. 271-280.

Status of compliance in line with Bangladesh Bank regulation

Status of compliance in line with Bangladesh Bank regulation is given in page no. 283-293.

Committee Meeting

Board meeting held in 2022

Statement of Board meetings held and the attendance of Directors from 01.01.2022 to 31.12.2022: 20

SI No.	Name	Total Board meeting held	No. of meeting attended	No. of meeting absent	Remarks
1.	Mr. Romo Rouf Chowdhury	20	15	5	
2.	Mr. Mohd. Safwan Choudhury	20	15	5	
3.	Mr. A. Rouf Chowdhury	20	5	15	
4.	Mr. Rumee A Hossain	20	16	4	
5.	Mr. M. A. Baqui Khalily	20	14	6	
6.	Ms. Hosneara Sinha	20	-	20	
7.	Ms. Naheed Akhter Sinha	20	2	18	
8.	Ms. Romana Rouf Chowdhury	20	18	2	
9.	Mr. Ashraful Haq Chowdhury	20	17	3	
10.	Mr. Dilwar H Choudhury	20	18	2	
11.	Major General Mohammad Mati- ur Rahman (retd.)	5	5	-	Up to 28.04.2022
12.	Mr. Enam Chowdhury	20	20	-	
13.	Ms. Farhana Haq	20	4	16	
14.	Mr. Md. Abul Quasem	20	20	-	
15.	Mr. Helal Ahmed Chowdhury	20	16	4	
16.	Ms. Tania Nusrat Zaman	20	20	-	
17.	Mr. Nafees Khundker	20	18	2	

The Board has granted leave of absence against the absentee directors of the meeting.

Executive Committee (EC) meeting held in 2022

Statement of Executive Committee (EC) meetings held and the attendance of Directors from 01.01.2022 to 31.12.2022: 45

SI No.	Name	Total EC meeting held	No. of meeting Attended	No. of meeting absent	Remarks
1.	Mr. Rumee A Hossain	45	37	8	
2.	Mr. A. Rouf Chowdhury	45	13	32	
3.	Mr. Romo Rouf Chowdhury	45	1	44	
4.	Ms. Romana Rouf Chowdhury	45	39	6	
5.	Mr. Enam Chowdhury	45	39	6	
6.	Mr. Md. Abul Quasem	45	44	1	
7.	Mr. Helal Ahmed Chowdhury	45	45	-	

The EC has granted leave of absence against the absentee directors of the meeting.

Audit Committee (AC) meeting held in 2022

Statement of Audit Committee meetings held and the attendance of Directors from 01.01.2022 to 31.12.2022: 8

SI No.	Name	Total Audit meeting held	No. of meeting attended	No. of meeting absent	Remarks
1.	Mr. Dilwar H Choudhury	8	8	-	
2.	Mr. Mohd. Safwan Choudhury	8	5	3	
3.	Mr. Ashraful Haq Chowdhury	8	8	-	
4.	Major General Mohammad Matiur Rahman (retd.)	3	3	-	Up to 28.04.2022
5.	Mr. M. A. Baqui Khalily	8	8	-	
5	Ms. Tania Nusrat Zaman	2	2	-	From 17.08.2022

The Audit Committee has granted leave of absence against the absentee directors of the meeting.

Risk Management Committee meeting held in 2022

Statement of Risk Management Committee meetings held and the attendance of Directors from 01.01.2022 to 31.12.2022: 4

SI No.	Name	Total Board meeting held	No. of meeting attended	No. of meeting absent	Remarks
1.	Mr. M. A. Baqui Khalily	5	5	0	
2.	Mr. Romo Rouf Chowdhury	3	-	3	Up to 28.04.2022
3.	Mr. Rumee A Hossain	5	4	1	
4.	Ms. Romana Rouf Chowdhury	5	5	0	
5.	Mr. Enam Chowdhury	5	5	0	
6	Ms. Tania Nusrat Zaman	2	2	0	From 17.08.2022

The Risk Management Committee has granted leave of absence against the absentee directors of the meeting.

Shareholding Structure

At the end of the year 2022, the shareholding structure of Bank Asia Limited was as follows:

Category	No. of shareholders as on 31-12-2022	" Total No. of shares as on 31-12-2022 "	"% of total holdings as on 31-12-2022"
Sponsors & Directors	26	622,067,148	53.35
General Public	7,002	123,526,402	10.60
Foreign Investments	1	2,426,906	0.21
Investment Companies	89	111,733,939	9.58
Institutions	161	304,842,383	26.15
Non Resident Bangladeshi	48	1,310,082	0.11
Total	7,327	1,165,906,860	100.00



Sponsor & Director **53.35%**General Public **10.60%**Foreign Investments **0.21%**Investment Companies **9.58%**Institutions **26.15%**Non Resident Bangladeshi **0.11%**

Classification of shareholders by holding as on 31.12.2022

Holding	"No.of shareholders as on 31-12-2022"	" % of total holdings as on 31-12-2022 "	Shares
less than 5000	5,709	0.52	6,073,115
5000 to 50000	1,303	1.57	18,308,335
50001 to 100000	89	0.56	6,496,262
100001 to 200000	49	0.59	6,906,326
200001 to 300000	23	0.50	5,862,787
300001 to 400000	16	0.48	5,611,274
400001 to 500000	7	0.27	3,131,046
500001 to 1000000	35	2.17	25,307,833
1000001 to 10000000	68	21.83	254,547,563
over 10000000	28	71.50	833,662,319
TOTAL	7,327	100.00	1,165,906,860

Pattern of Shareholding

Breakup of shareholding pattern as per clause 1.5 (xxi) of Bangladesh Securities and Exchange Commission notification no. SEC/CMRRCD/2006-158/134/Admin/44 dated 07 August 2012 issued under Section 2CC of the Securities and Exchange Ordinance, 1969, is as follows:

a) Parent/Subsidiary/Associated companies and other related parties (name wise details):

SI No.	Name of the Company	Shareholding Structure
1	Bank Asia Securities Limited	99.997% owned by Bank Asia
2	BA Exchange Company (UK) Limited	100% owned by Bank Asia
3	BA Express USA Inc.	100% owned by Bank Asia

b) Directors, Chief Executive Officer, Chief Financial Officer, Head of Internal Audit, Company Secretary and their spouse and minor children (name wise details):

SI. No.	Name of The Directors	NO. OF SHARES HELD AS ON 31-12-2022
1	MR. ROMO ROUF CHOWDHURY	23,323,746
2	MR.MOHD.SAFWAN CHOUDHURY (REPRESENTING PHULBARI TEA ESTATES LTD.)	45,666,246
3	MR. A. ROUF CHOWDHURY	23,350,148
4	MR. RUMEE A. HOSSAIN	36,216,554
5	MS. HOSNEARA SINHA AND HER SPOUSE	61,981,738
6	MS. NAHEED AKHTER SINHA AND HER SPOUSE	63,499,543
7	MS. ROMANA ROUF CHOWDHURY (REPRESENTING MAYA LIMITED)	41,679,196
8	MS. FARHANA HAQ	58,230,519
9	MR.ENAM CHOWDHURY (REPRESENTING ZEST POLYMERS LIMITED)	25,959,122
10	MS. TANIA NUSRAT ZAMAN (REPRESENTING AMIRAN GENERATIONS LIMITED)	47,558,630
11	MR. NAFEES KHUNDKER AND HIS SPOUSE	48,103,618
12	MR. DILWAR H CHOUDHURY (INDEPENDENT DIRECTOR)	NIL
13	MR. ASHRAFUL HAQ CHOWDHURY (INDEPENDENT DIRECTOR)	NIL
14	MR. MD. ABUL QUASEM (INDEPENDENT DIRECTOR)	NIL
15	MR. M. A. BAQUI KHALILY (INDEPENDENT DIRECTOR)	NIL
16	MR. HELAL AHMED CHOWDHURY (INDEPENDENT DIRECTOR)	NIL
	Total	475,569,060

b.1) Chief Executive Officer, Chief Financial Officer, Head of Internal Audit, Company Secretary and their spouse

1	CHIEF EXECUTIVE OFFICER	NIL
2	COMPANY SECRETARY	NIL
3	CHIEF FINANCIAL OFFICER	NIL
4	HEAD OF ICCD	NIL

c) Executives

1	1 Mr. Shafiuzzaman	NIL
2	2 MR. MD. SAZZAD HOSSAIN	50,000
3	3 MR. MOHAMMAD ZIAUL HASAN MOLLA	23,000
4	4 MR. TANFIZ HOSSAIN CHOWDHURY	NIL
5	5 MR. HOSSAIN AHMED	NIL

Shareholders holding ten percent (10%) or more voting interest in the company: Nil

BANK ASIA DIVIDEND DISTRIBUTION POLICY

Bank Asia Limited has formulated a dividend distribution policy in line with the Directive No. BSEC/CMRRCD/2021-386/03 dated January 14, 2021 of the Bangladesh Securities and Exchange Commission (BSEC).

DISTRIBUTION TIME

Bank Asia Limited shall pay off the annual or final dividend to the entitled shareholder within 30 (thirty) days of approval. Provided that interim dividend shall be paid off to the entitled shareholder within 30 (thirty) days of record date.

CASH DIVIDEND

Cash dividend shall be distributed in the following manner and procedures, namely:-

- i) Within 10 (ten) days of declaration of cash dividend by the board of directors, an amount equivalent to the declared cash dividend payable for the concerned year shall be kept in a separate bank account of Bank Asia Limited, dedicated for this purpose;
- ii) Bank Asia Limited shall pay off cash dividend directly to the bank account of the entitled shareholder as available in the Beneficiary Owner (BO) account maintained with the depository participant (DP), or the bank account as provided by the shareholder in paper form, through Bangladesh Electronic Funds Transfer Network (BEFTN):
 - Provided that Bank Asia Limited may pay off such cash dividend through bank transfer or any electronic payment system as recognized by the Bangladesh Bank, if not possible to pay off through BEFTN;
- Bank Asia Limited, upon receiving the claim on cash dividend from a stock broker or a merchant banker or a portfolio manager for the margin client or customer who has debit balance or margin loan, or as per intention of the client of stock broker or merchant banker or portfolio manager, shall pay off such cash dividend to the Consolidated Customers' Bank Account (CCBA) of the stock broker or to the separate bank account of the merchant banker or portfolio manager through BEFTN:
 - Provided that upon receiving the cash dividend, the stock broker or merchant banker or portfolio manager shall immediately account for such dividend in the individual client's portfolio account:

Provided further that the stock broker or merchant banker or portfolio manager shall provide detailed information (e.g., BO account number,

code

- number, bank account number, intention, etc. of the client or customer including CCBA of stock broker or separate bank account of merchant banker or portfolio manager) to Bank Asia Limited for such claim:
- iv) Bank Asia Limited, in case of non-availability of bank account information or not possible to distribute cash dividend through BEFTN or any electronic payment system, shall issue cash dividend warrant and shall send it by post to the shareholder;
- v) Bank Asia Limited shall pay off cash dividend to non-resident sponsor, director, shareholder or foreign portfolio investor (FPI) through the security custodian in compliance with the rules or regulations in this regard;
- vi) Bank Asia Limited, immediately after disbursement of cash dividend and issuance of a certificate of tax deducted at source, if applicable, shall intimate to the shareholder through a short message service (SMS) to the mobile number or email address as provided in the BO account or as provided by the shareholder;
- vii) Bank Asia Limited shall maintain detailed information of unpaid or unclaimed dividend and rationale thereof, as per BO account number-wise or name-wise or folio number-wise of the shareholder; and shall also disclose the summary of aforesaid information in the annual report and shall also report in the statements of financial position (quarterly/annually) as a separate line item 'Unclaimed Dividend Account':
 - Provided that Bank Asia Limited shall publish the year-wise summary of its unpaid or unclaimed dividend in the website:
 - Provided further that any unpaid or unclaimed cash dividend including accrued interest (after adjustment of bank charge, if any) thereon, if remains, shall be transferred to a separate bank account of Bank Asia Limited as maintained for this purpose, within 1 (one) year from the date of declaration or approval or record date, as the case may be.

STOCK DIVIDENT

Bank Asia Limited shall credit stock dividend directly to the BO account or issue the bonus share certificate of the entitled shareholder, as applicable, within 30 (thirty) days of declaration or approval or record date, as the case may be, subject to clearance of the exchange(s) and the Central Depository Bangladesh Limited (CDBL);

Bank Asia Limited, the CDBL and the exchange(s) shall follow the provisions of প্রবিধান ৪৬ of the ডিপোজিটরি (ব্যবহারিক) প্রবিধানমালা, ২০০৩ for issuance of bonus shares:

Provided that Bank Asia Limited shall maintain a Suspense BO Account for undistributed or unclaimed stock dividend or bonus shares and shall also follow the under mentioned procedures for ensuring the rightful ownership:

- a) Bank Asia Limited shall send at least 3 (three) reminders to the entitled shareholder:
- b) The Suspense BO Account shall be held under Block Module and such undistributed or unclaimed stock dividend or bonus shares shall not be transferred in any manner except for the purpose of allotting the bonus shares as and when the allottee approaches to Bank Asia Limited:
 - Provided that any corporate benefit in terms of shares accrued on such undistributed or unclaimed stock dividend or bonus shares shall be credited to the Suspense BO Account.
- c) Bank Asia Limited shall, upon receiving application from the allottee and after proper verification of identity and his entitlement, credit the bonus shares lying with the Suspense BO Account to the BO account of the allottee, or issue bonus shares to the allottee, as applicable, within 15 (fifteen) days of receiving application with an intimation to the BSEC and the exchange(s);

 Any voting rights on such undistributed or unclaimed stock dividend or bonus shares shall remain suspended till the rightful ownership claim of the shareholder is established.

COMPLIANCE REPORT REGARDING DIVIDEND DISTRIBUTION

Bank Asia Limited shall submit a compliance report to the BSEC and the exchange(s) in a specified format at Annexure-A within 7 (seven) working days of completion of dividend distribution:

Provided that Bank Asia Limited shall publish the compliance report in its website.

FORFEITURE OF UNCLAIMED CASH OR STOCK DIVIDEND

Bank Asia Limited shall not forfeit any unclaimed cash dividend or stock dividend till the claim becomes barred by the law of land in force.

TRANSFER TO THE FUND FOR UNPAID OR UNCLAIMED OR UNSETTLED CASH DIVIDEND

If any cash dividend remains unpaid or unclaimed or unsettled including accrued interest (after adjustment of bank charge, if any) thereon for a period of 3 (three) years from the date of declaration or approval or record date, as the case may be, shall be transferred by Bank Asia Limited to the Fund as directed or prescribed by the BSEC:

Provided that Bank Asia Limited shall provide detailed information to the manager of the Fund during transfer of cash dividend as directed or prescribed by the BSEC:

Provided further that if any shareholder claims his cash dividend after transfer of such dividend to the Fund, within 15 (fifteen) days of receiving such claim, Bank Asia Limited shall, after proper verification of the claim, recommend to the manager of the Fund to pay off such dividend from the Fund and the manager of the Fund shall pay off such cash dividend to the claimant in accordance with the provisions and procedures as directed or prescribed by the BSEC.

TRANSFER TO THE FUND FOR UNPAID OR UNCLAIMED OR UNSETTLED STOCK DIVIDEND

If any stock dividend or bonus shares remains unclaimed or unsettled including corporate benefit in terms of bonus shares thereon for a period of 3 (three) years from the date of declaration or approval or record date, as the case may be, shall be transferred in dematerialized form to the BO Account of the Fund as mentioned above:

Provided that Bank Asia Limited shall provide detailed information to the manager of the Fund during transfer of stock dividend or bonus shares as directed or prescribed by the BSEC:

Provided further that if any shareholder claims his stock dividend or bonus shares after transfer of such dividend or bonus shares to the BO Account of the Fund, within 15 (fifteen) days of receiving such claim, Bank Asia Limited shall, after proper verification of the claim, recommend to the manager of the Fund to pay off or transfer such stock dividend or bonus shares from the BO Account of the Fund and the manager of the Fund shall pay off or transfer such stock dividend or bonus shares to the claimant's BO Account in accordance with the provisions and procedures as directed or prescribed by the BSEC.

MAINTAINING DETAIL INFORMATION OF THE SHAREHOLDER FOR THE PURPOSE OF PROPER DISTRIBUTION OF CASH DIVIDEND OR STOCK DIVIDEND

Bank Asia Limited, by itself or by appointing an agent, shall maintain detailed information of BO account, bank account, mobile phone number, email and address of the shareholder for the purpose of proper distribution of cash dividend or stock dividend:

Provided that Bank Asia Limited or its agent or the CDBL or its DP shall keep confidentiality of information:

Provided further that Bank Asia Limited shall collect detailed updated information on BO account, bank account, mobile number, email address and contact address of shareholder from the CDBL from time to time when needed for the purpose of proper distribution cash dividend or stock dividend and other compliances:

In case of holding paper shares, Bank Asia Limited shall update the information at least once in a year.

DISCLOSURE OF THE POLICY

This Policy shall be disclosed in the annual report and official website.

Statement of Unclaimed Dividend & Right Shares

as on Dec. 31, 2022

Cash Dividend

SL. No.	Year	Amount in Tk.
1	CASH DIVIDEND FOR THE YEAR 2005	528,594.30
2	CASH DIVIDEND FOR THE YEAR 2014	1,632,195.10
3	CASH DIVIDEND FOR THE YEAR 2015	3,512,889.41
4	CASH DIVIDEND FOR THE YEAR 2018	2,927,325.37
5	CASH DIVIDEND FOR THE YEAR 2019	5,809,384.70
6	CASH DIVIDEND FOR THE YEAR 2020	10,905,877.90
7	CASH DIVIDEND FOR THE YEAR 2021	13,408,164.80
TOTAL		37,092,236.48

Stock Dividend

SL. No	Year	No. of Shares
1	BANK ASIA LTD-BONUS-2006	139,170
2	BANK ASIA LTD-BONUS-2007	117,650
3	BANK ASIA LTD-BONUS-2008	234,350
4	BANK ASIA LTD-BONUS-2009	500,860
5	BANK ASIA LTDBONUS-2010	675,970
6	BANK ASIA LTDBONUS-2011	496,182
7	BANK ASIA LTD- BONUS-2012	315,547
8	BANK ASIA LTD-BONUS-2013	325,782
9	BANK ASIA LTD. BONUS-2014	360,522
10	BANK ASIA LTD. BONUS-2015	198,514
11	BANK ASIA LTD. BONUS-2016	500,752
12	BANK ASIA LTD. BONUS-2017	636,073
13	BANK ASIA LTD. BONUS-2018	270,969
14	BANK ASIA LTD. RIGHT-2011	56,010
TOTAL		4,828,351

Dividend Distribution Compliance Report

Under Clause (6) of the Directive No. BSEC/CMRRCD/2021-386/03, dated: 14/01/2021 Annexure-A

1	Name of the Issuer/Securities/Mutual Fund				
2	Particulars of Issuer DP				
2	Type of Dividend (Annual /Interim)	a) Annual □ b) Interim □		Intorim □	
3	(Put tick mark (a) on the recommended option)	a) AIII	iuai ⊔ U)	Interim □	
4	Whether audited or not for Interim Dividend	a) Aug	lited 🗆 b)	I looudited 🗆	
4	(Put tick mark (a) on the recommended option)	a) Auc	lited □ b)	Jnaudited □	
5	Date of recommendation of Dividend by the Board of Directors/Trustee: (Enclose copy of PSI)				
6	Whether Dividend recommended other than directors or sponsors or any other classes	a) Yes □	b) No □		
	(Put tick mark (a) on the recommended option)				
7	Record date for entitlement				
8	Rate of Dividend recommended by the Board of Directors/Trustee				
9	Dividend recommended-Type	a) Caal	a) Cash □ b) Stock □		
9	(Put tick mark (a) on the recommended option)	a) oas			
10	Securities/mutual fund traded under which categories	(a) A □ (b) B □ (c) G □ (d) N □ (e) Z □			
10	(Put tick mark (a) on the recommended option)	(a) A □ (b			
11	Date of transfer to a separate bank account (PIs. mention bank details) or provisional credit of shares/units by CDBL				
12	Date of approval of Dividend at AGM				
13	Rate of Dividend approved at ACM- details at Annexure, (if any change)				
14	Date of commencement of disbursement of Cash and Stock Dividend				
15	Mode of disbursement of Cash Dividend	a) BEFTN	□ b) Bank Transfer	□ c) MFS □	
10	(Put tick mark (a) on the recommended option)	d) Dividend	Warrant □ e) Any	other mode $\ \square$	
16	Date of completion of disbursement of Cash Dividend and Stock Dividend [Enclose Bank statements and Corporate Action Processing Report (DP 70)]				
17	Paid-up-capital of the issuer-before corporate action/entitlement	TK-			
18	Numbers of securities/shares outstanding-before corporate action/entitleme	nt:			
19	Total cash in taka or stock (nos. shares) dividend as per corporate declaration				
20	Distribution/Disbursement details of Cash & Stock Dividend:	Cash (Tk)	Stock.(nos)	Annexures	

A. Mode of Dividend payment/credit for the concerned year:						
a) through BEFTN or directly credited to respective BO						
b) through Bank Transfer other than entitled BO-Margin loan						
c) through Bank Transfer						
d) through Mobile Financial Service (MFS)						
e) through any other mode as approved by Bangladesh Bank						
f) through transfer to Suspense Account for dematerialized Shares (BO wise detailed with reason should be maintained and submitted)						
g) through issuance of Dividend Warrant or issue of shares to Suspense Account for non-dematerialized securities						
21 Total Dividend paid/credited for the concerned year						
22 Total unpaid/undistributed Dividend/accrued during the period (20-21)						
Total unpaid/undistributed Dividend/accrued as on 1st day of Accounting year (as per Audited Accounts)						
Transfer to Suspense Account for Demate Shares or any other reasons during the concerned year						
A. Mode of Dividend Receipts/payment/credit for the previous years:						
a) through BEFTN or directly credited to respective BO						
b) through Bank Transfer						
e) through Mobile Financial Service (MFS)						
d) through any other mode as approved by Bangladesh Bank						
e) through transfer to/from Suspense Account for Demate Shares or any other reasons						
1) through issuance of Dividend Warrant or issue of shares to Suspense Account for non-dematerialized securities/shares/units						
g) transfer of cash or stocks to the Fund as prescribed or directed by Commission after 3 years or forfeit of share to Suspense Account for non-dematerialized securities						
25 Total Dividend paid/credited for previous years:						
Total unpaid/undistributed Dividend for previous years (23+24-25) Taka/ Nos						
27 Grand Total of unpaid/undistributed Dividend (22+26)						
Aging of grand Total of unpaid/undistributed Dividend for previous years:						
More than 3 years; balance						
More than 4 years; balance						
More than 5 years & above; balance						
Total of unpaid/undistributed Dividend for previous years						
(Supporting bank statements and balances of securities with the Depository)						
***	Note: Issuer shall maintain BO wise detailed information for all transfers/credit to suspended Accounts					
	ended Accounts					

Corporate Governance Compliance Checklist in line with Bangladesh Securities and Exchange Commission (BSEC) Regulation

For the year ended 31st December 2022

Status of compliance with the conditions imposed by the Commission's Notification No.BSEC/CMRRCD/2006-158/207/Admin/80, dated 03 June 2018 issued under section 2CC of the Securities and Exchange Ordinance, 1969:

(Report under Condition No. 9.00)

Condition	Title	Compliance Status (Put $\sqrt{\ }$ in the appropriate column)	Remarks (IF ANY)	
No.	nue	Complied	Not Complied	nemarks (if ANT)
1	Board of Directors.			
1(1)	Size of the Board of Directors			
	The total number of members of a company's Board of Directors (hereinafter referred to as "Board") shall not to be less than 5 (five) and more than 20 (twenty).	V		The Board of Bank Asia Limited is comprised of 17 Directors including Managing Director.
1(2)	Independent Directors			
1(2)(a)	At least one fifth (1/5) of the total number of directors in the company's board shall be independent directors; any fraction shall be considered to the next integer or whole number for calculating number of independent director(s);	V		05 out of 16 directors are appointed as Independent 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 shares of the company;	$\sqrt{}$		Does not hold any share of the Company
1(2)(b)(ii)	Who is not a sponsor of the company and is not connected with the company's any sponsor or director or nominated director or shareholder of the company or any of its asscoiates, 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:	V		The Independent Directors have declared their compliances.
1 (2)(b)(iii)	Who has not been an executive of the company in immediately preceding 2 (two) financial years;	V		-
1(2)(b)(iv)	Who does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary or associated companies;	√		-
1(2)(b)(v)	Who is not a member or TREC (Trading Right Entitlement Certificate) holder, director or officer of any stock exchange;	V		-
1(2)(b)(vi)	Who is not a shareholder, director excepting independent direct or officer of any member or TREC holder of stock exchange or an intermediary of the capital market;	$\sqrt{}$		-
1(2)(b)(vii)	Who is not a partner or an executive or was not a partner or an executive during the preceding 3 (three) years of the concerned 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;	V		-
1(2)(b)(viii)	Who is not 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 or any advance to a bank or a Non-Bank Financial Institution (NBFI);	V		-
1(2)(b)(x)	Who has not been convicted for a criminal offence involving moral turpitude;	V		-
1(2)(c)	The independent director(s) shall be appointed by the board and approved by the shareholders in the Annual General Meeting (AGM);	V		-
1(2)(d)	The post of independent director(s) cannot remain vacant for more than 90 (ninety) days;	V		-

Condition	Title		e Status (Put √ opriate column)	Remarks (IF ANY)
No.	Title	Complied	Not Complied	nemarks (ii Aiti)
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.	V		-
1(3)	Qualification of Independent Director (ID)			
1(3)(a)	Independent director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial laws, regulatory requirements and corporate laws and can make meaningful contribution to the business.	V		-
1(3)(b)(i)	Business Leader who is or was a promoter or director of an unlisted company having minimum paid-up capital of Tk. 100.00 million or any listed company or a member of any national or international chamber of commerce or bussiness association;	-	-	N/A
1(3)(b)(ii)	Corporate Leader who is or was a top level executive not lower than Chief Executive officer or Managing Director or Deputy Managing Director or Chief Financial Officer or Head of Finance or Accounts or Company Secretary or Head of Internal Audit and Compliance or Head of Legal Service or a candidate with equivalent position of an unlisted company having minimum paid up capital of Tk. 100.00 million or of a listed company;	V		-
1(3)(b)(iii)	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 eductional background of bachelor degree in economics or commerce or bussiness or law;	V		-
1(3)(b)(iv)	University Teacher who has eductional background in Economics or Commerce or Business Studies or Law;	$\sqrt{}$		-
1(3)(b)(v)	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;	-	-	N/A
1(3)(c)	The independent director shall have at least 10(ten) years of experiences in any field mentioned in clause (b);	V		-
1(3)(d)	In special cases, the above qualifications or experiences may be relaxed subject to prior approval of the Commission.	-	-	No such deviation occurred
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;	\checkmark		-
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;	$\sqrt{}$		-
1(4)(d)	The Board shall clearly define respective roles and responsibilities of the Chairperson and the Managing Director and/or Chief Executive officer;	V		-
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.	-	-	No such event arose

Condition	Title		e Status (Put √ opriate column)	Remarks (IF ANY)
No.		Complied	Not Complied	
1(5)	The Directors' Report to the Shareholders			
1(5)(i)	An industry outlook and possible future developments in the industry;	$\sqrt{}$		-
1(5)(ii)	The Segment-wise or product-wise performance;	V		-
1 (5)(iii)	Risks and concerns including internal and external risk factors, threat to sustainability and negative impact on environment, if any;	$\sqrt{}$		-
1 (5)(iv)	A discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin, where applicable;	$\sqrt{}$		-
1(5)(v)	A discussion on continuity of any extraordinary activities and their impliacations (gain or loss);			No such event arose
1(5)(vi)	A detiled 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;	$\sqrt{}$		-
1(5)(vii)	A statement of utilization of proceeds raised through public issues, rights issues and/or through any others instruments;	$\sqrt{}$		-
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;			No such event arose
1 (5)(ix)	An explanation on any significant variance that occurs between Quarterly Financial Performance and Annual Financial Statements;	$\sqrt{}$		-
1(5)(x)	A statement of remuneration paid to the directors including independent directors;	$\sqrt{}$		-
1(5)(xi)	A statement that the financial statements prepared by the management of the issuer company present fairly its state of affairs, the result of its operations, cash flows and changes in equity;	V		-
1(5)(xii)	A statement that proper books of account of the issuer company have been maintained;	V		-
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;	V		-
1(5)(xiv)	A statement that International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there from has been adequately disclosed;	V		-
1(5)(xv)	A statement that the system of internal control is sound in design and has been effectively implemented and monitored;	$\sqrt{}$		-
1(5)(xvi)	A statement that minority shareholders have been protacted from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress;	$\sqrt{}$		-
1(5)(xvii)	A statement that there is no Significant doubt upon the issuer company's ability to continue as going concern, if the issuer company is not considered to be a going concern, the fact along with reasons there of shall be disclosed;	V		-
1(5)(xviii)	An explanation that significant deviations from the last year's operating results of the issuer company shall be highlighted and the reasons thereof shall be explained;	V		-
1(5)(xix)	A statement where key operating and financial data of at least preceding 5 (five) years shall be summarized;	$\sqrt{}$		-

Condition	Title	Compliance Status (Put √ in the appropriate column) Not Complied Remarks	Remarks (IF ANY)	
No.	Title		nemarks (ii Airi)	
1(5)(xx)	An explanation on the reasons if the issuer company has not declared dividend (cash or stock) for the year;	-	-	The Company has declared 15% Cash dividend.
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;			N/A
1(5)(xxii)	The total number of Board meetings held during the year and attendance by each director;	$\sqrt{}$		-
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 (namewise details);	V		-
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 (name- wise details);	V		-
1(5)(xxiii)(c)	Executives;	V		-
1(5)(xxiii)(d)	Shareholders holding ten percent (10%) or more voting interest in the company (name-wise details).	$\sqrt{}$		-
1(5)(xxiv)	In case of 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/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.	$\sqrt{}$		-
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 disscission of changes in 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;	-	-	N/A
1(5)(xxv)(c)	Comparative analysis (including effects of inflation) of fianacial performance or results and financial position as well as cash flows for current financial year with immediate preceding five years explaining reasons thereof;	V		-
1(5)(xxv)(d)	compare such financial performance or results and financial position as well as cash flows with the peer industry scenario;	$\sqrt{}$		-
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; and	$\sqrt{}$		-
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;	V		-
1(5)(xxvi)	Declaration or certification by the CEO and the CFO to the Board as required under condition No. 3(3) shall be disclosed as per Annexure-A; and	$\sqrt{}$		-
1(5)(xxvii)	The report as well as certificate regarding compliance of conditions of this code as required under condition No. 9 shall be disclosed as per Annexure-B and Annexure-C.	√		-

Condition	Title	Compliance Status (Put √ in the appropriate column)		Remarks (IF ANY)
No.		Complied Not Complied	nomarko (ii Airi)	
1(6)	Meetings of the Board of Directors			
	The company shall conduct 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.	V		-
1(7)	Code of Conduct for the Chairperson, other Board members and Chief Executive Officer			
1(7)(a)	The Board shall lay down a code of conduct, based on the recommendation of the Nomination and Remuneration Committee (NRC), for the Chairperson of the Board, other board members and Chief Executive Officer of the company;			N/A
1(7)(b)	The code of conduct as determined by the NRC shall be posted on the website of the company			N/A
2	Governance of Board of Directors of Subsidiary Company,-			
2(a)	Provisions relating to the composition of the Board of the holding company shall be made applicable to the composition of the Board of the subsidiary company;	$\sqrt{}$		-
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 shall be 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 shall state that they have reviewed the affairs of the subsidiary company also;	√		-
2(e)	The Audit Committee of the holding company shall also review 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)(a)	The Board shall appoint 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);	V		-
3(1)(b)	The positions of the Managing Director (MD) or Chief Executive Officer (CEO), Company Secretary (CS), Chief Financial Officer (CFO) and a Head of Internal Audit and Compliance (HIAC) shall be filled by different individuals;	V		-
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;	$\sqrt{}$		-
3(1)(d)	The Board shall clearly define respective roles, responsibilities and duties of the CFO, the HIAC and the CS;	√		-
3(1)(e)	The MD or CEO, CS, CFO and HIAC shall not be removed from their position without approval of the Board as well as immediate dissemination to the Commission and stock exchange(s).	V		-
3(2)	Requirement to attend Board of Director's Meetings			
	The MD or CEO, CS, CFO and HIAC of the company shall attend the meetings of the Board:	$\sqrt{}$		-
3(3)	Duties of Managing Director (MD) or Chief Executive Officer (CEO) and Chief Financial Officer(CFO)			
3(3)(a)	The MD or CEO and CFO shall certify to the Board that they have reviewed financial statements for the year and that to the best of their knowledge and belief:			

Condition	Title	Compliance Status (Put $\sqrt{\ }$ in the appropriate column)		Remarks (IF ANY)	
No.	Title	Complied	Not	heiliarks (if ANT)	
3(3)(a)(i)	These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;	V		-	
3(3)(a)(ii)	These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws;	V		-	
3(3)(b)	The MD or CEO and CFO shall also certify 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 member;	V		-	
3(3)(c)	The certification of the MD or CEO and CFO shall be disclosed in the Annual Report.	√		-	
4.	Board of Director's CommitteeFor ensuring good governance in the company, the Board shall have at least following sub-committees:				
4(i)	Audit Committee;	√		-	
4(ii)	Nomination and Remuneration Committee.			N/A	
5.	Audit Committee				
5(1)	Responsibility to the Board of Directors				
5(1)(a)	The company shall have an Audit Committee as a sub-committee of the Board;	√		-	
5(1)(b)	The Board shall appoint members of the audit committee who shall benon- executive directors of the company excepting Chairperson of the Board and shall include at least 1(one) independent director;	√		-	
5(1)(c)	The Audit Committee shall be responsible to the Board; the duties of the Audit Committee shall be clearly set forth in writing.	V		-	
5(2)	Constitution of the Audit Committee	√		-	
5(2)(a)	The Audit Committee shall be composed of at least 3 (three) members;	√		-	
5(2)(b)	The Board shall appoint members of the audit committee who shall be non- executive directors of the company excepting Chairperson of the Board and shall include at least 1(one) independent director;	√		-	
5(2)(c)	All members of the audit committee should be "financially literate" and at least 1 (one) member shall have accounting or related financial management background and 10(ten) years of such experience;	V		-	
5(2)(d)	When the term of service of any 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 shall act as the secretary of the Committee.	$\sqrt{}$		-	
5(2)(f)	The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) independent director.	√		-	
5(3)(a)	The Board shall select 1 (one) member of the Audit Committee to be Chairperson of the Audit Committee, who shall be 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 reson of absence of the regular chairperson shall be duly recorded in the minutes.	√		-	

Condition	Title	Compliance Status (Put $\sqrt{\ }$ in the appropriate column)		Remarks (IF ANY)
No.	Title	Complied	Not Complied	nemarks (ii Aiti)
5(3)(c)	Chairperson of the Audit Committee shall remin present in the Annual General Meeting (AGM):	$\sqrt{}$		-
5(4)(a)	The Audit Committee shall conduct at least its four meetings in a financial year: Provided that any emergency meeting in addition to regular meeting may be convened at the request of any one of the members of the Committee;	V		-
5(4)(b)	The quorum of the meeting of the Audit Committee shall be 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.	V		-
5(5)	The Audit Committee shall:-			
5(5)(a)	Oversee the financial reporting process;	$\sqrt{}$		-
5(5)(b)	Monitor choice of accounting policies and principles;			-
5(5)(c)	Monitor Internal Audit and Compliance process to ensure that it is adequately resourced, including approval of the Internal Audit and Compliance plan and review of the Internal Audit and Compliance Report;	V		-
5(5)(d)	Oversee hiring and performance of external auditors.			-
5(5)(e)	Hold meeting with the external or statutory auditors for review of the annual financial statements before submission to the Board for approval or adoption;	√		-
5(5)(f)	Review along with the management, the annual financial statements before submission to the board for approval;	$\sqrt{}$		-
5.5(g)	Review along with the management, the quarterly and half yearly financial statements before submission to the board for approval;	$\sqrt{}$		-
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 all related party transactions submitted by the management;	√		-
5(5)(k)	Review Management Letters or Letter of Internal Control weakness issued by statutory auditors.	√		-
5(5)(I)	Oversee the determination of audit fees based on scope and magnitude, level of experise deployed and time required for effective audit and evalute the performance of external auditors;	V		-
5(5)(m)	Oversee whether the proceeds raised through Initial public Offering (IPO) or Repeat public Offering(RPO) or Rights Share offer have been utilized as per the purpose stated in relevent offer document or prospectus approved by the Commission:	-	-	N/A
5(6)	Reporting of the Audit Committee			
5(6)(a)	Reporting to the Board of Directors			
5(6)(a)(i)	The Audit Committee shall report on its activities to the Board.	√		-
5(6)(a)(ii)	The Audit Committee shall immediately report to the Board of Directors on the following findings, if any:-			
5(6)(a)(ii)(a)	report on conflicts of interests;	-	-	No such Incidence arose
5(6)(a)(ii)(b)	suspected or presumed fraud or irregularity or material defect identified in the internal audit and compliance process or in the financial statements;	-	-	No such Incidence arose
5(6)(a)(ii)(c)	suspected infringement of laws,regulatory compliances including securities related laws, rules and regulations;	-	-	No such Incidence arose

Condition	Title		ce Status (Put √ ropriate column)	Remarks (IF ANY)
No.		Complied	Not Complied	nomarko (n. Aiti)
5(6)(a)(ii)(d)	any other matter which the Audit Committee deems necessary shall be disclosed to the Board immediately;	-	-	No such Incidence arose
5(6)(b)	Reporting to the Authorities			
	If the Audit Committee has reported to the Board about anything which has material impact on the financial condition and results of operation and has discussed with the Board and the management that any rectification is necessary and if the Audit Committee finds that such rectification has been unreasonably ignored, the Audit Committee shall report such finding to the Commission, upon reporting of such matters to the Board for three times or completion of a period of 6 (six) months from the date of first reporting to the Board, whichever is earlier.	-	-	No such reportable incidence arose
5(7)	Reporting to the Shareholders and General Investors			
	Report on activities carried out by the Audit Committee, including any report made to the Board under condition 5(6)(a)(ii) above during the year, shall be signed by the Chairperson of the Audit Committee and disclosed in the annual report of the issuer company.	V		-
6.	Nomination and remuneration Committee(NRC)	_		Circular No. BRPD (R-1) 6, 2021 to resolve this.
6(1)	Responsibility to the Board of Directors			_
6(1)(a)	The company shall have a Nomination and Remuneration Committee (NRC) as a sub-committee of the Board;			
6(1)(b)	The NRC shall assist 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 shall be 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 shall comprise of at least three members including an independent director;			As per Bangladesh Bank Circular No.
6(2)(b)	All member of the Committee shall be non-executive directors;			BRPD (R-1) 717 /
6(2)(c)	Members of the Committee shall be nominated and appointed by the Board;			2021-5064 dated
6(2)(d)	The Board shall have authority to remove and appoint any member of the Committee;			June 16, 2021, for a bank company it is not required to form this.
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 shall fill the vacancy within 180 (one hundred eighty) days of occurring such vacancy in the Committee;			roquirea to ioriii tiils
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 form such external expert and/or member(s) of staff shall be required or valuable for the Committee;			
6(2)(g)	The company secretary shall act as the secretary of the Committee;			
6(2)(h)	The quorum of the NRC meeting shall not constitute without attendance of at least an independent director;			-

Condition	Title		ce Status (Put √ ropriate column)	Remarks (IF ANY)
No.	inc	Complied	Not Complied	neillaiks (IF ANT)
6(2)(i)	No member of the NRC shall receive, 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 shall select 1(one) member of the NRC to be Chairperson of the Committee, who shall be an independent director;			-
6(3)(b)	In the absence of the Chairperson of the NRC, the remaining members may elect one of themselves as Chairperson for that particular meeting, the reason of absence of the regular Chairperson shall be duly recorded in the minutes;			
6(3)(c)	The Chairperson of the NRC shall attend the annual general meeting (AGM) to answer the queries of the shareholders: Provided that in absence of chairperson of the NRC, any member from the NRC shall be selected to be present in the annual general meeting (AGM) for answering the shareholder, squeries and reason for absence of the Chairperson of the NRC shall be recorded in the minutes of the AGM.			
6(4)	Meeting of the NRC			
6(4)(a)	The NRC shall conduct at least one meeting in a financial year;			-
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 shall be 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 shall duly be recorded in the minutes and such minutes shall be confirmed in the next meeting of the NRC.			
6(5)	Role of the NRC			-
6(5)(a)	NRC shall be independent and responsible or accountable to the Board and to the shareholders;			
6(5)(b)	NRC shall oversee, among others, the following matters and make report with recommendation to the Board:			_
6(5)(b)(i)	Formulating the ceiteria for determining qualifications, positive atteibutes 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:			
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; and			
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 ceiteria 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)	Indentifying 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;			

Condition	Title		ce Status (Put √ ropriate column)	Remarks (IF ANY)	
No.	Title	Complied Not Complied		Remarks (IF ANY)	
6(5)(c)	The company shall disclose 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 or Statutory Auditors				
7(1)	The issuer company shall not engage its external or statutory auditors to perform the following services of the company, namely :				
7(1) (i)	Appraisal or valuation services or fairness opinions;	√		-	
7 (1) (ii)	Financial information system design and implementation;	$\sqrt{}$		-	
7 (1) (iii)	Book-keeping or other services related to the accounting records or financial statement;	$\sqrt{}$		-	
7 (1) (iv)	Broker –dealer services;	$\sqrt{}$		-	
7 (1) (v)	Actuarial services;	$\sqrt{}$		-	
7 (1) (vi)	Internal audit services or special audit services;	√		-	
7 (1) (vii)	Any services that the Audit Committee determines;	√		-	
7 (1) (viii)	Audit or certifiaction services on compliance of corporate governance as required under condition No.9(1);	V		-	
7 (1) (ix)	Any other service that creates conflict of interest	√		-	
7(2)	No Partner or employees of the external audit firms shall possess any share of the company they audit at least during the tenure of their audit assignment of that company; his or her family members also shall not hold ant shares in the said company:	\checkmark		-	
7(3)	Representative of external or statutory auditors shall remain present in the Shareholders' Meeting (Annual General meeting or Extraordinary General Meeting) to answer the queries of the shareholders.	V		-	
8.	Maintaining a website by the Company				
8(1)	The Company shall have an official website linked with the website of the stock exchange.	$\sqrt{}$		-	
8(2)	The company shall keep the website functional from the date of listing.			-	
8(3)	The company shall make available the detailed disclosures on its website as required under the regulations of the concerned stock exchange(s)	V		-	
9.	Reporting and Compliance of Corporate Governance				
9(1)	The company shall obtain a certificate from a practicing Professional Accountant or Secretary (Chartered Accountant or Cost and Management Accountant or Chartered Secretary) other than its statutory auditors or audit firm on yearly basis regarding compliance of conditions of Corporate Governance Code of the Commission and shall such certificate shall be disclosed in the Annual Report.	V		Required certification has been obtained from "M/s. Suraiya Parveen & Associates" Chartered Secretaries for the year ended 31st December 2022.	
9(2)	The professional who will provide the certificate on compliance of this Corporate Governance Code shall be appointed by the Shareholders in the annual general meeting.	-	V	Board recommended the Professional for due appointment by the Shareholders in Upcoming AGM	
9(3)	The directors of the company shall state, in accordance with the Annexure-C attached, in the directors' report whether the company has complied with these conditions or not.	V		-	

Compliance Checklist In Line With the Companies Act, 1994 (amended upto 2020)

The directors of the companies shall include the following additional statements in the Directors' Report prepared under section 184 of the Companies Act, 1994 (Act No. XVIII of 1994):-

Industry outlook and possible future developments in the industry	а	Discussed in the Directors' report page no. 62-105.
Segment-wise or product-wise performance	b	Discussed in the Directors' report
Risks and concerns	С	"Discussed in a disclosure on Risk Based Capital under Pillar-3 of Basel- III, CRO's report and Risk Management Report."
A discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin	d	Discussed in Chief Financial Officer's report page no. 296-301.
Discussion on continuity of any Extra-Ordinary Gain or loss	е	The Bank did not make any extra-ordinary Gain or loss in 2022.
Basis for related party transactions- a statement of all related party transactions should be disclosed in the annual report	f	Given in notes to the financial statements page no. 349
Utilization of proceeds from public issues, rights issues and/or through any others instruments	g	In 2022, the bank did not go for any public issues and right issues
An explanation if the financial results deteriorate after the company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Offer, Direct Listing, etc.	h	"The financial results of the bank was not deteriorated after the company went for Rights Offer."
If significant variance occurs between Quarterly Financial performance and Annual Financial Statements the management shall explain about the variance on their Annual Report	i	No significant variance occurred between quarterly financial performance and annual financial statements
Remuneration to directors including independent directors	j	Discussed in the Corporate Governance Report page no. 238-293
The financial statements prepared by the management of the issuer company present fairly its state of affairs, the result of its Operations, cash flows and changes in equity	k	Discussed in Chief Executive Officer and Chief Financial Officer's statement of Responsibilities
Proper books of account of the issuer company have been maintained.	l	"Discussed in Chief Executive Officer and Chief Financial Officer's statement of responsibilities. page no. 245"
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	m	Discussed in notes to the financial statements page no. 319-334.
International Accounting Standards (IAS)/ Bangladesh Accounting Standards (BAS)/ International Financial Reporting Standards (IFRS)/Bangladesh Financial Reporting Standards (BFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there-from has been adequately disclosed	n	Discussed in notes to the financial statements page no. 319-334.
The system of internal control is sound in design and has been effectively implemented and monitored	0	The system of internal control is sound in design and has been effectively implemented and monitored. A detailed discussion is given under internal control and compliance part of Directors report.

There are no significant doubts upon the issuer company's ability to continue as a going concern. If the issuer company is not considered to be a going concern, the fact along with reasons thereof should be disclosed	р	"There are no significant doubts on the Bank's ability to continue as a going concern"
Significant deviations from the last year's operating results of the issuer company shall be highlighted and the reasons thereof should be explained	q	During the year 2022, the bank generated operating profit of Tk. 1,0695 million with a growth of 16%, subsequently bank's net profit was Tk. 3,046 million, which registered 13% growth. This substantial growth in profitability was driven by several factors: management efficiency in increasing the growth of interest income, curbing the classified loans round the year through strong monitoring, prudent expense management thus having a stable balance sheet growth while keeping the profitability un-compromised. Interest Income reported an 11% growth to Tk. 20,423 million from Tk. 18,341 million driven by mainly taking a market lead in asset pricing. However, due to higher inflationary pressure interest expense also saw a rise to Tk. 14,916 million from Tk. 12,700 million which results liability costing relatively high and which squeeze spread to 3.27% in 2022 from 3.67% in 2021. Non-Interest Income grew Tk. 8,597 million from Tk. 6,609 million registering a substantial growth of 30%. The Bank could also improve its ROA to 0.67% & ROE to 10.88% which were 0.64% & 9.89%.
Key operating and financial data of at least preceding 5 (five) years shall be summarized	r	Given in separate statements
If the issuer company has not declared dividend (cash or stock) for the year, the reasons thereof shall be given	S	The Bank has been declaring dividend every year.
The number of Board meetings held during the year and attendance by each director shall be disclosed	t	"Discussed in the Corporate Governance report and notes to the financial statements"
The pattern of shareholding shall be reported to disclose the aggregate number of shares (along with name wise details where stated below) held by:- a) Parent/Subsidiary/Associated Companies and other related parties (name wise details); b) Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and their spouses and minor children (name wise details); c) Executives; d) Shareholders holding ten percent (10%) or more voting interest in the company (name wise details)	u	"Discussed in the Corporate Governance page no. 236-291. Report and notes to the financial statements page no. 319-334"
In case of the appointment/re-appointment of a director the company shall disclose the following information to the shareholders:- a)a brief resume of the director; b) nature of his/her expertise in specific functional areas; c) names of companies in which the person also holds the directorship and the membership of committees of the board	V	Discussed in notes to the financial statements and Directors' Profile.

Status of Compliance of Bangladesh Bank's guidelines for Corporate Governance (BRPD)

circular no. 11 dated 27.10.2013)

SI No.	Particulars	Compliance Status
1	FORMATION OF BOARD OF DIRECTORS The newly amended Section 15 of the Bank Company Act, 1991 (Amended upto 2013) includes provisions for prior approval of Bangladesh Bank before the appointment of new bank directors, as well as dismissal, termination or removal of any director from the post; director's fit & proper criteria; maximum number of directors; appointment of independent directors; appointment of maximum 4(four) members from a family as director; etc.	Complied
1.1	Appointment of New directors: Under section 15(4) of the Bank Company Act, 1991 (amended upto 2013), every banking company, other than specialized banks, at the time of taking prior approval from Bangladesh Bank for appointing/reappointing directors should furnish the following documents along with the application:	
	 a) Personal information of the nominated person (Appendix-ka); b) Nominated person's declaration(Appendix-kha); c) 'Declaration for confidentiality' by the nominated person(Appendix-ga); d) In case of Independent director, the approval letter from Security and Exchange commission; e) In case of Independent director, a declaration of the directors concern as Appendix-gha (he will also submit declaration under Appendix-ka, kha & ga); f) CIB report of the nominated person; g) Updated list of the directors. 	Complied
1.2	 Vacation of office of Director: a) The office of director shall be vacated according to the instructions specified in section 108(1) of the Companies Act, 1994. Besides, when a bank director becomes defaulter and does not repay the loan within two months after getting a notice under the section 17 of the Bank Company Act, 1991; provides false statement at the time of appointment; or fails to fulfil the minimum eligibility criteria, the office of the director will be vacated. b) If the office of a director is vacated by a notice under the section 17 of BCA, the person will not be eligible to become a director of the bank or any other bank or any financial institution for one year from the date of repayment of the total amount due to the bank. It is mentionable here that the dues can be adjusted with the shares held by the director in that bank. When a director receives a notice under section 17 of BCA, 1991, he/she can't transfer his/her shares of that bank until he/she repays all the liabilities of the noticed bank or financial institution. c) Besides, Bangladesh Bank can remove a director or chairman of a bank, except state owned banks, for 	Complied
	conducting any kind of activities that is detrimental to the interest of the banks depositors or against the public interest under Section 46 and can supersede the board of a banking company under Section 47 of BCA, 1991.	

Bank Asia Limited 283

SI No.	Particulars	Compliance Status
1.3	Removal of Directors from office: According to section 108(2) of the Companies Act, 1994, with the prior approval of Bangladesh Bank, a bank director other than specialized banks can be removed from his office for the reason specified in its Articles of Association. For this purpose, the reason and grounds of the dismissal/removal and copy of the decision of the board and list of directors should be submitted to Bangladesh Bank. In this case, the removal will be effective from the date of Bangladesh Bank's approval.	N/A
SI No.	Particulars	Compliance Status
1.4	Appointment of Alternate Director Subject to compliance of section 101 of the Companies Act, 1994, an alternate director can be appointed to act for a director during his absence for a continuous period of not less than three months from Bangladesh. In this context, the following instructions should be followed:	
	a) Bank has to collect and properly maintain the documentary evidences relating to departure and arrival of the original director. If there is any exception, the chief executive officer should immediately inform it to Bangladesh Bank.	
	 b) The copy of the decision of the board regarding appointment of alternate director, with original director's probable returning date from abroad should be sent to Bangladesh Bank within 7 days of taking the decision and the director's arrival date must be intimated to Bangladesh Bank immediately after his return. c) Any loan defaulter or any person who is not eligible to become a director as per any rules & regulation will not be 	N/A
	appointed as an alternate director.d) As appointment of alternate director is a temporary measure; therefore, he/she will not be included in any kind of committee constituted by the board.	
	e) While in the office, an alternate director or his/her affiliated organization will not get any kind of loan facilities from his bank. In case of previous loan, enhancement of limit or extension of time period or any kind of exemption or interest waiver will not be allowed. Moreover, all restrictions applicable to directors according to rules & regulations will also be applicable to the alternate director.	
2.	DEPOSITOR DIRECTOR As the previous provisions regarding appointment of Depositor Directors of the Bank Company Act, 1991 has been amended; appointment of director from depositors is no longer required. But, after complying regulation under sec 15(9) of the Bank Company Act, 1991 (amended upto 2013) bank can consider the tenure of existing depositor director or may appoint them as independent director.	N/A
3.	INFORMATION REGARDING DIRECTORS Banks are advised to take the following steps regarding director information: Every bank should keep an updated list of bank directors,	
	a) Banks should send a directors' list to other banks or financial institutions immediately after the appointment or release of director.	Complied
4.	b) Banks should display a list of directors in the website and update it on a regular basis. RESPONSIBILITIES OF THE BOARD OF DIRECTORS	
4.1	Responsibilities and authorities of the board of directors:	
	 (a) Work-planning and strategic Management: i) shall determine the objectives and goals and to this end shall chalk out strategies and work-plans on annual basis. It shall specially engage itself in the affairs of making strategies consistent with the determined objectives and goals and in the issues relating to structural change and reorganization for enhancement of institutional efficiency and other relevant policy matters. It shall analyze/monitor at quarterly rests the development of implementation of the work-plans. 	Complied
	ii) The board shall have its analytical review incorporated in the Annual Report as regard the success/failure in achieving the business and other targets as set out in its annual work-plan and shall apprise the shareholders of its opinions/recommendations on future plans and strategies. It shall set the Key Performance Indicators (KPIs) for the CEO and other senior executives and have it evaluated at times.	

SI No.	Particulars	Compliance Status
	 (b) Credit and risk management i) The policies, strategies, procedures etc. in respect of appraisal of loan/investment proposal, sanction, disbursement, recovery, reschedule and write-off thereof shall be made with the board's approval under the purview of the existing laws, rules and regulations. The board shall specifically distribute the power of sanction of loan/investment and such distribution should desirably be made among the CEO and his subordinate executives as much as possible. No director, however, shall interfere, direct or indirect, into the process of loan approval. ii) The board shall frame policies for risk management and get them complied with and shall monitor the compliance at quarterly rests and review the concerned report of the risk management team and shall compile in the minutes of the board meeting. The board shall monitor the compliance of the guidelines of Bangladesh Bank regarding key risk management. 	Complied
	(c) Internal control management The board shall be vigilant on the internal control system of the bank in order to attain and maintain satisfactory qualitative standard of its loan/investment portfolio. The board will establish such an internal control system so that the internal audit process can be conducted independently from the management. It shall review the reports submitted by its audit committee at quarterly rests regarding compliance of recommendations made in internal and external audit reports and the Bangladesh Bank inspection reports.	Complied
	(d) Human resources management and development i) Policies relating to recruitment, promotion, transfer, disciplinary and punitive measures, human resources development etc. and service rules shall be framed and approved by the board. The chairman or the directors shall in no way involve themselves or interfere into or influence over any administrative affairs including recruitment, promotion, transfer and disciplinary measures as executed under the set service rules. No member of the board of directors shall be included in the selection committees for recruitment and promotion to different levels. Recruitment, promotion, transfer & punishment of the officers immediate two tiers below the CEO shall, however, rest upon the board. Such recruitment and promotion shall have to be carried out complying with the service rules i.e., policies for recruitment and promotion.	Complied
	 ii) The board shall focus its special attention to the development of skills of bank's staff in different fields of its business activities including prudent appraisal of loan/investment proposals, and to the adoption of modern electronic and information technologies and the introduction of effective Management Information System (MIS). The board shall get these programmes incorporated in its annual work plan. iii) The board will compose Code of Ethics for every tier and they will follow it properly. The board will promote healthy code of conducts for developing a compliance culture. 	
	 (e) Financial management i) The annual budget and the statutory financial statements shall be finalized with the approval of the board. It shall at quarterly rests review/monitor the positions in respect of bank's income, expenditure, liquidity, non-performing asset, capital base and adequacy, maintenance of loan loss provision and steps taken for recovery of defaulted loans including legal measures. ii) The board shall frame the policies and procedures for bank's purchase and procurement activities and shall accordingly approve the distribution of power for making such expenditures. The maximum possible delegation of such power of expenditures shall rest on the CEO and his subordinates. The decision on matters relating to infrastructure development and purchase of land, building, vehicles etc. for the purpose of bank's business shall, however, be adopted with the approval of the board. iii) The board will review whether an Asset-Liability Committee (ALCO) has been formed and it is working according to Bangladesh Bank guidelines. 	Complied

SI No.	Particulars	Compliance Status
	(f) Appointment of Chief Executive Officer (CEO) In order to strengthen the financial base of the bank and obtain confidence of the depositors, one of the major responsibilities of the board of directors is to appoint an honest, efficient, experienced and suitable CEO or Managing Director. The Board of directors will appoint a suitable CEO with the approval of the Bangladesh Bank.	Complied
	(g) Other responsibilities of the Board The board should follow and comply with the responsibilities assigned by Bangladesh Bank.	Complied
4.2	Meeting of Board Board of directors may meet once or more than once in a month if necessary. But Board of directors shall meet at least once in every three months. Excessive meetings are discouraged.	Complied
4.3	 Responsibilities of the chairman of the board of directors a) As the chairman of the board of directors or chairman of any committee formed by the board or any director does not personally possess the jurisdiction to apply policy making or executive authority, he/she shall not participate in or interfere into the administrative or operational and routine affairs of the bank. b) The chairman may conduct on-site inspection of any bank-branch or financing activities under the purview of the oversight responsibilities of the board. He may call for any information relating to bank's operation or ask for investigation into any such affairs; he may submit such information or investigation report to the meeting of the board or the executive committee and if deemed necessary, with the approval of the board, he shall effect necessary action thereon in accordance with the set rules through the CEO. However, any complaint against the CEO shall have to be apprised to Bangladesh Bank through the board along with the statement of the CEO. c) The chairman may be offered an office-room, a personal secretary/assistant, one peon/MLSS, one telephone at the office, one mobile phone to use inside the country and a vehicle in the business-interest of the bank subject to the approval of the board. 	Complied
5.	FORMATION OF COMMITTEES FROM THE BOARD OF DIRECTORS The adviser, whatever name called, shall advise the board of directors or the CEO on such issues only for which he is engaged in terms of the conditions of his appointment. He shall neither have access to the process of decision-making nor shall have the scope of effecting executive authority in any matters of the bank including financial, administrative or operational affairs.	Complied
5.1	Executive committee Executive committee should be formed with the members of the board to continue the urgent and daily or routine works between the intervals of two board meetings. Executive committee will perform according to their terms of reference determined by the board of directors.	Complied
	 a) Organizational structure: i) Members of the committee will be nominated by the board of directors from themselves; ii) The executive committee will comprise of maximum 07 (seven) members; iii) Members may be appointed for a 03 (three)-year term of office; iv) Chairman of the Board of Directors can be the chairman of executive committee; v) Company secretary of the bank will be the secretary of the executive committee. 	Complied
	 i) Integrity, dedication, and opportunity to spare time in the functions of committee will have to be considered while nominating a director to the committee; ii) Each member should be capable of making valuable and effective contributions in the functioning of the committee; iii) To perform his or her role effectively each committee member should have adequate understanding of the detailed responsibilities of the committee membership as well as the bank's business, operations and its risks. 	Complied

SI No.	Particulars	Compliance Status
	 c) Roles and Responsibilities of the Executive Committee: i) The executive committee can decide or can act in those cases as instructed by the Board of directors that are not specifically assigned on full board through the Bank Company Act, 1991 and other laws and regulations. ii) The executive committee can take all necessary decision or can approve cases within power delegated by the board of directors. iii) All decisions taken in the executive committee should be ratified in the next board meeting. 	Complied
	 i) The executive committee can sit any time as it may deem fit. ii) The committee may invite Chief Executive Officer, Head of internal audit or any other Officer to its meetings, if it deems necessary; iii) To ensure active participation and contribution by the members, a detailed memorandum should be distributed to committee members well in advance before each meeting; iv) All decisions/observations of the committee should be noted in minutes. 	Complied
5.2	Audit Committee The board will approve the objectives, strategies and overall business plans of the bank and the audit committee will assist the board in fulfilling its oversight responsibilities. The committee will review the financial reporting process, the system of internal control and management of financial risks, the audit process, and the bank's process for monitoring compliance with laws and regulations and its own code of business conduct.	Complied
	 a) Organizational structure: i) Members of the committee will be nominated by the board of directors from the directors; ii) The audit committee will comprise of maximum 05 (five) members, with minimum 2 (two) independent director; iii) Audit committee will comprise with directors who are not executive committee members; iv) Members may be appointed for a 03 (three) year term of office; v) Company secretary of the bank will be the secretary of the audit committee. 	Complied
	 b) Qualifications of the Members: i) Integrity, dedication, and opportunity to spare time in the functions of committee will have to be considered while nominating a director to the committee; ii) Each member should be capable of making valuable and effective contributions in the functioning of the committee; iii) To perform his or her role effectively each committee member should have adequate understanding of the detailed responsibilities of the committee membership as well as the bank's business, operations and its risks. iv) Professionally Experienced persons in banking/financial institutions specially having educational qualification in Finance, Banking, Management, Economics, Accounting will get preference in forming the committee. 	Complied

SI No.	Particulars	Compliance Status
	c) Roles and Responsibilities of the Audit Committee	'
	 (i) Internal Control: Evaluate whether management is setting the appropriate compliance culture by communicating the importance of internal control and the management of risk and ensuring that all employees have clear understanding of their roles and responsibilities; Review management's actions in building computerization of the bank and its applications and bank's Management Information System (MIS); Consider whether internal control strategies recommended by internal and external auditors have been implemented by the management; Consider reports relating to fraud, forgery, deficiencies in internal control or other similar issues detected by internal and external auditors and inspectors of the regulatory authority and place it before the board after reviewing whether necessary corrective measures have been taken by the management. 	Complied
	 (ii) Financial Reporting: 1. Audit committee will check whether the financial statements reflect the complete and concrete information and determine whether the statements are prepared according to existing rules & regulations and standards enforced in the country and as per relevant prescribed accounting standards set by Bangladesh Bank; 2. Discuss with management and the external auditors to review the financial statements before its finalization. 	Complied
	 (iii) Internal Audit: Audit committee will monitor whether internal audit working independently from the management. Review the activities of the internal audit and the organizational structure and ensure that no unjustified restriction or limitation hinders the internal audit process; Examine the efficiency and effectiveness of internal audit function; Examine whether the findings and recommendations made by the internal auditors are duly considered by the management or not. 	Complied
	 (iv) External Audit: Review the performance of the external auditors and their audit reports; Examine whether the findings and recommendations made by the external auditors are duly considered by the management or not. Make recommendations to the board regarding the appointment of the external auditors. 	Complied
	(v) Compliance with existing laws and Regulations: Review whether the laws and regulations framed by the regulatory authorities (central bank and other bodies) and internal regulations approved by the board are being complied with.	Complied
	 (vi) Other Responsibilities: Submit compliance report to the board on quarterly basis on regularization of the omission, fraud and forgeries and other irregularities detected by the internal and external auditors and inspectors of regulatory authorities; External and internal auditors will submit their related assessment report, if the committee solicit; Perform other oversight functions as desired by the Board of Directors and evaluate the committee's own performance on a regular basis. 	Complied
	 Meetings The audit committee should hold at least 4 meetings in a year and it can sit any time as it may deems fit; The committee may invite Chief Executive Officer, Head of internal audit or any other Officer to its meetings, if it deems necessary; To ensure active participation and contribution by the members, a detailed memorandum should be distributed to committee members well in advance before each meeting; All decisions/observations of the committee should be noted in minutes. 	Complied

SI No.	Particulars	Compliance Status		
5.3	Risk Management Committee To play an effective role in mitigating impending risks arising out from strategies and policies formulated by the Board and to carry out the responsibilities efficiently, a risk management committee will be formed. After identifying and assessing several risk factors like credit risks, foreign exchange risks, internal control and compliance risks, money laundering risks, information and communication risks, management risks, interest risks, liquidity risks etc.; the risk management committee will scrutinize whether appropriate risk management measures are being put in place and applied and whether adequate capital and provision is being maintained against the risks identified.			
	 a) Organizational Structure Members of the committee will be nominated by the board of directors from themselves; The Risk Management Committee will comprise of maximum 05 (five) members; Members may be appointed for a 03 (three) year term of office; Company secretary of the bank will be the secretary of the Risk Management Committee. 	Complied		
	 b) Qualifications of the Members Integrity, dedication, and opportunity to spare time in the functions of committee will have to be considered while nominating a director to the committee; Each member should be capable of making valuable and effective contributions in the functioning of the committee; To perform his or her role effectively each committee member should have adequate understanding of the detailed responsibilities of the committee membership as well as the bank's business, operations and its risks. 	Complied		
	c) Roles and Responsibilities of the Risk Management Committee			
	i) Risk identification & control policy: Formulation and implementation of appropriate strategies for risk assessment and its control is the responsibility of Risk Management Committee. Risk Management Committee will monitor risk management policies & methods and amend it if necessary. The committee will review the risk management process to ensure effective prevention and control measures.	Complied		
	ii) Construction of organizational structure: The responsibility of Risk Management Committee is to ensure an adequate organizational structure for managing risk within the bank. The Risk Management Committee will supervise formation of separate management level committees and monitor 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.	Complied		
	iii) Analysis and approval of Risk Management policy: Risk management policies & guidelines of the bank should be reviewed annually by the committee. The committee will propose amendments if necessary and send it to the Board of Directors for their approval. Besides, other limits including lending limit should be reviewed at least once annually and should be amended, if necessary.	Complied		

SI No.	iv) Storage of data & Reporting system: Adequate record keeping & reporting system developed by the bank management will be approved by the risk management committee. The committee will ensure proper use of the system. The committee will minute its proposal, suggestions & summary in a specific format & inform the Board of Directors.					
	v) Monitoring the implementation of overall Risk Management Policy: Risk Management Committee will monitor proper implementation of overall risk management policies. They will monitor whether proper steps have been taken to mitigate all risks including lending risk, market risk, and management risk.	Complied				
	 vi) Other responsibilities: 1. Committee's decision and suggestions should be submitted to the Board of Directors quarterly in short form; 2. Comply instructions issued time to time by the controlling body; 3. Internal & external auditor will submit respective evaluation report whenever required by the committee. 	Complied				
	 Meetings The risk management committee should hold at least 4 meetings in a year and it can sit any time as it may deems fit; The committee may invite Chief Executive Officer, Chief Risk Officer and any other Officer to its meetings, if it deems necessary; To ensure active participation and contribution by the members, a detailed memorandum should be distributed to committee members well in advance before each meeting; All decisions/observations of the committee should be noted in minutes. 	Complied				
6	TRAINING FOR THE DIRECTORS The directors shall make themselves fully aware of the banking laws and other related rules and regulations for performing his duties properly.	Complied				
	Status of Compliance of Bangladesh Bank's guidelines for Corporate Governance (BRPD circular no. 18 dated 27.10.2	013)				
A.	Rules and regulations for appointing CEO					
1.	Moral Integrity: In case of appointment to the post of Chief Executive, satisfaction in respect of the concerned person should be ensured to the effects that,- a) He has not been convicted by any Criminal Court of Law; b) He has not been punished for violating any rules, regulations or procedures/norms set by any Controlling	Complied				
	Authority;					
	c) He was not associated with any such company/organization, registration or license of which has been cancelled.					
2.	 Experience and Suitability: a) For appointment as chief executive, the concerned person must have experience in banking profession for at least 15 (fifteen) years as an active officer and at least 02 (two) years experience in a post immediate below the chief executive of a bank. b) He must at least have a Masters degree from any recognized university. Higher academic education in the field of Economics, Banking and Finance or Business Administration will be treated as additional qualification for the concerned person. c) In respect of service, the concerned person should have excellent record of performance. 	Complied				
	 d) Satisfaction should be ensured that the concerned person was not dismissed from service when he was chairman/director/official of any company; e) Any director of any bank or financial institution or any person who has business interest in the bank concerned will not be eligible for appointment to the post of chief executive. 					

SI No.	Particulars	Compliance Status		
3.	Transparency and Financial Integrity: Before appointment as chief executive, satisfaction should be ensured to the effects that: a) The concerned person was not involved in any illegal activity while performing duties in his own or banking profession; b) He has not suspended payment to creditors or has not compromised with his creditors to be relieved from debt or he is not a loan defaulter; c) He is not a tax defaulter; d) He has never been adjudicated an insolvent.	Complied		
4.	Age limit: No person crossing the age of 65 years shall hold the post of CEO of a bank.	Complied		
5.	Tenure: The tenure of the chief executive shall be for at least 03 (three) years, which is renewable. If the candidate has less than 3 years left to attain 65 years, he/she can be appointed for that period.	Complied		
6.	 Guidelines in fixing the salary and allowances: Banks are required to follow the guidelines stated below while determining the salary and allowances of the CEO and submitting such proposal to Bangladesh Bank:- a) In fixing the salary and allowances of the chief executive, financial condition, scope of operation, business-volume and earning capacity of the bank; qualifications, achievement of the candidate in the past, age and experience and the remuneration paid to the persons occupying same position in the peer banks shall have to be taken into consideration. b) Total salary shall be comprised of direct salary covering 'Basic Pay' and 'House Rent' and allowances as 'Others'. The allowances (e.g., provident fund, utility bill, leave-fare assistance) in 'Others' head should be specified in amount/ceiling. Besides, other facilities (e.g., car, fuel, driver etc.), as far as possible, shall have to be monetized and thus determining monthly total salary, it shall have to be mentioned in the proposal to be submitted to Bangladesh Bank. In the proposal, Basic Pay, House Rent, Festival Allowance, other allowances and other facilities shall have to be specified in Taka amount. c) Without improving the bank's major economic indicator like- CAMELS annual salary increment will not be payable. d) Terms of salary-allowances and other facilities as specified in the terms and conditions of appointment cannot be changed during the tenure. In case of renewal, proposal may be made for re-fixation of the salary considering the job performance of the incumbent chief executive. e) The Chief Executive so appointed shall not get any other direct or indirect facilities (e.g., dividend, commission, club expense, etc.) other than the salary-allowances and other facilities as enumerated in clause (b) above. f) The bank shall not pay any income tax for the chief executive, i.e., the chief executive so appointed shall have to pay it. 	Complied		
7.	Incentive Bonus: Subject to the payment of incentive bonuses to all stuffs/employees, the CEO will be eligible to get such bonus. However, the amount of CEO's incentive bonus will not cross Taka 10.00 (ten) lacs per year.	Complied		
8.	Honorarium for Board Meeting: As CEO is a salaried official of the bank, he will not get any honorarium for attending the Board meeting or the meeting of any Committee formed by the Board.			
9.	Evaluation Report: While reappointing CEO, an evaluation report approved by the board of directors should be submitted to Bangladesh Bank by the chairman of the Board.			
10.				

SI No.	Particulars	Compliance Status	
11.	Decision of Bangladesh Bank regarding appointment of CEO will be treated as final and such appointed CEO cannot be dismissed, released and removed from his office without prior approval from Bangladesh Bank.	Complied	
B.	 Responsibilities and authorities of the CEO The CEO of the bank, whatever name called, shall discharge the responsibilities and affect the authorities as follows: a) In terms of the financial, business and administrative authorities vested upon him by the board, the CEO shall discharge his own responsibilities. He shall remain accountable for achievement of financial and other business targets by means of business plan, efficient implementation thereof and prudent administrative and financial management. b) The CEO shall ensure compliance of the Bank Company Act, 1991 and other relevant laws and regulations in discharging routine functions of the bank. c) At the time of presenting any memorandum in the Board Meeting or Board Committee Meeting, the CEO must point out if there is any deviation from the Bank Company Act, 1991 and other relevant laws and regulations. d) The CEO shall report to Bangladesh Bank any violation of the Bank Company Act, 1991 or of other laws/ regulations. e) The recruitment and promotion of all staff of the bank except those in the two tiers below him shall rest on the CEO. He shall act in such cases in accordance with the approved service rules on the basis of the human resources policy and sanctioned strength of employees as approved by the board. f) The authority relating to transfer of and disciplinary measures against the staff, except those at two tiers below the CEO, shall rest on him, which he shall apply in accordance with the approved service rules. Besides, under the purview of the human resources policy as approved by the board, he shall nominate officers for training etc. 	Complied	
A	Status of Compliance of Bangladesh Bank's guidelines for Corporate Governance (BRPD circular no. 19 dated 27.10.2 Appointment of Advisor	2013)	
1.	 Experience and Suitability: For appointment as advisor, the concerned person will have to fulfill the following requirements with regard to experience and qualifications: a) Experience in Banking or Administration for at least 15 (fifteen) years or have a long experience in social activities; b) Higher academic education in the field of Economics, Banking and Finance or Business Administration will be treated as additional qualification for the concerned person; c) Satisfaction should be ensured that the concerned person was not dismissed from his service when he was Chairman/Director/Official of any company; d) A person who is working in any bank or financial institution or who has business interest in that bank will not be considered eligible for appointment to the post of advisor; e) Satisfaction should be ensured that the concerned person is not a loan defaulter or tax defaulter and has never been adjudicated an insolvent by the court. 	N/A	
2.	Responsibilities: The responsibilities or terms of reference of advisor should be specified. The Advisor can advise the Board of Directors or the Chief Executive only on those matters that are specified in the appointment letter. Routine works or general works will not be included in his term of reference. He can't exercise any kind of power or can't participate in the decision making process of financial, administrative, operational or any other activities of the bank.	N/A	
3.	Prior approval from Bangladesh Bank: Prior approval from Bangladesh Bank is mandatory before appointing advisor. For such appointment, the justifications of the post of advisor, responsibilities or terms of reference, complete resume of the concerned person, terms of appointment (mentioning remuneration and facilities) and copy of board's approval must be submitted to Bangladesh Bank. The nominated person has to make a declaration as per Annexure-ka. This declaration must be also submitted to Bangladesh Bank.	N/A	
4.	ka. This declaration must be also submitted to Bangladesh Bank. Remuneration and other facilities: The post of advisor is not a fixed or substantive post in the bank's organization structure. Advisor will not be entitled to salaries and allowances as regular employee except gross amount of remuneration, transport and telephone facilities. Remunerations inconsistent with terms of reference of the advisor will not be considered as acceptable by Bangladesh Bank.		

SI No.	Particulars	Compliance Status
5.	Tenure: The tenure of the advisor shall be maximum 1(one) year, which is renewable. An evaluation report (by the chairman that is approved by the board of directors) of previous tenure should be submitted to Bangladesh Bank along with the re-appointment proposal.	N/A
6.	6. Appointment of Ex-officials: For good governance any former director, chief executive or any official will not be eligible to become an advisor in the same bank immediately after his/her retirement or resignation. But, after 1 year from such retirement or resignation he/she will be eligible for appointment as advisor.	
В	Appointment of Consultant	
1.	Terms of Reference: Consultant can be appointed for specialized tasks like tax, law & legal procedures, engineering & technical works, information technology, etc. Consultants' appointment should be avoided as much as possible for those works that could be done by regular employees of the bank.	Complied
2.	Responsibilities: The responsibilities or term of reference of consultant should be specified. He/she shouldn't be involved beyond his/her terms of references and he/she cannot exercise any kind of power in bank operation or cannot participate in the decision making process.	Complied
3.	Appointment: Consultant can be appointed with the approval of Board of Directors. After such appointment the bank shall send the consultant's complete resume, terms of reference and details of remuneration to Bangladesh Bank immediately.	Complied
4.	Tenure: The tenure of consultant should be consistent with the terms of reference, but would not exceed 2 (two) years. Generally, consultant's appointment will not be renewable, but to complete unfinished tasks, the contract can be extended up to maximum 1 year with the approval of Bangladesh Bank. An evaluation report (by the chairman that is approved by the board of directors) of previous period should be submitted to Bangladesh Bank.	Complied
5.	Remuneration/honorarium: The consultant's remuneration should be in the form of monthly or single lump-sum payment, he is not entitled to any other facilities.	Complied
6.	Appointment of Ex-officials: For ensuring good governance any former director, chief executive or any official will not be eligible to become a consultant in the same bank immediately after his/her retirement or resignation. But, after 1 year from such retirement or resignation he/she will be eligible for appointment as consultant.	Complied

Bank Asia Shariah Supervisory Committee (BASSC)

We, at Bank Asia Limited, always consider the Shariah compliance as the most significant and strategic priority in Islamic Banking. Our products & services are designed in conformity with the principles of Islamic Shariah. We have constituted "Bank Asia Shariah Supervisory Committee" consisting of qualified Faqihs (experts on Islamic jurisprudence), Islamic Scholars and professionals to ensure Shariah compliance in each and every aspect of our Islamic Banking operations.

Bank Asia Shariah Supervisory Committee consists of the following members:

As on December 31, 2022

Name of the Honorable Member	Position in the Committee
Md. Fariduddin Ahmed	Chairman
Mufti Shahed Rahmani	Member
Mufti Muhammad Abdul Mannan	Member
Mohammad Mofazzal Hussain Khan	Member
Dr. Muhammad Ismail Hussain	Member
Mawlana Shah Mohammad Wali Ullah	Member Secretary
Rumee A Hossain	Member [from the Board]
Areef Billah Adil Chowdhry (President & Managing Director)	Member [Ex-Officio] (President & Managing Director)
S.M. Iqbal Hossain	Member [Ex-Officio] (Head of Islamic Banking)



Mr. Areef Billah Adil Chowdhury, President & Managing Director of Bank Asia Limited congratulates Mr. Md. Farid Uddin Ahmad, the newly-elected Chairman of Shari'ah Supervisory Committee

Report of the Bank Asia Shariah Supervisory Committee (BASSC)

For the year ended 31st December, 2022

In the Name of Allah, The Beneficent, The Merciful. All praise is due to Almighty Allah, the Lord of the Universes and peace and blessing of Allah be upon the Prophet Muhammad (May Allah bless him and grant him peace) and upon his all other descendants and companions.

To the Shareholders of the Bank Asia Limited,

Assalamu Alaikum Wa Rahmatullahi Wa Barakatuh.

In compliance with the terms of reference of the Bye Laws of the Bank Asia Shari'ah Supervisory Committee (BASSC), we submit the following Report on the Islamic Banking operations of the Bank Asia Limited for the year ended on 31st December, 2022:

During the year 2022, the Bank Asia Shari'ah Supervisory Committee (BASSC) and its Sub-committee met in 5 (six) Sessions and gave opinion on various Shari'ah related issues placed before it by the Management. The Bank Asia Management is responsible for ensuring that they conduct its Islamic Banking business in accordance with the Shari'ah Rules and Principles. It is our responsibility to form an independent opinion, based on our review of the Islamic Banking operations and to report to you.

We have reviewed the principles and the contracts relating to the transactions and applications introduced by the Bank Asia Islamic Banking during the period from 1st January, 2022 to 31st December, 2022.

We have conducted our review on the basis of Shari'ah audit and inspection reports of the Shari'ah Audit team to form our opinion as to whether the Bank Asia, in its Islamic Banking operations, has complied with Shari'ah rules and principles and also with the specific fatwas, rulings and guidelines issued by us. In addition to our fatwas, the Muraqibs also followed the Internal Control & Compliance guidelines on Islamic Banking issued by the Bangladesh Bank. Shari'ah non-compliance risk rating of concerned Branches and Windows were 'Low' during the year under report. The Shari'ah Supervisory Committee reviewed the Shari'ah Audit Reports and provided guidelines it deemed necessary for proper Shari'ah compliance.

We also conducted our review which included, on a test basis of each type of transaction, the relevant documentation and procedures adopted by the Bank Asia Islamic Banking. We planned and performed the review so as to obtain the information and explanation which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that Bank Asia Islamic Banking has not violated Shari'ah rules and principles.

In our opinion:

 The contracts, transactions and dealings entered into by the Bank Asia Islamic Banking during the year ended on 31st December, 2022 that we have reviewed are in compliance with the Shari'ah rules and principles;

- Distribution of profit to the Mudaraba Depositors conforms to the basis that had been approved by us in accordance with the Shari'ah rules and principles;
- All earnings that have been realized from sources or by means prohibited by Shair'ah rules and principles have not been included in Bank's income;
- Transactions with the conventional part of the Bank have been made complying Shari'ah principles. And
- e) Zakah is not applicable for window based Islamic Banking of Bank Asia.

During the year under report, the BASSC has advised the Bank on the following Issues:

- To take effective steps aiming at creating awareness among the employees and the customers about Shari'ah compliance;
- To continue to arrange regular training & workshop on Islamic Banking for the officials of the Bank, for the owners of the Agents Banking and for their Customer Service Officers to increase professional skills for better Shari'ah compliance; And
- To continue the practice of obtaining 'Shari'ah clearance' from the Shari'ah Unit of the Corporate Office before disbursement of Investment Deals in order to maintain highest level of Shari'ah compliance.

The Shari'ah Supervisory Committee appreciated the following steps and initiatives of the Bank during the year for furtherance of Islamic Banking services for:

- a) Introducing Foreign Trade Module for Islamic business;
- b) Introducing new Islamic products for SME and Agri businesses in i-Hikmah System
- c) Conducting sufficient numbers of Shari'ah audit programs; And
- Fixing Islamic Banking logo in order to make the Islamic banking branding of Bank Asia attractive and customer friendly.

The Shari'ah Supervisory Committee expresses appreciation to the Board of Directors of the

Bank and to the President & Managing Director and his team for their spontaneous cooperation and support during the year 2022.

May Allah subhanahu wata'la give us strength to achieve His satisfaction through implementation of Shari'ah Principles in every sphere of our life.

Shah Mohammad Wali Ullah

Member Secretary Bank Asia Shari'ah Supervisory Committee Md. Fariduddin Ahmed

Chairman

Bank Asia Shari'ah Supervisory Committee

Cym !



On the way to recovery from the COVID-19 pandemic depressions, Bangladesh economy during 2022 faced even more challenges due to the Russia-Ukraine war, which sparked massive inflation resulted price hike in energy, food and all other costs, currency depreciation against US dollar and a tightening money market.

Followed by same, the banking sector in Bangladesh also encountered challenging economic environment with ongoing uncertainty and volatility in the global & local market. Besides, significant regulatory changes and increasing competition, there is more pressure on banking business & profitability growth.

Intervention by central banks to remove the cloud

During 2022, Bangladesh Bank reset the LC margin to discourage the luxury item & non-essential products import with the aim to offset rising import costs and release the pressure on forex reserves. Besides, BB introduced uniform dollar-taka exchange rate for international trade to curb currency volatility.

Also, refinancing schemes, stimulus packages and loan moratorium facilities were continued in different sectors to support businesses from the adverse economic shocks due to COVID-19 and Russia-Ukraine war.

Furthermore, central bank adopted many other cautious and prudent measures to ensure overall macroeconomic stability in the country.

Stable growth in unstable time

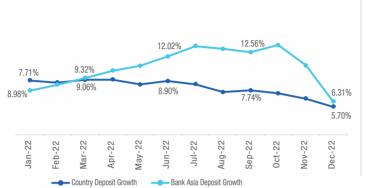
Despite many challenges, our bank has remained resilient and has continued to grow and deliver solid financial results. In 2022, we have reached the milestone of Tk. 1,000+ crore operating profit. Besides, we have focused on improving our operational efficiency and NPL management which helped us achieve sustainable profitability for long-term growth. Moreover, we have invested in new technologies, enhanced our digital capabilities, payment process and expanded our business countrywide to serve our customers better and drive revenue growth.

Bank Asia: Financial Overview 2022

Despite the challenges, Bank Asia continued its unwavering efforts to achieve solid growth in the following business parameters.

Deposit & Advance Growth: Country vs. Bank Asia

Bank Asia was very much cautious in maintaining its health of the balance sheet. During the last 2 years, bank's strategy was to go slower in increasing balance sheet size, rather preferred to focus on strengthening the quality of its loan portfolio.





Business Budget Achievement

For any business, ensuring sustainable growth and achieving targeted profit is the ultimate objective. Like the previous year, we had to manage our profitability in 2022 from treasury business since banks core business i.e. deposit and advance growth was pretty lower. Moreover, treasury business gave us mileage to exceed our yearly profit target.

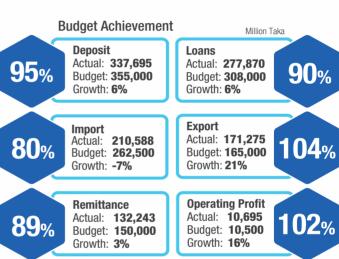
Loan Mix

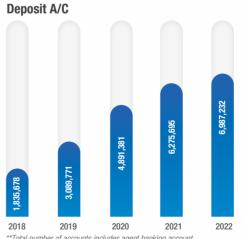
For risk diversification and in line with the sectoral lending cap policy approved by the Board, we have been concentrating on having relatively moderate growth in corporate business while accelerating in SME/ retail businesses as our ultimate goal is to attain 50:50 ratio in near term. For this purpose, during the last couple of years, we have set our branch business targets in various segments such as Corporate, Export Finance, SME, retail, Islamic and agent banking where every branches performance are closely monitored against targets.



Efficient Deposit Mix

Deposit mix plays a very important role in deciding the profitability of a bank as income from loan & advance was declined due to lower margin. Therefore, one of the most significant strategies for our bank is to increase share of CASA in total deposits.





**Total number of accounts includes agent banking account



Chief Financial Officer's Report

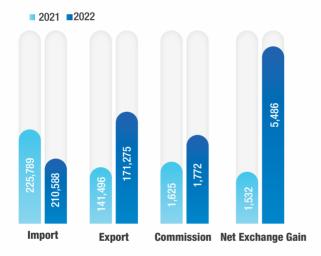
Investment Portfolio and Income

In the year 2022, our total investment portfolio has increased to Tk. 102,849 million from Tk. 77,021 mln but total investment income has decreased to Tk. 6,271 million from Tk. 6,849 million. Mainly exchange gain of Tk. 5,486 million has helped us to off-set the margin we lost from conventional business.



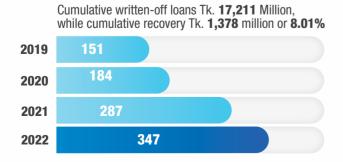
Support from Treasury Income

Last year, the treasury revenue has played a major role in achieving our desired profitability. Total import decreased by Tk. 15,201 million or -7% and Export business grew by Tk. 29,779 million or 21%. Moreover, Remittance increased by Tk. 3,802 million or 3%. Commission income grew by Tk. 147 million or 9% and Net Exchange Gain increased by Tk. 3,954 million.



Recovery from Written-Off Loans

Cash recovery from written-off loans plays a significant role in any bank's profitability due to the numerous benefits it provides, including the fact that there is no tax on this revenue, significantly reduces loan loss provisions and ensures direct return to shareholders. In the year 2022 we recovered Tk. 347 million from previously written-off loan. It is the highest in any single year since inception. Hence, we have set our target of recovering more than Tk. 1,000 million in 2023.



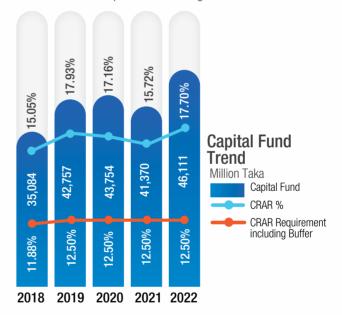
Capital Management

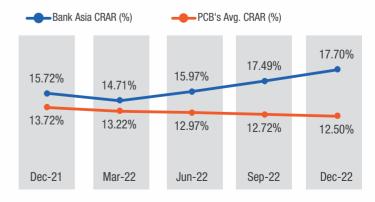
Capital is the main component for secure banking since banks take on risks and may suffer losses if the risks emerge. In order to remain safe and protect customer's deposits, banks need to absorb such losses and keep going in good and difficult times. But how much capital should a bank hold depends on the risks it takes. The bigger the risks, the more capital it requires. For that reason, it is necessary for banks to continuously assess the risks they are exposed to and the losses they may incur. Banks internal assessments are checked by banking supervisors who are responsible for monitoring the financial health.

In order to strengthen the banking sector, the Basel Committee on Banking Supervision (BCBS) released a global regulatory framework on the Basel-III capital accord in December 2010 by updating global capital and liquidity rules. It should be noted that the implementation of the Basel III capital accord began in January 2015 and already implemented since January 2020, according to the Bangladesh bank's roadmap. The agreement to implement minimum total capital plus Capital Conservation Buffer of 12.50 percent as opposed to the current 17.70 percent depicted as follows:

2018	2019	2020	2021	2022
11.88%	12.50%	12.50%	12.50%	12.50%

Images show that, in comparison to the industry, Bank Asia has always been very proactive in managing its capital efficiently, maintaining the ratio well above the requirement including the buffer.





Chief Financial Officer's Report

Capital Planning (Banking Operation) 2023-2025

In 2022, with a view to strengthen the core capital which falls under ties 1, the bank successfully raised Tk. 3,340 Million perpetual bond out of regulatory approved Tk. 5,000 Million. Apart from raising Tier 1 and Tier 2 capital, Bank Asia places equal importance on capital saving or reduction of capital requirement in the form of credit rating of appropriate Corporate and SME clients (detailed in risk management report section), optimizing worthy collaterals, and diversifying the business portfolio to ensure minimal risk with maximum return. Keeping this in mind, Bank Asia develops its capital and business strategies using a three-year capital plan.

Million Taka

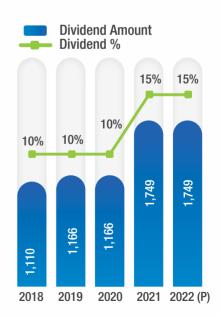
	Actu	Actual		Planning	
	2021	2022	2023	2024	2025
Common Equity Tier 1 (CET1) Capital					
Paid-up capital	11,659	11,659	11,659	12,854	14,140
Statutory Reserve	10,725	11,750	12,265	12,878	13,522
General Reserve	8	8	8	8	8
Retained earnings	2,805	3,105	4,492	5,390	6,468
Perpetual Bond-1st issue	-	3,340	3,510	3,510	3,510
Less: Regulatory adjustments	(45)	(45)	(43)	(43)	(44)
Total CET1	25,153	29,817	31,891	34,597	37,604
Tier 2 Capital					
General Provision	10,218	10,287	12,295	12,895	13,895
Subordinated 7 year Floating Rate Bond2	600	-	-	-	-
Subordinated 7 year Floating Rate Second Bond3	3,000	2,000	1,000	-	-
Subordinated 7 year Floating Rate Second Bond4	5,000	4,000	3,000	2,000	1,000
Subordinated 7 year Floating Rate Second Bond5	-	-	-	5,000	5,000
Excess amount over Maximum Limit of Tier-2	-2,600	-	-	-	-
Total Tier 2 Capital Available	16,218	16,287	16,295	19,895	19,895
Total Capital (Tier 1 + 2)	41,370	46,104	48,186	54,492	57,499
Risk Weighted Assets (RWA)	263,153	260,487	278,721	320,529	358,993
Tier 1 Capital to RWA	9.56%	11.89%	11.44%	10.79%	10.47%
Tier 2 Capital to RWA	6.16%	7.05%	5.85%	6.21%	5.54%
Minimum Capital Requirement+ Conservation Buffer	12.50%	12.50%	12.50%	12.50%	12.50%
Capital to Risk Weighted Assets Ratio (CRAR)	15.72%	17.70%	17.29%	17.00%	16.02%

Regulatory adjustments:

Dividend

Dividends, whether cash or stock, are regarded as one of the simplest yet most powerful messages conveyed to shareholders about a company's historical performance and future prospects. During the last few years, the bank maintained sufficient provision to achieve a stronger balance sheet and in 2022, the bank declared a 15% cash dividend totaling Tk. 1,749 million. Bank Asia distributed stock dividends in the early years of its operation to strengthen its core capital, and since 2014, a combination of stock and cash dividends have been distributed. Dividend payments from 2014 to 2022 are shown in the table below:

Dividend Distribution								
2016 2017 2018 2019 2020 2021 2022 (P)								
Dividend %	12% S	12.50% S	10%	10% Cash	10% Cash	15%	15%	
			(5% S+			Cash	Cash	
			5% C)					
Million Taka	1,058	1,234	1,110	1,166	1,166	1,749	1,749	



^{*} Reciprocal crossholdings in the CET1Capital of Bank Asia by other banks and financial institutions have been deducted.

Chief Financial Officer's Report

Driving Financial Inclusion: Agent Banking

Bank Asia pioneered agent banking 9 years ago with a well-thought-out vision to reach out to remote and unbanked people and provide banking services to their doorstep in the most cost-effective and technologydriven manner possible. The operation has already expanded its diverse financial inclusion activities across the country through agent outlets such as post office agent banking, Union Digital Center (UDC), City Digital Center (CDC), Micro-Merchant, and so on. Agent banking made receiving foreign remittances easy and convenient for people in remote areas. The bank now has 5,414 agent outlets spread across Bangladesh, with a deposit base of Tk. 38,859 million and over 5.55 million customers, with 92 percent of accounts opened in rural areas and 62 percent of account holders being women. Because the agent banking portfolio remained deposit prone over the years, there were ample opportunities for lending growth. To encourage more lending, Bank Asia Agent Banking calibrated the agent-centric business model, capitalizing on existing resources, with the goal of driving the business to a higher level by capturing more market share and making the business model more profitable.





ADVANCE) 2023 TARGET: 3,500 2022 ACT: 2,450





PROFIT 2023 TARGET: 400 2022 ACT: 364

Significance of Human Resource Accounting (HRA)

Because banking is such a large part of the service industry, human resources are the most important capital in this industry. The value of this resource is not measured in traditional accounting, so a critical portion goes unaccounted. Human resource accounting is extremely important for shareholders when making long-term investment decisions because it determines how much value employees will generate for the company in the future at a given cost. It aids in understanding and assessing an organization's inner strength, allowing management to steer the company successfully through the most adverse and unfavorable circumstances. Additionally, investors learn whether an organization is labor intensive or not, which provides a foundation for planning physical assets vs. human resources. Using the Present Value of Future Earnings Model (Lev & Schwartz). Bank Asia reported the total value of Human Capital to be Tk. 35,771 million in 2022 compared to Tk. 23,043 million in 2021. This model discounts total benefits payable to employees with the assumption of minimum expected earnings from the year mentioned up to respective retirement. Page 261 of this Annual Integrated Report contains a detailed discussion of the bank's human resource accounting.



Category wise Break down is presented in the table

Million Taka

dategory wise break de	wii is presenteu ii			minion rana		
	2022			2021		
	No. of employees	Per capita value	Total Value	No. of employees	Per capita value	Total Value
Executive	464	31.30	14,523	430	17.75	7,634
Officer	2,401	8.84	21,231	2,117	7.28	15,403
Total Individual Value	2,865		35,754	2,547		23,037
Training Cost			17			6
Total Human Capital	2,865		35,771	2,547		23,043

Chief Financial Officer's Report



Brief Economic, Environmental and Social Performance

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_	Nos. of loans	70,750						
Economic responsibility	Nos. of deposit accounts	6,987,232						
	Nos. of savings accounts	6,274,380						
	Profit after Tax	3,046						
Shareholders responsibility	Shareholders' fund	28,640						
,	Share Price	20.50						
	Electricity consumed	12,308,733						
Foreign was a state	Oil	46,666						
Environmental responsibility	CNG	118,836						
	Local business travel	3,916,615						
	Paper used	84,754						
Social	Staff strength	12%						
responsibility	Benefits and emoluments	30%						

We are always committed to maintain a strong financial position, with a robust capital base, adequate liquidity, and a sound risk management framework. We will continue to monitor the economic and regulatory environment closely in coming days and adjust our strategies as needed to navigate through any challenges and take new opportunities.

Mohammad Ibrahim Khalil

Mohammad Ibrahim Khalil, FCA Chief Financial Officer







Independent Auditor's Report to the Shareholders of Bank Asia Limited

Report on the Audit of the Consolidated and Separate Financial Statements

Opinion

We have audited the consolidated financial statements of Bank Asia Limited and its subsidiaries (the "Group") as well as the separate financial statements of Bank Asia Limited (the "Bank"), which comprise the consolidated and separate balance sheets as at 31 December 2022 and the consolidated and separate profit and loss accounts, consolidated and separate statements of changes in equity and consolidated and separate cash flow statements for the year then ended, and notes to the consolidated and separate financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying consolidated financial statements of the Group and separate financial statements of the Bank give a true and fair view of the consolidated financial position of the Group and the separate financial position of the Bank as at 31 December 2022, and of its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as explained in note 2 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 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), 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.

Kev Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below our description of how our audit addressed the matter is provided in that context.

Description of key audit matters

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Measurement of provision for loans, advances and leases

The process for estimating the provision for loans, advances and leases portfolio associated with credit risk is significant and complex.

For the individual analysis for large exposure, provision calculation considers the estimates of future business performance and the market value of collateral provided for credit transactions.

For the collective analysis of exposure on portfolio basis, provision calculation and reporting are manually processed that deals with voluminous databases, assumptions and estimates of complex design and implementation.

At year end the Group reported total gross loans and advances of BDT 280,591 million (2021: BDT 264,999 million) and provision for loans and advances of BDT 19.080 million (2021: BDT 15.153 million).

In addition, special general provision — COVID 19 has been also maintained as per BRPD circular no. 53 dated 22 December 2022 on the outstanding balance from clients who have taken the deferral facility due to COVID 19.

We have focused on the following significant judgements and estimates which could give rise to material misstatement or management bias:

- Completeness and timing of recognition of loss events in accordance with criteria set out in BRPD circular no 14, dated 23 September 2012 and BRPD circular no 03, dated 21 April 2019; and
- For individually assessed provisions, the measurement of the provision may be dependent on the valuation of collateral, estimates of exit values and the timing of cash flows;

Provision measurement is primarily dependent upon key assumptions relating to probability of default, ability to repossess collateral and recovery rates.

We tested the design and operating effective-ness of key controls focusing on the following:

Our response to key audit matters

- Credit appraisal, loan disbursement proce-dures, monitoring and provisioning pro-cess;
- Completeness of appropriate documenta-tion before disbursement of loans as well as recording of loan balance;
- Alternate procedures applied by manage-ment to assess new loan/renewal of exist-ing loans where latest audited financial statements of the borrower is not available;
- Identification of loss events, including early warning and default warning indicators;
- Review of quarterly Classification of Loans (CL);

Our substantive procedures in relation to the provision for loans and advances portfolio comprised the following:

- Reviewed the adequacy of the general and specific provisions in line with related Bangladesh Bank guidelines;
- Assessed the methodologies on which the provision amounts are based, recalculated the provisions and tested the completeness and accuracy of the underlying information;
- Evaluated the appropriateness and presenta-tion of disclosures against relevant account-ing standards and Bangladesh Bank guide-lines.
- Finally, compared the amount of provision requirement as determined by Bangladesh Bank inspection team to the actual amount of provision maintained

Description of key audit matters

Our response to key audit matters

Due to long-term impact of COVID 19, flood situation in northeastern areas of Bangladesh and prolonged conflict/war outside the country, many borrowers were adversely impacted dur-ing the year. Accordingly, Bangladesh Bank has given certain flexibility from classification requirement for loans vide issuing various cir-culars such as BRPD 14 dated 22 June 2022, and BRPD 51 dated 18 December 2022 whereby Banks are allowed to keep a loan/customer as unclassified subject to the payment of certain percent of quarterly instal-ment due by 31 December 2022.

The Bank has calculated required provision as per Bangladesh Bank letter DBI-3/120/2023-508 dated 16 March 2023 considering total classified loans and advances of Tk 1,351.97 crore (4.87%). The letter also advised the Bank to transfer Tk 587.75 crore of general provi-sion related to stay order cases and restructured loans to be transferred to specific provision in next 3 years.

See note #8 (a) and 13.2 to the financial statements

Risk

Interest income recognition

Recognition and measurement of interest income involve complex IT environment as well as require critical estimates and judgment. Since interest income from loans and advances is one of the key performance indicators of the Bank there is an inherent risk of fraud and error in recognition of interest income.

Moreover, as per Bangladesh Bank BRPD circular no. 53 dated 22 December 2022, considering future risk banks were allowed to recognize outstanding/ arrear interest income on loans where deferral facilities were given upon considering potential risk of future recovery and receiving certain percent of guarterly instalment due by 31 December 2022.

Accordingly, this has been considered as key audit matter.

Our response to the risk

We tested the design and operating effectiveness of key controls including automated control over recognition and measurement of interest on loans and advances.

For selected customers and loan files on sample basis we have also performed substantive test of details including recalculation and cutof testing to check accuracy of interest income.

Finally, we also conducted substantive analytical procedures to assess reasonableness of interest recognised during the year with reference to the product wise outstanding loan balances.

However, due to the current uncertainty of the overall economic situation, and in particular impacts from major global events such as continuation of COVID 19 related disruptions, Russia-Ukraine conflict, volatility in fuel and commodity price, strengthening of USD, etc., there is inherent risk that the actual recovery of accrued interest income especially from those clients receiving deferral facility could be materially different than the actual situation in future and a portion of interest accrued during the year ended 31 December 2022.

See note # 20 (a) to the financial statements

Valuation of treasury bill and treasury bond

The classification and measurement of T-Bill and T-Bond require judgment and complex estimates.

In the absence of a quoted price in an active market, the fair value of T-Bills and T-Bonds is determined using complex valuation techniques which may take into consideration direct or indirect unobservable market data and complex pricing models which require an elevated level of judgment.

We assessed the processes and controls put in place by the Bank to identify and confirm the existence of treasury bills and bonds.

We obtained an understanding, evaluated the design and tested the operating effectiveness of the key controls over the treasury bills and bonds valuation processes, including controls over market data inputs into valuation models, model governance, and valuation adjustments.

We tested a sample of the valuation models and the inputs used in those models, using a variety of techniques, including comparing inputs to available market data.

Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards and Bangladesh Bank guidelines.

Description of key audit matters

Our response to key audit matters

See note # 7 to the financial statements

Impairment assessment of unquoted investments

In the absence of a quoted price in an active market, the fair value of unquoted shares and bonds, especially any impairment is calculated using valuation techniques which may take into consideration direct or indirect unobservable market data and hence require an elevated level of judgment.

We have assessed the processes and controls put in place by the Company to ensure all major investment decisions are undertaken through a proper due diligence process

We tested a sample of investments valuation as at 31 December 2022 and compared our results to the recorded value.

Finally we assessed the appropriateness and presentation of disclosures against relevant accounting standards and Bangladesh Bank guidelines.

As per the business model, management has considered quoted and unquoted shares together as part of its investment portfolio for calculation of required provision.

See note # 7.2 to the financial statements

IT systems and controls

Our audit procedures have a focus on IT systems and controls due to the pervasive nature and complexity of the IT environment, the large volume of transactions processed in numerous locations daily and the reliance on automated and IT dependent manual controls.

Our areas of audit focus included user access management, developer access to the production environment and changes to the IT environment. These are key to ensuring IT dependent and application based controls are operating effectively

We tested the design and operating effectiveness of the Bank's IT access controls over the information systems that are critical to financial reporting.

We tested IT general controls (logical access, changes management and aspects of IT operational controls). This included testing that requests for access to systems were appropriately reviewed and authorized.

We tested the Bank's periodic review of access rights and reviewed requests of changes to systems for appropriate approval and authorization.

We considered the control environment relating to various interfaces, configuration and other application layer controls identified as key to our audit.

Legal and regulatory matters

We focused on this area because the Bank and its subsidiaries (the "Group") operates in a legal and regulatory environment that is exposed to significant litigation and similar risks arising from disputes and regulatory proceedings. Such matters are subject to many uncertainties and the outcome may be difficult to predict.

These uncertainties inherently affect the amount and timing of potential outflows with respect to the provisions which have been established and other contingent liabilities.

The Bank has received a direction to transfer 50% the foreign exchange gain of the month of May and June 2022 to CSR fund after keeping adequate provision for taxation.

The Bank has taken initiative to save cost from the budgeted cost as per BRPD circular 28 and 30 of 2022.

Overall, the legal provision represents the Group's and the Bank's best estimate for existing legal matters that have a probable and estimable impact on the Group's financial position.

We obtained an understanding, evaluated the design and tested the operational effectiveness of the Bank's key controls over the legal provision and contingencies process.

We enquired to those charged with governance to obtain their view on the status of all significant litigation and regulatory matters.

We enquired of the Bank's internal legal counsel for all significant litigation and regulatory matters and inspected internal notes and reports.

We have checked the calculation of the transfer to CSR fund after keeping appropriate provision. In addition we are informed about the initiative taken by the Bank management to control relevant cost.

We assessed the methodologies on which the provision amounts are based, recalculated the provisions, and tested the completeness and accuracy of the underlying information.

We also assessed the Bank's provisions and contingent liabilities disclosure.

Description of key audit matters

Our response to key audit matters

Carrying value of investments in subsidiaries by the Bank

The Bank has invested in equity shares of three subsidiary companies namely, Bank Asia Securities Limited incorporated in Bangladesh, BA Exchange Company (UK) Limited incorporated in United Kingdom and BA Express USA Inc. incorporated in United States of America (USA). As at 31 December 2022 the carrying value of this investment is BDT 2,137 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 all the above subsidiaries stated at cost.

Management has conducted impairment assessment and calculated recoverable value of its individual subsidiaries in accordance with IAS 36.

We have reviewed Management's analysis of impairment assessment and recoverable value calculation of subsidiaries in accordance with IAS 36.

In particular, our discussions with the Management were focused on the continued appropriateness of the value in use model, the key assumptions used in the model, the reasonably possible alternative assumptions, particularly where they had the most impact on the value in use calculation.

We also checked mathematical accuracy of the model, recalculated discount rate used within the model, inputs used in the determination of assumptions within the model were challenged and corroborating information was obtained with reference to external market information, third-party sources.

We further observed that pursuant to the BSEC notification the subsidiary of the Bank has made partial provision against diminution in the value of investment and client margin loan as per BSEC notification.

Revaluation of property, plant and equipment

The Bank in prior year has undertaken revaluation of its land and building. As a result of this revaluation exercise, an amount of BDT 1,876,926,919 is recognised as the fair value gain in revaluation reserve and resultant deferred tax liability. Determination of fair value in absence of any quoted price and active market require significant judgment

We assessed the process of revaluation previously taken by the Bank.

We have discussed with management about any potential changes in revaluation assumptions since the last revaluation, in particular potential impact of the current macro-economic factors and applied our judgment to see whether the fair value is still relevant.

We checked related accounting treatments of fair value gain and associated deferred tax as recognized by the Bank.

Reporting on other information

Management is responsible for the other information. The other information comprises all of the information in the Annual Report other than the consolidated and separate 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 consolidated and separate financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, 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, on the other information obtained prior to the date of this audit report, 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 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 in accordance with IFRSs as explained in note 2, and for such internal control 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 and the Bangladesh Bank Regulations require the Management to ensure effective internal audit, internal control and risk management functions of the Bank. The Management is also required to make a self-assessment on the effectiveness of anti-fraud internal controls and report to Bangladesh Bank on instances of fraud and forgeries.

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

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

Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements

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

As part of an audit in accordance with ISAs, we exercise professional 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.
- 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 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, the Securities and Exchange Rules 2020, the Bank Company Act, 1991 and the rules and regulations issued by Bangladesh Bank, we also report that:

- (i) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof:
- (ii) to the extent noted during the course of our audit work performed on the basis stated under the Auditor's Responsibility section in forming the above opinion on the consolidated financial statements 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 financial statements and internal control:
- (a) internal audit, internal control and risk management arrangements of the Group 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 its related entities (other than matters disclosed in these financial statements);
- (iii) Consolidated financial statements of the Bank include three subsidiaries, namely Bank Asia Securities Limited incorporated in Bangladesh, BA Exchange Company (UK) Limited incorporated in United Kingdom and BA Express USA Inc. incorporated in United States of America (USA) reflect total assets of BDT 442,258. 29 million as at 31 December 2022 and net interest income of BDT 5,547.10 milliom for the year ended 31 December 2022. Out of these three subsidiaries of the Bank, BA Exchange Company (UK) Limited has been audited by AGP Consulting and BA Express USA Inc. has been audited by Monis J. Siddiqui who have expressed unqualified audit opinion. However, Bank Asia Securities Limited has been audited by us. The results of these 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 consolidated financial statements have been drawn up in conformity with prevailing rules, regulations and accounting standards as well as related guidance issued by Bangladesh Bank;
- (viii) adequate provisions have been made for advance and other assets which are in our opinion, doubtful of recovery;
- (ix) the information and explanations required by us have been received and found satisfactory;
- (x) we have reviewed over 80% of the risk weighted assets of the Bank and spent over 7,100 person hours; and
- (xi) Capital to Risk-weighted Asset Ratio (CRAR) as required by Bangladesh Bank has been maintained adequately during the year.

Dhaka, Dated 18 March 2023

DVC No: 2303200770AS558488

Sabbir Ahmed, FCA, Partner Enrolment no: 770 Hoda Vasi Chowdhury & Co Chartered Accountants

Salli Ahmed.

Bank Asia Limited and its subsidiaries Consolidated Balance Sheet

as at 31 December 2022

Amount in Taka

			AITIOUITI III Tana
	Notes	31 Dec 2022	31 Dec 2021
PROPERTY AND ASSETS			
Cash		25,797,237,229	33,365,082,062
In hand (including foreign currencies)	4.1(a)	4,087,822,688	3,609,634,979
Balance with Bangladesh Bank and its agent bank			
(including foreign currencies)	4.2(a)	21,709,414,541	29,755,447,083
Balance with other banks and financial institutions	5(a)	39,983,468,523	41,288,613,589
In Bangladesh		37,345,770,086	39,659,087,772
Outside Bangladesh		2,637,698,437	1,629,525,817
Money at call and on short notice	6(a)	3,750,000,000	6,400,000,000
Investments	7(a)	103,838,255,588	77,951,433,954
Government		94,746,403,719	70,690,287,923
Others		9,091,851,869	7,261,146,031
Loans and advances/investments	8(a)	280,591,467,444	264,999,483,971
Loans, cash credits, overdrafts, etc/investments		257,223,892,759	236,976,500,176
Bills purchased and discounted		23,367,574,685	28,022,983,795
Fixed assets including premises, furniture and fixtures	9(a)	5,704,012,877	6,145,270,470
Other assets	10(a)	11,057,689,200	10,876,307,392
Non - banking assets	. ,	-	-
Total assets		470,722,130,861	441,026,191,438
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from other banks, financial institutions and agents	11(a)	51,024,080,743	47,836,151,368
Subordinated non-convertible and perpetual bonds	11(aa)	9,340,000,000	8,600,000,000
Deposits and other accounts	12(a)	337,853,124,886	318,424,929,865
Current/Al-wadeeah current accounts and other accounts		68,534,148,051	64,292,866,731
Bills payable		4,167,914,951	3,978,312,853
Savings bank/Mudaraba savings bank deposits		78,812,880,761	79,212,048,790
Fixed deposits/Mudaraba fixed deposits		186,338,181,123	170,941,701,491
Bearer certificates of deposit		-	-
Other deposits		-	-
Other liabilities	13(a)	44,041,087,583	38,961,364,845
Total liabilities		442,258,293,212	413,822,446,078
Capital/shareholders' equity			
Total shareholders' equity		28,463,837,649	27,203,745,360
Paid-up capital	14.2	11,659,068,600	11,659,068,600
Statutory reserve	15	11,750,000,000	10,725,443,940
General and other reserve	15.1(a)	9,926,531	8,317,091
Revaluation reserve	16(a)	2,117,047,124	2,159,144,877
Retained earnings	17(a)	2,957,002,831	2,650,999,337
Foreign currency translation reserve	(-)	(29,217,722)	761,241
Non-controlling interest	17(b)	10,285	10,274
Total liabilities and shareholders' equity		470,722,130,861	441,026,191,438
			.,,

Consolidated Balance Sheet

Amount in Taka

	Notes	31 Dec 2022	31 Dec 2021
OFF-BALANCE SHEET ITEMS			
Contingent liabilities	18	151,805,089,469	170,920,906,518
Acceptances and endorsements		57,460,996,543	62,539,512,475
Letters of guarantee		38,212,129,085	37,395,583,594
Irrevocable letters of credit		28,775,250,089	46,608,780,719
Bills for collection		27,356,713,752	24,377,029,730
Other contingent liabilities		-	-
Other commitments		1,758,182,995	3,044,625,874
Documentary credits and short term trade-related transactions		-	-
Forward assets purchased and forward deposits placed		1,758,182,995	3,044,625,874
Undrawn note issuance and revolving underwriting facilities		-	-
Undrawn formal standby facilities, credit lines and other commitments		-	-
Total off-balance sheet items including contingent liabilities		153,563,272,464	173,965,532,392

Director

Director

These Financial Statements should be read in conjunction with the annexed notes

Director

See our annexed report of even date

Chairman

Dhaka, Dated

18 March 2023 DVC No: 2303200770AS558488

Sabbir Ahmed, FCA, Partner Enrolment no: 770 Hoda Vasi Chowdhury & Co Chartered Accountants

President and Managing Director

Bank Asia Limited and its subsidiaries Consolidated Profit and Loss Account

for the year ended 31 December 2022

Amount in Taka

			7 II II Odi II II Tana
	Notes	31 Dec 2022	31 Dec 2021
OPERATING INCOME			
Interest income	20(a)	20,484,449,300	18,422,217,336
Interest paid on deposits and borrowings, etc	21(a)	14,937,341,626	12,727,962,811
Net interest income		5,547,107,674	5,694,254,525
Investment income	22(a)	6,270,764,596	6,848,834,433
Commission, exchange and brokerage	23(a)	7,655,343,919	3,562,596,602
Other operating income	24(a)	1,217,933,416	1,185,321,692
other operating moonto	Z 1(u)	15,144,041,931	11,596,752,727
Total operating income (A)		20,691,149,605	17,291,007,252
OPERATING EXPENSES		20,001,140,000	17,201,007,202
Salaries and allowances	25(a)	5,180,307,624	3,995,021,349
	26(a)		
Rent, taxes, insurance, electricity, etc		606,906,079	505,031,922
Legal expenses	27(a)	26,343,367	17,558,765
Postage, stamp, telecommunication, etc	28(a)	157,490,802	121,249,030
Stationery, printing, advertisements, etc	29(a)	177,671,713	118,856,850
Managing Director's salary and fees	30	18,854,125	20,401,265
Directors' fees	31(a)	3,464,000	4,359,000
Auditors' fees	32(a)	3,639,789	3,397,350
Depreciation and repairs of Bank's assets	33(a)	979,550,708	888,405,435
Other expenses	34(a)	2,667,684,970	2,064,272,614
Total operating expenses (B)		9,821,913,177	7,738,553,580
Profit before provision (C=A-B)		10,869,236,428	9,552,453,672
Provision for loans and advances/investments		-,,	-,,
General provision		2,467,292,000	(1,112,892,000)
Specific provision		1,826,641,239	5,456,131,734
Specific provident	13.2(a)	4,293,933,239	4,343,239,734
Provision for off-balance sheet items	13.3	(295,000,000)	485,000,000
Provision for diminution in value of investments	10.0	(233,000,000)	51,208,223
Other provisions		250,000,000	150,000,000
Total provision (D)	34(c)	4,248,933,239	5,029,447,957
	34(6)		
Total profit before tax (C-D)		6,620,303,189	4,523,005,715
Provision for taxation	40 5 4()	0.507.070.700	4 70 4 705 400
Current tax	13.5.1(a)	3,567,972,708	1,794,735,436
Deferred tax		-	-
		3,567,972,708	1,794,735,436
Net profit after tax		3,052,330,481	2,728,270,279
Appropriations			
Statutory reserve		1,024,556,060	881,347,196
Coupon/dividend on perpetual bond		25,016,438	-
General and other reserve		1,609,440	150,947
donoral and other receive	15.1(a)	1,051,181,938	881,498,143
Retained surplus	10.1(α)	2,001,148,543	1,846,772,136
Attributable to:		2,001,140,040	1,040,112,130
Equity holders of Bank Asia Limited		2,001,148,532	1,846,772,060
Non-controlling interest		2 001 149 542	76
Farrings Day Chara (FDC)	07/2\	2,001,148,543	1,846,772,136
Earnings Per Share (EPS)	37(a)	2.62	2.34

These Financial Statements should be read in conjunction with the annexed notes

Chairman Director Director Director President and Managing Director

See our annexed report of even date

Dhaka, Dated 18 March 2023

DVC No: 2303200770AS558488

Sabbir Ahmed, FCA, Partner Enrolment no: 770 Hoda Vasi Chowdhury & Co Chartered Accountants

Bank Asia Limited and its subsidiaries Consolidated Cash Flow Statement

for the year ended 31 December 2022

•			Amount in Taka
	Notes	31 Dec 2022	31 Dec 2021
Cash flows from operating activities (A)			
Interest receipts		27,031,367,925	22,884,554,255
Interest payments		(15,663,894,987)	(13,639,906,156)
Dividends receipts		88,244,680	136,087,793
Fees and commission receipts		7,655,343,919	3,562,596,602
Recoveries on loans previously written off		347,148,119	287,429,432
Cash payment to employees		(5,135,929,070)	(3,816,090,219)
Cash payment to suppliers		(294,891,193)	(214,258,327)
Income tax paid		(2,569,789,573)	(1,310,722,518)
Receipts from other operating activities	35 (a)	1,271,679,392	3,453,659,983
Payments for other operating activities	36 (a)	(3,484,383,132)	(2,736,269,946)
Operating profit before changes in operating assets & liabilities	()	9,244,896,080	8,607,080,899
Increase/(decrease) in operating assets and liabilities			
Loans and advances to customers and banks		(15,591,983,473)	(17,667,635,689)
Other assets		411,064,662	298,862,909
Deposits from customers and banks		19,428,195,021	14,931,015,417
Trading liabilities		3,187,929,375	11,864,296,427
Other liabilities		(565,596,792)	(279,683,390)
Net Increase/(decrease) in operating assets and liabilities		6,869,608,793	9,146,855,674
Net cash flows from operating activities		16,114,504,873	17,753,936,573
Cash flows from investing activities (B)			
Investments in treasury bills, bonds and others		(24,056,115,796)	19,351,841,699
Sale/(Purchase) of trading securities		(1,830,705,838)	(2,396,464,925)
(Purchase)/disposal of fixed assets including right-of-use assets		(306,931,836)	(474,428,366)
Net cash flows from/(used in) investing activities		(26,193,753,470)	16,480,948,408
Cash flows from financing activities (C)			
Issuance of perpetual bond		3,340,000,000	-
Coupon/dividend paid on perpetual bond		(25,016,438)	-
Adjustment of subordinated non-convertible bond		(2,600,000,000)	(1,600,000,000)
Payments for lease liability		(410,573,674)	(419,543,010)
Dividend paid (cash dividend)		(1,748,860,290)	(1,165,906,860)
Net cash flows from/(used in) financing activities		(1,444,450,402)	(3,185,449,870)
Net increase/(decrease) in cash and cash equivalents (A+B+C)		(11,523,698,999)	31,049,435,111
Effects of exchange rate changes on cash and cash equivalents		-	-
Cash and cash equivalents at the beginning of the year		81,056,909,851	50,007,474,740
Cash and cash equivalents at the end of the year		69,533,210,852	81,056,909,851
Cash and cash equivalents:			
Cash		4,087,822,688	3,609,634,979
Balance with Bangladesh Bank and its agent bank(s)		21,709,414,541	29,755,447,083
Balance with other banks and financial institutions		39,983,468,523	41,288,613,589
Money at call and on short notice		3,750,000,000	6,400,000,000
Prize bonds		2,505,100	3,214,200
		69,533,210,852	81,056,909,851

These Financial Statements should be read in conjunction with the annexed notes

Director Director Director President and Managing Director

Bank Asia Limited and its subsidiaries Consolidated Statement of Changes in Equity

for the year ended 31 December 2022

Amount in Taka

Particulars	Paid-up Capital	Statutory Reserve	Revaluation Reserve	General and other Reserve	Foreign currency translation Reserve	Retained Earnings	Total	Non- controlling Interest	Total Equity
Balance as at 01 January 2021	11,659,068,600	9,844,096,744	3,777,946,202	8,166,144	856,701	1,918,254,038	27,208,388,428	10,198	27,208,398,627
Transferred during the year	ı	881,347,196	1	1	1	(881,347,196)	1	1	1
Adjustment on revaluation of fixed assets and other investment	1	1	(1,565,086,073)	ı	1	ı	(1,565,086,073)	1	(1,565,086,073)
Transferred to retained earnings	1	1	(53,715,252)	1	1	53,715,252	1	1	1
Foreign currency translation for opening retained earnings	1	1	1	ı	1	(1,835,153)	(1,835,153)	1	(1,835,153)
Foreign currency translation for the year	ı	1	1	ı	(95,460)	ı	(95,460)	1	(95,460)
Transferred to General and other reserve	ı	1	1	150,947	1	(150,947)	1	1	1
Cash dividend paid	ı	1	1	ı	1	(1,165,906,860)	(1,165,906,860)	1	(1,165,906,860)
Net profit for the year	ı	1	1	1	1	2,728,270,203	2,728,270,203	92	2,728,270,279
Balance as at 31 December 2021	11,659,068,600	10,725,443,940	2,159,144,877	8,317,091	761,241	2,650,999,337	27,203,735,085	10,274	27,203,745,360
Transferred during the year	ı	1,024,556,060	1	ı	1	(1,024,556,060)	1	1	1
Adjustment on revaluation of fixed assets and other investment	-	ı	11,617,499	1	1	-	11,617,499	1	11,617,499
Transferred to retained earnings	ı	1	(53,715,252)	I	1	53,715,252	ı	1	1
Foreign currency translation for the year	ı	1	1	ı	(29,978,963)	ı	(29,978,963)	1	(29,978,963)
Transferred to General and other reserve	ı	1	1	1,609,440	-	(1,609,440)	ı	1	1
Cash dividend paid	ı	ı	ı	1	1	(1,748,860,290)	(1,748,860,290)	1	(1,748,860,290)
Coupon/dividend on perpetual bond	ı	ı	ı	1	1	(25,016,438)	(25,016,438)	1	(25,016,438)
Net profit for the year	1	_	-	1	-	3,052,330,470	3,052,330,470	11	3,052,330,481
Balance as at 31 December 2022	11,659,068,600 11,750,000,000	11,750,000,000	2,117,047,124	9,926,531	(29,217,722)	2,957,002,831	28,463,827,363	10,285	28,463,837,649

These Financial Statements should be read in conjunction with the annexed notes

Chairman

& A Worrown

Director

Director

Director

President and Managing Director

Bank Asia Limited Balance Sheet

as at 31 December 2022

PROPERTY AND ASSETS

(including foreign currencies)

In Bangladesh

Investments Government Others

Other assets

Total assets

Liabilities

Bills payable

Other deposits Other liabilities

Total liabilities

Paid-up capital

Statutory reserve

Revaluation reserve

Retained earnings

General and other reserve

Outside Bangladesh

In hand (including foreign currencies)

Money at call and on short notice

Loans and advances/investments

Bills purchased and discounted

Non - banking assets

LIABILITIES AND CAPITAL

Deposits and other accounts

Bearer certificates of deposit

Capital/shareholders' equity Total shareholders' equity

Loans, cash credits, overdrafts, etc/investments

Fixed assets including premises, furniture and fixtures

Subordinated non-convertible and perpetual bonds

Current/Al-wadeeah current accounts and other accounts

Savings bank/Mudaraba savings bank deposits Fixed deposits/Mudaraba fixed deposits

Total liabilities and shareholders' equity

Borrowings from other banks, financial institutions and agents

Balance with Bangladesh Bank and its agent bank

Balance with other banks and financial institutions

31 Dec 2022 31 Dec 2021 25,797,153,695 33,364,884,587 4,087,739,154 3,609,437,504 21,709,414,541 29,755,447,083 39,580,907,052 40,361,469,795 37,117,023,982 38,950,215,157 2,463,883,070 1,411,254,638 3,750,000,000 6,400,000,000 102,849,109,937 70,690,287,923 8,102,706,218 6,330,902,598 277,870,358,403 262,266,701,765 254,502,783,718 234,243,717,970 23,367,574,685 28,022,983,795 5,615,910,981 6,039,141,904 12,937,503,504 12,839,899,861 - - 468,400,943,572 438,293,288,433 51,024,080,743 47,836,151,368 9,340,000,000 317,782,434,902 68,376,440,602 63,650,371,768 4,167,914,951 79,212,048,790 186,338,181,123 170,941,701,491 - - 41,701,194,297 36,718,063,544 439,760,692,477 410,936,649,814		Amount in Taka
4,087,739,154 3,609,437,504 21,709,414,541 29,755,447,083 39,580,907,052 40,361,469,795 37,117,023,982 38,950,215,157 2,463,883,070 1,411,254,638 3,750,000,000 6,400,000,000 102,849,109,937 77,021,190,521 94,746,403,719 70,690,287,923 8,102,706,218 6,330,902,598 277,870,358,403 262,266,701,765 23,367,574,685 28,022,983,795 5,615,910,981 6,039,141,904 12,937,503,504 12,839,899,861 - - 468,400,943,572 438,293,288,433 51,024,080,743 47,836,151,368 9,340,000,000 8,600,000,000 337,695,417,437 317,782,434,902 68,376,440,602 63,650,371,768 4,167,914,951 79,212,048,790 186,338,181,123 170,941,701,491 - - 41,701,194,297 36,718,063,544	31 Dec 2022	31 Dec 2021
4,087,739,154 3,609,437,504 21,709,414,541 29,755,447,083 39,580,907,052 40,361,469,795 37,117,023,982 38,950,215,157 2,463,883,070 1,411,254,638 3,750,000,000 6,400,000,000 102,849,109,937 77,021,190,521 94,746,403,719 70,690,287,923 8,102,706,218 6,330,902,598 277,870,358,403 262,266,701,765 23,367,574,685 28,022,983,795 5,615,910,981 6,039,141,904 12,937,503,504 12,839,899,861 - - 468,400,943,572 438,293,288,433 51,024,080,743 47,836,151,368 9,340,000,000 8,600,000,000 337,695,417,437 317,782,434,902 68,376,440,602 63,650,371,768 4,167,914,951 79,212,048,790 186,338,181,123 170,941,701,491 - - 41,701,194,297 36,718,063,544		
21,709,414,541 29,755,447,083 39,580,907,052 40,361,469,795 37,117,023,982 38,950,215,157 2,463,883,070 1,411,254,638 3,750,000,000 6,400,000,000 102,849,109,937 77,021,190,521 94,746,403,719 70,690,287,923 8,102,706,218 6,330,902,598 277,870,358,403 262,266,701,765 23,367,574,685 234,243,717,970 23,367,574,685 28,022,983,795 5,615,910,981 6,039,141,904 12,937,503,504 12,839,899,861 - - 468,400,943,572 438,293,288,433 51,024,080,743 47,836,151,368 9,340,000,000 317,782,434,902 68,376,440,602 63,650,371,768 4,167,914,951 79,212,048,790 186,338,181,123 170,941,701,491 - - 41,701,194,297 36,718,063,544	25,797,153,695	33,364,884,587
39,580,907,052 40,361,469,795 37,117,023,982 38,950,215,157 2,463,883,070 1,411,254,638 3,750,000,000 6,400,000,000 102,849,109,937 77,021,190,521 94,746,403,719 70,690,287,923 8,102,706,218 6,330,902,598 277,870,358,403 262,266,701,765 23,367,574,685 28,022,983,795 5,615,910,981 6,039,141,904 12,937,503,504 12,839,899,861 - - 468,400,943,572 438,293,288,433 51,024,080,743 47,836,151,368 9,340,000,000 8,600,000,000 337,695,417,437 317,782,434,902 68,376,440,602 63,650,371,768 4,167,914,951 79,212,048,790 186,338,181,123 170,941,701,491 - - 41,701,194,297 36,718,063,544	4,087,739,154	3,609,437,504
39,580,907,052 40,361,469,795 37,117,023,982 38,950,215,157 2,463,883,070 1,411,254,638 3,750,000,000 6,400,000,000 102,849,109,937 77,021,190,521 94,746,403,719 70,690,287,923 8,102,706,218 6,330,902,598 277,870,358,403 262,266,701,765 23,367,574,685 28,022,983,795 5,615,910,981 6,039,141,904 12,937,503,504 12,839,899,861 - - 468,400,943,572 438,293,288,433 51,024,080,743 47,836,151,368 9,340,000,000 8,600,000,000 337,695,417,437 317,782,434,902 68,376,440,602 63,650,371,768 4,167,914,951 79,212,048,790 186,338,181,123 170,941,701,491 - - 41,701,194,297 36,718,063,544		
37,117,023,982 38,950,215,157 2,463,883,070 1,411,254,638 3,750,000,000 6,400,000,000 102,849,109,937 77,021,190,521 94,746,403,719 70,690,287,923 8,102,706,218 6,330,902,598 277,870,358,403 262,266,701,765 234,243,717,970 23,367,574,685 23,367,574,685 28,022,983,795 5,615,910,981 6,039,141,904 12,937,503,504 12,839,899,861 - - 468,400,943,572 438,293,288,433 51,024,080,743 47,836,151,368 9,340,000,000 36,650,371,768 4,167,914,951 3,978,312,853 78,812,880,761 79,212,048,790 186,338,181,123 170,941,701,491 - - 41,701,194,297 36,718,063,544	21,709,414,541	29,755,447,083
2,463,883,070 1,411,254,638 3,750,000,000 6,400,000,000 102,849,109,937 77,021,190,521 94,746,403,719 70,690,287,923 8,102,706,218 6,330,902,598 277,870,358,403 262,266,701,765 254,502,783,718 234,243,717,970 23,367,574,685 28,022,983,795 5,615,910,981 6,039,141,904 12,937,503,504 12,839,899,861 - - 468,400,943,572 438,293,288,433 51,024,080,743 47,836,151,368 9,340,000,000 8,600,000,000 337,695,417,437 63,650,371,768 4,167,914,951 79,212,048,790 186,338,181,123 170,941,701,491 - - 41,701,194,297 36,718,063,544	39,580,907,052	40,361,469,795
3,750,000,000 6,400,000,000 102,849,109,937 77,021,190,521 94,746,403,719 70,690,287,923 8,102,706,218 6,330,902,598 277,870,358,403 262,266,701,765 254,502,783,718 234,243,717,970 23,367,574,685 28,022,983,795 5,615,910,981 6,039,141,904 12,937,503,504 12,839,899,861 - - 468,400,943,572 438,293,288,433 51,024,080,743 47,836,151,368 9,340,000,000 8,600,000,000 337,695,417,437 317,782,434,902 68,376,440,602 63,650,371,768 4,167,914,951 79,212,048,790 186,338,181,123 170,941,701,491 - - 41,701,194,297 36,718,063,544	37,117,023,982	38,950,215,157
102,849,109,937 77,021,190,521 94,746,403,719 70,690,287,923 8,102,706,218 6,330,902,598 277,870,358,403 262,266,701,765 254,502,783,718 234,243,717,970 23,367,574,685 28,022,983,795 5,615,910,981 6,039,141,904 12,937,503,504 12,839,899,861 - - 468,400,943,572 438,293,288,433 51,024,080,743 47,836,151,368 9,340,000,000 8,600,000,000 337,695,417,437 317,782,434,902 68,376,440,602 63,650,371,768 4,167,914,951 79,212,048,790 186,338,181,123 170,941,701,491 - - 41,701,194,297 36,718,063,544	2,463,883,070	1,411,254,638
94,746,403,719 70,690,287,923 8,102,706,218 6,330,902,598 277,870,358,403 262,266,701,765 254,502,783,718 234,243,717,970 23,367,574,685 28,022,983,795 5,615,910,981 6,039,141,904 12,937,503,504 12,839,899,861 - - 468,400,943,572 438,293,288,433 51,024,080,743 47,836,151,368 9,340,000,000 8,600,000,000 337,695,417,437 317,782,434,902 68,376,440,602 63,650,371,768 4,167,914,951 79,212,048,790 186,338,181,123 170,941,701,491 - - 41,701,194,297 36,718,063,544	3,750,000,000	6,400,000,000
8,102,706,218 6,330,902,598 277,870,358,403 262,266,701,765 254,502,783,718 234,243,717,970 23,367,574,685 28,022,983,795 5,615,910,981 6,039,141,904 12,937,503,504 12,839,899,861 468,400,943,572 438,293,288,433 51,024,080,743 47,836,151,368 9,340,000,000 8,600,000,000 337,695,417,437 317,782,434,902 68,376,440,602 63,650,371,768 4,167,914,951 79,212,048,790 186,338,181,123 170,941,701,491 - - 41,701,194,297 36,718,063,544	102,849,109,937	77,021,190,521
277,870,358,403 262,266,701,765 254,502,783,718 234,243,717,970 23,367,574,685 28,022,983,795 5,615,910,981 6,039,141,904 12,937,503,504 12,839,899,861 - - 468,400,943,572 438,293,288,433 51,024,080,743 47,836,151,368 9,340,000,000 8,600,000,000 337,695,417,437 68,376,440,602 4,167,914,951 79,212,048,790 186,338,181,123 170,941,701,491 - - 41,701,194,297 36,718,063,544	94,746,403,719	70,690,287,923
254,502,783,718 234,243,717,970 23,367,574,685 28,022,983,795 5,615,910,981 6,039,141,904 12,937,503,504 12,839,899,861 468,400,943,572 438,293,288,433 51,024,080,743 47,836,151,368 9,340,000,000 8,600,000,000 337,695,417,437 317,782,434,902 68,376,440,602 63,650,371,768 4,167,914,951 79,212,048,790 186,338,181,123 170,941,701,491 - - 41,701,194,297 36,718,063,544	8,102,706,218	6,330,902,598
23,367,574,685 28,022,983,795 5,615,910,981 6,039,141,904 12,937,503,504 12,839,899,861 468,400,943,572 438,293,288,433 51,024,080,743 47,836,151,368 9,340,000,000 8,600,000,000 337,695,417,437 317,782,434,902 68,376,440,602 63,650,371,768 4,167,914,951 79,212,048,790 186,338,181,123 170,941,701,491 - - 41,701,194,297 36,718,063,544	277,870,358,403	262,266,701,765
5,615,910,981 6,039,141,904 12,937,503,504 12,839,899,861 468,400,943,572 438,293,288,433 51,024,080,743 47,836,151,368 9,340,000,000 8,600,000,000 337,695,417,437 317,782,434,902 68,376,440,602 63,650,371,768 4,167,914,951 79,212,048,790 186,338,181,123 170,941,701,491 - - 41,701,194,297 36,718,063,544	254,502,783,718	234,243,717,970
12,937,503,504 12,839,899,861 468,400,943,572 438,293,288,433 51,024,080,743 47,836,151,368 9,340,000,000 8,600,000,000 337,695,417,437 317,782,434,902 68,376,440,602 63,650,371,768 4,167,914,951 3,978,312,853 78,812,880,761 170,941,701,491 186,338,181,123 170,941,701,491 - - 41,701,194,297 36,718,063,544	23,367,574,685	28,022,983,795
- - 468,400,943,572 438,293,288,433 51,024,080,743 47,836,151,368 9,340,000,000 8,600,000,000 337,695,417,437 317,782,434,902 68,376,440,602 63,650,371,768 4,167,914,951 3,978,312,853 78,812,880,761 79,212,048,790 186,338,181,123 170,941,701,491 - - 41,701,194,297 36,718,063,544	5,615,910,981	6,039,141,904
51,024,080,743 47,836,151,368 9,340,000,000 8,600,000,000 337,695,417,437 317,782,434,902 68,376,440,602 63,650,371,768 4,167,914,951 79,212,048,790 186,338,181,123 170,941,701,491 	12,937,503,504	12,839,899,861
51,024,080,743 47,836,151,368 9,340,000,000 8,600,000,000 337,695,417,437 317,782,434,902 68,376,440,602 63,650,371,768 4,167,914,951 79,212,048,790 186,338,181,123 170,941,701,491 	-	-
9,340,000,000 8,600,000,000 337,695,417,437 317,782,434,902 68,376,440,602 63,650,371,768 4,167,914,951 3,978,312,853 78,812,880,761 79,212,048,790 186,338,181,123 170,941,701,491 - - 41,701,194,297 36,718,063,544	468,400,943,572	438,293,288,433
9,340,000,000 8,600,000,000 337,695,417,437 317,782,434,902 68,376,440,602 63,650,371,768 4,167,914,951 3,978,312,853 78,812,880,761 79,212,048,790 186,338,181,123 170,941,701,491 - - 41,701,194,297 36,718,063,544		
9,340,000,000 8,600,000,000 337,695,417,437 317,782,434,902 68,376,440,602 63,650,371,768 4,167,914,951 3,978,312,853 78,812,880,761 79,212,048,790 186,338,181,123 170,941,701,491 - - 41,701,194,297 36,718,063,544		
337,695,417,437 317,782,434,902 68,376,440,602 63,650,371,768 4,167,914,951 3,978,312,853 78,812,880,761 79,212,048,790 186,338,181,123 170,941,701,491 - - 41,701,194,297 36,718,063,544	51,024,080,743	47,836,151,368
68,376,440,602 4,167,914,951 78,812,880,761 186,338,181,123 41,701,194,297 63,650,371,768 3,978,312,853 79,212,048,790 170,941,701,491 - - - 36,718,063,544	9,340,000,000	8,600,000,000
4,167,914,951 3,978,312,853 78,812,880,761 79,212,048,790 186,338,181,123 170,941,701,491 - - 41,701,194,297 36,718,063,544	337,695,417,437	317,782,434,902
78,812,880,761 79,212,048,790 170,941,701,491	68,376,440,602	63,650,371,768
186,338,181,123	4,167,914,951	3,978,312,853
41,701,194,297 36,718,063,544	78,812,880,761	79,212,048,790
	186,338,181,123	170,941,701,491
	-	-
	-	-
439,760,692,477 410,936,649,814	41,701,194,297	36,718,063,544
	439,760,692,477	410,936,649,814

Notes

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Balance Sheet

Amount in Taka

	Notes	31 Dec 2022	31 Dec 2021
OFF-BALANCE SHEET ITEMS			
Contingent liabilities	18	151,805,089,469	170,920,906,518
Acceptances and endorsements		57,460,996,543	62,539,512,475
Letters of guarantee		38,212,129,085	37,395,583,594
Irrevocable letters of credit		28,775,250,089	46,608,780,719
Bills for collection		27,356,713,752	24,377,029,730
Other contingent liabilities		-	-
Other commitments		1,758,182,995	3,044,625,874
Documentary credits and short term trade-related transactions		-	-
Forward assets purchased and forward deposits placed		1,758,182,995	3,044,625,874
Undrawn note issuance and revolving underwriting facilities		-	-
Undrawn formal standby facilities, credit lines and other commitments		-	_
Total off-balance sheet items including contingent liabilities		153,563,272,464	173,965,532,392

Director

Director

These Financial Statements should be read in conjunction with the annexed notes

Director

See our annexed report of even date

Chairman

Dhaka, Dated 18 March 2023 DVC No: 2303200770AS558488

Sabbir Ahmed, FCA, Partner Enrolment no: 770 Hoda Vasi Chowdhury & Co Chartered Accountants

President and Managing Director

Salli Ahmed.

Bank Asia Limited Profit and Loss Account

for the year ended 31 December 2022

Amount in Taka

			Amount in Taka
	Notes	31 Dec 2022	31 Dec 2021
OPERATING INCOME			
Interest income	20	20,423,046,139	18,340,772,912
Interest paid on deposits and borrowings, etc	21	14,916,319,233	12,700,889,562
Net interest income		5,506,726,906	5,639,883,350
Investment income	22	6,270,764,596	6,848,834,433
Commission, exchange and brokerage	23	7,316,183,898	3,168,386,253
Other operating income	24	1,138,685,128	1,036,304,780
		14,725,633,622	11,053,525,466
Total operating income (A)		20,232,360,528	16,693,408,816
OPERATING EXPENSES			
Salaries and allowances	25	5,045,556,865	3,870,113,954
Rent, taxes, insurance, electricity, etc	26	578,252,761	480,758,487
Legal expenses	27	25,413,828	16,556,291
Postage, stamp, telecommunication, etc	28	153,111,892	118,317,263
Stationery, printing, advertisements, etc	29	174,289,799	116,093,929
Managing Director's salary and fees	30	18,854,125	20,401,265
Directors' fees	31	3,024,000	4,040,000
Auditors' fees	32	955,000	977,625
Depreciation and repairs of Bank's assets	33	955,559,563	866,249,276
Other expenses	34	2,582,537,751	2,007,368,660
Total operating expenses (B)		9,537,555,584	7,500,876,750
Profit before provision (C=A-B)		10,694,804,944	9,192,532,066
Provision for loans and advances/investments		, , ,	-,,,
General provision		2,467,292,000	(1,112,892,000)
Specific provision		1,726,641,239	5,263,688,085
	13.2	4,193,933,239	4,150,796,085
Provision for off-balance sheet items	13.3	(295,000,000)	485,000,000
Provision for diminution in value of investments	13.7	-	-
Other provisions	13.8	250,000,000	150,000,000
Total provision (D)	34(b)	4,148,933,239	4,785,796,085
Total profit before tax (C-D)		6,545,871,705	4,406,735,981
Provision for taxation		0,010,011,100	1, 100,1 00,001
Current tax	13.5.1	3,500,000,000	1,700,000,000
Deferred tax	13.5.2	-	-
Bolottod tax	10.0.2	3,500,000,000	1,700,000,000
Net profit after tax		3,045,871,705	2,706,735,981
Appropriations		0,010,011,100	2,100,100,001
Statutory reserve	15	1,024,556,060	881,347,196
Coupon/dividend on perpetual bond	10	25,016,438	-
General and other reserve		20,010,400	_
donoral and other reserve		1,049,572,498	881,347,196
Retained surplus		1,996,299,207	1,825,388,785
Earnings Per Share (EPS)	37	2.61	2.32
Lamingo i di onare (Li o)	31	۷.01	۷.۵۷

These Financial Statements should be read in conjunction with the annexed notes

Chairman President and Managing Director Director Director Director

See our annexed report of even date

Dhaka, Dated

18 March 2023 DVC No: 2303200770AS558488

Sabbir Ahmed, FCA, Partner Enrolment no: 770 Hoda Vasi Chowdhury & Co Chartered Accountants

Bank Asia Limited Cash Flow Statement

for the year ended 31 December 2022

Cash flows from operating activities (A)	,			Amount in Taka
Interest receipts		Notes	31 Dec 2022	31 Dec 2021
Interest payments	Cash flows from operating activities (A)			
Dividends receipts	Interest receipts		26,871,086,472	22,653,460,186
Fees and commission receipts 7,316,183,888 3,168,386,253 Recoveries on loans previously written off 347,146,119 287,429,432 Cash payment to employees (5,001,178,311) (3,691,182,824) Cash payment to suppliers (291,509,279) (211,496,406) Income tax paid (2,981,500,279) (211,496,406) Receipts from other operating activities 35 1,192,431,104 (3,304,643,077) Payments for other operating activities 36 (3,362,149,357) (2,648,419,591) Operating profit before changes in operating assets & liabilities 9,118,112,983 8,319,893,708 Loans and advances to customers and banks (15,603,856,663) (17,624,671,692) Other assets (15,603,856,663) 14,754,228,542 Other liabilities 3,317,999,375 14,754,228,542 Trading liabilities 3,3187,999,375 14,754,228,542 Trading liabilities 3,348,218,683 2,8482,635 Telepostlis from customers and banks 19,912,982,535 14,754,228,542 Trading liabilities 3,348,218,683 2,8482,635 Telepostlistics 19,932	Interest payments		(15,543,994,302)	(13,463,183,262)
Recorers on loans previously written off	Dividends receipts		88,244,680	136,087,793
Cash payment to employees (5,001,178,311) (3,691,182,824) Cash payment to suppliers (291,509,279) (211,495,406) Income tax paid (2,498,150,041) (1,215,831,944) Receipts from other operating activities 35 1,192,431,104 3,304,643,071 Payments for other operating activities 9,118,112,983 3,319,993,708 Increase/(decrease) in operating assets and liabilities (15,603,656,638) (17,624,671,692) Ucher assets 348,218,683 258,482,635 Deposits from customers and banks 19,912,925,555 14,754,328,542 Trading liabilities 3,187,929,375 14,864,2696,272 Other liabilities 3,187,929,375 14,864,2696,272 Other liabilities 3,187,929,375 14,668,328,626 Trading liabilities 3,187,929,375 14,668,603,576 4606,708,893 Net cash flows from operating activities 7,458,870,379 8,485,727,019 Net cash flows from investing activities (B) 11,716,562,607,77 Investments in treasury bills, bonds and others (24,056,115,786) 19,351,841,699 Stale/(Purchase) of trading securities	Fees and commission receipts		7,316,183,898	3,168,386,253
Cash payment to suppliers (291,509,279) (211,495,406) Income tax paid (2,498,150,041) (1,215,831,944) Inc.215,831,944) (1,215,831,944) (1,215,831,944) (2,498,150,04) (1,215,831,944) (2,648,419,507) 22,648,419,507) (2,648,426,635) (2,647,616,927) (2,648,426,635) (2,647,616,927) (2,648,426,635) (4,657,638) (4,676,678,933) (4,676,678,933) (4,677,68,933) (4,677,68,933) (4,677,68,933) (4,677,68,933) (4,677,68,93	Recoveries on loans previously written off		347,148,119	287,429,432
Income tax paid	Cash payment to employees		(5,001,178,311)	(3,691,182,824)
Receipts from other operating activities 35	Cash payment to suppliers		(291,509,279)	(211,495,406)
Payments for other operating activities 36 (3,362,149,357) (2,648,419,591) Operating profit before changes in operating assets and liabilities 9,118,112,983 8,319,893,708 Loans and advances to customers and banks (15,603,656,638) (17,624,671,692) Other assets 348,218,683 258,482,635 Deposits from customers and banks 19,912,982,535 14,754,328,542 Trading liabilities 3,187,929,375 11,864,296,427 Other liabilities 3,86,03,576) (406,708,893) Net cash flows from operating assets and liabilities 7,458,870,379 8,845,727,019 Net cash flows from operating activities 16,576,983,362 17,165,620,727 Cash flows from investing activities (B) (1,771,803,620) (2,118,486,36) Investments in treasury bills, bonds and others (24,056,115,796) 13,931,841,693 Sale/Purchase) of trading securities (1,771,803,620) (2,121,848,636) Qurchase/disposal of fixed assets including right-of-use assets (303,616,279) (463,271,899) Net cash flows from/(used in) investing activities (26,0131,535,695) 16,766,779,164 Cash flows from/(used in) investing	Income tax paid		(2,498,150,041)	(1,215,831,944)
Departing profit before changes in operating assets & liabilities 118,112,983 8,319,893,708 Increase/(decrease) in operating assets and liabilities 120,803,656,638 17,624,671,692 Other assets 348,218,683 258,482,635 Deposits from customers and banks 19,912,982,535 14,754,328,542 Trading liabilities 3187,929,375 11,864,296,427 Other liabilities 386,603,576 406,708,893 Net Increase/(decrease) in operating assets and liabilities 7,458,870,379 8,845,727,019 Net cash flows from operating activities (B) Investments in treasury bills, bonds and others 24,056,115,796 19,351,841,699 Sale/(Purchase) of trading securities (1,771,803,620 2,121,848,636) Cyurchase)/disposal of fixed assets including right-of-use assets 3,340,000,000 Cyupon/dividend paid on perpetual bond 26,013,535,699 16,766,779,164 Cash flows from investing activities (C) Issuance of perpetual bond 26,000,000,000 26,000,000,000 Coupon/dividend paid on perpetual bond 26,000,000,000 26,000,000,000 Coupon/dividend paid on perpetual bond 26,000,000,000 26,000,000,000 Payments for lease liability 4(10,573,674 4(19,543,010) Dividend paid (cash dividend) 4(10,573,674 4(19,594,3010) Dividend paid (cash dividend) 4(10,573,674 4(19,594,3010) Dividend paid (cash dividend) 4(10,573,674 4(19,594,8010) Dividend paid (cash dividend) 4(10	Receipts from other operating activities	35	1,192,431,104	3,304,643,071
Case Case	Payments for other operating activities	36	(3,362,149,357)	(2,648,419,591)
Loans and advances to customers and banks (15,603,656,638) (17,624,671,692) Other assets 348,218,683 258,482,635 Deposits from customers and banks 19,912,982,535 14,754,328,542 Trading liabilities 3,187,929,375 11,864,296,427 Other liabilities 7,458,870,379 8,845,727,019 Net cash flows from operating activities 7,458,870,379 8,845,727,019 Net cash flows from investing activities (B) 1,771,803,820 2,121,848,636 (Purchase) of trading securities (1,771,803,620) 2,121,848,636 (Purchase) disposal of fixed assets including right-of-use assets (303,616,279) 463,213,899 Net cash flows from financing activities (C) (26,131,535,695) 16,766,779,164 Issuance of perpetual bond (25,016,438) - Adjustment of subordinated non-convertible bond (26,000,000) (1,600,000,000) Payments for lease liability (410,573,674) (419,543,010) Net cash flows from/(used in) financing activities (1,444,450,402) (3,185,449,870) Dividend paid (cash dividend) (1,748,860,290) (1,165,906,860) Net ca	Operating profit before changes in operating assets & liabilities		9,118,112,983	8,319,893,708
Other assets 348,218,683 258,482,635 Deposits from customers and banks 19,912,982,535 14,754,328,542 Trading liabilities (386,603,576) (406,708,893) Net Increase/(decrease) in operating assets and liabilities 7,458,870,379 8,845,727,019 Net cash flows from operating activities (B) 16,576,983,362 17,165,620,727 Cash flows from investing activities (B) (24,056,115,796) 19,351,841,699 Sale/(Purchase) of trading securities (1,771,803,620) (2,121,848,636) (Purchase)/disposal of fixed assets including right-of-use assets (303,616,279) (463,213,899) Net cash flows from/(used in) investing activities (26,131,535,695) 16,766,779,164 Cash flows from financing activities (C) (25,016,438)				
Deposits from customers and banks 19,912,982,535 14,754,328,542 Trading liabilities 3,187,929,375 11,864,296,427 Other liabilities 7,458,870,379 8,845,727,019 Net cash flows from operating activities 16,576,983,362 17,165,620,727 Cash flows from investing activities (B) (24,056,115,796) 19,351,841,699 Investments in treasury bills, bonds and others (24,056,115,796) 19,351,841,699 Sale/(Purchase)/disposal of fixed assets including right-of-use assets (303,616,279) (463,213,899) Net cash flows from/(used in) investing activities (26,131,535,695) 16,766,779,164 Cash flows from financing activities (C) (25,016,438) - Issuance of perpetual bond (25,016,438) - Coupon/dividend paid on perpetual bond (25,016,438) - Adjustment of subordinated non-convertible bond (26,000,000,000) (1,600,000,000) Payments for lease liability (11,444,450,402) (1,165,906,860) Net cash flows from/(used in) financing activities (1,444,450,402) (3,185,449,870) Net increase/(decrease) in cash and cash equivalents (A+B+C) (10,999,002,735)	Loans and advances to customers and banks		(15,603,656,638)	(17,624,671,692)
Trading liabilities 3,187,929,375 (386,603,576) 11,864,296,427 (406,708,893) Net Increase/(decrease) in operating assets and liabilities 7,458,870,379 8,845,727,191 Net cash flows from operating activities (B) 16,576,983,362 17,165,620,727 Investments in treasury bills, bonds and others (24,056,115,796) 19,351,841,699 Sale/(Purchase) of trading securities (1,771,803,620) (2,121,848,636) (Purchase)/disposal of fixed assets including right-of-use assets (303,616,279) (463,213,899) Net cash flows from/(used in) investing activities (26,131,535,695) 16,766,779,164 Susuance of perpetual bond (25,016,438) - Coupon/dividend paid on perpetual bond (25,016,438) - Coupon/dividend paid on perpetual bond (25,000,000,000) (1,600,000,000) Payments for lease liability (410,573,674) (419,543,010) Dividend paid (cash dividend) (1,748,802,90) (1,165,906,860) Net cash flows from/(used in) financing activities (1,444,450,402) (3,185,449,870) Net cash flows from/(used in) financing activities (1,099,902,735) 30,746,950,021 Effects of exchange rate	Other assets		348,218,683	258,482,635
Other liabilities (386,603,576) (406,708,893) Net increase/(decrease) in operating activities 7,458,870,379 8,845,727,019 Net cash flows from operating activities (B) 16,576,983,362 17,165,620,727 Investments in treasury bills, bonds and others (24,056,115,796) 19,351,841,699 Sale/(Purchase) of trading securities (1,771,803,620) (2,121,848,636) (Purchase)/disposal of fixed assets including right-of-use assets (303,616,279) (463,213,899) Net cash flows from/(used in) investing activities (26,131,535,695) 16,766,779,164 Cash flows from/(used in) investing activities (C) (25,016,438) - Issuance of perpetual bond (3,340,000,000) - Coupon/dividend paid on perpetual bond (25,016,438) - Coupon/dividend paid on-convertible bond (2,600,000,000) (1,600,000,000) Payments for lease liability (11,748,860,290) (1,165,906,860) Net cash flows from/(used in) financing activities (1,444,450,402) (3,185,449,870) Net cash flows from/(used in) financing activities (10,999,002,735) 30,746,950,021 Effects of exchange rate changes on cash and cash equ	Deposits from customers and banks		19,912,982,535	
Net Increase/(decrease) in operating assets and liabilities 7,458,870,379 8,845,727,019 Net cash flows from operating activities 16,576,983,362 17,165,620,727 Cash flows from investing activities (B) Investments in treasury bills, bonds and others (24,056,115,796) 19,351,841,699 Sale/(Purchase) of trading securities (1,771,803,620) (2,121,848,636) (Purchase)/disposal of fixed assets including right-of-use assets (303,616,279) (463,213,899) Net cash flows from/(used in) investing activities (26,131,535,695) 16,766,779,164 Cash flows from financing activities (C) Issuance of perpetual bond 3,340,000,000 - Coupon/dividend paid on perpetual bond (25,016,438) - Adjustment of subordinated non-convertible bond (2,600,000,000) (1,600,000,000) Payments for lease liability (410,573,674) (419,543,010) Dividend paid (cash dividend) (1,748,860,290) (1,165,906,860) Net cash flows from/(used in) financing activities (1,444,450,402) (3,185,449,870) Net increase/(decrease) in cash and cash equivalents (A+B+C) (10,999,002,735) 30,746,950,021 Eff	Trading liabilities		3,187,929,375	11,864,296,427
Net cash flows from operating activities (B) 16,576,983,362 17,165,620,727 Cash flows from investing activities (B) Investments in treasury bills, bonds and others (24,056,115,796) 19,351,841,699 Sale/(Purchase) of trading securities (1,771,803,620) (2,121,848,636) (Purchase)/disposal of fixed assets including right-of-use assets (303,616,279) (463,213,899) Net cash flows from/(used in) investing activities (26,131,535,695) 16,766,779,164 Cash flows from financing activities (C) Issuance of perpetual bond 3,340,000,000 - Coupon/dividend paid on perpetual bond (25,016,438) - Coupon/dividend paid on perpetual bond (26,000,000,000) (1,600,000,000) Adjustment of subordinated non-convertible bond (26,000,000,000) (1,600,000,000) Payments for lease liability (410,573,674) (419,543,010) Dividend paid (cash dividend) (1,748,860,290) (1,165,906,860) Net cash flows from/(used in) financing activities (1,444,450,402) (3,185,449,870) Net increase/(decrease) in cash and cash equivalents (A+B+C) (10,999,002,735) 30,746,950,021	Other liabilities		(386,603,576)	(406,708,893)
Investments in treasury bills, bonds and others (24,056,115,796) 19,351,841,699 Sale/(Purchase) of trading securities (1,771,803,620) (2,121,848,636) (1,771,803,620) (2,121,848,636) (1,771,803,620) (2,121,848,636) (1,771,803,620) (2,121,848,636) (2,131,535,695) (463,213,899) Net cash flows from/(used in) investing activities (26,131,535,695) 16,766,779,164 (26,131,535,695) 16,766,779,164 (26,131,535,695) 16,766,779,164 (26,131,535,695) 16,766,779,164 (26,131,535,695) 16,766,779,164 (26,131,535,695) 16,766,779,164 (26,131,535,695) 16,766,779,164 (26,131,535,695) 16,766,779,164 (26,131,535,695) (26,131,535,	Net Increase/(decrease) in operating assets and liabilities		7,458,870,379	8,845,727,019
Investments in treasury bills, bonds and others (24,056,115,796) 19,351,841,699 Sale/(Purchase) of trading securities (1,771,803,620) (2,121,848,636) (Purchase)/disposal of fixed assets including right-of-use assets (303,616,279) (463,213,899) Net cash flows from/(used in) investing activities (26,131,535,695) 16,766,779,164 (26,131,535,695) 16,766,779,164 (26,131,535,695) (26,			16,576,983,362	17,165,620,727
Sale/(Purchase) of trading securities (1,771,803,620) (2,121,848,636) (Purchase)/disposal of fixed assets including right-of-use assets (303,616,279) (463,213,899) Net cash flows from/(used in) investing activities (26,131,535,695) 16,766,779,164 Cash flows from financing activities (C) (25,016,438) - Issuance of perpetual bond (25,016,438) - Adjustment of subordinated non-convertible bond (2,600,000,000) (1,600,000,000) Payments for lease liability (410,573,674) (419,543,010) Dividend paid (cash dividend) (1,748,860,290) (1,165,906,860) Net cash flows from/(used in) financing activities (1,444,450,402) (3,185,449,870) Net increase/(decrease) in cash and cash equivalents (A+B+C) (10,999,002,735) 30,746,950,021 Effects of exchange rate changes on cash and cash equivalents 80,129,568,582 49,382,618,561 Cash and cash equivalents at the beginning of the year 80,129,568,582 49,382,618,561 Cash and cash equivalents at the end of the year 4,087,739,154 3,609,437,504 Cash and cash equivalents at the end of the year 4,087,739,154 29,755,447,083	Cash flows from investing activities (B)			
(Purchase)/disposal of fixed assets including right-of-use assets (303,616,279) (463,213,899) Net cash flows from/(used in) investing activities (26,131,535,695) 16,766,779,164 Cash flows from financing activities (C) (25,016,438) - Issuance of perpetual bond (25,016,438) - Adjustment of subordinated non-convertible bond (2,600,000,000) (1,600,000,000) Payments for lease liability (410,573,674) (419,543,010) Dividend paid (cash dividend) (1,748,860,290) (1,165,906,860) Net cash flows from/(used in) financing activities (1,444,450,402) (3,185,449,870) Net increase/(decrease) in cash and cash equivalents (A+B+C) (10,999,002,735) 30,746,950,021 Effects of exchange rate changes on cash and cash equivalents 80,129,568,582 49,382,618,561 Cash and cash equivalents at the beginning of the year 80,129,568,582 49,382,618,561 Cash and cash equivalents at the end of the year 80,129,568,582 49,382,618,561 Cash and cash equivalents 4,087,739,154 3,609,437,504 Balance with Bangladesh Bank and its agent bank(s) 21,709,414,541 29,755,447,083 Ba	Investments in treasury bills, bonds and others		(24,056,115,796)	19,351,841,699
Net cash flows from/(used in) investing activities (26,131,535,695) 16,766,779,164 Cash flows from financing activities (C) 3,340,000,000 - Issuance of perpetual bond 3,340,000,000 - Coupon/dividend paid on perpetual bond (25,016,438) - Adjustment of subordinated non-convertible bond (2,600,000,000) (1,600,000,000) Payments for lease liability (410,573,674) (419,543,010) Dividend paid (cash dividend) (1,748,860,290) (1,165,906,860) Net cash flows from/(used in) financing activities (1,444,450,402) (3,185,449,870) Net increase/(decrease) in cash and cash equivalents (A+B+C) (10,999,002,735) 30,746,950,021 Effects of exchange rate changes on cash and cash equivalents 80,129,568,582 49,382,618,561 Cash and cash equivalents at the beginning of the year 80,129,568,582 49,382,618,561 Cash and cash equivalents at the end of the year 69,130,565,847 80,129,568,582 Cash and cash equivalents: 4,087,739,154 3,609,437,504 Balance with Bangladesh Bank and its agent bank(s) 21,709,414,541 29,755,447,083 Balance with other banks and financial	· · · · · · · · · · · · · · · · · · ·		(1,771,803,620)	(2,121,848,636)
Cash flows from financing activities (C) Issuance of perpetual bond 3,340,000,000 - Coupon/dividend paid on perpetual bond (25,016,438) - Adjustment of subordinated non-convertible bond (2,600,000,000) (1,600,000,000) Payments for lease liability (410,573,674) (419,543,010) Dividend paid (cash dividend) (1,748,860,290) (1,165,906,860) Net cash flows from/(used in) financing activities (1,444,450,402) (3,185,449,870) Net increase/(decrease) in cash and cash equivalents (A+B+C) (10,999,002,735) 30,746,950,021 Effects of exchange rate changes on cash and cash equivalents - - Cash and cash equivalents at the beginning of the year 80,129,568,582 49,382,618,561 Cash and cash equivalents: 69,130,565,847 80,129,568,582 Cash and cash equivalents: 21,709,414,541 29,755,447,083 Balance with Bangladesh Bank and its agent bank(s) 21,709,414,541 29,755,447,083 Balance with other banks and financial institutions 39,580,907,052 40,361,469,795 Money at call and on short notice 3,750,000,000 6,400,000,000			(303,616,279)	
Issuance of perpetual bond 3,340,000,000 - Coupon/dividend paid on perpetual bond (25,016,438) - Adjustment of subordinated non-convertible bond (2,600,000,000) (1,600,000,000) Payments for lease liability (410,573,674) (419,543,010) Dividend paid (cash dividend) (1,748,860,290) (1,165,906,860) Net cash flows from/(used in) financing activities (1,444,450,402) (3,185,449,870) Net increase/(decrease) in cash and cash equivalents (A+B+C) (10,999,002,735) 30,746,950,021 Effects of exchange rate changes on cash and cash equivalents 80,129,568,582 49,382,618,561 Cash and cash equivalents at the beginning of the year 69,130,565,847 80,129,568,582 Cash and cash equivalents: 4,087,739,154 3,609,437,504 Balance with Bangladesh Bank and its agent bank(s) 21,709,414,541 29,755,447,083 Balance with other banks and financial institutions 39,580,907,052 40,361,469,795 Money at call and on short notice 3,750,000,000 6,400,000,000 Prize bonds 2,505,100 3,214,200			(26,131,535,695)	16,766,779,164
Coupon/dividend paid on perpetual bond (25,016,438) - Adjustment of subordinated non-convertible bond (2,600,000,000) (1,600,000,000) Payments for lease liability (410,573,674) (419,543,010) Dividend paid (cash dividend) (1,748,860,290) (1,165,906,860) Net cash flows from/(used in) financing activities (1,444,450,402) (3,185,449,870) Net increase/(decrease) in cash and cash equivalents (A+B+C) (10,999,002,735) 30,746,950,021 Effects of exchange rate changes on cash and cash equivalents - - Cash and cash equivalents at the beginning of the year 80,129,568,582 49,382,618,561 Cash and cash equivalents: 69,130,565,847 80,129,568,582 Cash and cash equivalents: 4,087,739,154 3,609,437,504 Balance with Bangladesh Bank and its agent bank(s) 21,709,414,541 29,755,447,083 Balance with other banks and financial institutions 39,580,907,052 40,361,469,795 Money at call and on short notice 3,750,000,000 6,400,000,000 Prize bonds 2,505,100 3,214,200	· · · · · · · · · · · · · · · · · · ·			
Adjustment of subordinated non-convertible bond (2,600,000,000) (1,600,000,000) Payments for lease liability (410,573,674) (419,543,010) Dividend paid (cash dividend) (1,748,860,290) (1,165,906,860) Net cash flows from/(used in) financing activities (1,444,450,402) (3,185,449,870) Net increase/(decrease) in cash and cash equivalents (A+B+C) (10,999,002,735) 30,746,950,021 Effects of exchange rate changes on cash and cash equivalents 80,129,568,582 49,382,618,561 Cash and cash equivalents at the beginning of the year 69,130,565,847 80,129,568,582 Cash and cash equivalents: 4,087,739,154 3,609,437,504 Balance with Bangladesh Bank and its agent bank(s) 21,709,414,541 29,755,447,083 Balance with other banks and financial institutions 39,580,907,052 40,361,469,795 Money at call and on short notice 3,750,000,000 6,400,000,000 Prize bonds 2,505,100 3,214,200	' '			-
Payments for lease liability (410,573,674) (419,543,010) Dividend paid (cash dividend) (1,748,860,290) (1,165,906,860) Net cash flows from/(used in) financing activities (1,444,450,402) (3,185,449,870) Net increase/(decrease) in cash and cash equivalents (A+B+C) (10,999,002,735) 30,746,950,021 Effects of exchange rate changes on cash and cash equivalents - - Cash and cash equivalents at the beginning of the year 80,129,568,582 49,382,618,561 Cash and cash equivalents at the end of the year 69,130,565,847 80,129,568,582 Cash and cash equivalents: 4,087,739,154 3,609,437,504 Balance with Bangladesh Bank and its agent bank(s) 21,709,414,541 29,755,447,083 Balance with other banks and financial institutions 39,580,907,052 40,361,469,795 Money at call and on short notice 3,750,000,000 6,400,000,000 Prize bonds 2,505,100 3,214,200				-
Dividend paid (cash dividend) (1,748,860,290) (1,165,906,860) Net cash flows from/(used in) financing activities (1,444,450,402) (3,185,449,870) Net increase/(decrease) in cash and cash equivalents (A+B+C) (10,999,002,735) 30,746,950,021 Effects of exchange rate changes on cash and cash equivalents 80,129,568,582 49,382,618,561 Cash and cash equivalents at the beginning of the year 69,130,565,847 80,129,568,582 Cash and cash equivalents: 4,087,739,154 3,609,437,504 Balance with Bangladesh Bank and its agent bank(s) 21,709,414,541 29,755,447,083 Balance with other banks and financial institutions 39,580,907,052 40,361,469,795 Money at call and on short notice 3,750,000,000 6,400,000,000 Prize bonds 2,505,100 3,214,200				• • • • • • • • • • • • • • • • • • • •
Net cash flows from/(used in) financing activities (1,444,450,402) (3,185,449,870) Net increase/(decrease) in cash and cash equivalents (A+B+C) (10,999,002,735) 30,746,950,021 Effects of exchange rate changes on cash and cash equivalents 80,129,568,582 49,382,618,561 Cash and cash equivalents at the beginning of the year 69,130,565,847 80,129,568,582 Cash and cash equivalents: 4,087,739,154 3,609,437,504 Cash and cash equivalents: 21,709,414,541 29,755,447,083 Balance with Bangladesh Bank and its agent bank(s) 21,709,414,541 29,755,447,083 Balance with other banks and financial institutions 39,580,907,052 40,361,469,795 Money at call and on short notice 3,750,000,000 6,400,000,000 Prize bonds 2,505,100 3,214,200				, , , ,
Net increase/(decrease) in cash and cash equivalents (A+B+C) (10,999,002,735) 30,746,950,021 Effects of exchange rate changes on cash and cash equivalents 80,129,568,582 49,382,618,561 Cash and cash equivalents at the beginning of the year 69,130,565,847 80,129,568,582 Cash and cash equivalents: 4,087,739,154 3,609,437,504 Balance with Bangladesh Bank and its agent bank(s) 21,709,414,541 29,755,447,083 Balance with other banks and financial institutions 39,580,907,052 40,361,469,795 Money at call and on short notice 3,750,000,000 6,400,000,000 Prize bonds 2,505,100 3,214,200				, , , ,
Effects of exchange rate changes on cash and cash equivalents - - Cash and cash equivalents at the beginning of the year 80,129,568,582 49,382,618,561 Cash and cash equivalents at the end of the year 69,130,565,847 80,129,568,582 Cash and cash equivalents: 4,087,739,154 3,609,437,504 Cash 4,087,739,154 29,755,447,083 Balance with Bangladesh Bank and its agent bank(s) 21,709,414,541 29,755,447,083 Balance with other banks and financial institutions 39,580,907,052 40,361,469,795 Money at call and on short notice 3,750,000,000 6,400,000,000 Prize bonds 2,505,100 3,214,200	· · · · · ·			
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Cash and cash equivalents at the end of the year 69,130,565,847 80,129,568,582 Cash and cash equivalents: 4,087,739,154 3,609,437,504 Cash 4,087,739,154 29,755,447,083 Balance with Bangladesh Bank and its agent bank(s) 21,709,414,541 29,755,447,083 Balance with other banks and financial institutions 39,580,907,052 40,361,469,795 Money at call and on short notice 3,750,000,000 6,400,000,000 Prize bonds 2,505,100 3,214,200			-	-
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Balance with Bangladesh Bank and its agent bank(s) 21,709,414,541 29,755,447,083 Balance with other banks and financial institutions 39,580,907,052 40,361,469,795 Money at call and on short notice 3,750,000,000 6,400,000,000 Prize bonds 2,505,100 3,214,200	•			
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<u>69,130,565,847</u> <u>80,129,568,582</u>	Prize bonds			
			69,130,565,847	80,129,568,582

These Financial Statements should be read in conjunction with the annexed notes

Chairman

Director

Director

Director

President and Managing Director

Bank Asia Limited Statement of Changes in Equity

for the year ended 31 December 2022

Amount in Taka

Particulars	Paid-up capital	Statutory reserve	Revaluation reserve	General and other researve	Retained earnings	Total
Balance as at 01 January 2021	11,659,068,600	9,844,096,744	3,777,946,202	8,166,144	2,091,617,881	27,380,895,571
Transferred during the year	1	881,347,196	1	ı	(881,347,196)	1
Adjustment on revaluation of fixed assets and other investment	1	1	(1,565,086,073)	ı	1	(1,565,086,073)
Transferred to retained earnings	1	1	(53,715,252)	ı	53,715,252	1
Cash dividend paid	1	1	1	ı	(1,165,906,860)	(1,165,906,860)
Net profit for the year	1	ı	1	1	2,706,735,981	2,706,735,981
Balance as at 31 December 2021	11,659,068,600	10,725,443,940	2,159,144,877	8,166,144	2,804,815,058	27,356,638,619
Transferred during the year	1	1,024,556,060	1	1	(1,024,556,060)	1
Adjustment on revaluation of fixed assets and other investment	1	1	11,617,499	1	1	11,617,499
Transferred to retained earnings	1	ı	(53,715,252)	ı	53,715,252	1
Cash dividend paid	1	1	1	ı	(1,748,860,290)	(1,748,860,290)
Coupon/dividend on perpetual bond	1	1	1	ı	(25,016,438)	(25,016,438)
Net profit for the year	1	ı	1	ı	3,045,871,705	3,045,871,705
Balance as at 31 December 2022	11,659,068,600	11,750,000,000	2,117,047,124	8,166,144	3,105,969,227	28,640,251,095

These Financial Statements should be read in conjunction with the annexed notes

Director

Chairman

Director

Director

President and Managing Director

319

Bank Asia Limited Liquidity Statement (Analysis of Maturity of Assets and Liabilities)

as at 31 December 2022

						Amount in Taka
			Maturity			
Particulars	Up to	1-3	3-12	1-5	Above	Total
	1 month	months	months	years	5 years	
Assets						
Cash in hand and with banks	11,470,653,695	1	1	1	14,326,500,000	25,797,153,695
Balance with other banks and financial institutions	21,841,578,459	15,221,828,593	2,517,500,000	1	1	39,580,907,052
Money at call and on short notice	3,750,000,000	1	•	1	1	3,750,000,000
Investments	3,677,343,471	2,466,456,844	26,304,189,275	35,206,572,748	35,194,547,599	102,849,109,937
Loans and advances	45,332,866,964	42,258,538,345	77,497,087,280	94,466,027,863	18,315,837,951	277,870,358,403
Fixed assets including premises, furniture and fixtures	1	1	1	1	5,615,910,981	5,615,910,981
Other assets	1,134,000,000	800,500,000	1,007,199,994	7,858,640,238	2,137,163,272	12,937,503,504
Non-banking assets	1	1	1	1	ı	1
Total Assets (A)	87,206,442,589	60,747,323,782	107,325,976,549	137,531,240,849	75,589,959,803	468,400,943,572
Liabilities						
Borrowings from Bangladesh Bank, other banks, financial institutions and agents	8,898,500,000	17,119,500,000	19,885,382,546	9,375,311,234	5,085,386,963	60,364,080,743
Deposits	46,700,274,355	69,485,347,782	72,574,460,352	104,244,552,127	44,690,782,821	337,695,417,437
Provision and other liabilities	577,278,975	304,500,000	2,345,660,246	17,668,755,075	20,805,000,001	41,701,194,297
Total Liabilities (B)	56,176,053,330	86,909,347,782	94,805,503,144	131,288,618,436	70,581,169,785	439,760,692,477
Net Liquidity Excess/(Shortage) (A-B)	31,030,389,259	(26,162,024,000)	12,520,473,405	6,242,622,413	5,008,790,018	28,640,251,095

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Director

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President and Managing Director

Bank Asia Limited Notes to the financial statements

as at and for the year ended 31 December 2022

1. THE BANK AND ITS ACTIVITIES

1.1 Bank Asia Limited

Bank Asia Limited ("the Bank") is one of the third generation private commercial banks (PCBs) incorporated in Bangladesh on 28 September 1999 as a public limited company under the Companies Act 1994 (amended up to 2020), governed by the Bank Company Act 1991 (amended up to 2018). The Bank went for public issue of its shares on 23 September 2003 and its shares are listed with Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited. At present the Bank has 135 branches including 4 SME/Agri Branches and 4 SME service centres, 5 Islamic Windows, 14 Sub branches and 218 own ATM booths. The Bank has three subsidiary companies namely, Bank Asia Securities Limited incorporated in Bangladesh, BA Exchange Company (UK) Limited incorporated in United Kingdom and BA Express USA Inc. incorporated in United States of America (USA). The Bank has also an Offshore Banking Unit (OBU) at Chittagong Export Processing Zone, Chittagong.

Bank Asia Limited acquired the business of Bank of Nova Scotia, Dhaka (incorporated in Canada) in the year 2001. At the beginning of the year 2002, the Bank also acquired the Bangladesh operations of Muslim Commercial Bank Limited (MCBL), a bank incorporated in Pakistan, having two branches at Dhaka and Chittagong. In taking over Bangladesh operations, all assets and certain specific liabilities of MCBL were taken over by Bank Asia Limited at their book values.

The registered office of the Bank is situated at Bank Asia Tower, 32-34, Kazi Nazrul Islam Avenue, Karwan Bazar, Dhaka

1.2 Principal activities

The principal activities of the Bank are to provide all kinds of conventional and Islamic commercial banking services to its customers through its branches, islamic windows, SME centres, and vibrant alternative delivery channels (ATM booths, Mobile banking, internet banking) in Bangladesh.

1.3 Islamic banking unit

The Bank obtained permission from Bangladesh Bank (country's central bank) to operate Islamic Banking Unit vide Bangladesh Bank's letter no. BRPD(P-3)745(53)/2008-4804 dated 17 December 2008. The Bank commenced operation of this Unit from 24 December 2008. The Islamic Banking Unit is governed under the rules and regulations of Bangladesh Bank.

1.4 Off-shore banking unit

The Bank obtained off-shore banking unit permission from Bangladesh Bank vide its letter no. BRPD (P-3)744(94)/2007-1853 dated 21 June 2007. Operation of this unit commenced from 28 January 2008 and its office is located at Zone Service Complex, Chittagong Export Processing Zone, Chittagong. Off-shore banking unit is governed under the rules and regulations of Bangladesh Bank.

1.5 Bank Asia Securities Limited

Bank Asia Securities Limited, a majority owned (99.99%) subsidiary company of Bank Asia Limited was incorporated as a private limited company in Bangladesh on 04 August 2010 bearing certificate of incorporation no. C-86230/10 dated 04 August 2010 under the Companies Act 1994 having its registered office at Hadi Mansion (7th Floor), 2 Dilkusha Commercial Area, Dhaka 1000 which commenced its business on the 17 April 2011.

The main objective of this company is to act as a full fledged stock broker and stock dealer to execute buy and sale order and to maintain own portfolio as well as customers' portfolio under the discretion of customers. It also performs the other activities relating to capital market as and when regulators permit.

1.6 BA Exchange Company (UK) Limited

BA Exchange Company (UK) Limited was incorporated as a private limited company under United Kingdom Companies Act and registered with Companies House of England and Wales vide registration no. 07314397 as a fully owned subsidiary company of Bank Asia Limited, BA Exchange Company (UK) Limited launched its operation in London on 16 May 2011. BA Exchange Company (UK) Limited attaches a fresh width to the Bank's remittance operation and expands its global presence for remittance services. Bank Asia stretched its business in United Kingdom through its fully owned (100%) subsidiary to facilitate speedy and dependable medium for remitting the hard-earned money of expatriates to home.

1.7 BA Express USA inc

BA Express USA Inc. is fully owned subsidiary company of Bank Asia Limited incorporated in New York State Department of Financial Services (NYSDFS) in USA. The company obtained license to receive money for transmission within USA and abroad and to transmit same, pursuant to the provision of Article 13-B of the USA Banking Law, subject to all rules and regulations made by the Superintendent of Financial Services of New York relating to such business, effective November 22, 2013. The company has started its commercial operation from June 01, 2014.

Notes to the financial statements

2. BASIS OF PREPARATION

2.1 Statement of compliance

The financial statements of the Bank have been prepared in accordance with the "First Schedule (Section 38) of the Bank Company Act 1991 (amended upto 2018), BRPD circular no. 14 dated 25 June 2003, other Bangladesh Bank Circulars, International Financial Reporting Standards (IFRSs), International Accounting Standards (IAS), and the standards set by the FRA the Financial Reporting Council (FRC) as per The Financial Reporting Act 2015 (FRA) enacted in 2015. Section 38 of the Bank Company Act 1991 has been replaced through BRPD Circular no. 10 dated October 04, 2015. The Bank complied with the requirement of the following regulatory and legal authorities:

- i. Bank Company Act 1991 (amended upto 2018)
- ii. Companies Act 1994 (amended upto 2020)
- iii Rules, regulations and circulars issued by the Bangladesh Bank from time to time
- iv. The Securities and Exchange Ordinance 1969
- v. The Securities and Exchange Rules 1987
- vi Bangladesh Securities and Exchange Commission Act 1993
- vii. Bangladesh Securities and Exchange Commission (Public Issues) Rules 2015
- viii. Income Tax Ordinance and Rules 1984
- ix. Value Added Tax Act 1991
- x. Dhaka Stock Exchange (DSE), Chittagong Stock Exchange (CSE) and Central Depository Bangladesh (CDBL) rules and regulations.

In case the requirement of provisions and circulars issued by Bangladesh Bank differs with those of other regulatory authorities and accounting standards, the provisions and circulars issued by Bangladesh Bank shall prevail.

Bank have departed from certain contradictory requirements of IFRSs in order to comply with the rules and regulations of Bangladesh Bank which are disclosed below:

i) Presentation of financial statements

IFRS: As per IAS 1, a complete set of financial statements comprises a statement of financial position, a statement of profit or loss and other comprehensive income, a statement of changes in equity, a statement of cash flows, notes comprising a summary of significant accounting policies and other explanatory information and comparative information. IAS 1 has also stated the entity to disclose assets and liabilities under current and non-current classification separately in its statement of financial position.

Bangladesh Bank: A format of financial statements (i.e. balance sheet, profit and loss account, cash flows statement, changes in equity, liquidity statement) is prescribed in the "First Schedule" of section 38 of the Bank Company Act 1991 (amended up to 2018) and BRPD circular no. 14 dated 25 June 2003 of Bangladesh Bank. Assets and liabilities are not classified under current and non-current heading in the prescribed format of financial statements.

ii) Investment in shares and Securities

IFRS: As per requirements of IFRS 9 investment in shares and securities generally falls under "Amortized cost", "fair value through profit or loss" or "fair value through other comprehensive income" where any change in the fair value at the year-end is taken to profit or loss account or other comprehensive income/revaluation reserve respectively.

Bangladesh Bank: As per BRPD circular no. 14 dated 25 June 2003 investments in quoted shares and unquoted shares are revalued at the year end at market price and as per book value of last audited balance sheet respectively. As per DOS circular letter no. 03 dated March 12, 2015, investment in Mutual Fund (close-end) is revalued at lower of cost and (higher of market value and 85% of NAV). Provision is made for any loss arising from diminution in value of investment; otherwise investments are recognized at costs.

iii) Revaluation gain/loss on Government securities

IFRS: As per requirement of IFRS 9 where T-bills and T-bonds will fall under the category of "held for trading", any change in the fair value of held for trading assets is recognized through profit or loss.

T-bills/bonds designated as held to maturity are measured at amortized cost method and interest income is recognized through the profit and loss account.

Bangladesh Bank: According to DOS circular no. 05 dated 26 May 2008 and subsequent clarification in DOS circular no. 05 dated 28 January 2009 loss on revaluation of Government securities (T-bill/T-bond) which are categorized as Held for Trading (HFT) will be charged through profit and loss account, but any gain on such revaluation should be recorded under Revaluation Reserve Account. T-bills designated as held to maturity are measured at amortized cost method but interest income/gain is recognized through reserve.

iv) Provision on loans and advances

IFRS: As per IFRS 9 an entity should start the impairment assessment by considering whether objective evidence of impairment exists for financial assets that are individually significant. For financial assets which are not individually significant, the assessment can be performed on an individual or collective (portfolio) basis.

Notes to the financial statements

Bangladesh Bank: As per BRPD circular no. 14 dated 23 September 2012, BRPD circular no. 19 dated 27 December 2012 and BRPD circular no. 05 dated 29 May 2013, BRPD circular no. 16 dated 18 November, 2014, BRPD circular no. 12 dated 20 August 2017, BRPD circular no. 15 dated 27 September 2017, BRPD circular no. 16 dated 21 July 2020 and BRPD circular letter no. 52 dated 20 October 2020, provision for sub-standard loans, doubtful loans and bad losses has to be provided at 5% to 20%, 5% to 50% and 100% respectively for loans and advances depending on the duration of overdue. Provision for unclassified loan was made at the specified rate i.e. 0.25% to 5% based on different categories of loans and advances. Such provision policies are not specifically in line with those prescribed by IFRS 9. Also, as per BRPD circular no. 14 dated September 2012, BRPD circular no. 07 dated 21 June 2018 and BRPD circular no. 13 dated 18 October 2018, a general provision @ 1% should be provided for off-balance sheet exposures. As per BRPD circular no. 56 dated December 10, 2020, BRPD circular 50 dated December 21, 2021, BRPD circular 52 dated December 29, 2021 and BRPD circular 53 dated December 22, 2022, Special general provision COVID-19 has to maintained as per prescribed rate on all unclassified moratorium loan accounts.

v) Other comprehensive income

IFRS: As per IAS 1 Other Comprehensive Income (OCI) is a component of financial statements or the elements of Other Comprehensive Income are to be included in a Single Other Comprehensive Income (OCI) Statement.

Bangladesh Bank: Bangladesh Bank has issued financial templates for financial statements which will strictly be followed by all banks. The templates of financial statements issued by Bangladesh Bank do not include Other Comprehensive Income or the elements of Other Comprehensive Income allowed to include in a Other Comprehensive Income (OCI) Statement. As such the company does not prepare the other comprehensive income statement. However elements of OCI, if any, are shown in the statements of changes in equity. Furthermore, the above templates require disclosure of appropriation of profit on the face of Profit and Loss Statement.

vi) Financial instruments – presentation and disclosure

In several cases Bangladesh Bank guidelines categorize, recognize, measure and present financial instruments differently from those prescribed in IFRS 9. As such some disclosure and presentation requirements of IFRS 7 and IAS 32 is not made in the accounts.

vii) Repo transactions

IFRS: 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 or stock lending), the arrangement is accounted for as a deposit, and the underlying asset continues to be recognized in the entity's financial statements. This transaction will be treated as loan and the difference between selling price and repurchase price will be treated as interest expense.

Bangladesh Bank: As per DOS Circular letter no. 06 dated 15 July 2010 and subsequent clarification in DOS Circular No. 02 dated 23 January 2013, 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 a future date (repo or stock lending), the arrangement is accounted for as a normal sales transactions and the financial assets are derecognized in the seller's book and recognized in the buyer's book.

viii) Financial quarantees

IFRS: As per IFRS 9, financial guarantees are contracts that require an entity to make specified payments to reimburse to the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument. Financial guarantee liabilities are recognized initially at their fair value, and the initial fair value is amortized over the life of the financial guarantee. The financial guarantee liability is subsequently carried at the higher of this amortized amount and the present value of any expected payment when a payment under the guarantee has become probable. Financial guarantees are included within Other Liabilities.

Bangladesh Bank: As per BRPD circular no. 14 dated 25 June 2003 financial guarantees such as L/C, L/G will be treated as Off-Balance Sheet items. No liability is recognized for the guarantee except the cash margin and 1% general provision for contingent liabilities as guided by BB circulars.

ix) Cash and cash equivalent

IFRS: Cash and cash equivalent items should be reported as cash item as per IAS 7.

Bangladesh Bank: As per BRPD Circular 14 dated 25 June 2003, Cash and cash-equivalents consist of cash with Bangladesh Bank, with its agent bank(s), government securities (prize bond) and deposits with other banks.

x) Non-banking asset

IFRS: No indication of Non-banking asset is found in any IFRS.

Bangladesh Bank: As per BRPD circular no. 14 dated 25 June 2003 there must exist a face item named Non-banking asset.

xi) Cash flow statement

IFRS: Cash flow statement can be prepared either in direct method or in indirect method as per IAS 7 of Statement of Cash Flows. 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.

Bangladesh Bank: As per BRPD circular no. 14 dated 25 June 2003 cash flow is the mixture of direct and indirect method.

xii) Balance with Bangladesh Bank: (CRR)

IFRS: Balance with Bangladesh Bank should be treated as other asset as it is not available for use in day to day operations as per IAS 7.

Bangladesh Bank: Balance with Bangladesh Bank is treated as cash and cash equivalents.

xiii) Presentation of intangible asset

IFRS: Intangible asset must be identified and recognized, and the disclosure must be given as per IAS 38 "Intangible Assets"

Bangladesh Bank: There is no requirement for regulation of intangible assets in BRPD circular no. 14 dated 25 June 2003.

xiv) Off-balance sheet items

IFRS: There is no concept of off-balance sheet items in any IFRS; hence there is no requirement of disclosure of off-balance sheet items.

Bangladesh Bank: As per BRPD circular no. 14 dated 25 June 2003 off balance sheet items must be disclosed separately in face of balance sheet. Accordingly the Bank has recognized the following off balance sheet items:

- Acceptances and endorsements
- Letters of guarantee
- Irrevocable letters of credit
- Bills for collection
- Foreign exchange contracts

XV) Disclosure of appropriation of profit

IFRS: There is no requirement to show appropriation of profit in the face of statement of comprehensive income.

Bangladesh Bank: As per BRPD circular no. 14 dated 25 June 2003, an appropriation of profit should be disclosed in the face of profit and loss account.

xvi) Loans and advance net of provision

IFRS: Loans and advances should be presented net of provisions.

Bangladesh Bank: As per BRPD circular no. 14 dated 25 June 2003 provision on loans and advances are presented separately as liability and cannot be netted off against loans and advances.

xvii) Recognition of Interest in Suspense

IFRS: Loans and advances to customers are generally classified as "loans and receivables" as per IFRS 9 and interest income is recognised through effective interest rate method over the term of the loan. Once a loan is impaired, interest income is recognised in profit and loss account on the same basis based on revised carrying amount.

Bangladesh Bank: 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 an interest in suspense account, which is presented as liability in balance sheet.

xviii) Uniform Accounting Policy

In several cases Bangladesh Bank and Bangladesh Securities and Exchange Commission guidelines categorize, recognize, measure and present financial instruments differently from those prescribed in IFRS 10. As such some disclosure, presentation and measurement requirements of IFRS 10 cannot be made in financial statements.

(Also refer to note 3.20 Compliance of IFRSs)

2.2 Basis of measurement

The financial statements of the Bank have been prepared on historical cost basis except for the following:

- Government Treasury Bills and Bonds designated as 'Held for Trading (HFT)' at present value using marked to market with gains, if any, credited to revaluation reserve.
- Government Treasury Bills and Bonds designated as 'Held to Maturity (HTM)' at present value using amortisation concept.
- Zero Coupon Bonds at present value using amortisation concept.

2.3 Use of estimates and judgments

The preparation of the financial statements in conformity with IAS/ IFRS requires management to make judgments, estimates and

assumptions that affect 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 are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

Key estimates include the following:

- Provision on loans and advances
- Deferred tax assets/liabilities
- Gratuity fund

2.4 Foreign currency transactions

Functional and presentation currency

These financial statements are presented in Bangladesh Taka (BDT), which is the Bank's functional currency. Functional currencies for Offshore banking unit and BA Express USA Inc. are US Dollar, BA Exchange Company (UK) Limited is UK Pound. Except as indicated, financial information have been rounded off to the nearest Taka.

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".

In preparing solo financial statements, assets and liabilities in foreign currencies as at December 31, 2022 have been converted into Taka currency at the revaluation rate determined by the Bank. For BA Exchange Company (UK) Limited and BA Express USA Inc. assets and liabilities in foreign currencies as at December 31, 2022 have been converted into Taka currency at the closing rate as on December 31, 2022 and profit and loss accounts have been converted into monthly average rate.

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. Foreign currency translation gain and loss for foreign subsidiary operation is reported as separate component of Equity.

Commitment

Commitments for outstanding forward foreign exchange contracts disclosed in the consolidated financial statements and financial statements of 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 currency at the rate of revaluation rate.

Translation gain and losses

Gains or losses arising out of translation of foreign exchange have been included in the Profit and Loss Statement, except those arising on the translation of net investment in foreign 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:

- a. assets and liabilities for each statement of Balance Sheet have been translated at the closing rate on the date of Balance sheet.
- b. income and expenses for Profit and Loss Statement have been translated at monthly average rate; and
- c. all resulting exchange differences have been recognized as a separate components of equity.

2.5 Basis of consolidation

The financial statements of the Bank's include the financial statements of main operation of Bank Asia Limited and its two business units namely, Islamic Banking Unit and Off-shore Banking Unit operating in Bangladesh.

The consolidated financial statements include the financial statements of the Bank and three subsidiary companies namely, Bank Asia Securities Limited operating in Bangladesh , BA Exchange Company (UK) Limited operating in United Kingdom and BA Express USA Inc. operating in USA.

The consolidated financial statements have been prepared in accordance with International Accounting Standard 27: Separate Financial Statements and International Financial Reporting Standard 10: Consolidated Financial Statements. The consolidated as well as separate financial statements are prepared for a common financial year ended on December 31, 2022.

Consolidated financial statements and separate financial statements of the Bank comprise of Balance Sheet, Profit and Loss Statement, Cash Flow Statement, Statement of Changes in Equity, Liquidity Statement and relevant notes and disclosures.

2.5.1 Subsidiaries of the Bank

A subsidiary company is one in which the parent company, Bank Asia Limited owns majority of its shares. As an owner of the subsidiary, the

Bank controls the activities of the subsidiary. Bank Asia Limited has three subsidiary companies as detailed below:

Name of Subsidiary	Ownership	Date of Commercial Operation	Country of Operation	Status	Regulator	Year Closing
Bank Asia Securities Limited	99.99%	17.04.2011	Bangladesh	Majority Owned	BSEC, Bangladesh	31 December
BA Exchange Company (UK) Limited	100%	16.05.2011	United Kingdom	Fully Owned	FSA, UK	31 December
BA Express USA inc	100%	01.06.2014	United States of America	Fully Owned	NYSDFS, New York	31 December

2.6 Cash flow statement

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

2.7 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.

3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all the periods presented in these financial statements and have been applied consistently by the Bank.

3.1 Assets and basis of their valuation

3.1.1 Cash and cash equivalents

Cash and cash equivalents include cash in hand and balances with Bangladesh Bank and its agent bank, balances with other banks and financial institutions, money at call and on short notice and prize bonds.

3.1.2 Investments

Investment in securities

All investments in securities (bills and bonds) are initially recognized at purchase price excluding commission and accrued coupon interest. Investments are segregated in two broad categories. These are held to maturity (HTM) and held for trading (HFT).

Held to maturity

Debt securities that a firm has intention to hold until maturity. These are reported at amortized cost therefore, they are not affected by swings in the financial markets.

Held for trading

Held for trading securities are those which are held with intention of selling in order to generate profits. Held for trading securities are revalued at market price.

Revaluation

As per Bangladesh Bank DOS circular letter no. 5 dated 28 January 2009, HFT securities are revalued each week using Marked to Market concept and HTM securities are amortized once a year according to Bangladesh Bank guidelines. The HTM securities are also revalued if these are reclassified to HFT category with the Board approval. Value of investment has been shown as under:

Government treasury bills and bonds (HFT)	At present value (using marked to market concept)
Government treasury bills and bonds (HTM)	At present value (using amortisation concept)
Zero coupon bonds	At present value (using amortisation concept)
Prize bonds and other bonds	At cost
Debentures	At cost
Unquoted shares (ordinary)	At cost (as per BRPD circular 14 dated June 25, 2003)
Quoted shares (ordinary)	At cost (provision made for any shortfall arising due to reduce market price from cost price)

3.1.3 Investment in listed securities

These securities are bought and held primarily for the purpose of selling them in future or held for dividend income which are

reported at cost. Unrealised gains are not recognised in the profit and loss statement. But provision was made for diminution in value of investment.

3.1.4 Investment in unquoted securities

Investment in unlisted securities is reported at cost under cost method. Adjustment is given for any shortage of book value over cost for determining the carrying amount of investment in unlisted securities.

As per Bangladesh Bank DOS Circular # 04 dated 24 November 2011, provision for diminution in value of investment was made by netting off unrealilsed gain/ loss of shares from market price/ book value less cost price.

Besides, bank complied with Bangladesh Bank BRPD Circular 14 dated June 25, 2003 as follows, "All investments in shares and securities (both dealing and investment) should be revalued at the year- end. The quoted shares should be valued as per market price in the stock exchange(s) and unquoted shares as per book value of last audited balance sheet. Provision should be made for any loss arising from diminution in value of investments."

3.1.5 Investment in subsidiary

Investment in subsidiary is accounted for under the cost method of accounting in the Bank's financial statements in accordance with the IAS 27 "Separate Financial Statements", IFRS 3 "Business Combination", IFRS 36 "Impairment of Assets" and IFRS 10 "Consolidated Financial Statements".

3.1.6 Loans and advances/investments

- a) Loans and advances/investments are stated in the balance sheet on gross basis.
- b) Interest/profit is calculated on daily product basis, but charged and accounted for quarterly on accrual basis. Interest/profit on classified loans and advances/investments is kept in interest suspense account as per BRPD circulars no. 14 dated September 23, 2012 on Master Circular: Loan Classification and Provisioning. Interest/ profit is not charged on bad and loss loans and advances/ investments as per guidelines of Bangladesh Bank. Records of such interest amounts are kept in separate memorandum accounts.
- c) Commission and discounts on bills purchased and discounted are recognised at the time of realisation.
- d) Provision for loans and advances/investments is made based on the arrear in equivalent month and reviewed by the management following instructions contained in Bangladesh Bank BRPD circular no. 14 dated 23 September 2012, Bangladesh Bank BRPD circular no. 19 dated 27 December 2012, Bangladesh Bank BRPD circular no. 05 dated 29 May 2013, Bangladesh Bank BRPD circular no. 16 dated 18 November 2014, Bangladesh Bank BRPD circular no. 12 dated 20 August 2017, Bangladesh Bank BRPD circular no. 15 dated 27 Sepetember 2017, Bangladesh Bank BRPD circular no. 07 dated 21 June 2018, Bangladesh Bank BRPD circular no. 13 dated 18 October 2018, Bangladesh Bank BRPD circular no. 16 dated 21 July 2020, Bangladesh Bank BRPD circular no.52 dated 20 October 2020, Bangladesh Bank BRPD circular no. 56 dated 10 December 2020, BRPD 3 dated 31 January 2021, BRPD 4 and 5 dated 24 March 2021, BRPD 13 dated 27 June 2021, BRPD 19 dated 26 August 2021 and BRPD 53 dated 30 December 2021, Bangladesh Bank BRPD circular no. 14 dated 22 June 2022, BRPD circular no. 51 dated 18 December 2022 and BRPD circular no. 53 dated 22 December 2022. Rates of provision on loans and advances/investments are given below:

Types of loans and advances			Provision			
Types of Idalis	s and advances	STD	SMA	SS	DF	BL
	House finance	0%	1%	20%	50%	100%
Consumer	Loans for professionals	2%	2%	20%	50%	100%
	Other than housing finance & professionals to setup business	2%	2%	20%	50%	100%
Provision for loa	n to broker house, merchant banks, stock dealers, etc	2%	2%	20%	50%	100%
Short-term agri-	credit and micro credit	1%		5%	5%	100%
Small and media	um enterprise finance	0.25%	0.25%	20%	50%	100%
Others		1%	1%	20%	50%	100%

In line with Bangladesh Bank BRPD Circular no. 04 dated January 29, 2015, all restructured loans treated as Special Mention Account (SMA) for the purpose of classification. Provision was made at existing applicable rate of SMA with additional 1%.

- e) Loans and advances/investments are written off as per guidelines of Bangladesh Bank. These write off however will not undermine/affect the claim amount against the borrower. Detailed memorandum records for all such write off accounts are meticulously maintained and followed up.
- The Bank has restructured (Large loan restructure) certain loan facilities of M/s. Samannaz Super Oil Limited, S. A. Oil Refinery Limited under BRPD Circular No. 04 dated 29 January 2015. As of December 31, 2022 total outstanding amount was Tk. 3,022.66 million as per the terms and conditions of the said circular. These facilities are now under Solenama (Compromise Agreement submitted before the Court) and reported as unclassified. An amount of Tk. 2,674.02 million has been kept Provision against the mentioned restructured loan facilities.

- g) In stay order cases the unclassified loans and advances include certain customer accounts with an aggregate outstanding amount of Tk. 4,151.40 million which have not been reported under classification as at 31 December 2022 on the basis of stay order from the Honorable High Court Division of the Supreme Court of Bangladesh. An aggregate amount of Tk. 2,707.64 million has been kept as general provision against those customers.
- h) As per Bangladesh Bank letter reference no DBI-3/120/2023-508 dated March 16, 2023 provision against loan under stay order and solenama for Tk.3,130.80 mln and Tk.2,746.70 mln respectively will have to transfer from General provision to specific provision by next 3 years equally.

3.1.7 Impairment of financial assets

An asset is impaired when its carrying value exceeds its recoverable amount as per IAS 36 "Impairment of Assets". At each balance sheet date, Bank Asia Limited assesses whether there is objective evidence that a financial asset or a group of financial assets i.e, loans and advances, off balance sheet items and investments is impaired. A financial asset or group of financial assets is impaired and impairment losses are incurred if -

there is objective evidence of impairment as a result of a loss event that occurred after the initial recognition of the asset up to the balance sheet date;

the loss event had an impact on the estimated future cash flows of the financial asset or the group of financial assets; and a reliable estimate of the loss amount can be made.

In the event of impairment loss, the Bank reviews whether a further allowance for impairment should be provided in the profit and loss statement in addition to the provision made based on Bangladesh Bank guidelines or other regulatory requirements.

3.1.8 Property, plant and equipment

Recognition and measurement

All fixed assets are stated at cost less accumulated depreciation as per IAS 16 "Property, Plant and Equipment". Land is measured at cost.

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.

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.

The cost of an items of property, plant and equipement comprises:

- (a) its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates
- (b) any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management
- (c) the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which an entity incurs either when the item is acquired or as a consequence of having used the item during a particular period for purpose other than to produce inventories during that period.

Subsequent costs

The cost of replacing part of an item of fixed assets is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the company and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of fixed assets are recognised in profit or loss as incurred.

Depreciation

No depreciation is charged on land. Depreciation is charged on straight-line method. Charging depreciation against fixed assets commences from the month of acquisition (for full month) and ceases at the month when the assets are disposed. Asset category-wise depreciation rates are as follows:

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Category of assets	Rate of depreciation
Building	5%
Furniture and fixtures	20%
Equipment	20%
Computers and accessories	20%
Motor vehicles	20%

Gain or loss on sale of fixed assets is recognised in profit and loss statement as per provision of IAS 16 "Property, Plant and Equipment".

Construction work in progress/Building under Construction

Building under construction is recognized and reported under Fixed Assets as per IAS 16 "Property, Plant and Equipment" as Construction work in progress until the construction work is completed and the assets is ready for intended use. This asset is stated at cost and depreciation of the asset will be charged from the date of its intended use.

Intangible Asset

- **a. Goodwill:** Goodwill that arises upon the acquisition of subsidiaries is included in intangible assets. Acquisitions of Minority interest (noncontrolling interest) are accounted as transactions with equity holders in their capacity as equity holders and therefore no goodwill is recognised as a result of such transactions. Subsequently goodwill is measured at cost less accumualted Impairment Losses.
- b. Software: Software acquired by the Bank is stated at cost less accumulated amortisation and accumulated impairment losses.
- c. License: Value of license is recognised at cost and since it has an indefinite useful life it is not amortized. The value of the license is not measured at fair value.

3.1.9 Leased assets

The Bank has applied "IFRS 16: Lease" using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under IAS 17 and IFRIC 4.

3.1.10 Impairment of fixed assets

At each balance sheet date, the Bank assesses whether there is any indication that the carrying amount of an asset exceeds its recoverable amount. An asset is carried at more than its recoverable amount if its carrying amount exceeds the amount to be recovered through use or sale of the asset. If this is the case, the asset is described as impaired and an impairment loss is recognised as an expense in the profit and loss statement unless the asset is carried at revalued amount in accordance with International Accounting Standard (IAS) 16, Property, Plant and Equipment in which case any impairment loss of a revalued asset should be treated as a revaluation decrease under that Accounting Standard. No impairment loss was recognized up to the reporting period as there were no such indication existed as on Balance Sheet date.

3.1.11 Investment properties

- a) Investment property is held to earn rentals or for capital appreciation or both and the future economic benefits that are associated with the investment property but not held for sale in the ordinary course of business.
- b) Investment property is accounted for under cost model in the financial statements. Accordingly, after recognition as an asset, the property is carried at its cost, less accumulated depreciation and accumulated impairment loss.

3.1.12 Other assets

Other assets include all other financial assets and include fees and other unrealised income receivable, advance for operating and capital expenditure and stocks of stationery and stamps.

3.1.13 Inventories

Inventories are measured at the lower of cost and net realisable value.

3.2 Liabilities and provisions

3.2.1 Borrowings from other banks, financial institutions and agents

Borrowings from other banks, financial institutions and agents include interest-bearing borrowings redeemable at call and Bangladesh Bank refinance. These items are brought to financial statements at the gross value of the outstanding balance.

3.2.2 Deposits and other accounts

Deposits and other accounts include non interest-bearing current deposit redeemable at call, bills payable, interest bearing on demand and special notice deposits, savings deposit, fixed deposit and scheme deposit. These items are brought to financial statements at the gross value of the outstanding balance.

As per IAS 37 "Provisions, Contingent Liabilities and Contingent Assets" the Bank recognizes provisions only when it has a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and when a reliable estimate of the amount of the obligation can be made.

3.2.3 Other liabilities

Other liabilities comprise items such as provision for loans and advances/investments, provision for taxes, interest payable, interest suspense, accrued expenses, obligation under finance lease etc. Other liabilities are recognised in the balance sheet according to the guidelines of Bangladesh Bank, income tax laws and internal policy of the Bank.

3.3 Capital/shareholders' equity

Authorised capital

Authorised capital is the maximum amount of share capital that the Bank is authorised by its Memorandum and Articles of Association.

Paid-up capital

Paid up capital represents total amount of share capital that has been paid in full by the ordinary shareholders. Holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to vote at shareholders' meetings. In the event of winding-up of the company, ordinary shareholders rank after all other shareholders and creditors and are fully entitled to receive any residual proceeds of liquidation.

Statutory reserve

As per section 24 of the Bank Company Act 1991 (amended upto 2020) Statutory reserve has to be maintained @ 20% of profit before tax equal to its paid-up capital together with the share premium. Bank has maintained adequate reserve in this regard.

Revaluation reserve

Revaluation reserve arises from the revaluation of Treasury bills and bonds (HFT and HTM) in accordance with the Bangladesh Bank DOS circular no. 5 dated 26 May 2008. The tax effects on revaluation gain are measured and recognised in the financial statements as per IAS 12: Income Taxes.

When an fixed asset's carrying amount is increased as a result of revaluation, the increased amount has been credited directly to equity under the head of revaluation reserve as per IAS 16 "Property, Plant and Equipment". The revaluation surplus included in equity transferred directly to retained earnings with the amount of the surplus from the difference between depreciation based on the revalued carrying amount of the asset and depreciation based on the asset's original cost as per the para 41 of IAS 16.

Non-controling (minority) interest

Non-controling (minority) interest in business is an accounting concept that refers to the portion of a subsidiary company's stock that is not owned by the parent company. The magnitude of the minority interest in Bank Asia Securities Limited, a majority owned subsidiary (99.99%) of Bank Asia Limited is very insignificant. Minority interest belongs to a sponsor Director of the Bank and is reported on the consolidated balance sheet to reflect the claim on assets belonging to the other non-controlling shareholder. Also, minority interest is reported on the consolidated income statement as a share of profit belonging to the minority shareholder.

3.4 Contingent liabilities

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 but is not recognised because:

- it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
- the amount of the obligation cannot be measured with sufficient reliability.

Contingent liabilities are not recognised but disclosed in the financial statements unless the possibility of an outflow of resources embodying economic benefits is reliably estimated.

Contingent assets are not recognised in the financial statements as this may result in the recognition of income which may never be realised.

3.5 Memorandum items

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

3.6 Revenue recognition

In line with IFRS 15 revenue and disclosure in the financial statements the income of the bank has been recognized as follows

Interest income

Interest on loans and advances is calculated on daily product basis, but charged and accounted for on quarterly basis. Interest on loans and advances ceases to be taken into income when such advances fall under classification. It is then kept in interest suspense account. Interest on classified loans and advances is accounted for on a cash receipt basis.

Profit on investment (Islamic Banking)

Mark-up on investment is taken into income account proportionately from Unearned Income account. Income/compensation on classified investments is transferred to profit/rent/compensation/suspense account instead of income account.

Investment income

income on investments is recognised on accrual basis. Investment income includes discount on treasury bills and zero coupon bonds, interest on treasury bonds, debentures and fixed deposits with other banks. Capital gain on investments in shares and dividend on investment in shares are also included in investment income.

Interest and fees receivable on credit cards

Interest and fees receivable on credit cards are recognised on accrual basis. Interest and fees ceases to be taken into income when the recovery of interest and fees is in arrear for over three months. Thereafter, interest and fees are accounted for on cash basis.

Fees and commission income

The Bank earns fees and commissions from diverse range of services provided to its customers. This includes fees and commission income arising on financial and other services provided by the Bank including trade finance, credit cards, debit cards, passport endorsement, loan processing, loan syndication and locker facilities, etc. Fees and commission income is recognised on the basis of realisation.

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 borrowing and other deposits (conventional banking)

Interest paid and other expenses are recognised on accrual basis.

Profit paid on deposits (Islamic Banking)

Profit paid to mudaraba deposits is recognised on accrual basis according to Income Sharing Ratio (ISR).

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".

3.7 Employee benefits

3.7.1 Provident Fund

Provident fund benefits are given to the staff of the Bank in accordance with the approved provident fund rules. The fund is operated by a Board of Trustees. All confirmed employees of the Bank are contributing 10% of their basic salary as subscription of the fund. The Bank also contributes equal amount of the employees' contribution to the fund.

3.7.2 Gratuity Fund

Gratuity fund benefits are given to the eligible staff of the Bank in accordance with the approved gratuity fund rules. Gratuity payable is determined on the basis of existing rules and regulations of the Bank and actuarial valuation.

3.7.3 Superannuation Fund

The Bank operates a superannuation fund for which provision is made annually as per actuarial valuation. The fund is operated by a separate Board of Trustees.

3.7.4 Hospitalisation insurance

The Bank operates a health insurance scheme to its confirmed employees and their respective spouses and children at rates provided in health insurance coverage policy.

3.7.5 Worker's Profit Participation Fund

Consistent with the industry practice and in accordance with the Banking Companies Act, 1991, no provision has been made for WPPF

3.8 Provision for off-balance sheet exposures

In compliance with Bangladesh Bank guidelines off-balance sheet items have been disclosed under contingent liabilities. As per BRPD circular no. 10 dated 18 September 2007, the Bank has maintain provision @ 1% against off-balance sheet exposures complying BRPD Circular No. 07, dated 21 June 2018 and BRPD circular letter no. 01 dated 03 Jan 2018

3.9 Provision for nostro accounts

According to guidelines of Foreign Exchange Policy Department of Bangladesh Bank, circular no. FEOD (FEMO)/01/2005-677 dated 13 September 2005, Bank is required to make provision regarding the un-reconciled debit balance as at balance sheet date.

3.10 Taxation

Income tax expense comprises current and deferred tax. Current tax and deferred tax are recognised in profit or loss except to the extent that it relates to items recognised directly in equity.

Current tax

Current tax is the expected tax payable or receivable on the taxable income or loss for the period, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the temporary differences relating to the initial recognition of goodwill, the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss, and differences relating to investments in subsidiaries to the extent that it is probable that they will not reverse in the foreseeable future. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities against current tax assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

A deferred tax asset is recognised for unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax relating to unrealised surplus on revaluation of held to maturity (HTM) securities is recognised directly in revaluation reserve as a part of equity and is subsequently recognised in profit and loss statement on maturity of the security.

3.11 Earnings Per Share

Earnings per share (EPS) has been computed by dividing the basic earnings by the weighted average number of ordinary shares outstanding as per International Accounting Standard (IAS) - 33 "Earnings Per Share". EPS for comparative period also restated by the bonus share if issued. Details are in note 37.

Basic earnings

This represents earnings for the year attributable to ordinary shareholders. Net profit after tax has been considered as fully attributable to the ordinary shareholders.

Weighted average number of ordinary shares

This represents the number of ordinary shares outstanding at the beginning of the year plus the number of ordinary shares issued during the year.

The basis of computation of number of shares is in line with the provisions of IAS 33 "Earnings per share". The logic behind this basis is, that the bonus shares are issued to the existing shareholders without any consideration, and therefore, the number of shares outstanding is increased without an increase in resources generating new earnings.

Diluted earnings per share

No diluted earnings per share is required to be calculated for the year as there was no scope for dilution during the year under review. It is pertinent to mention that, potential ordinary shares is in convertible subordinate bond that may entitle their holders to ordinary shares.

3.12 Reconciliation of inter-bank/inter-branch account

Books of account with regard to inter-bank (in Bangladesh and outside Bangladesh) are reconciled on monthly basis and there are no material differences which may affect the financial statements significantly.

Un-reconciled entries in case of inter-branch transactions as at the reporting date are not material.

3.13 Risk Management at Bank Asia Ltd.

Being a financial institution, in the ordinary course of business, the bank is sensitive to verities of risks. The generic severity of such risk(s) is much intense in our locality due to presence of large number of banks and complex financial transactions. In such highly competitive environment to ensure a bank's consistent system and performance, the presence of strong Risk Management culture is obligatory.

The Board of Director and Senior Management of the bank need to remain positive toward adaptation of active risk management culture throughout the bank. Such awareness (risk) has helped the bank to do more than just regulatory compliance as far as risk management practice is concerned, the consequence of such initiatives has helped the bank to safeguard valuable capital and ensure consistent profitability, through avoiding excessive credit, market and operation loss and inadequate capital allocation under Basel III. Being compliant, the bank is now looking forward to take risk management practice to a different level, i.e. preventing risk before occurrence rather than a reactive manner; on a proactive basis.

As a part of regulatory and global benchmarking the bank has based upon 06 (six) core risks guidelines of Bangladesh Bank and Basel framework. Listed below are the identified risks the bank is currently managing or intents to manage in the future:

SI	Core Risk Guideline of BB	Basel Accord	Pillar
1	Credit Risk	Credit Risk	Pillar - I
2	Foreign Exchange Risk	Market Risk	
3	Asset Liability Risk	Operational Risk	

SI	Core Risk Guideline of BB	Basel Accord	Pillar
4	Money Laundering Risk	Residual Risk	Pillar - II
5	Internal Control & Compliance Risk	Credit Concentration Risk	Pillar –II
6	Information and Communication Technology Risk	Liquidity Risk	Pillar –II
7		Interest Rate Risk in Banking Book	Pillar –II
8		Settlement Risk	Pillar –II
9		Reputation Risk	Pillar –II
10		Environmental and climate	Pillar –II
10		change risk	rillai —II
11		Strategic Risk	Pillar –II
12		Pension Obligation Risk	Pillar –II
13		Compliance Risk	Pillar –II

In view of core risk guideline the bank has established various departments to address specific risks, e.g. credit risk management, credit admin, internal control and compliance department, anti-money laundering department etc. Further to manage the overall risks of the bank in line of Basel the bank has formed a dedicated Risk Management Division.

Accordingly the bank has various high powered committees to monitor and ensure smooth risk management activities. For example, Senior Management Team (SMT), Asset Liability Committee (ALCO), Credit Committee (CC), Audit Committee, Executive Risk Management Committee, Supervisory Review Process Team etc.

The current risk management framework of the bank is as follow:

Credit Risk Management: Credit risk can be defined as risk of failure of customer/counterparty of the bank to meet financial obligations. Another major source of credit risk could be concentration risk, which arises when a bank's credit portfolio tend to be non diversified i.e. large single borrower exposure or lending exposure to clients having similar economic factors (single sub-sector, industry, geographic region etc) that would adversely impact the repayment ability of mass obligor during any possible economic downturn.

To ensure the portfolio health, the bank has distributed the overall credit concentration among different segments/industry/trading. For example, branches are primarily responsible for sourcing of potential clients and initiate limit (credit) approval process for review of Credit Risk Management Division (CRMD), this division (CRMD) ensure the quality of credit proposal before limit approval, a separate division known as Credit Administration (CAD) monitors the documentation aspects of approved credits and finally the Legal Recovery Department manages the deteriorating accounts. It is mentionable that the bank has own credit risk management quideline.

All other remaining risk in regards to credit portfolio are addressed by the Risk Management Division (RMD), the primary responsibility of this Division is to identify and assess the severity of risks and highlight the same to the management for strategic decision making. Below are risk wise list of few global model that RMD is currently using or intends to use in the future:

Residual Risk (e.g. wrong valuation of collateral,	Capital computation under Pillar –II using the foundation Internal Rating
documentation error etc)	Based (FIRB) approach
Concentration Risk	Herfindahl-Hirschman Index (HHI) index, Shannon's Index (SI) and Gini
	coefficient (GI)

Foreign Exchange Risk Management: The Foreign Exchange Risk arises from transaction involvement in any other national currency. Providing major foreign exchange related transactions are carried out on behalf of client thus bank has minimal exposure to the captioned risk. It is mentionable that the bank do not involve in any speculative transactions.

The treasury division independently conducts the transactions and back office is responsible for verifying the deal and passes necessary accounting entries. As advised by Bangladesh Bank on month end all foreign exchange related transactions are revalued at mark-to-market rate. All Nostro accounts are reconciled on daily basis and outstanding entries beyond 30 days are reviewed by management for settlement. It is mentionable that bank management is looking forward to establish treasury mid office to effectively perform the reconciliation activities.

At present Bank assess daily Value-at-Risk (VaR) based on exponential weighted average method using web based platform for foreign exchange risk more effectively.

Asset Liability Management: The Asset Liability Risk is comprises of Balance Sheet Risk and liquidity risk. The Balance Sheet risk refers to risk of change in earning and/or devaluation of asset due to interest rate movement. The liquidity risk can be defined as the risk or chance of failure to meet up any withdrawal/disbursement request by a counterparty/client. ALCO reviews liquidity requirements of the Bank, maturity of assets and liabilities, deposit and lending pricing strategy and the liquidity contingency plan. The Asset Liability Committee also monitors balance sheet risk.

Risk assessment tools in regards to ALM risk management are as follow:

Equity investment risk	Value-at-risk (VaR) on equity position
	Liquidity Coverage Ratio (LCR)
Liquidity Risk	Net Stable Funding Ratio (NSFR)
	Stress Testing (Duration and Sensitivity Analysis)
Interest Rate Risk	Assessment of Interest Rate Risk in Banking Book

Prevention of Money Laundering: Money laundering risk is defined as the loss of reputation and expenses incurred as penalty for being negligent in prevention of money laundering. For mitigating the risks, the Bank has nominated a Chief Compliance Officer at Corporate Office and Branch Compliance Officers at branches, who independently review the accounting transactions to locate and verify suspicious transactions. Know Your Customer (KYC) policy and Transaction Profile (TP) format have been introduced. The regulatory requirements are being complied with and the guidelines in respect of KYC are being followed for opening of new accounts. Training is being provided continuously to all the categories of executives and officers for developing awareness and skill for identifying suspicious activities.

Ensuring internal control and compliance: Operational loss arising from error and fraud due to lack of proper internal control and compliance. Internal Control and Compliance Department undertakes periodical and special audit and inspection of the branches and departments at corporate office for identifying and reviewing the operational lapses and compliance of statutory requirements as well as Bank's own guidelines. The Audit Committee of the Board reviews the audit and inspection reports periodically and provides necessary instructions and recommendations for rectifications of lapses and observations identified by the audit team.

Further to above the bank is in the process of developing various globally recognized operational risk identification processes through the Risk Management Division. For example adaptation of

Risk Control Self Assessment (RCSA) for assessing all possible operational risks based on operational process review and previous experiences before occurrence of any such event.

Using the Key Risk Indicator (KRI) approach to identify operational risk trigger points.

Managing Information and communication Technology Risk: Bank Asia Limited follows the guideline stated in DFIM circular no. 6 dated 21 June 2010 regarding "Guideline on ICT Security for Banks and Financial Institutions, April 2010". IT management deals with IT policy documentation, internal IT audit, training etc. The core objective of IT management is to achieve the highest levels of technology service quality and minimize possible operational risk. Physical security involves providing environmental safeguards as well as controlling physical access to equipment and data. IT department has controls over Password, User ID maintenance, input control, network security, virus protection, internet and e-mail. Data centre has been set up and disaster recovery plan has been formulated as part of Business Continuity Planning (BCP).

All other risk management: These are risks that are not directly covered by core risk guidelines of Bangladesh Bank, more precisely additional risk under Pillar II of Basel III. The Risk Management Division is primarily responsible for assessing and developing controls for managing these risks. In order to do so the RMD of the bank is performing various exercises like assessment of quality Risk Weighted Assets of the Bank, Stress Testing to assess the sensitivity of the bank against adverse scenarios is performed, additional capital (on top of MCR under Pillar —II) will be assessed using a model namely Internal Capital Adequacy Assessment Process (ICAAP), perform the capital reporting model etc.

On top of assessment the RMD of the bank is reporting these risks to senior management (through BRMC); which are ultimately aiding the bank to allocate adequate capital in line with Basel III requirement and at the same time implant active strategies to precisely manage all potential risks of the bank.

3.14 Events after reporting period

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

- (a) those that provide evidence of conditions that existed at the end of the reporting period (adjusting events after the reporting period); and
- (b) those that are indicative of conditions that arose after the reporting period (no adjusting events after the reporting period).

3.15 Related party disclosures

A party is related to the company if:

- (i) directly or indirectly through one or more intermediaries, the party controls, is controlled by, or is under common control with, the company; has an interest in the company that gives it significant influence over the company; or has joint control over the company;
- (ii) the party is an associate;

- (iii) the party is a joint venture;
- (iv) the party is a member of the key management personnel of the Company or its parent;
- (v) the party is a close member of the family of any individual referred to in (i) or (iv);
- (vi) the party is an entity that is controlled, jointly controlled or significantly influenced by or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (iv) or (v); or
- (vii) the party is a post-employment benefit plan for the benefit of employees of the company, or of any entity that is a related party of the company.

3.16 Directors' responsibilities on statement

The Board of Directors takes the responsibilities for the preparation and presentation of these Financial Statements.

3.17 Segment Reporting

As per IFRS 8 "Operating Segments", is a component of an equity:

- (a) that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity)
- (b) whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performances, and
- (c) for which discrete financial information is available.

Bank reported its segments in respect of business segment and geographical segment. Business segments are comprised of Conventional Banking, Islamic Banking, Off-shore Banking, Bank Asia Securities Limited, BA Exchange Company (UK) Limited and BA Express USA Inc. Geographical segments report consist of location wise performance of above segments.

3.18 Changes in Accounting Policies

As per IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors" Accounting Policies are applied consistently for comparability between financial statements of different accounting periods. Changes in Accounting Policies are applied retrospectively in the financial statements. Comparative amounts presented in the financial statements affected by the change in accounting policy for each prior period presented.

3.19 IFRS 15 - Revenue from Contract with Customers

IFRS 15 "Revenue from Contracts with Customers" replaces IAS 18 Revenue and IAS 11 Construction Contracts. IFRS 15 establishes a more systematic approach for revenue measurement and recognition by introducing a five-step model governing revenue recognition. The five-step model includes: 1) identifying the contract with the customer, 2) identifying each of the performance obligations included in the contract, 3) determining the amount of consideration in the contract, 4) allocating the consideration to each of the identified performance obligations and 5) recognising revenue as each performance obligation is satisfied. The Bank has consistently applied the accounting policies as set out in Note 3 to all periods presented in these financial statements.

3.20 Compliance checklist of International Accounting Standards (IASs)/International Financial Reporting Standards (IFRSs)

,	•	• ,
Name of the standards	Ref.	Status
First-time Adoption of International Financial Reporting Standards	IFRS - 1	N/A
Share Based Payment	IFRS - 2	N/A
Business Combinations	IFRS - 3	Complied
Insurance Contracts	IFRS - 4	N/A
Non-current Assets Held for Sale and Discontinued Operations	IFRS - 5	Complied
Exploration for and Evaluation of Mineral Resources	IFRS - 6	N/A
Financial Instruments: Disclosures	IFRS - 7	Complied
Operating Segments	IFRS - 8	Complied
Financial Instruments: Recognition and Measurement	IFRS - 9	Complied
Consolidated Financial Statements	IFRS-10	Complied
Joint Arrangements	IFRS-11	N/A
Disclosure of Interests in other entities	IFRS-12	N/A
Fair Value Measurement	IFRS-13	Complied
Revenue from Contract with Customers	IFRS-15	Complied
Leases	IFRS-16	Complied
Presentation of Financial Statements	IAS - 1	Complied
Inventories	IAS - 2	Complied

Statement of Cash Flows	IAS - 7	Complied
Accounting Policies, Changes in Accounting Estimates and Errors	IAS - 8	Complied
Events after the Reporting Period	IAS-10	Complied
Income Taxes	IAS-12	Complied
Property, Plant and Equipment	IAS-16	Complied
Employee Benefits	IAS-19	Complied
Accounting for Government Grants and Disclosure of Government Assistance	IAS-20	Complied
The Effects of Changes in Foreign Exchange Rates	IAS-21	Complied
Borrowing Costs	IAS-23	Complied
Related Party Disclosures	IAS-24	Complied
Accounting and Reporting by Retirement Benefit Plans	IAS-26	Complied
Separate Financial Statements	IAS-27	Complied
Investments in Associates and Joint Ventures	IAS-28	Complied
Financial Instruments: Presentation	IAS-32	Complied
Earnings Per Share	IAS-33	Complied
Interim Financial Reporting	IAS-34	Complied
Impairment of Assets	IAS-36	Complied
Provisions, Contingent Liabilities and Contingent Assets	IAS-37	Complied
Intangible Assets	IAS-38	Complied
Investment property	IAS-40	Complied
Agriculture	IAS-41	N/A

3.21 New and amended standards and interpretations:

IFRS 16 Leases

Bank Asia recognise the right of use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right of use asset is depreciated using the straight line methods from the commencement date to the earlier of the end of the useful life of the right of use asset or the end of the lease term. The right of use asset is reduced by impairment losses as per IAS 36, and adjusted for certain measurements of the lease liability if any.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date and discounted using the incremental borrowing rate.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is change in estimate of the amount expected to be payable under a residual value guarantee, or if changes its assessment of whether it will exercise purchase, extension or termination option.

When the lease liability is measured in this way, a corresponding adjustment is made to the carrying amount of the right to use asset, or is recorded in profit or loss if the carrying amount of the right of use asset has been reduced to zero.

The Bank may elect not to apply the IFRS 16 for short-term leases; and leases for which the underlying asset is of low value.

3.22 Operating Environment

The Bank's operating environment during the year ended 2022 were impacted by a number of major global events such as continuation of COVID 19 related disruptions, start of Russia-Ukraine conflict, increase in fuel and commodity prices, strengthening of US Dollars, etc. Most of these events also had significant impact on the local economic environment affecting the Bank's operations. From time to time, the Government of Bangladesh and the local Central Bank (Bangladesh Bank) has issued various directives to manage impacts from these events which the Bank has followed. Management on regular basis review and monitor the global and country specific macro-economic situation and factor these issues into the decision making process.

3.23 Approval of financial statements

The financial statements were approved by the Board of Directors on March 18, 2023.

3.24 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 without, however, creating any impact on the operating result and value of assets and liabilities as reported in the financial statements for 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.
- (iv) These financial statements cover one calender year from 01 January 2022 to 31 December 2022 .

Amo		

		/ IIII odilic III Tana
	31-Dec-22	31-Dec-21
Cash		
4.1 In hand (including foreign currencies)		
Conventional and Islamic banking		
Local currency	4,041,388,667	3,539,059,798
Foreign currencies	46,350,487	70,377,706
v	4,087,739,154	3,609,437,504
Off-shore banking unit	-	-
·	4,087,739,154	3,609,437,504
4.1(a) Consolidated Cash in hand		<u> </u>
Bank Asia Limited	4,087,739,154	3,609,437,504
Bank Asia Securities Limited	107	15,772
BA Exchange Company (UK) Limited	56,806	152,086
BA Express USA, Inc	26,621	29,617
DA EXPIGSS COA, IIIC	4,087,822,688	3,609,634,979
4.2 Balance with Bangladesh Bank and its agent bank (including foreign cur		2,000,000,000
Conventional and Islamic banking	Tollolosj	
Balance with Bangladesh Bank		
Local currency (statutory deposit)	19,189,473,087	28,539,674,106
Foreign currencies	1,273,154,979	177,295,618
Totalgit cuttericles	20,462,628,066	28,716,969,724
Balance with agent bank (Sonali Bank Limited)	20,402,020,000	20,710,303,724
Local currency	1,246,786,475	1,038,477,359
Foreign currencies	1,240,700,473	1,030,477,339
1 of eight currencies	1,246,786,475	1,038,477,359
	21,709,414,541	29,755,447,083
Off-shore banking unit	21,709,414,541	29,733,447,003
Oil-Shore Danking unit	21,709,414,541	29,755,447,083
4.0/-) O		20,700,447,000
4.2(a) Consolidated Balance with Bangladesh Bank and its agent bank (including foreign currencies)		
Bank Asia Limited	21 700 414 541	20 755 447 002
Bank Asia Securities Limited	21,709,414,541	29,755,447,083
	-	-
BA Exchange Company (UK) Limited	-	-
BA Express USA, Inc	01 700 414 541	
	21,709,414,541	29,755,447,083

4.3 Cash Reserve Ratio (CRR) and Statutory Liquidity Ratio (SLR)

Cash Reserve Ratio (CRR) and Statutory Liquidity Ratio (SLR) have been calculated and maintained in accordance with Section 33 of Bank Company Act 1991 (amended upto 2018), DOS circular nos. 01 dated 19 January 2014, MPD circular no. 01, MPD circular no. 116/2018-592 dated 03 April 2018, DOS Circular Letter No. 26 dated August 19, 2019, BRPD Circular No. 31 dated June 18, 2020 and MPD Circular No. 03 dated April 09, 2020.

The statutory Cash Reserve Ratio on the Bank's time and demand liabilities at the rate 4.0% (conventional and islamic) and offshore banking 2% has been calculated and maintained with Bangladesh Bank in local currency and 13% (5.5% for Islamic Banking) Statutory Liquidity Ratio for conventional and offshore banking, on average demand and time liabilities in the form of cash in hand, balance with Bangladesh Bank and its agent bank, treasury bills, bonds and debentures. CRR and SLR maintained by the Bank are shown below:

4.3.1 Cash Reserve Ratio (CRR)

Conventional and Offshore Banking

As per Bangladesh Bank DOS Circular No. 01 dated January 19, 2014, DOS Circular Letter No. 26 dated August 19, 2019 and MPD Circular No. 03 dated April 09, 2020 Bank has to maintain CRR @ 4.0% on fortnightly cumulative average basis and minimum @ 3.5% on daily basis for its Conventional banking. For off shore banking operation as per Bangladesh Bank BRPD Circular 31 dated June 18, 2020 Bank has to maintain minimum 2.0 (two) percent Cash Reserve Ratio (CRR) with Bangladesh Bank on bi-weekly average basis with a provision of minimum 1.5 (one and half) percent on daily basis of the average total demand and time liabilities (ATDTL) of Off Shore Banking Operation

Amount in Taka 31-Dec-22 31-Dec-21 i. Daily Bank's CRR maintenance: Required reserve 11,423,012,000 10,142,225,000 Domestic Banking Operation (3.5 % on Demand and Time Liabilities) 10,950,140,000 9,827,488,000 Offshore Banking Operation (1.5 % on Demand and Time Liabilities) 472,872,000 314,737,000 17,628,354,570 Actual reserve maintained 26,879,283,300 Surplus 16,737,058,300 6,205,342,570 ii. Fortnightly Bank's CRR maintenance: Required reserve 13,144,940,000 11.651.064.000 Domestic Banking Operation (4 % on Demand and Time Liabilities) 12,514,445,000 11,231,415,000 Offshore Banking Operation (2 % on Demand and Time Liabilities) 630,495,000 419,649,000 Actual reserve maintained (average) 14,133,731,537 18,662,500,550 Surplus 988,791,537 7,011,436,550 Islamic Banking i. Daily Bank's CRR maintenance: Required reserve (3.5% Demand and Time Liabilities) 1,033,956,000 849,063,000 Actual reserve maintained 1,354,725,000 1,508,216,000 Surplus 320,769,000 659,153,000 ii. Fortnightly Bank's CRR maintenance: Required reserve (4% of Demand and Time Liabilities) 1,181,664,000 970,357,000 Actual reserve maintained (Average) 1,276,616,200 1,427,809,880 Surplus 94,952,200 457,452,880 4.3.2 Statutory Liquidity Ratio (SLR) **Conventional Banking** 13% of Average Demand and Time Liabilities Required reserve 44,770,167,000 39,229,815,000 **Domestic Banking Operation** 40,671,947,000 36,502,098,000 Offshore Banking Operation 4,098,220,000 2,727,717,000 Actual reserve maintained 99,411,433,685 85,607,466,650 Surplus 46,377,651,650 54,641,266,685 Islamic Banking 5.5% of Average Demand and Time Liabilities Required reserve 1,624,788,000 1,334,241,000 Actual reserve maintained 4,547,233,354 4,923,863,000 Surplus 2,922,445,354 3,589,622,000 57,563,712,039 49,967,273,650 4.3.3 Held for Statutory Liquidity Ratio **Conventional Banking** Cash in hand 3,478,701,790 4,031,316,800 Excess of CRR - Balance with Bangladesh Bank 15,228,219,300 4,483,414,567 Balance with agent bank (Sonali Bank Limited) 468,048,600 528,007,630 Government securities 90,426,148,618 66,369,323,730 Other securities 2,505,100 3,214,200

99,411,433,685

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34,79	8,6	60	0,0	00	0
2,05					
36,84					

		Amount in Taka
	31-Dec-22	31-Dec-21
Jalamia Dankina		
Islamic Banking Cash in hand	56,422,354	68,254,000
Excess of CRR - Balance with Bangladesh Bank	173,061,000	537,859,000
Government securities	4,317,750,000	4,317,750,000
Other securities	-	-
	4,547,233,354	4,923,863,000
	103,958,667,039	90,531,329,650
F. Balanca with other houles and Consolid in Platform		
5. Balance with other banks and financial institutions		
In Bangladesh	26 107 022 002	20 050 215 157
Conventional and Islamic banking (Note 5.1)	36,107,023,982	38,950,215,157
Off-shore banking unit	1,010,000,000 37,117,023,982	38,950,215,157
	37,117,023,902	30,930,213,137
Outside Bangladesh		
Conventional and Islamic banking (Note 5.2)	1,847,330,212	1,322,092,346
Off-shore banking unit	616,552,858	89,162,292
	2,463,883,070	1,411,254,638
	39,580,907,052	40,361,469,795
5.1 Conventional and Islamic banking-In Bangladesh		
Current accounts	504.040.070	
Agrani Bank Limited	561,613,076	1,093,613,262
Eastern Bank Limited	115,291,860	70 400 000
Janata Bank Limited	101,497,290	76,408,660
Rupali Bank Limited	325,865,606	223,274,915
Pubali Bank Limited Standard Chartered Bank	323,414,066	465,688,094
Sonali Bank Limited	47,832,108 270,498,621	12,343,207 254,638,756
Trust Bank Limited	(49,858,209)	(25,145,046)
Hust Dank Emitou	1,696,154,418	2,100,821,848
Short- notice deposit accounts	1,000,101,110	2,100,021,010
AB Bank Limited	602,564	593,860
Bank Alfalah Limited	1,719,995	9,168
Islami Bank Bangladesh Limited	192,805	190,281
	2,515,364	793,309
Placements		
With Banking companies (5.1.1)	33,188,354,200	34,798,600,000
With Non-banking financial institutions (5.1.2)	1,220,000,000	2,050,000,000
	34,408,354,200	36,848,600,000
	36,107,023,982	38,950,215,157
5.1.1 Details of Placement with Banking companies(Local Currency)		
EXIM Bank Limited	5,000,000,000	4,100,000,000
Jamuna Bank Limited	-	3,000,000,000
AB Bank Limited	-	5,000,000,000
NRB Commercial Bank Limited	-	800,000,000
Bengal Commercial Bank Limited	-	250,000,000
NCC Bank Limited	-	2,900,000,000
IFIC Bank Limited	2,500,000,000	2,500,000,000
NRB Bank Limited	250,000,000	500,000,000

	31-Dec-22	31-Dec-21
United Commercial Bank Limited	3,500,000,000	3,500,000,000
Sonali Bank Limited	-	500,000,000
One Bank Limited	2,000,000,000	2,000,000,000
Social Islami Bank Limited	2,200,000,000	-
Marcantile Bank Limited	3,000,000,000	-
Global Islami Bank Limited	500,000,000	-
Standard Bank Limited	2,750,000,000	4,000,000,000
Standard Barn Ellinton	21,700,000,000	29,050,000,000
Details of Placement- with Banking companies (Foreign Currencies)		
Mutual Trust Bank Limited	_	858,000,000
Islami Bank Bangladesh Limited	5,174,934,324	2,574,000,000
Modhumoti Bank Limited	413,994,746	343,200,000
Premier Bank Limited	1,034,986,865	858,000,000
Trust Bank Limited	1,034,986,865	257,400,000
Commercial Bank of Ceylon	1,034,900,003	858,000,000
Marcantile Bank Limited	517,493,432	030,000,000
Pubali Bank Limited	1,655,978,985	
Southeast Bank Limited	517,493,432	
The City Bank Limited	1,138,485,551	
	11,488,354,200	5,748,600,000
	33,188,354,200	34,798,600,000
5.1.2 Details of Placement with Non-banking financial institutions		
Delta Brac Housing Finance Corporation Limited	-	500,000,000
Investment Corporation of Bangladesh	1,070,000,000	1,400,000,000
Union Capital Limited	150,000,000	150,000,000
	1,220,000,000	2,050,000,000
5.2 Conventional and Islamic banking- Outside Bangladesh		
Current accounts		
Interest bearing:		
Citibank NA, New York (USD)	887,996,838	615,462,873
Habib American Bank, New York	225,723,382	21,465,93
Mashreqbank PSC, New York (USD)	29,782,196	177,616,158
Wells Fargo Bank NA, New York (USD)		188,027,09
Zhejiang Chouzhou Commercial Bank (USD)	8,068,565	100,027,030
Zhejiang Chouzhou Commercial Bank (CNY)	22,396,916	
Zirejiang Grouzhoù Gorinnerdia Bank (Givr)	1,173,967,897	1,002,572,061
Non interest bearing	., 0,00. ,00.	.,002,0.2,00
Non-interest bearing:	15 400 000	07 500 050
AB Bank Limited, Mumbai	15,420,960	37,520,250
AKTIF Bank, Istanbul -JPY	1,442,647	2,413,899
Al Rajhi Bank K.S.A	56,770,209	4,554,798
Axis Bank Ltd, Mumbai (ACU)	16,979,847	19,613,001
Bank of Sydney	5,905,713	945,640
Bank Alfalah Limited, Karachi Pak (ACU)	12,874,139	4,415,603
Bhutan National Bank Limited, Thimphu	5,894,157	35,671,239
Citibank N.A., London (GBP)	50,057,073	1,490,446
Commerzbank AG, Frankfurt (EURO)	5,255,696	8,386
Commerzbank AG, Frankfurt (USD)	14,444,095	4,442,535
Habib Metropolitan Bank Limited, Karachi	39,743,904	24,883,778
HDFC Bank, Mumbai		4,619,354
ICICI Bank Limited, Kowloon	9,519,691	4,755,562
ICICI Bank Limited, Mumbai	24,214,035	4,241,821

Amount		

		Amount in Taka
	31-Dec-22	31-Dec-21
JP Morgan Chase Bank N.A New York, U.S.A	-	8,901,430
Mashregbank PSC, Dubai	31,300,466	3,833,343
Mashreqbank PSC, Mumbai (EURO)	889,403	787,294
Muslim Commercial Bank Limited, Colombo	8,536,503	6,334,019
Nepal Bangladesh Bank Limited, Kathmandu	7,753,453	1,511,272
Riyad Bank, Riyadh (SAR)	425,425	7,474
Standard Chartered Bank, Mumbai	136,168,284	127,094,715
Standard Chartered Bank, New York	199,197,607	12,672,697
Unicredit Bank AG, Munich (EURO)/Hypovereins Bank, Munich (EURO)	10,734,092	6,061,530
Wells Fargo Bank NA, London (EURO)	10,622,519	439,276
Zurcher Kantonal Bank, Switzerland	9,212,397	2,300,923
	673,362,315	319,520,285
	1,847,330,212	1,322,092,346
Placement with Off-shore Banking Unit	21,950,000	6,256,185,000
Less: Inter-company transactions with OBU	(21,950,000)	(6,256,185,000)
	1,847,330,212	1,322,092,346
5.3 Maturity grouping of balance with other banks and financial institutions		
Up to 1 month	21,841,578,459	24,018,337,596
More than 1 month but not more than 3 months	15,221,828,593	16,343,132,199
More than 3 months but not more than 6 months	2,517,500,000	-
More than 6 months but not more than 1 year	-	-
More than 1 year but not more than 5 years	-	-
More than 5 years	-	-
,	39,580,907,052	40,361,469,795
5(a) Consolidated Balance with other banks and financial institutions In Bangla	desh	
Bank Asia Limited		20 050 215 157
	37,117,023,982	38,950,215,157
Bank Asia Securities Limited	598,386,033	787,729,362
BA Exchange Company (UK) Limited	-	-
BA Express USA, Inc		
	37,715,410,015	39,737,944,519
Less: Inter-company transactions	369,639,929	78,856,747
	37,345,770,086	39,659,087,772
Outside Bangladesh		
Bank Asia Limited	2,463,883,070	1,411,254,638
Bank Asia Securities Limited	-	-
BA Exchange Company (UK) Limited	16,002,011	21,446,588
BA Express USA, Inc	157,813,356	196,824,591
	2,637,698,437	1,629,525,817
	39,983,468,523	41,288,613,589
loney at call and on short notice		
Call money Lending (Note 6.1)	_	6,400,000,000
Short Notice Lending (Note 6.2)	3,750,000,000	-
Short Notice Echaning (Note 0.2)	3,750,000,000	6,400,000,000
0.40		0,100,000,000
6.1 Call Money Lending- with Banking companies:		0.000.000.000
The City Bank Limited	-	3,000,000,000
Dhaka Bank Limited	-	2,000,000,000
Jamuna Bank Limited	-	1,010,000,000
		000 000 000
Midland Bank Limited	-	200,000,000
	<u> </u>	190,000,000

		Amount in Taka
	31-Dec-22	31-Dec-21
6.2 Short Notice Lending		
One Bank Limited	750,000,000	_
Agrani Bank Limited	3,000,000,000	
Agram Bank Enniod	3,750,000,000	_
6(a) Consolidated Money at call and on short notice		
Bank Asia Limited	3,750,000,000	6,400,000,000
Bank Asia Securities Limited	-	-
BA Exchange Company (UK) Limited	-	-
BA Express USA, Inc	-	
7 Investments	3,750,000,000	6,400,000,000
7. Investments	04.740.400.740	70 000 007 000
Government (Note 7.1)	94,746,403,719	70,690,287,923
Others (Note 7.2)	8,102,706,218 102,849,109,937	6,330,902,598 77,021,190,521
		11,021,190,321
7.1 Government		
Conventional and Islamic banking (Note 7.1.1)	94,746,403,719	70,690,287,923
Off-shore banking unit		70,000,007,000
	<u>94,746,403,719</u> _	70,690,287,923
7.1.1 Conventional and Islamic banking		
Treasury bills (Note 7.1.1.1)	11,706,975,787	15,758,002,455
Treasury bonds (Note 7.1.1.2)	83,036,922,832	54,929,071,268
Prize bonds	2,505,100	3,214,200
	<u>94,746,403,719</u> =	70,690,287,923
7.1.1.1 Treasury bills		
91 days treasury bills	1,979,259,871	9,961,614,957
364 days treasury bills	9,727,715,916	5,796,387,498
	11,706,975,787	15,758,002,455
7.1.1.2 Treasury bonds		
Bangladesh Bank Govt Investment Sukuk	4,317,750,000	4,317,750,000
Bangladesh Bank Islamic bond	-	-
2 years Bangladesh Government treasury bonds	10,902,872,630	1,800,128,413
5 years Bangladesh Government treasury bonds	14,592,612,284	8,272,380,119
10 years Bangladesh Government treasury bonds	32,482,075,380	26,588,781,997
15 years Bangladesh Government treasury bonds	12,792,604,704	9,565,300,456
20 years Bangladesh Government treasury bonds	7,949,007,834 83,036,922,832	4,384,730,283 54,929,071,268
	03,030,922,032	54,929,071,200
7.2 Others		
Conventional and Islamic banking (Note 7.2.1) Off-shore banking unit	8,102,706,218	6,330,902,598
	8,102,706,218	6,330,902,598
7.2.1 Conventional and Islamic banking a) Ordinary shares (Details are shown in Annexure-B)		
Quoted shares	449,174,694	454,067,509
Unquoted share	104,645,029	173,948,594
	553,819,723	628,016,103
h) Mutual Fund (Dataila ara ahawa in Annayura D)		
b) Mutual Fund (Details are shown in Annexure-B)	E0 000 000	E0 000 000
1st Janata Bank Mutual fund EBL NRB Ist Mutual Fund	50,000,000 149,665,000	50,000,000 149,665,000
LDE IAUD 191 IAIRIRIA I MIIR	149,000,000	149,000,000

		Amount in Tak
	31-Dec-22	31-Dec-21
Ist Bangladesh Fixed Income Fund	250,000,000	250,000,000
MBL 1st Mutual Fund	50,000,000	50,000,000
EXIM Bank 1st Mutual Fund	119,221,495	119,221,495
	618,886,495	618,886,495
e) Bonds		
Non-Convertible Subordinated Bond - Premier Bank	500,000,000	500,000,000
Second Subordinated Bond - Mutual Trust Bank	80,000,000	80,000,000
Second Subordinated Bond - United Commercial Bank	-	60,000,000
Fourth Subordinated Bond - United Commercial Bank	1,000,000,000	1,000,000,000
Second Subordinated Mudaraba Bond - Social Islami Bank Limited	20,000,000	40,000,000
5 Year Preference Share - Meghna Cement Mills Ltd	700,000,000	700,000,000
5 Year Preference Share - Kushiara Power Co. Ltd	60,000,000	80,000,000
5 Year Preference Share - Summit LNG Terminal Co. (Pvt) Ltd	40,000,000	60,000,000
5 Year Preference Share - Summit Gazipur II Power Ltd	-	30,000,000
Perpetual Bond of Mutual Trust Bank Ltd	1,000,000,000	1,000,000,000
Perpetual Bond of United Commercial Bank	1,000,000,000	1,000,000,000
Perpetual Bond of Pubali Bank Ltd	1,000,000,000	-
Perpetual Bond of Shahjalal Islamic Bank Ltd	500,000,000	500,000,000
Perpetual Bond of Mercantile Bank Ltd	1,030,000,000	-
7 Year Preference Share - Summit Barishal Power Ltd	-	34,000,000
	6,930,000,000	5,084,000,000
	8,102,706,218	6,330,902,598
'.3 Investments classified as per Bangladesh Bank circular		
Held for trading (HFT)	40,371,740,071	19,536,956,394
Held to maturity (HTM)	50,054,408,547	46,832,367,330
Other securities	<u>12,422,961,319</u> 102,849,109,937	10,651,866,797 77,021,190,521
	<u> 102,049,109,937</u> _	11,021,190,321
7.4 Maturity-wise grouping	0.077.040.474	4 004 055 000
On demand	3,677,343,471	1,361,355,389
Up to 3 months	2,466,456,844	13,132,239,857
More than 3 months but not more than 1 year	26,304,189,275	11,604,861,475
More than 1 year but not more than 5 years	35,206,572,748	29,011,452,079
More than 5 years	35,194,547,599 102,849,109,937	21,911,281,721 77,021,190,521
(a) Consolidated Investments	<u>102,049,109,937</u>	77,021,190,321
Government		
Bank Asia Limited	94,746,403,719	70,690,287,923
Bank Asia Securities Limited	-	-
BA Exchange Company (UK) Limited	-	-
BA Express USA, Inc	-	-
	94,746,403,719	70,690,287,923
Others		
Bank Asia Limited	8,102,706,218	6,330,902,598
Bank Asia Securities Limited	989,145,651	930,243,433
BA Exchange Company (UK) Limited	-	-
BA Express USA, Inc	_	-
	9,091,851,869	7,261,146,031
	103,838,255,588	77,951,433,954

		Amount in Taka
	31-Dec-22	31-Dec-21
Loans and advances/investments		
Loans, cash credits, overdrafts, etc/investments (Note 8.1)	254,502,783,718	234,243,717,970
Bills purchased and discounted (Note 8.2)	23,367,574,685	28,022,983,795
bilis purchased and discounted (Note 6.2)	277,870,358,403	262,266,701,765
	277,070,330,403	202,200,701,700
8.1 Loans, cash credits, overdrafts, etc/investments		
Conventional and Islamic banking		
Inside Bangladesh		
Agricultural loan	4,937,948,904	4,214,162,268
Cash credit/Bai Murabaha (Muajjal)	5,303,713,589	6,078,813,107
Credit card	3,631,193,880	3,102,706,568
Credit for poverty alleviation scheme-micro credit	8,247,947	7,934,974
Consumer credit scheme	15,781,494,644	15,292,210,573
Demand loan	27,234,992,836	26,285,494,980
Export Development Fund (EDF)	21,663,457,255	23,507,498,252
House building loans	1,059,855,713	1,575,852,924
Loans (General)	39,417,520,074	23,546,626,257
Loan against trust receipts/ Bai Murabaha post import	14,331,955,769	11,094,981,464
Overdrafts/ Quard against scheme	32,110,440,520	33,590,107,929
Packing credit	928,694,041	708,453,691
Payment against documents	128,062,570	518,606,158
Staff loan	1,891,324,867	1,722,495,464
Transport loan	1,811,882,853	2,142,778,993
Term loan- industrial	26,527,284,618	30,259,129,196
Term loan- others	48,696,524,190	38,771,479,355
Loan under Covit-19 stimulus package	5,322,077,781	8,120,879,445
Loan under Govit-19 stillidius paokage	250,786,672,051	230,540,211,598
Outside Bangladesh	250,700,072,051	230,340,211,390
Outside Dailyladesii	250,786,672,051	230,540,211,598
Off chara hanking unit		
Off-shore banking unit	3,716,111,667	3,703,506,372
	254,502,783,718	234,243,717,970
8.2 Bills purchased and discounted		
Conventional and Islamic banking	1,996,974,277	2,176,572,072
Off-shore banking unit	21,370,600,408	25,846,411,723
OII-SHOLE DANKING MIN		
	23,367,574,685	28,022,983,795
8.3 Maturity-wise grouping		
Repayable on demand	45,332,866,964	36,115,079,761
Not more than 3 months	42,258,538,345	38,829,780,750
More than 3 months but not more than 1 year	77,497,087,280	95,411,314,079
More than 1 year but not more than 5 years	94,466,027,863	75,254,834,804
More than 5 years	18,315,837,951	16,655,692,371
more than e years	277,870,358,403	262,266,701,765
8.4 Net loans and advances/investments	2(66)666(1.00	
Gross loans and advances/investments	277,870,358,403	262,266,701,765
Less: Interest suspense (Note 13.4)	4,403,014,529	4,266,332,789
Provision for loans and advances/investments (Note 13.2 & 13.2.1)	19,610,000,001	16,017,708,000
	24,013,014,530	20,284,040,789
	253,857,343,873	241,982,660,976
8.5 Loans and advances/investments under the following broad categories		
In Bangladesh		
Loans	217,088,629,609	194,574,796,934
Cash credits	5,303,713,589	6,078,813,107
Overdrafts	32,110,440,520	33,590,107,929
Bills purchased and discounted	22,868,897,540	27,256,319,759
	277,371,681,258	261,500,037,729
	,0,001,200	

			AIIIOUIII III IANA
		31-Dec-22	31-Dec-21
	itside Bangladesh		
Bills	s purchased and discounted	498,677,145	766,664,036
		277,870,358,403	262,266,701,765
8.6	Significant concentration wise grouping		
a)	Directors	-	-
b)	Chief Executive and other senior executives	186,676,000	209,931,000
	i) Managing Director	100 070 000	1,329,000
c)	ii) Other senior executives Agriculture	186,676,000 7,409,100,000	208,602,000 5,936,200,000
c) d)	Industry	138,477,182,403	136,528,970,765
,	Food Manufacturing	14,167,500,000	12,275,800,000
	Beverage industry	244,600,000	227,100,000
	RMG industry	33,951,900,000	38,369,200,000
	Textile industry	24,298,900,000	29,541,500,000
	Wood cork and allied products Furniture and Fixture	46,600,000 313,400,000	49,600,000 383,400,000
	Paper and paper products	5,024,400,000	4,939,500,000
	Leather and leather products	3,157,300,000	2,036,100,000
	Rubber products	4,577,700,000	2,409,600,000
	Chemical and chemical products	916,200,000	1,122,400,000
	Basic metal products Electrical machinery and apparatus	11,429,800,000 3,499,300,000	8,583,400,000 3,519,800,000
	Other manufacturing industries	23,045,982,403	22,980,970,765
	Ship building	4,468,700,000	4,730,400,000
	Ship breaking	1,435,100,000	1,749,200,000
۵)	Pharmaceutical	7,899,800,000	3,611,000,000
e)	Constructions Rever Con Water and Society Continue	8,404,000,000	9,489,200,000
f)	Power, Gas, Water and Sanitary Services Transport, Storage and Communication	13,914,800,000 2,532,900,000	9,459,500,000 1,964,100,000
g) h)	Trade Services	51,879,200,000	46,140,100,000
i)	Housing Services	18,448,600,000	19,312,400,000
j)	Banking and Insurance	4,857,400,000	3,128,800,000
k)	Professional and Misc. services	31,760,500,000	30,097,500,000
19	Trotocolonal and Wilso. Sol Vicco	277,870,358,403	262,266,701,765
		-	
	Geographical location-wise grouping de Bangladesh		
	ban		
	aka Division	212,858,089,190	199,574,087,997
	ittagong Division	27,903,420,779	25,995,891,326
	ulna Division	4,153,972,836	3,907,097,310
	ishahi Division	3,038,661,247	2,973,242,892
•	risal Division		
		1,163,874,549	1,384,207,178
-	het Division	2,724,367,784	2,725,813,399
	ngpur Division	1,911,947,239	1,679,419,316
IVIY	mensingh Division	538,365,075	545,044,603
Ru	ıral	254,292,698,699	238,784,804,021
	aka Division	16,084,242,760	15,542,314,547
	attogram Division	4,401,837,380	4,735,961,665
	attogram division ulna Division		
		219,965,396	170,404,312
-	ishahi Division	2,528,303,134	2,683,938,724
	risal Division	17,079,600	5,218,794
Syl	lhet Division	319,901,321	344,059,702

	31-Dec-22	31-Dec-21
Mymensingh Division	6,330,113	-
	23,577,659,704	23,481,897,744
Outside Bangladesh	-	-
	277,870,358,403	262,266,701,765
8.8 Loans/investments including bills purchased and discounted covered by securities		
Collateral of movable/immovable assets	152,402,313,263	153,004,170,809
Local banks and financial institutions' guarantee	801,551,421	577,367,412
Foreign banks' guarantee	2,914,913	74,724,364
Export documents	12,463,791,786	9,017,657,507
Cash and quasi cash	7,486,439,032	6,617,808,566
Personal guarantee	65,968,492,454	43,505,398,795
Other securities	38,744,855,534	49,469,574,312
	277,870,358,403	262,266,701,765

8.9 Details of large loans/investments

As at 31 December 2022 there were nine (2021: thirteen) clients with whom amount of outstanding and classified loans and advances exceeded 10% of the total capital of the Bank. Total capital of the Bank was Taka 46,111.11 million as at 31 December 2022 (Taka 41,370.38 million in 2021).

Details are shown in Annex E.

8.10 Particulars of loans and advances/investments

i)	Loans/investments considered good in respect of which the Bank is fully secured	173,157,010,416	169,291,728,658
ii)	Loans/investments considered good against which the Bank holds no security other than the debtors' personal guarantee	65,968,492,454	43,505,398,795
iii)	Loans/investments considered good secured by the personal undertaking of one or more parties in addition to the personal guarantee of the debtors	38,744,855,534	49,469,574,312
iv)	Loans/investments adversely classified; provision not maintained there against	-	-
		277,870,358,403	262,266,701,765
v)	Loans/investments due by directors or officers of the Bank or any of them either separately or jointly with any other persons	1,891,324,867	1,722,495,464
vi)	Loans/investments due from companies or firms in which the directors or officers of the bank have interest as directors, partners or managing agents or in case of private companies, as members	-	-
vii)	Maximum total amount of advances/investments, including temporary advances/investments 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 person.	1,891,324,867	1,722,495,464
viii)	Maximum total amount of advances/investments, including temporary advances/investments 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 banking companies	23,367,574,685	28,022,983,795
x)	Amount of classified loans/investments on which interest has not been charged mentioned as follows:		
	a) Increase/(Decrease) of provision (specific)	3,227,463,001	3,169,800,000
	Amount of loan written off	1,148,594,130	2,907,147,407

		AITIOUITE III TUNA
	31-Dec-22	31-Dec-21
Amount realised against the loans previously written off	347,148,119	287,429,432
b) Provision kept against loans/investments classified as bad debts	10,517,463,001	7,290,000,000
c) Interest credited to interest suspense account	4,403,014,529	4,266,332,789
xi) Cumulative amount of written off loans/investments		
Balance as at 1 January	15,037,124,124	12,417,406,149
Loans written off during the year	1,148,594,130	2,907,147,407
Recovery against written off loans during the year	(347,148,119)	(287,429,432)
The amount of written off loans/investments for which law suit has been filed	15,838,570,135	15,037,124,124
8.11 Grouping as per classification rules Unclassified:		
Standard including staff loan	258,545,019,989	244,193,251,512
Special mentioned account	5,805,552,187	4,603,908,000
	264,350,572,176	248,797,159,512
Classified:		
Sub-standard	775,378,765	1,323,898,042
Doubtful	252,963,345	331,193,208
Bad/loss	12,491,444,117	11,814,451,003
	13,519,786,227	13,469,542,253
	277,870,358,403	262,266,701,765

8.12 Particulars of required provision for loans and advances/investments

Status	Outstanding	Base for		Required provison	
	at 31 Dec 2022	provision	%	Amou	ınt
For loans and advances/Investments:			·		
Unclassified - general provision	ff	anaismal Jana ta Duale	(DLI)		
(Other than - SME financing, House building lo	•			·	7 170 500 007
staff loan and SMA)	173,778,927,956		1% to 5%	7,892,690,860	7,170,568,307
Small and medium enterprise financing	37,308,067,222	37,308,067,222	0.25%	93,270,168	80,531,055
House building loan and loan for professional	14,148,123,833	14,148,123,833	1.00%	141,481,238	138,170,000
Loans to BH	1,277,177,296	1,277,177,296	2.00%	25,543,546	30,440,380
Consumer finance	5,371,589,840	5,371,589,840	2.00%	107,431,797	40,107,480
Special general provision COVID-19 (Note 13.2.1)				515,036,000	865,000,000
Staff loan	1,877,088,867	-	0%	-	-
			L	8,775,453,609	8,324,817,222
Special mentioned account	5,502,885,087	5,502,885,087	0.25% to 2%	48,223,127	32,274,415
Off-shore unit					
Unclassified loans (general)	24,784,044,975	24,784,044,975	1%	247,840,450	292,322,596
Special mentioned account	302,667,100	302,667,100	1%	3,026,671	3,176,585
			L	250,867,121	295,499,181
Classified - specific provision					
Sub-standard	775,378,765	936,837,000	20% / 5%	185,286,450	145,760,650
Doubtful	252,963,345	131,168,000	50% / 5%	62,054,650	112,235,200
Bad/loss	12,491,444,117	9,926,702,000	100%	10,047,506,000	7,027,830,150
			L	10,294,847,100	7,285,826,000
Provision required for loans and advances			-	19,369,390,957	15,938,416,818
			-		

		Amount in Taka
	31-Dec-22	31-Dec-21
Total provision maintained (Note 13.2 & 13.2.1)		
Conventional and Islamic Banking	19 359 132 880	15,722,208,819
Off-shore Banking Unit	250,867,121	295,499,181
on-shore banking office		16,017,708,000
	= 13,010,000,001	10,017,700,000
8.13 Suits filed by the Bank (Branch wise details)		
Aglabazar Branch	2,387,556	2,387,556
Agrabad Branch	2,873,481,656	2,873,491,656
Anderkilla Branch	2,105,865,747	2,195,895,747
Ashulia Branch	21,464,732	21,464,732
Bahadderhat Branch	132,136,030	111,845,930
Bank Asia Bhaban Branch	100,592,656	100,592,656
Bashundhara Branch	318,921,660	311,255,111
Beanibazar Branch	5,584,770	5,584,770
Bhatiary Branch	660,445,959	642,665,261
Bogra Branch	170,398,283	170,554,742
BSMMU Branch	1,413,816	1,413,816
Credit Cards Department	111,093,844	94,264,014
CDA Avenue Branch	5,642,323,686	5,942,323,686
Chandragonj Branch	492,048	492,048
Chatkhil Branch	6,793,978	6,793,978
Corporate Branch	338,413,183	165,677,387
Cumilla Branch	85,994,850	85,994,850
Dhanmondi Branch	1,148,638,206	1,032,784,951
Donia Branch	46,946,884	46,946,884
Elephant Road	2,375,836	2,375,836
Gulshan Branch	2,310,582,804	2,310,582,804
Holy Family RCMCH Branch	83,100,828	83,100,828
Jaganathpur Branch	6,120,000	6,120,000
Jatrabari SME	1,185,818	1,185,818
Jessore Branch	84,479,555	84,479,555
Jurain SME Centre	941,349	-
Kamal Bazar Branch	162,756,513	315,335
Kazipara Branch	13,113,564	13,113,564
Khatunganj Branch	3,857,816,524	3,857,816,524
Khulna Branch	149,040,733	77,394,034
Konabari Branch	540,150	540,150
Lohagara Branch	20,729,905	-
Madhobdi Branch	136,591,869	136,591,869
Malkhanagar Branch	77,943,669	77,943,669
MCB Banani Branch	284,082,088	78,077,429
MCB Dilkusha Branch	1,244,731,875	1,244,731,875
MCB Sk. Mujib Road Branch	7,115,387,248	2,056,685,324
Mirpur Branch	41,099,588	41,099,588
Mitford Branch	300,047,766	300,047,766
Moghbazar Branch	53,513,290	53,513,290
Mohakhali Branch	60,567,048	62,003,361
Moulavibazar Branch	52,108,011	52,108,011
Narayangonj Branch	164,074,196 1 676 650 883	164,074,196
North South Road Branch	1,676,659,883	1,676,659,883
Oxygen Moor Branch	8,085,887	8,088,887
Paltan Branch Principal Office Branch	70,216,500 1 157 885 876	70,216,500
Principal Office Branch	1,157,885,876 40,000,581	1,123,403,083
Progoti Sarani Branch	40,999,581	40,999,581
Rajshahi Branch	44,813,352	34,331,602

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	31-Dec-22	31-Dec-21
Ramgonj SME/Agri Branch	13,655,636	13,655,636
Rekabi bazar SME Center	348,681	348,681
Rupnagar Branch	1,208,503	1,208,503
Savar Branch	345,501	345,500
Scotia Branch	495,981,035	495,981,035
Shantingar Branch	1,514,802,312	-
Shantingar Islamic Window Branch	8,363,492	-
Station Road Branch	159,772,761	-
Strand Road Branch	24,059,970	24,059,970
Sylhet Main Branch	23,438,876	23,438,876
Sylhet Uposhahar Branch	17,140,393	5,351,680
Sylhet Uposhahar Islamic Window Branch	-	17,140,393
Tangail Branch	21,946,648	21,946,648
Tarail Branch	290,718	290,718
Tongi Branch	2,174,613	2,174,613
Uttara Branch	921,820,590	921,820,590
EPZ Branch	5,904,884	5,904,884
	36,206,235,463	29,003,697,864
8.14 Bills purchased and discounted	00 000 007 540	07.050.040.750
Payable in Bangladesh	22,868,897,540	27,256,319,759
Payable outside Bangladesh	498,677,145	766,664,036
	23,367,574,685	28,022,983,795
8.15 Maturity-wise grouping of bills purchased and discounted		
Payable within 1 month	5,437,712,057	6,802,068,499
More than 1 month but less than 3 months	7,509,862,628	9,209,229,018
More than 3 months but less than 6 months	7,378,311,343	8,505,370,548
More than 6 months	3,041,688,657	3,506,315,730
	23,367,574,685	28,022,983,795
8(a) Consolidated Loans and advances/investments		
Loans, cash credits, overdrafts, etc/investments		
Bank Asia Limited	254,502,783,718	234,243,717,970
Bank Asia Securities Limited	3,977,674,827	4,244,364,917
BA Exchange Company (UK) Limited	-	-
BA Express USA, Inc	_	_
5. 5.p. 666 66. q. 116	258,480,458,545	238,488,082,887
Less: Inter- companies transactions	1,256,565,786	1,511,582,711
2005. Intol Companios transactions	257,223,892,759	236,976,500,176
Bills purchased and discounted		
Bank Asia Limited	23,367,574,685	28,022,983,795
Bank Asia Securities Limited	20,007,074,000	20,022,000,100
BA Exchange Company (UK) Limited		
BA Express USA, Inc		
DA EXPLESS USA, IIIC	22 267 574 605	20,022,022,705
	23,367,574,685 280,591,467,444	28,022,983,795 264,999,483,971
		, ,,
xed assets including premises, furniture and fixtures		0.000
Conventional and Islamic banking (Note 9.1)	5,615,910,981	6,039,141,904
Off-shore banking unit	5,615,910,981	6,039,141,904

		31-Dec-22	31-Dec-21
9.1 Con	nventional and Islamic banking		
Cost:			
	Land	2,646,764,306	2,646,764,306
	Building	3,278,306,682	3,251,439,208
	Furniture and fixtures	1,842,692,785	1,503,933,814
	Equipments	1,800,178,016	1,559,808,934
	Computer and accessories	608,319,540	580,452,585
	Motor vehicles	295,585,354	288,461,817
	Intangible assets	24,000,000	24,000,000
	Construction work in progress	10,000,000	359,745,396
	Right-of-use assets	1,593,878,116	1,557,394,204
		12,099,724,799	11,772,000,264
Less:	Accumulated depreciation	6,430,098,554	5,679,143,096
	Adjustment of assets revaluation	53,715,264	53,715,264
Written	n down value at the end of the year - Details are shown in Annex C.	5,615,910,981	6,039,141,904
(a) Co	onsolidated Fixed assets including premises, furniture and fixtures		
Bank A	sia Limited	5,615,910,981	6,039,141,904
Bank A	sia Securities Limited	85,357,425	102,516,206
BA Excl	hange Company (UK) Limited	156,944	179,831
BA Exp	oress USA, Inc	2,587,527	3,432,529
		5,704,012,877	6,145,270,470
)ther a	assets		
	ntional and Islamic banking (Note 10.1)	12,908,706,898	12,811,253,032
OULIVOIT	ore banking unit		
Off-sho		28 /9h hUh	28 646 829
Off-sho	ore parking unit	28,796,606 12,937,503,504	28,646,829 12,839,899,861
			28,646,829 12,839,899,861
10.1 Co	onventional and Islamic banking		
0.1 Co Incom	onventional and Islamic banking ne generating other assets	12,937,503,504	12,839,899,861
IO.1 Co Incom Investm	onventional and Islamic banking ne generating other assets nent in Bank Asia Securities Ltd - incorporated in Bangladesh	12,937,503,504	12,839,899,861
0.1 Co Incom Investm	onventional and Islamic banking ne generating other assets nent in Bank Asia Securities Ltd - incorporated in Bangladesh nent in BA Exchange Company (UK) Limited - incorporated in UK	12,937,503,504 1,999,990,000 37,815,000	12,839,899,861 1,999,990,00 34,515,00
IO.1 Co Incom Investm	onventional and Islamic banking ne generating other assets nent in Bank Asia Securities Ltd - incorporated in Bangladesh	12,937,503,504 1,999,990,000 37,815,000 99,358,272	1,999,990,00 34,515,00 82,368,00
IO.1 Co Incom Investm Investm Investm	ne generating other assets nent in Bank Asia Securities Ltd - incorporated in Bangladesh nent in BA Exchange Company (UK) Limited - incorporated in UK nent in BA Express USA Inc - incorporated in USA	12,937,503,504 1,999,990,000 37,815,000	1,999,990,00 34,515,00 82,368,00
Incom Investm Investm Investm	ne generating other assets nent in Bank Asia Securities Ltd - incorporated in Bangladesh nent in BA Exchange Company (UK) Limited - incorporated in UK nent in BA Express USA Inc - incorporated in USA ncome generating other assets	12,937,503,504 1,999,990,000 37,815,000 99,358,272	1,999,990,00 34,515,00 82,368,00
Incom Investm Investm Investm Non-in	ponventional and Islamic banking ne generating other assets nent in Bank Asia Securities Ltd - incorporated in Bangladesh nent in BA Exchange Company (UK) Limited - incorporated in UK nent in BA Express USA Inc - incorporated in USA ncome generating other assets come generating other assets	1,999,990,000 37,815,000 99,358,272 2,137,163,272	1,999,990,00 34,515,00 82,368,00 2,116,873,00
Income Investm Investm Investm Investm Investm Investm Investm Income	ne generating other assets nent in Bank Asia Securities Ltd - incorporated in Bangladesh nent in BA Exchange Company (UK) Limited - incorporated in UK nent in BA Express USA Inc - incorporated in USA ncome generating other assets	12,937,503,504 1,999,990,000 37,815,000 99,358,272	1,999,990,00 34,515,00 82,368,00 2,116,873,00
Incom Investm Investm Investm Non-inconcern Income	ponventional and Islamic banking ne generating other assets nent in Bank Asia Securities Ltd - incorporated in Bangladesh nent in BA Exchange Company (UK) Limited - incorporated in UK nent in BA Express USA Inc - incorporated in USA ncome generating other assets come generating other assets e receivable (Note 10.2)	12,937,503,504 1,999,990,000 37,815,000 99,358,272 2,137,163,272 1,297,139,289	12,839,899,861 1,999,990,00 34,515,00 82,368,00 2,116,873,00 1,616,405,68 9,722,95
Incom Investm Investm Investm Non-income Stock of Stational	ne generating other assets nent in Bank Asia Securities Ltd - incorporated in Bangladesh nent in BA Exchange Company (UK) Limited - incorporated in UK nent in BA Express USA Inc - incorporated in USA ncome generating other assets come generating other assets e receivable (Note 10.2) of stamps	12,937,503,504 1,999,990,000 37,815,000 99,358,272 2,137,163,272 1,297,139,289 10,256,387	12,839,899,861 1,999,990,00 34,515,00 82,368,00 2,116,873,00 1,616,405,68 9,722,95 73,675,55
Incom Investm Investm Investm Non-income Stock of Stational Prepaid	conventional and Islamic banking the generating other assets then in Bank Asia Securities Ltd - incorporated in Bangladesh then in BA Exchange Company (UK) Limited - incorporated in UK then in BA Express USA Inc - incorporated in USA Income generating other assets the receivable (Note 10.2) To stamps therety, printing materials, etc de expenses	12,937,503,504 1,999,990,000 37,815,000 99,358,272 2,137,163,272 1,297,139,289 10,256,387 82,341,632 12,782,227	1,999,990,00 34,515,00 82,368,00 2,116,873,00 1,616,405,68 9,722,95 73,675,55 10,027,59
Incom Investm Investm Investm Non-inc Income Stock o Stational Prepaid Deposit	ponventional and Islamic banking ne generating other assets nent in Bank Asia Securities Ltd - incorporated in Bangladesh nent in BA Exchange Company (UK) Limited - incorporated in UK nent in BA Express USA Inc - incorporated in USA ncome generating other assets come generating other assets e receivable (Note 10.2) of stamps nery, printing materials, etc d expenses ts and advance rent	1,999,990,000 37,815,000 99,358,272 2,137,163,272 1,297,139,289 10,256,387 82,341,632 12,782,227 483,667,668	1,999,990,00 34,515,00 82,368,00 2,116,873,00 1,616,405,68 9,722,95 73,675,55 10,027,59
Incom Investm Investm Investm Non-inconcercian Stock of Statione Prepaid Deposit Receiva	conventional and Islamic banking the generating other assets then in Bank Asia Securities Ltd - incorporated in Bangladesh then in BA Exchange Company (UK) Limited - incorporated in UK then in BA Express USA Inc - incorporated in USA Income generating other assets the receivable (Note 10.2) To stamps therefore, printing materials, etc diexpenses ts and advance rent table from capital market	1,999,990,000 37,815,000 99,358,272 2,137,163,272 1,297,139,289 10,256,387 82,341,632 12,782,227 483,667,668 79,310	1,999,990,00 34,515,00 82,368,00 2,116,873,00 1,616,405,68 9,722,95 73,675,55 10,027,59 542,447,56
Incom Investm Investm Investm Non-income Stock of Stational Prepaid Deposit Receival	ne generating other assets nent in Bank Asia Securities Ltd - incorporated in Bangladesh nent in BA Exchange Company (UK) Limited - incorporated in UK nent in BA Express USA Inc - incorporated in USA ncome generating other assets come generating other assets e receivable (Note 10.2) of stamps lery, printing materials, etc d expenses ts and advance rent able from capital market less, prepayments and others (Note 10.3)	12,937,503,504 1,999,990,000 37,815,000 99,358,272 2,137,163,272 1,297,139,289 10,256,387 82,341,632 12,782,227 483,667,668 79,310 172,788,146	12,839,899,861 1,999,990,00 34,515,00 82,368,00 2,116,873,00 1,616,405,68 9,722,95 73,675,55 10,027,59 542,447,56 301,797,26
Incom Investm Investm Investm Non-inc Income Stock of Stational Prepaid Deposit Receival Advance	conventional and Islamic banking the generating other assets then in Bank Asia Securities Ltd - incorporated in Bangladesh then in BA Exchange Company (UK) Limited - incorporated in UK then in BA Express USA Inc - incorporated in USA Income generating other assets The receivable (Note 10.2) The stamps The receivable (Note 10.2) The stamps The receivable of the receivable of the stamps The receivable of the receivable of the stamps The receivable of the receivable of the stamps The receivable of the receivable of the stamps The receivable of the receivable of the stamps The receivable of the receivable of the stamps The receivable of the receivable of the stamps The receivable of the receivable of the stamps The receivable of the receivable of the stamps The receivable of the receivable of the stamps The receivable of the receiv	12,937,503,504 1,999,990,000 37,815,000 99,358,272 2,137,163,272 1,297,139,289 10,256,387 82,341,632 12,782,227 483,667,668 79,310 172,788,146 7,468,535,415	12,839,899,861 1,999,990,00 34,515,00 82,368,00 2,116,873,00 1,616,405,68 9,722,95 73,675,55 10,027,59 542,447,56 301,797,26 7,340,978,30
Incom Investm Investm Investm Non-inc Income Stock of Statione Prepaid Deposit Receiva Advanc Advanc Receiva	conventional and Islamic banking the generating other assets then in Bank Asia Securities Ltd - incorporated in Bangladesh then in BA Exchange Company (UK) Limited - incorporated in UK then in BA Express USA Inc - incorporated in USA Income generating other assets the receivable (Note 10.2) To stamps Therefore, printing materials, etc the dexpenses the and advance rent the able from capital market the prepayments and others (Note 10.3) The income tax (Note 10.4) The able against government	1,999,990,000 37,815,000 99,358,272 2,137,163,272 1,297,139,289 10,256,387 82,341,632 12,782,227 483,667,668 79,310 172,788,146 7,468,535,415 56,096,601	1,999,990,00 34,515,00 82,368,00 2,116,873,00 1,616,405,68 9,722,95 73,675,55 10,027,59 542,447,56 301,797,26 7,340,978,30 117,546,15
Incom Investm Investm Investm Investm Non-inc Income Stock o Statione Prepaid Deposit Receiva Advanc Advanc Receiva Sundry	conventional and Islamic banking the generating other assets then in Bank Asia Securities Ltd - incorporated in Bangladesh then in BA Exchange Company (UK) Limited - incorporated in UK then in BA Express USA Inc - incorporated in USA Income generating other assets the receivable (Note 10.2) To stamps Therefore, printing materials, etc The dexpenses The stand advance rent The stand advance rent The stand advance rent The stand advance in the standard market The	12,937,503,504 1,999,990,000 37,815,000 99,358,272 2,137,163,272 1,297,139,289 10,256,387 82,341,632 12,782,227 483,667,668 79,310 172,788,146 7,468,535,415 56,096,601 21,891,446	1,999,990,00 34,515,00 82,368,00 2,116,873,00 1,616,405,68 9,722,95 73,675,55 10,027,59 542,447,56 301,797,26 7,340,978,30 117,546,15 38,424,48
Incom Investm Investm Investm Investm Non-income Stock of Stational Prepaid Deposit Receival Advance Advance Receival Sundry Branch	conventional and Islamic banking the generating other assets then in Bank Asia Securities Ltd - incorporated in Bangladesh then in BA Exchange Company (UK) Limited - incorporated in UK then in BA Express USA Inc - incorporated in USA Income generating other assets the receivable (Note 10.2) To stamps Therefore, printing materials, etc the dexpenses the and advance rent the able from capital market the prepayments and others (Note 10.3) The income tax (Note 10.4) The able against government	12,937,503,504 1,999,990,000 37,815,000 99,358,272 2,137,163,272 1,297,139,289 10,256,387 82,341,632 12,782,227 483,667,668 79,310 172,788,146 7,468,535,415 56,096,601 21,891,446 760,545,993	12,839,899,861 1,999,990,00 34,515,00 82,368,00 2,116,873,00 1,616,405,68 9,722,95 73,675,55 10,027,59 542,447,56 301,797,26 7,340,978,30 117,546,15 38,424,48 101,585,14
Incom Investm Investm Investm Investm Non-inc Income Stock o Statione Prepaid Deposit Receiva Advanc Advanc Receiva Sundry Branch Proteste	ponventional and Islamic banking ne generating other assets nent in Bank Asia Securities Ltd - incorporated in Bangladesh nent in BA Exchange Company (UK) Limited - incorporated in UK nent in BA Express USA Inc - incorporated in USA Income generating other assets come generating other assets receivable (Note 10.2) of stamps rery, printing materials, etc dexpenses ts and advance rent able from capital market rese, prepayments and others (Note 10.3) receincome tax (Note 10.4) able against government redebtors adjustment account (Note 10.5) ted bills	12,937,503,504 1,999,990,000 37,815,000 99,358,272 2,137,163,272 1,297,139,289 10,256,387 82,341,632 12,782,227 483,667,668 79,310 172,788,146 7,468,535,415 56,096,601 21,891,446 760,545,993 123,764,671	1,999,990,00 34,515,00 82,368,00 2,116,873,00 1,616,405,68 9,722,95 73,675,55 10,027,59 542,447,56 301,797,26 7,340,978,30 117,546,15 38,424,48 101,585,14 108,197,85
Incom Investm Investm Investm Investm Non-inc Income Stock of Statione Prepaid Deposit Receiva Advanc Advanc Receiva Sundry Branch Protestiv Receiva	ponventional and Islamic banking the generating other assets ment in Bank Asia Securities Ltd - incorporated in Bangladesh ment in BA Exchange Company (UK) Limited - incorporated in UK ment in BA Express USA Inc - incorporated in USA Income generating other assets come generating other assets the receivable (Note 10.2) of stamps therefore, printing materials, etc di expenses ts and advance rent able from capital market these, prepayments and others (Note 10.3) the income tax (Note 10.4) able against government of debtors and adjustment account (Note 10.5) ted bills able from BA Exchange Company (UK) Limited	12,937,503,504 1,999,990,000 37,815,000 99,358,272 2,137,163,272 1,297,139,289 10,256,387 82,341,632 12,782,227 483,667,668 79,310 172,788,146 7,468,535,415 56,096,601 21,891,446 760,545,993 123,764,671 56,646,548	1,999,990,00 34,515,00 82,368,00 2,116,873,00 1,616,405,68 9,722,95 73,675,55 10,027,59 542,447,56 301,797,26 7,340,978,30 117,546,15 38,424,48 101,585,14 108,197,85 60,497,75
Incom Investm Investm Investm Investm Non-inc Income Stock o Statione Prepaid Deposit Receiva Advanc Advanc Receiva Sundry Branch Proteste Receiva Receiva Receiva Receiva	ponventional and Islamic banking the generating other assets ment in Bank Asia Securities Ltd - incorporated in Bangladesh ment in BA Exchange Company (UK) Limited - incorporated in UK ment in BA Express USA Inc - incorporated in USA Income generating other assets come generating other assets to receivable (Note 10.2) of stamps tery, printing materials, etc d expenses ts and advance rent table from capital market toes, prepayments and others (Note 10.3) the income tax (Note 10.4) able against government of debtors adjustment account (Note 10.5) ted bills able from BA Exchange Company (UK) Limited able from BA Express USA Inc	12,937,503,504 1,999,990,000 37,815,000 99,358,272 2,137,163,272 1,297,139,289 10,256,387 82,341,632 12,782,227 483,667,668 79,310 172,788,146 7,468,535,415 56,096,601 21,891,446 760,545,993 123,764,671 56,646,548 200,189,787	1,999,990,000 34,515,000 82,368,000 2,116,873,000 1,616,405,683 9,722,95 73,675,553 10,027,59 542,447,56 301,797,260 7,340,978,300 117,546,150 38,424,48 101,585,143 108,197,853 60,497,753 350,836,788
Incom Investm Investm Investm Investm Non-income Stock of Stational Prepaid Deposit Receival Advance Advance Advance Receival Sundry Branch Protesto Receival Receiva	ponventional and Islamic banking the generating other assets then in Bank Asia Securities Ltd - incorporated in Bangladesh then in BA Exchange Company (UK) Limited - incorporated in UK then in BA Express USA Inc - incorporated in USA Income generating other assets Come genera	12,937,503,504 1,999,990,000 37,815,000 99,358,272 2,137,163,272 1,297,139,289 10,256,387 82,341,632 12,782,227 483,667,668 79,310 172,788,146 7,468,535,415 56,096,601 21,891,446 760,545,993 123,764,671 56,646,548 200,189,787 23,149,530	1,999,990,000 34,515,000 82,368,000 2,116,873,000 1,616,405,688 9,722,95 73,675,555 10,027,59 542,447,56 301,797,260 7,340,978,300 117,546,150 38,424,48 101,585,14 108,197,855 60,497,755 350,836,786 20,567,980
Incom Investm Investm Investm Investm Non-income Stock of Stational Prepaid Deposit Receival Advance Advance Advance Receival Sundry Branch Protesto Receival Receiva	ponventional and Islamic banking the generating other assets ment in Bank Asia Securities Ltd - incorporated in Bangladesh ment in BA Exchange Company (UK) Limited - incorporated in UK ment in BA Express USA Inc - incorporated in USA Income generating other assets come generating other assets to receivable (Note 10.2) of stamps tery, printing materials, etc d expenses ts and advance rent table from capital market toes, prepayments and others (Note 10.3) the income tax (Note 10.4) able against government of debtors adjustment account (Note 10.5) ted bills able from BA Exchange Company (UK) Limited able from BA Express USA Inc	12,937,503,504 1,999,990,000 37,815,000 99,358,272 2,137,163,272 1,297,139,289 10,256,387 82,341,632 12,782,227 483,667,668 79,310 172,788,146 7,468,535,415 56,096,601 21,891,446 760,545,993 123,764,671 56,646,548 200,189,787	1,999,990,000 34,515,000 82,368,000 2,116,873,000 1,616,405,683 9,722,955 73,675,555 10,027,59 542,447,56 301,797,260 7,340,978,300 117,546,150 38,424,48 101,585,141 108,197,855 60,497,755 350,836,786

21 Dag 22	21 Dog 21
31-Dec-22	

10.2 Income receivable

Income receivable consists of interest accrued on investment including interest for stimulus package.

10.3 Advances, prepayments and others

Advances, prepayments and others account consists of advance amount paid for purchasing of fixed assets, advance payment of rent for new branches of the Bank, advance against salary and legal expenses, etc.

10.4 Advance income tax

Advance income tax represents the tax payment to the government exchequer. Advance income tax was adjusted against provision for taxation for the year 2017 and 2018 as the tax assessments have been finalized.

10.5 Branch adjustment accounts

This represents outstanding inter-branch and head office transactions (net) which are originated but not responded by the counter transaction at the balance sheet date. The unresponded entries of 31 December 2022 are given below:

Periods of Reconciliation	Number of responded entries (Debit)	Amount of responded entries (Taka)	Number of responded entries (Credit)	Amount of responded entries (Taka)
Up to 3 months	119	452,840,588	117	310,656,800
More than 3 months but within 6 months	9	28,878,904	3	15,419,113
More than 6 months but within 1 year	1	587		
More than 1 year but within 5 years	-	-	-	-
Above 5 years	-	-	-	-
	129	481,720,079	120	326,075,913

10.6 Receivable from Government in connection with Rangs Properties:

The Bank has a receivable from Government in connection with demolition of Rangs Bhaban in 2008 situated at 113-116 Old Airport Road, Dhaka-1215. Bank Asia had a purchased floor at 3rd floor of the Building, where from the then Scotia Branch used to run. Total receivable in this regard is Tk. 3,19,52,365 (Taka three crore nineteen lac fifty two thousand three hundred sixty five) which was eventually written-off from the Book considering uncertainty and prolonged legal proceedings.

10 (a) Consolidated Other assets

io (a) concontation office accord		
Bank Asia Limited	12,937,503,504	12,839,899,861
Bank Asia Securities Limited	452,050,976	441,051,132
BA Exchange Company (UK) Limited	3,404,588	11,470
BA Express USA, Inc	54,929,777	122,035,610
Foreign currency effect for subsidiaries		-
	13,447,888,845	13,402,998,073
Less: Inter- companies transactions		
Investment in Bank Asia Securities Limited	1,999,990,000	1,999,990,000
Investment in BA Exchange Company (UK) Limited	36,413,310	33,910,140
Investment in BA Express USA, Inc	96,960,000	81,456,000
Receivable from BA Exchange Company (UK) Limited	56,646,548	60,497,753
Receivable from BA Exchange USA, Inc.	200,189,787	350,836,788
	11,057,689,200	10,876,307,392

10(aa) Demutualization membership of Dhaka Stock Exchange

The majority owned (99.99%) subsidiary company of the Bank, Bank Asia Securities Limited (BASL) has acquired the membership of Dhaka Stock Exchange for Tk.153,119,000. As per the scheme of Demutualization of DSE, BASL being the initial shareholders of DSE, is entitled to receive 7,215,106 shares of Tk. 10 each, totaling Tk. 72,151,060.

Under section 14(Ka) of Demutualization Act 2013, Share Purchase Agreement (SPA) executed between Dhaka Stock Exchange Ltd. (DSE) and its strategic investors namely Shenzhen Stock Exchange (SZSE) and Shanghai Stock Exchange (SSE) and completed the sale of 25% (Twenty-five percent) DSE shares to SZSE and SSE. In this connection, BASL sold 1,803,777 number of share at the rate of Tk.21 per share totaling Tk. 37,879,317. Currently BASL holding 5,411,329 shares at a cost of totaling Tk. 114,839,239

The Scheme is not yet completed and these shares are also currently not traded. Hence the actual fair value is not readily ascertainable. However, management expect the fair value to be similar or more that the current revalued amount. Once more clarity about the Scheme and related factors are available a determination of fair value and related adjustments including impairment assessment, if any shall be made at that time.

Off-shore banking unit (Note 11.2) 25,732,158,197 29,038,258,798 Less: Adjustment with Head Office (21,950,000) (6,256,185,000) 51,024,080,743 47,836,151,368 11.1 Conventional and Islamic banking 25,313,872,546 25,054,077,570 In Bangladesh (Note 11.1.1) 25,313,872,546 25,054,077,570 Outside Bangladesh 25,313,872,546 25,054,077,570 11.1.1 In Bangladesh Secured: - - Un secured: Whorey at call and on short notice - - Bangladesh Bank Refinance 757,840,789 657,507,660 Covid-19 Stimulus PRG-Tk, 5000 Cr - Export 127,591,942 891,434,476 Refinance under Stimulus Package Tk, 5000 Cr - Agri 665,344,594 188,993,695 Refinance under Stimulus Package Tk, 5000 Cr - Agri 622,543,292 1,223,173,174 Bangladesh Bank Borrowing under IPPF- II Fund 1,431,345,451 951,128,000 Bangladesh Bank Borrowing under Long Term Financing Facilities (LTFF) scheme 8,250,000 21,300,003 Bert Cundation Pre Finance 8250,000 21,300,003 Borrowing From Joyeeta Foundation <td< th=""><th></th><th></th><th>Amount in Taka</th></td<>			Amount in Taka
11 Borrowings from other banks, financial institutions and agents 25,313,872,546 25,054,077,570 25,732,166,197 29,039,258,798 21,950,000 62,56,185,000 62,56		31-Dec-22	31-Dec-21
Conventional and Islamic banking (Note 11.1)	44 8		0. 200 2.
Off-shore banking unit (Note 11.2) 25,732,158,197 29,038,258,738 Less: Adjustment with Head Office 21,930,0000 55,1024,080,743 47,836,151,368 11.1 Conventional and Islamic banking	· · · · · · · · · · · · · · · · · · ·		
Less: Adjustment with Head Office	Conventional and Islamic banking (Note 11.1)	25,313,872,546	25,054,077,570
11.1 Conventional and Islamic banking	Off-shore banking unit (Note 11.2)	25,732,158,197	29,038,258,798
1.1. Conventional and Islamic banking	Less: Adjustment with Head Office	(21,950,000)	(6,256,185,000)
In Bangladesh (Note 11.1.1)		51,024,080,743	47,836,151,368
Nutside Bangladesh	11.1 Conventional and Islamic banking		
Nutside Bangladesh	_	25 313 872 546	25 054 077 570
11.1.1 In Bangladesh Secured:		20,010,012,010	20,001,011,010
Secured: Un secured: Un secured: Woney at call and on short notice	Ottolde Balligiadosti	25,313,872,546	25,054,077,570
Secured: Un secured: Un secured: Woney at call and on short notice	11 1 In Rangladoch		
Borrowings	_	-	-
Borrowings	IIn secured:		
Bangladesh Bank Refinance 757,840,789 657,507,660 Covid-19 Stimulus PKG-Tk. 5000 Cr - Export 127,591,942 891,434,476 Refinance under Stimulus Package Tk. 5000 Cr - Agri 665,344,594 188,993,685 Refinance under Stimulus Package Tk. 3000 Cr - Agri 622,643,292 1,223,173,174 Bangladesh Bank Borrowing under IPPF- IP Fund 1,431,345,451 351,128,000 Bangladesh Bank Borrowing under Long Term Financing Facilities (LTFF) scheme 8,250,000 21,300,000 Bangladesh Bank Pre-Finance (SREUP) 87,362,500 21,300,000 Bangladesh Bank Pre-Finance (SREUP) 302,794,616 193,857,516 Borrowing AC (AGRI Taka 10) 302,794,616 193,857,516 Borrowing From Joyeeta Foundation 26,400,000 45,000,000 Export development fund 19,945,353,441 20,164,807,885 Bangladesh Bank Borrowing under Green Transformation Fund (GTF) 23,330,000 45,000,000 Bangladesh Bank Borrowing under Green Transformation Fund (GTF) 28,66,883 127,223,303 Borrowing From SMEF for Stimulus Loan/Revolving Fund (Frem Loan) 27,270,000 6,25,960,250 International Banking 27,270,000		 -	
Bangladesh Bank Refinance 757,840,789 657,507,660 Covid-19 Stimulus PKG-Tk. 5000 Cr - Export 127,591,942 891,434,476 Refinance under Stimulus Package Tk. 5000 Cr - Agri 665,344,594 188,993,685 Refinance under Stimulus Package Tk. 3000 Cr - Agri 622,643,292 1,223,173,174 Bangladesh Bank Borrowing under IPPF- IP Fund 1,431,345,451 351,128,000 Bangladesh Bank Borrowing under Long Term Financing Facilities (LTFF) scheme 8,250,000 21,300,000 Bangladesh Bank Pre-Finance (SREUP) 87,362,500 21,300,000 Bangladesh Bank Pre-Finance (SREUP) 302,794,616 193,857,516 Borrowing AC (AGRI Taka 10) 302,794,616 193,857,516 Borrowing From Joyeeta Foundation 26,400,000 45,000,000 Export development fund 19,945,353,441 20,164,807,885 Bangladesh Bank Borrowing under Green Transformation Fund (GTF) 23,330,000 45,000,000 Bangladesh Bank Borrowing under Green Transformation Fund (GTF) 28,66,883 127,223,303 Borrowing From SMEF for Stimulus Loan/Revolving Fund (Frem Loan) 27,270,000 6,25,960,250 International Banking 27,270,000	Borrowings		
Refinance under Stimulus Package Tk. 5000 Cr - Agri 665,344,594 188,993,695 Refinance under Stimulus Package Tk. 3000 Cr - Agri 622,543,292 1,223,173,174 Bangladesh Bank Borrowing under Long Term Financing Facilities (LTFF) scheme 288,107,038 337,150,038 SMF Foundation Pre Finance 8,250,000 21,300,000 Bangladesh Bank Borrowing under Long Term Financing Facilities (LTFF) scheme 8,250,000 21,300,000 Bangladesh Bank Pre-Finance (SREUP) 87,362,500 32,501,823 Borrowing ArC (AGRITaka 10) 302,794,616 193,857,516 Borrowing From Joyeets Foundation 26,490,000 2-6,490,000 Export development fund 19,945,353,441 20,164,807,885 Bangladesh Bank Refinance Scheme for Pre Shipment Loan 234,620,000 45,000,000 Bangladesh Bank Borrowing under CMSME Refinance (TL) SMESPD 53,330,000 42,666,883 127,223,303 Borrowing From SMEF for Stimulus Loan/Revolving Fund (Term Loan) 161,380,000 220,000,000 220,000,000 11.2 Borrowing at Off-shore banking unit 27,270,000 6,256,960,250 25,054,077,570 Till Spaper 1,950,897,995 1,850,552,942<		757,840,789	657,507,660
Refinance under Stimulus Package Tk. 3000 Cr - Ágri 622,543,292 1,223,173,174 Bangladesh Bank Borrowing under IPPF- II Fund Bangladesh Bank Borrowing under Long Term Financing Facilities (LTFF) scheme 288,107,033 337,150,038 SME Foundation Pre Finance 8,250,000 21,300,000 32,501,823 Borrowing AVC (AGRI Taka 10) 302,794,616 193,857,516 Borrowing From Joyeeta Foundation 26,490,000 25,000 Export development fund 19,945,353,441 20,164,807,885 Bangladesh Bank Refinance Scheme for Pre Shipment Loan 234,620,000 45,000,000 Bangladesh Bank Borrowing under CMSME Refinance (TL) SMESPD 3330,000 - Bangladesh Bank Borrowing under Green Transformation Fund (GTF) 428,668,883 127,223,303 Borrowing From SMEF for Stimulus Loan/Revolving Fund(Trem Loan) 25,313,872,546 25,054,007,570 11.2 Borrowing at Off-shore banking unit Secured:			891,434,476
Bangladesh Bank Borrowing under IPPF-II Fund Bangladesh Bank Borrowing under IPPF-II Fund Bangladesh Bank Borrowing under Long Term Financing Facilities (LTFF) scheme 1,431,345,451 951,128,000 Bangladesh Bank Borrowing under Long Term Financing Facilities (LTFF) scheme 8,250,000 21,300,000 Bangladesh Bank Pre-Finance (SREUP) 87,362,500 32,501,823 Borrowing Arc (AGRI Taka 10) 26,490,000 26,490,000 Export development fund 19,945,333,441 20,164,807,865 Bangladesh Bank Refinance Scheme for Pre Shipment Loan 23,4620,000 45,000,000 BB Refinance for SPCSSECP 172,850,000 45,000,000 Bangladesh Bank Borrowing under CMSME Refinance (IL) SMESPD 53,330,000 220,000,000 Bangladesh Bank Borrowing under Green Transformation Fund (GTF) 428,668,883 127,223,303 Borrowing From SMEF for Stimulus Loan/Revolving Fund (Trem Loan) 26,313,872,546 25,054,077,570 TIL 2 Borrowing at Off-shore banking unit Secured: 27,270,000 6,258,960,250 Un secured: 27,270,000 6,258,960,250 Conventional Banking 2,000,000 1,950,697,995 1,850,552,942 Yes Bank, Mumbai<			188,993,695
Bangladesh Bank Borrowing under Long Term Financing Facilities (LTFF) scheme 288, 107,038 337,150,038 SME Foundation Pre Finance 8,250,000 21,300,000 Bangladesh Bank Pre-Finance (SREUP) 87,362,500 32,501,823 Borrowing AVC (AGRI Taka 10) 26,490,000 193,857,516 Borrowing From Joyeeta Foundation 26,490,000 45,000,000 Export development fund 19,945,353,441 20,164,807,885 Bangladesh Bank Refinance Scheme for Pre Shipment Loan 234,620,000 45,000,000 Bangladesh Bank Borrowing under CMSME Refinance (TL) SMESPD 53,330,000 25,850,000 Bangladesh Bank Borrowing under Green Transformation Fund (GTF) 428,668,883 127,223,303 Borrowing From SMEF for Stimulus Loan/Revolving Fund (Trem Loan) 25,313,872,546 25,054,077,570 ***********************************		622,543,292	1,223,173,174
SME Foundation Pre Finance 8,250,000 21,300,000 Bangladesh Bank Pre-Finance (SREUP) 87,362,500 32,501,823 Borrowing AVC (AGRI Taka 10) 302,794,616 193,857,516 Borrowing From Joyeeta Foundation 26,490,000 45,000,000 Export development fund 19,945,353,441 20,164,807,885 Bangladesh Bank Refinance Scheme for Pre Shipment Loan 234,620,000 45,000,000 BB Refinance for SPCSSECP 172,850,000 -12,850,000 Bangladesh Bank Borrowing under CMSME Refinance (TL) SMESPD 53,330,000 20,000,000 Bangladesh Bank Borrowing under Green Transformation Fund (GTF) 428,668,883 127,223,303 Borrowing From SMEF for Stimulus Loan/Revolving Fund(Trem Loan) 161,380,000 220,000,000 11.2 Borrowing at Off-shore banking unit 2 27,270,000 6,258,960,250 International Finance Corporation 2,020,000,002 2,828,333,390 Borrowing - ECA 1,950,687,995 1,850,687,995 1,850,629,42 Yes Bank, Mumbai 505,000,000 169,700,000 848,500,000 SCB Singapore 1,515,000,000 848,500,000 1,272,			951,128,000
Bangladesh Bank Pre-Finance (SREUP) 87,362,500 32,501,823 Borrowing AV (AGRI Taka 10) 302,794,616 193,857,516 Borrowing From Joyeeta Foundation 26,490,000 -2,6490,000 Export development fund 19,945,353,441 20,164,807,885 Bangladesh Bank Refinance Scheme for Pre Shipment Loan 234,620,000 45,000,000 Bangladesh Bank Borrowing under CMSME Refinance (TL) SMESPD 53,330,000 220,000,000 Bangladesh Bank Borrowing under Green Transformation Fund (GTF) 428,668,883 127,233,303 Borrowing From SMEF for Stimulus Loan/Revolving Fund/Trem Loan) 161,380,000 220,000,000 ***********************************			
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Borrowing From Joyeeta Foundation 26,490,000			
Export development fund 19,945,353,441 20,164,807,885 Bangladesh Bank Refinance Scheme for Pre Shipment Loan 234,620,000 45,000,000 BB Refinance for SPCSSECP 172,850,000 - Bangladesh Bank Borrowing under CMSME Refinance (TL) SMESPD 53,330,000 - Bangladesh Bank Borrowing under Green Transformation Fund (GTF) 428,668,883 127,223,303 Borrowing From SMEF for Stimulus Loan/Revolving Fund(Trem Loan) 161,380,000 220,000,000 25,313,872,546 25,054,077,570 Secured: Un secured: - - Conventional Banking 27,270,000 6,258,960,250 International Finance Corporation 2,020,000,202 2,828,333,390 Borrowing - ECA 1,950,697,995 1,850,552,942 Yes Bank, Mumbai 505,000,000 169,700,000 SCB Singapore 1,515,000,000 484,500,000 National Bank of RAK, UAE 2,525,000,000 1,272,750,000 Bank Muscat, Oman 303,000,000 678,800,000 Axis Bank Limited, Singapore - - 1,272,750,000 Cai			193,857,516
Bangladesh Bank Refinance Scheme for Pre Shipment Loan 234,620,000 45,000,000 BB Refinance for SPCSSECP 172,850,000 - Bangladesh Bank Borrowing under CMSME Refinance (TL) SMESPD 53,330,000 - Bangladesh Bank Borrowing under Green Transformation Fund (GTF) 428,668,883 127,223,303 Borrowing From SMEF for Stimulus Loan/Revolving Fund (Trem Loan) 161,380,000 220,000,000 25,313,872,546 25,054,077,570 11.2 Borrowing at Off-shore banking unit Secured: - - - Conventional Banking 27,270,000 6,258,960,250 International Finance Corporation 2,020,000,202 2,828,333,390 Borrowing - ECA 1,950,697,995 1,850,552,942 Yes Bank, Mumbai 505,000,000 169,700,000 SCB Singapore 1,515,000,000 848,500,000 National Bank of RAK, UAE 2,525,000,000 1,272,750,000 Bank Muscat, Oman 303,000,000 678,800,000 Akis Bank Limited, Singapore 7,342,700,000 2,800,500,000 Caixa Bank, Barcelona <t< td=""><td></td><td></td><td>-</td></t<>			-
BB Refinance for SPCSSECP 172,850,000			
Bangladesh Bank Borrowing under CMSME Refinance (TL) SMESPD 53,330,000 Bangladesh Bank Borrowing under Green Transformation Fund (GTF) 428,668,883 127,223,303 Borrowing From SMEF for Stimulus Loan/Revolving Fund(Trem Loan) 161,380,000 220,000,000 11.2 Borrowing at Off-shore banking unit Secured:			45,000,000
Bangladesh Bank Borrowing under Green Transformation Fund (GTF) 428,668,833 127,223,303 Borrowing From SMEF for Stimulus Loan/Revolving Fund(frem Loan) 161,380,000 25,000,000 25,000,000 25,313,872,546 25,054,077,570 ***********************************			-
Borrowing From SMEF for Štimulus Loan/Revolving Fund(Trem Loan) 161,380,000 25,013,872,546 220,000,000 25,013,872,546 11.2 Borrowing at Off-shore banking unit Secured: Un secured: Un secured: Un secured: Conventional Banking Irlance Corporation 27,270,000 6,258,960,250 International Finance Corporation 2,020,000,202 2,828,333,390 Borrowing - ECA 1,950,697,995 1,850,529,422 Yes Bank, Mumbai 505,000,000 169,700,000 SCB Singapore 1,515,000,000 4848,500,000 National Bank of RAK, UAE 2,525,000,000 1,272,750,000 Bank Muscat, Oman 303,000,000 678,800,000 Abu Dhabi Commercial bank - 1,272,750,000 Mashreq Bank, UAE 848,500,000 Axis Bank Limited, Singapore - 1,272,750,000 Caixa Bank, Barcelona 7,342,700,000 2,800,050,000 Standard Chartered Bank, Thailand 505,000,000 848,500,000 HDFC, Giff City, Mumbai 1,010,000,000 848,500,000 Bank Muscat SAOG 2,525,000,000 - Indusind Bank Limited 303,000,000 424,250,000 Commercial Bank of India, Hongkong 2,272,500,000			107.000.000
11.2 Borrowing at Off-shore banking unit Secured:			
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Secured: - - Un secured: - - Conventional Banking International Finance Corporation 27,270,000 6,258,960,250 International Finance Corporation 2,020,000,202 2,828,333,390 Borrowing - ECA 1,950,697,995 1,850,552,942 Yes Bank, Mumbai 505,000,000 169,700,000 SCB Singapore 1,515,000,000 848,500,000 National Bank of RAK, UAE 2,525,000,000 1,272,750,000 Bank Muscat, Oman 303,000,000 678,800,000 Abu Dhabi Commercial bank - 1,272,750,000 Mashreq Bank, UAE - 848,500,000 Axis Bank Limited, Singapore - 1,272,750,000 Caixa Bank, Barcelona 7,342,700,000 2,800,050,000 Standard Chartered Bank, Thailand 505,000,000 848,500,000 HDFC, Gift City, Mumbai 1,010,000,000 848,500,000 Bank Muscat SAOG 2,525,000,000 - - Indusind Bank Limited 303,000,000 424,250,000 - Commercial Bank of India, Hongkong	11 2 Parrawing at Off-chare banking unit		
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Indusind Bank Limited 303,000,000 424,250,000 Commercial Bank of Dubai - 1,272,750,000 State Bank of India, Hongkong 2,272,500,000 1,646,090,000 State Bank of India, Dubai - 848,500,000 Nepal Bangladesh Bank Limited 757,500,000 -			848,500,000
Commercial Bank of Dubai - 1,272,750,000 State Bank of India, Hongkong 2,272,500,000 1,646,090,000 State Bank of India, Dubai - 848,500,000 Nepal Bangladesh Bank Limited 757,500,000 -			-
State Bank of India, Hongkong 2,272,500,000 1,646,090,000 State Bank of India, Dubai - 848,500,000 Nepal Bangladesh Bank Limited 757,500,000 -		303,000,000	
State Bank of India, Dubai - 848,500,000 Nepal Bangladesh Bank Limited 757,500,000 -		-	
Nepal Bangladesh Bank Limited 757,500,000 -		2,272,500,000	
		-	848,500,000
The Commercial Bank, Qatar - 424,250,000		757,500,000	-
	The Commercial Bank, Qatar	-	424,250,000

		AIIIOUIIL III Taka
	31-Dec-22	31-Dec-21
DBS Bank Singapore	696,900,000	2,621,865,000
Banca Valsabbina SCPA Vestone Italy	-	1,907,216
Emirates Islami Bank	463,590,000	-
Ajman Bank, U.A.E.	1,010,000,000	<u>-</u>
=	25,732,158,197	29,038,258,798
11(aa) Consolidated Borrowings from other banks, financial institutions and agents		
Bank Asia Limited	51,024,080,743	47,836,151,368
Bank Asia Securities Limited	1,256,565,786	1,511,582,711
BA Exchange Company (UK) Limited	-	-
BA Express USA, Inc		
	52,280,646,529	49,347,734,079
Less: Inter-company transactions	1,256,565,786	1,511,582,711
-	51,024,080,743	47,836,151,368
11(a) Subordinated non-convertible and perpetual bonds		
Subordinated Non-Convertible bond (Note 11(aa).1)	6,000,000,000	8,600,000,000
Perpetual bond (Note 11(aa) 2)	3,340,000,000	
	9,340,000,000	8,600,000,000
11(aa).1 Subordinated Non-Convertible Bonds		
Subordinated Non-Convertible floating rate bond		
Agrani Bank Limited	-	40,000,000
BRAC Bank Limited	-	20,000,000
Janata Bank Limited	_	50,000,000
Mercantile Bank Limited	-	100,000,000
One Bank Limited	-	120,000,000
Pubali Bank Limited	_	50,000,000
Rupali Bank Limited	_	120,000,000
Sonali Bank Limited		100,000,000
-	<u> </u>	600,000,000
Subordinated Non-Convertible floating rate bond - 2		
Agrani Bank Limited	100,000,000	150,000,000
Dhaka Bank Limited	300,000,000	450,000,000
Janata Bank Limited	100,000,000	150,000,000
National Life Insurance Co	200,000,000	300,000,000
Pubali Bank Limited	400,000,000	600,000,000
Sabinco	60,000,000	90,000,000
Sadharan Bima Corporation Sonali Bank Limited	40,000,000	60,000,000
Southeast Bank Limited	400,000,000	600,000,000
Uttara Bank Limited	200,000,000	300,000,000
Ottala Dalik Lillilleu -	<u>200,000,000</u> - 2,000,000,000	300,000,000
Subordinated Non-Convertible floating rate bond - 3	2,000,000,000	3,000,000,000
Agrani Bank Limited	2,000,000,000	2,500,000,000
Eastern Bank Limited	800,000,000	1,000,000,000
Trust Bank Limited	400,000,000	500,000,000
Dutch-Bangla Bank Limited	400,000,000	500,000,000
Pubali Bank Limited	400,000,000 4,000,000,000	500,000,000 5,000,000,000
	6,000,000,000	8,600,000,000
-		
1 (aa).2 Perpetual bond		
Institutional subscriber: NCC Bank Limited	1,300,000,000	
Trust Bank Limited	110,000,000	-
Jamuna Bank Limited	730,000,000	-
Cameria Darit Entitod	, 55,555,555	

	31-Dec-22	31-Dec-21
Southeast Bank Limited	500,000,000	
NRB Bank Limited	200,000,000	
WID Bally Ellillica	2,840,000,000	
Individual subscriber	500,000,000	
	3,340,000,000	
11.3 Maturity-wise grouping (Note 11 and Note 11 aa)		
Payable on demand	8,898,500,000	9,556,600,00
Up to 1 month	<u>-</u>	
More than 1 month but within 3 months	17,119,500,000	20,385,600,00
More than 3 months but within 1 year	19,885,382,546	13,585,300,00
More than 1 year but within 5 years	9,375,311,234	6,000,000,00
More than 5 years	5,085,386,963	6,908,651,36
•	60,364,080,743	56,436,151,36

Disclosure regarding REPO transactions of the bank are given as per Bangladesh Bank, DOS Circular No. 6 dated July 15, 2010

a (i) Disclosure regarding outstanding REPO as on 31 December

SI. #	Counter party name	Agreement date	Reversal Date	Amount (Taka)	
-		NIL			
	Total			-	
(ii) Disc	(ii) Disclosure regarding outstanding Reverse REPO as on 31 December				

SI. #	Counter party name	Agreement date	Reversal Date	Amount (Taka)
	National Bank Limited	29-Dec-22	1-Jan-23	5,946,565,451
	National Bank Limited	29-Dec-22	4-Jan-23	4,807,920,689
	National Bank Limited	29-Dec-22	5-Jan-23	3,977,788,878
	Janata Bank	29-Dec-22	5-Jan-23	2,232,189,100
	Agrani Bank	29-Dec-22	5-Jan-23	6,934,775,662
	Total			23,899,239,780

b Disclosure regarding overall transaction of REPO & Reverse REPO

Particulars	Minimum outstanding during the year	Maximum outstanding during the year	Daily average outstanding during the year
Securities sold under repo:			-
i) with Bangladesh Bank	-	-	-
ii) with other banks & Fls	-	-	-
Securities purchased under reverse repo:			
i) with Bangladesh Bank	-	-	-
ii) with other banks & Fls	-	-	-

12 Deposits and other accounts

Demonite and other accounts		
	337,695,417,437	317,782,434,902
Off-shore banking unit	1,000,845,140	625,700,808
Conventional and Islamic banking (Note 12.1)	336,694,572,297	317,156,734,094

Deposits and other accounts

Current/Al-wadeeah current accounts and other accounts

Deposits from banks
Deposits from customers
Off-shore banking unit

Bills payable

Deposits	from	ban	KS
Deposits	from	cust	omers

-	-
67,482,882,465	63,079,802,314
893,558,137	570,569,454
68,376,440,602	63,650,371,768
-	-

-	-
4,167,914,951	3,978,312,853
4,167,914,951	3,978,312,853

		Amount in Taka
	31-Dec-22	31-Dec-21
Savings bank/Mudaraba savings bank deposits		
Deposits from banks		_
Deposits from customers	78,812,880,761	79,212,048,790
Deposits from customers	78,812,880,761	79,212,048,790
Fixed deposits/Mudaraba fixed deposits	70,012,000,701	73,212,040,730
Deposits from banks	12,597,265	4,400,007
Deposits from customers	186,218,296,855	170,882,170,130
Off-shore banking unit	107,287,003	55,131,354
3	186,338,181,123	170,941,701,491
	337,695,417,437	317,782,434,902
12.1 Conventional and Islamic banking		
Deposits from banks (Note 12.1.1)	12,597,265	4,400,007
Deposits from customers (Note 12.1.2)	336,681,975,032	317,152,334,087
	336,694,572,297	317,156,734,094
12.1.1 Deposits from banks		
Fixed deposit/SND		
AB Bank Limited	39,176	39,525
EXIM Bank Limited		3,168,780
Social Islami Bank Limited	11,352,208	, ,
Trust Bank Limited	601,789	594,714 596,988
HUSE DAHK LIHINGU	604,092 12,597,265	4,400,007
	12,397,203	4,400,007
12.1.2 Deposits from customers		
Current/Al-wadeeah current accounts and other accounts (Note 12.1.2a)	67,482,882,465	63,079,802,314
Bills payable (Note 12.1.2b)	4,167,914,951	3,978,312,853
Savings bank/Mudaraba savings deposits	78,812,880,761	79,212,048,790
Fixed deposits/Mudaraba fixed deposits (Note 12.1.2c)	186,218,296,855	170,882,170,130
	336,681,975,032	317,152,334,087
12.1.2a Current/Al-wadeeah current accounts and other accounts		
Current/Al-wadeeah current accounts	24,733,889,452	25,695,837,784
Other demand deposit - Local currency	27,135,833,840	25,236,668,844
Other demand deposit - Foreign currencies	11,915,052,012	9,037,394,275
Foreign currency deposits	3,665,056,408	3,089,917,288
Unclaimed cash dividend	33,050,753	19,984,123
Export retention quota	-	-
	67,482,882,465	63,079,802,314
Less: Inter transaction between OBU and Conventional Banking	-	-
	67,482,882,465	63,079,802,314
12.1.2b Bills payable		
Bills payable - local currency	4,124,475,067	3,948,826,436
Bills payable - foreign currencies	43,439,884	29,486,417
Demand draft		
	4,167,914,951	3,978,312,853
12.1.2c Fixed deposits/Mudaraba fixed deposits		
Fixed deposits/Mudaraba fixed deposits	120,572,168,795	104,635,816,104
Special notice deposit	27,292,815,442	26,535,531,471
Foreign currency deposits (interest bearing)	4,075,058	3,408,303
Deposit under schemes	38,349,237,560	39,707,414,252
	186,218,296,855	170,882,170,130

			AIIIUUIIL III Idha
		31-Dec-22	31-Dec-21
12.2 Payable on demand and tir	ne deposits		
a) Demand deposits	•		
Current/Al-wadeeah current ac	counts and other accounts	25,660,498,342	26,286,391,361
Savings bank/Mudaraba saving		7,093,159,268	7,129,084,391
Foreign currency deposits (non	•	15,580,108,420	12,127,311,563
Sundry deposits	3,	27,135,833,840	25,236,668,844
Bills payable		4,167,914,951	3,978,312,853
. 1		79,637,514,821	74,757,769,012
b) Time deposits			
Savings bank/Mudaraba saving	as denosits	71,719,721,493	72,082,964,399
Fixed deposits/Mudaraba fixed		120,692,053,063	104,695,347,465
Foreign currency deposits (inte		4,075,058	3,408,303
Special notice deposit	root boaring)	27,292,815,442	26,535,531,471
Deposits under schemes		38,349,237,560	39,707,414,252
Doposito anaor conomic		258,057,902,616	243,024,665,890
		337,695,417,437	317,782,434,902
			,,,
12.3 Sector-wise break-up of de	eposits and other accounts	5 440 770 000	0.700.500.000
Government		5,410,770,000	6,739,566,000
Deposit from banks		12,597,265	4,400,007
Other public		1,782,720,000	2,817,600,000
Foreign currencies		16,628,468,502	12,785,907,091
Private		313,860,861,670	295,434,961,804
		337,695,417,437	317,782,434,902
12.4 Maturity-wise grouping			
12.4.1 Deposits from banks			
Payable on demand		12,597,265	4,400,007
Up to 1 month		-	-
Over 1 month but within 6 months		-	-
Over 6 months but within 1 year		-	-
Over 1 year but within 5 years		-	-
Over 5 years		- 10.507.005	-
		12,597,265	4,400,007
12.4.2 Customer deposits exclu	ding bills payable		
Payable on demand		2,697,408,067	2,450,300,000
Up to 1 month		42,388,296,755	51,472,508,259
Over 1 month but within 6 months		66,919,405,099	65,587,221,075
Over 6 months but within 1 year		72,574,460,352	76,919,122,518
Over 1 year but within 5 years		104,244,552,127	96,243,094,716
Over 5 years		44,690,782,821	21,127,475,475
		333,514,905,221	313,799,722,042
12.4.3 Bills payable			
Payable on demand		446,038,758	673,200,000
Up to 1 month		1,155,933,510	1,075,700,000
Over 1 month but within 6 months		2,565,942,683	2,229,412,853
Over 6 months but within 1 year		-	-
Over 1 year but within 5 years		-	-
Over 5 years		_	-
		4,167,914,951	3,978,312,853
		337,695,417,437	317,782,434,902

		Amount in Taka
	31-Dec-22	31-Dec-21
12(a) Consolidated Deposits and other accounts		
Current/Al-wadeeah current accounts and other accounts		
Bank Asia Limited	68,376,440,602	63,650,371,768
Bank Asia Securities Limited	527,347,378	721,351,710
BA Exchange Company (UK) Limited	-	-
BA Express USA, Inc	-	-
	68,903,787,980	64,371,723,478
Less: Inter-company transactions	369,639,929	78,856,747
	68,534,148,051	64,292,866,731
Bills payable		
Bank Asia Limited	4,167,914,951	3,978,312,853
Bank Asia Securities Limited	-	-
BA Exchange Company (UK) Limited	-	-
BA Express USA, Inc		<u>-</u>
	4,167,914,951	3,978,312,853
Savings bank/Mudaraba savings bank deposits		
Bank Asia Limited	78,812,880,761	79,212,048,790
Bank Asia Securities Limited	-	-
BA Exchange Company (UK) Limited	-	-
BA Express USA, Inc		-
	78,812,880,761	79,212,048,790
Fixed deposits/Mudaraba fixed deposits		
Bank Asia Limited	186,338,181,123	170,941,701,491
Bank Asia Securities Limited	-	-
BA Exchange Company (UK) Limited	-	-
BA Express USA, Inc		-
	186,338,181,123	170,941,701,491
	337,853,124,886	318,424,929,865
Other liabilities		
Conventional and Islamic banking (Note 13.1)	41,692,136,095	36,714,295,934
Off-shore banking unit	9,058,202	3,767,610
•	41,701,194,297	36,718,063,544
3.1 Conventional and Islamic banking		
Provision for loans and advances/investments (Note 13.2)	19,080,000,001	15,152,708,000
Special general provision COVID-19 (Note 13.2.1)	530,000,000	865,000,000
Provision on off-balance sheet exposures (Note 13.3)	1,195,000,000	1,490,000,000
Interest suspense account (Note 13.4)	4,403,014,529	4,266,332,789
Provision for income tax including deferred tax (Note 13.5)	11,861,337,770	10,656,414,519
Provision for performance and festival bonus	475,942,033	431,563,479
Master card and Visa card payables	78,626,366	9,734,798
Expenditures and other payables	1,060,920,482	1,299,566,096
Provision for nostro accounts (Note 13.6)	-	-
Other payable	235,635,266	114,911,276
Provision for profit equalization	24,240,856	35,167,287
Provision for diminution in value of shares (Note 13.7)	363,383,553	363,383,553
Payable to Government	7,607,621	4,657,621
Provision for others (Note 13.8)	690,572,690	440,572,690
Rebate payable on good borrowers	67,700,000	67,700,000
Unearned income	806,303,263	896,430,689
Interest payable on subordinated non-convertible zero coupon bond	91,575,615	151,321,370
Fraction Bonus Share	1,608,744	1,608,744
Nostro account credit balance	377,278,975	-
Lease liabilities (Note 13.9)	341,388,331	467,223,023
Lease habilities (Note 13.3)		

			Amount in Tak
		31-Dec-22	31-Dec-21
12.0	Drawinian for loans and advances/investments		
	Provision for loans and advances/investments		
Ger	neral provision		
	Conventional and Islamic:	7 507 000 040	0 005 040 750
	Balance as at 1 January	7,567,208,819	8,805,019,752
	Add: Provision made during the year	2,846,924,060	-
	Less: Provision no longer required	-	1,237,810,933
	Less: Transfer to Specific Provision	(2,102,463,000)	-
	Balance as at 31 December	8,311,669,879	7,567,208,819
	Off-shore Banking Unit (OBU):		
	Balance as at 1 January	295,499,181	184,980,248
	Add: Provision made during the year	-	110,518,933
	Less: Provision no longer required	(44,632,060)	-
	Balance as at 31 December	250,867,121	295,499,181
A.	Total general provision on loans and advances/investments	8,562,537,000	7,862,708,000
Sno	ecific provision		
Spc	Conventional and Islamic:		
	Balance as at 1 January	7,290,000,000	4,120,200,000
	Add/ Back: Recoveries of amounts previously written off	347,148,119	287,429,432
	Specific provision made during the year	1,726,641,239	5,263,688,085
	Transfer from General Provision		3,203,000,000
		2,102,463,000	/0.001.017.E17
	Less: Write off/amicable settlement during the year Balance as at 31 December	(948,789,357)	7,290,000,000
	Butance as at 51 December	10,317,400,001	7,200,000,000
	Off-shore Banking Unit (OBU):		
	Balance as at 1 January	-	-
	Add: Provision made during the year	-	-
	Less: Provision no longer required	-	-
	Balance as at 31 December		
В.	Total Specific provision on loans and advances/investments	10,517,463,001	7,290,000,000
C.	Total provision on loans and advances/investments (A+B)	19,080,000,001	15,152,708,000
13.2	2.1 Special general provision COVID-19		
	ance as at 1 January	865,000,000	850,600,000
	: Provision made during the year	62,014,669	435,000,000
Less	s: Provision no longer required	397,014,669	420,600,000
Bala	ance as at 31 December	530,000,000	865,000,000
Spec dated	ial general provision COVID-19 is maintained as per BRPD circular letter no. 56 dated Decemb d December 30, 2021, and BRPD circular 53 dated December 22, 2022.	er 10, 2020 and BRPD (circular letter no. 53
13.3	Provision on off-balance sheet exposures		
Bala	ance at 1 January	1,489,834,144	1,004,645,275
Add	: Provision made during the year	-	485,188,869

		Amount in Taka
	31-Dec-22	31-Dec-21
	1,489,834,144	1,489,834,144
Less: Adjustments made during the year	(295,399,362)	-
Balance at the end of the year	1,194,434,782	1,489,834,144
Provision maintained for OBU as at 01 January	165,856	354,725
Add: Provision made during the year	399,362	-
Less: Adjustments made during the year		(188,869)
	565,218	165,856
Balance at the end of the year	1,195,000,000	1,490,000,000
As per BRPD Circular No. 07, dated 21 June 2018 and BRPD Circular No. 13, dated 18 October 2 counter guarantee provision is maintained based on BB rating grade.	018 no no provision is required for bills	for collection and for
13.4 Interest suspense account		
Balance at 1 January	4,266,332,789	4,341,502,178
Add: Amount transferred to interest suspense" account during the year	2,070,004,711	3,023,428,291
	6,336,337,500	7,364,930,469
Less: Amount of interest suspense recovered	1,784,029,284	2,749,605,348
Interest waiver during the year	149,293,687	348,992,332
	1,933,322,971	3,098,597,680
Balance as at 31 December	4,403,014,529	4,266,332,789
13.5 Provision for taxation		
Current tax (Note 13.5.1)	11,389,316,405	10,184,393,154
Deferred tax (Note 13.5.2)	472,021,365	472,021,365
	11,861,337,770	10,656,414,519
13.5.1 Provision for current tax		
Balance at 1 January	10,184,393,154	8,484,393,154
Add: Provision made during the year	3,500,000,000	1,700,000,000
· ·	13,684,393,154	10,184,393,154
Less: Adjustments made during the year	2,295,076,749	-
Balance as at 31 December	11,389,316,405	10,184,393,154
13.5.1(a) Consolidated Provision for current tax		
Balance as at 1 January	10,479,561,029	8,726,745,036
Add: Provision made during the year		
Bank Asia Limited	3,500,000,000	1,700,000,000
Bank Asia Securities Limited	67,972,708	94,735,436
BA Exchange Company (UK) Limited	-	-
BA Express USA, Inc	-	-
	3,567,972,708	1,794,735,436
Lore A.P. should be dealer to the con-	14,047,533,737	10,521,480,472
Less: Adjustments made during the year	0.005.070.740	
Bank Asia Limited	2,295,076,749	-
Bank Asia Securities Limited	38,083,618	41,919,443
BA Exchange Company (UK) Limited	-	-
BA Express USA, Inc	7 222 160 267	41 010 440
Balance as at 31 December	2,333,160,367 11,714,373,370	41,919,443 10,479,561,029
שמומווטד מא מנ או שבטבווושבו	11,714,373,370	10,473,501,029

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				31-Dec-22	31-Dec-21
13.5.2 Provision for deferred ta	ıx				
Balance at 1 January				472,021,365	472,021,365
Provision made for deferred tax liab	ilities			-	-
Provision made for deferred tax ass	ets		_	<u>-</u>	-
			-	472,021,365	472,021,365
13.5.2 (a) Deferred Tax (asset)/	liability				
Particulars	Book value	Tax Base	(Deductible)/ Taxable		
Opening Balance					
Deferred Tax Asset				(2,050,312,500)	(1,158,806,250)
Deferred Tax Liability				824,420,883	851,945,619
Net Deferred Tax Asset			=	(1,225,891,617)	(306,860,631)
Net Deferred Tax Asset as of D Deferred Tax Asset:	ecember 31, 2022				
Loan loss provision	10,517,463,001		(7,888,097,251)	(2,958,036,469)	(2,050,312,500)
Closing balance for the year (a)	10,517,403,001	-	(7,000,097,201)	(2,958,036,469)	(2,050,312,500)
Closing balance for the year (a)			=	(2,930,030,409)	(2,030,312,300)
Deferred Tax Liability:					
Interest receivable	1,297,139,289	-	1,297,139,289	486,427,233	606,152,131
Fixed assets	3,310,724,723	2,953,374,309	357,350,414	134,006,405	174,151,487
Right-of-use assets	52,871,027		52,871,027	19,826,635	44,117,265
Closing balance for the year (b)			_	640,260,273	824,420,883
Net Deferred Tax Asset as of D	ecember 31, 2022 (a	ı+b)	-	(2,317,776,196)	(1,225,891,617)
Movement for the year			Г		
Opening deferred tax assets				(2,050,312,500)	(1,158,806,250)
Closing deferred tax assets				(2,958,036,469)	(2,050,312,500)
Changes for the year			-	(907,723,969)	(891,506,250)
Opening deferred tax liabilities				824,420,883	851,945,619
Closing deferred tax liabilities				640,260,273	824,420,883
Changes for the year			L	(184,160,610)	(27,524,736)
Changes during the year			-	(1,091,884,579)	(919,030,986)
3-2-3			=	(, , , , 5 - , , 5 - 5)	(,,)

As per Bangladesh Bank, BRPD circular no. 11 dated December 12, 2011 deferred tax assets may be recognized but restrictions are to be followed if deferred tax assets is calculated and recognized based on the provisions against classified loan, advances; such as i. amount of the net income after tax increased due to recognition of deferred tax assets on such provision will not be distributed as divided. ii. the amount of deferred tax assets recognized on such provisions should be deducted while calculating the Regulatory Eligible Capital. iii. a description should be provided regarding deferred tax assets recognized on loan loss provision in the notes to the financial statements. On the other hand, deferred tax liabilities must be recognized for those items which are mentioned to recognize in IAS. Hence, the bank did not recognize deferred tax assets but recognize deferred tax liabilities when it arises.

13.5.3 Reconciliation of effective tax rate

	2022		2021	
	%	Amount	%	Amount
Profit before provision		10,694,804,944		9,192,532,066
Income Tax as per applicable tax rate	37.50%	4,010,551,854	37.50%	3,447,199,525
Tax exempted income (on govt. treasury securities)	-0.19%	(19,998,890)	-24.41%	(2,244,157,120)
On probable deductable/non deductable expenses	-4.59%	(490,552,964)	5.41%	496,957,595
	32.73%	3,500,000,000	18.49%	1,700,000,000

13.5.3(a) Consolidated Reconciliation of effective tax rate

	2022		20	21
	%	Amount	%	Amount
Profit before provision		10,869,236,428		9,552,453,672
Income Tax as per applicable tax rate	37.50%	4,075,963,661	37.50%	3,582,170,127
Tax exempted income (on govt. treasury securities)	-0.18%	(19,998,890)	-23.49%	(2,244,157,120)
On probable deductable/non deductable expenses	-4.49%	(487,992,063)	4.78%	456,722,429
	32.83%	3,567,972,708	18.79%	1,794,735,436

13.6 Provision for nostro accounts

As per instructions contained in the circular letter no. FEPD (FEMO)/01/2005-677 dated 13 September 2005 issued by Foreign Exchange Policy Department of Bangladesh Bank, Bank is required to make provision regarding the un-reconciled debit balance of nostro account as at balance sheet date. Adequate provision has been made for debit entries which are outstanding for more than 3 months. Details of unrecognized entries are shown in Annex I.

		/ infodite in fand
	31-Dec-22	31-Dec-21
13.7 Provision for diminution in value of shares		
Balance as at 1 January	363,383,553	363,383,553
Add: Provision made during the year	-	-
Adjustment during the year		
Balance as at 31 December	363,383,553	363,383,553
Provision requirement for quoted and unqouted share including subsidiaries (Annex B)	234,605,554	66,121,146
Provision maintained	363,383,553	363,383,553
Surplus provison maintained	128,777,999	297,262,407
13.8 Provision for others		
Provision for other assets (Note 13.8.1)	612,228,003	393,106,522
Provision for start up fund (Note 13.8.2)	78,344,687	47,466,168
	690,572,690	440,572,690
13.8.1 Provision for other assets		
Balance as at 1 January	393,106,522	290,572,690
Add: Provision made during the year	219,121,481	102,533,832
Balance as at 31 December	612,228,003	393,106,522
Provision requirement	514,840,623	327,728,000
Provision maintained	612,228,003	393,106,522
Surplus provision maintained	97,387,380	65,378,522

(Provision for others made for legal expenses, protested bills, expenditure related unreconciled entries and other assets that classified as bad and loss as per Bangladesh Bank BRPD Circular 4 dated April 12, 2022).

13.8.2 Provision for start up fund

•		
Balance as at 1 January	47,466,168	-
Add: Provision made during the year		
For the year 2020 (1% of profit after tax)	-	20,357,067
For the year 2021 (1% of profit after tax)	-	27,109,101
For the year 2022 (1% of profit after tax)	30,878,519	-
Adjustment during the year	-	-
Balance as at 31 December	78,344,687	47,466,168

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	31-Dec-22	31-Dec-21
(As per Bangladesh Bank SMESPD Circular Letter no. 05 dated April 26, 2001 Provision	for Start up Fund has been maintair	ned against 1% net
profit after tax starting from the year 2020).		
13.9 Lease liabilities		
Balance as at 1 January	467,223,023	872,228,227
Add: Addition during the year	180,064,817	-
Add: Interest charge during the year	104,674,165	104,658,196
Less: Payment made during the year	410,573,674	419,543,010
Less: Adjustment made during the year		90,120,390
Balance as at 31 December	341,388,331	467,223,023
The lease liabilities represents the present value of the lease payments discounting using which right-of- use assets has been arisen (ref: Annex C). 13(a) Consolidated Other liabilities	g the incremental borrowing rate as	per IFRS 16 against
Bank Asia Limited	41,701,194,297	36,718,063,544
Bank Asia Securities Limited	2,259,945,347	2,218,069,633
BA Exchange Company (UK) Limited	65,969,666	68,483,295
BA Express USA, Inc	270,814,608	368,082,914
Bit Express out, me	44,297,923,918	39,372,699,386
Less: Inter- companies transactions		00,0. 2,000,000
Receivable from BASL	_	-
Receivable from BA Exchange (UK) Limited	56,646,548	60,497,753
BA Express USA, Inc	200,189,787	350,836,788
•	44,041,087,583	38,961,364,845
l Share capital		
14.1 Authorized capital		
1,500,000,000 ordinary shares of Taka 10 each	15,000,000,000	15,000,000,000
14.2 Issued, subscribed and fully paid up capital		
56,372,480 ordinary shares of Taka 10 each issued for cash	563,724,800	563,724,800
364,010,770 (2010: 243,901,270) ordinary shares of Taka 10 each		
Issued as bonus shares	3,640,107,700	3,640,107,700
Right shares issued 25% for the year 2010	1,050,958,100	1,050,958,100
Issued as bonus shares 20% for the year 2011	1,050,958,120	1,050,958,120
Issued as bonus shares 10% for the year 2012	630,574,870	630,574,870
Issued as bonus shares 10% for the year 2013	693,632,350	693,632,350
Issued as bonus shares 10% for the year 2014	762,995,590	762,995,590
Issued as bonus shares 5% for the year 2015	419,647,570	419,647,570
Issued as bonus shares 12% for the year 2016	1,057,511,890	1,057,511,890
Issued as bonus shares 12.50% for the year 2017	1,233,763,870	1,233,763,870
Issued as bonus shares 5% for the year 2018	555,193,740	555,193,740
noced as solide original of the your 2010	11,659,068,600	11,659,068,600
		11,000,000,000

14.3 Initial public offer (IPO)

Out of the total issued, subscribed and fully paid up capital of the Bank 2,000,000 ordinary shares of Taka 100 each amounting to Taka 200,000,000 was raised through public offering of shares in 2003

14.4 Capital to risk-weighted asset

The calculation of CRAR under Basel III has been made as per "Guidelines on Risk Based Capital Adequacy (Revised Regulatory Capital Framework for banks in line with Basel III)" issued by Bangladesh Bank vide its BRPD Circular no. 18 dated December 21, 2014

Common Equity Tier -1 capital (Going-Concern Capital)	In line of Basel III	In line of Basel III
Paid up capital	11,659,068,600	11,659,068,600
Statutory reserve (Note 15)	11,750,000,000	10,725,443,940
General reserve	8,166,144	8,166,144
Retained earnings (Note 17)	3,105,969,227	2,804,815,058
	26,523,203,971	25,197,493,742

Less: Regulatory adjustments	31-Dec-22	
Less: Regulatory adjustments	31-066-22	31-Dec-21
Reciprocal crossholding in the CET - 1 Capital of Banking, Financial and Insurance Entities	39,626,140	44,820,000
Common Equity Tier -1 capital (Going-Concern Capital)	26,483,577,831	25,152,673,742
Additional Tier 1 Capital		-
Perpetual bond	3,340,000,000	-
Total Tier- 1 Capital	29,823,577,831	25,152,673,742
Tier - 2 Capital (Gone-Concern Capital)		
General provision maintained against unclassified loan/investments	9,092,537,000	8,727,708,000
General provision on off-balance sheet exposure	1,195,000,000	1,490,000,000
Subordinated non-covertable zero coupon bonds	6,000,000,000	8,600,000,000
Total Tier- 2 Capital available	16,287,537,000	18,817,708,000
Maximum Limit of Tier-2 Capital (Considering) para 3.2 (v) including foot note no. 9 of RBCA Guideline)	17,752,452,437	18,011,759,076
Adjustment as per RBCA Guideline		2,600,000,000
Total admissible Tier-2 Capital	16,287,537,000	16,217,708,000
A) Total capital	46,111,114,831	41,370,381,742
B) Total risk weighted assets (RWA)	260,486,878,311	263,153,198,992
C) Minimum total capital requirement 10%	26,048,687,831	26,315,319,899
D) Capital surplus (A-C)	20,062,427,000	15,055,061,843
E) Minimum total capital plus capital conservation buffer requirement @ 12.50%	32,560,859,789	32,894,149,874
F) Capital surplus (A-E) with capital conservation buffer	13,550,255,042	8,476,231,868
Capital to risk weighted asset ratio		
Common Equity Tier- 1 to RWA (minimum 4.5% under Basel III)	10.17%	9.56%
Tier- 1 to RWA (minimum 6% under Basel III)	11.45%	9.56%
Capital to Risk Weighted Assets against minimum requirement 10%	17.70%	15.72%
14.4 (a) Consolidated capital to risk-weighted asset		
The calculation of CRAR under Basel III has been made as per "Guidelines on Risk Based Capital Ac Framework for banks in line with Basel III)" issued by Bangladesh Bank vide its BRPD Circular no. 18	8 dated December 21, 2	2014
The calculation of CRAR under Basel III has been made as per "Guidelines on Risk Based Capital Ac Framework for banks in line with Basel III)" issued by Bangladesh Bank vide its BRPD Circular no. 18 Common Equity Tier -1 capital (Going-Concern Capital)	8 dated December 21, 2 In line of Basel III	In line of Basel III
The calculation of CRAR under Basel III has been made as per "Guidelines on Risk Based Capital Ac Framework for banks in line with Basel III)" issued by Bangladesh Bank vide its BRPD Circular no. 18 Common Equity Tier -1 capital (Going-Concern Capital) Paid up capital	8 dated December 21, 2 In line of Basel III 11,659,068,600	In line of Basel III 11,659,068,600
The calculation of CRAR under Basel III has been made as per "Guidelines on Risk Based Capital Ac Framework for banks in line with Basel III)" issued by Bangladesh Bank vide its BRPD Circular no. 18 Common Equity Tier -1 capital (Going-Concern Capital) Paid up capital Non-controlling (Minority) interest	8 dated December 21, 2 In line of Basel III 11,659,068,600 10,285	In line of Basel III 11,659,068,600 10,274
The calculation of CRAR under Basel III has been made as per "Guidelines on Risk Based Capital Ac Framework for banks in line with Basel III)" issued by Bangladesh Bank vide its BRPD Circular no. 18 Common Equity Tier -1 capital (Going-Concern Capital) Paid up capital Non-controlling (Minority) interest Statutory reserve (Note 15)	8 dated December 21, 2 In line of Basel III 11,659,068,600 10,285 11,750,000,000	In line of Basel III 11,659,068,600 10,274 10,725,443,940
The calculation of CRAR under Basel III has been made as per "Guidelines on Risk Based Capital Ac Framework for banks in line with Basel III)" issued by Bangladesh Bank vide its BRPD Circular no. 18 Common Equity Tier -1 capital (Going-Concern Capital) Paid up capital Non-controlling (Minority) interest Statutory reserve (Note 15) General reserve	8 dated December 21, 2 In line of Basel III 11,659,068,600 10,285 11,750,000,000 8,166,144	In line of Basel III 11,659,068,600 10,274 10,725,443,940 8,166,144
The calculation of CRAR under Basel III has been made as per "Guidelines on Risk Based Capital Ac Framework for banks in line with Basel III)" issued by Bangladesh Bank vide its BRPD Circular no. 18 Common Equity Tier -1 capital (Going-Concern Capital) Paid up capital Non-controlling (Minority) interest Statutory reserve (Note 15)	8 dated December 21, 2 In line of Basel III 11,659,068,600 10,285 11,750,000,000 8,166,144 2,957,002,831	In line of Basel III 11,659,068,600 10,274 10,725,443,940 8,166,144 2,650,999,337
The calculation of CRAR under Basel III has been made as per "Guidelines on Risk Based Capital Ac Framework for banks in line with Basel III)" issued by Bangladesh Bank vide its BRPD Circular no. 18 Common Equity Tier -1 capital (Going-Concern Capital) Paid up capital Non-controlling (Minority) interest Statutory reserve (Note 15) General reserve Retained earnings (Note 17)	8 dated December 21, 2 In line of Basel III 11,659,068,600 10,285 11,750,000,000 8,166,144	In line of Basel III 11,659,068,600 10,274 10,725,443,940 8,166,144
The calculation of CRAR under Basel III has been made as per "Guidelines on Risk Based Capital Ac Framework for banks in line with Basel III)" issued by Bangladesh Bank vide its BRPD Circular no. 18 Common Equity Tier -1 capital (Going-Concern Capital) Paid up capital Non-controlling (Minority) interest Statutory reserve (Note 15) General reserve Retained earnings (Note 17) Less: Regulatory adjustments	8 dated December 21, 2 In line of Basel III 11,659,068,600 10,285 11,750,000,000 8,166,144 2,957,002,831 26,374,247,860	In line of Basel III 11,659,068,600 10,274 10,725,443,940 8,166,144 2,650,999,337 25,043,688,295
The calculation of CRAR under Basel III has been made as per "Guidelines on Risk Based Capital Ac Framework for banks in line with Basel III)" issued by Bangladesh Bank vide its BRPD Circular no. 18 Common Equity Tier -1 capital (Going-Concern Capital) Paid up capital Non-controlling (Minority) interest Statutory reserve (Note 15) General reserve Retained earnings (Note 17) Less: Regulatory adjustments Reciprocal crossholding in the CET - 1 Capital of Banking, Financial and Insurance Entities	8 dated December 21, 2 In line of Basel III 11,659,068,600 10,285 11,750,000,000 8,166,144 2,957,002,831 26,374,247,860 39,626,140	In line of Basel III 11,659,068,600 10,274 10,725,443,940 8,166,144 2,650,999,337 25,043,688,295
The calculation of CRAR under Basel III has been made as per "Guidelines on Risk Based Capital Ac Framework for banks in line with Basel III)" issued by Bangladesh Bank vide its BRPD Circular no. 18 Common Equity Tier -1 capital (Going-Concern Capital) Paid up capital Non-controlling (Minority) interest Statutory reserve (Note 15) General reserve Retained earnings (Note 17) Less: Regulatory adjustments Reciprocal crossholding in the CET - 1 Capital of Banking, Financial and Insurance Entities Common Equity Tier -1 capital (Going-Concern Capital)	8 dated December 21, 2 In line of Basel III 11,659,068,600 10,285 11,750,000,000 8,166,144 2,957,002,831 26,374,247,860	In line of Basel III 11,659,068,600 10,274 10,725,443,940 8,166,144 2,650,999,337 25,043,688,295
The calculation of CRAR under Basel III has been made as per "Guidelines on Risk Based Capital Ac Framework for banks in line with Basel III)" issued by Bangladesh Bank vide its BRPD Circular no. 18 Common Equity Tier -1 capital (Going-Concern Capital) Paid up capital Non-controlling (Minority) interest Statutory reserve (Note 15) General reserve Retained earnings (Note 17) Less: Regulatory adjustments Reciprocal crossholding in the CET - 1 Capital of Banking, Financial and Insurance Entities	8 dated December 21, 2 In line of Basel III 11,659,068,600 10,285 11,750,000,000 8,166,144 2,957,002,831 26,374,247,860 39,626,140 26,334,621,720	In line of Basel III 11,659,068,600 10,274 10,725,443,940 8,166,144 2,650,999,337 25,043,688,295
The calculation of CRAR under Basel III has been made as per "Guidelines on Risk Based Capital Ac Framework for banks in line with Basel III)" issued by Bangladesh Bank vide its BRPD Circular no. 18 Common Equity Tier -1 capital (Going-Concern Capital) Paid up capital Non-controlling (Minority) interest Statutory reserve (Note 15) General reserve Retained earnings (Note 17) Less: Regulatory adjustments Reciprocal crossholding in the CET - 1 Capital of Banking, Financial and Insurance Entities Common Equity Tier -1 capital (Going-Concern Capital) Perpetual bond	8 dated December 21, 2 In line of Basel III 11,659,068,600 10,285 11,750,000,000 8,166,144 2,957,002,831 26,374,247,860 39,626,140	In line of Basel III 11,659,068,600 10,274 10,725,443,940 8,166,144 2,650,999,337 25,043,688,295
The calculation of CRAR under Basel III has been made as per "Guidelines on Risk Based Capital Ac Framework for banks in line with Basel III)" issued by Bangladesh Bank vide its BRPD Circular no. 18 Common Equity Tier -1 capital (Going-Concern Capital) Paid up capital Non-controlling (Minority) interest Statutory reserve (Note 15) General reserve Retained earnings (Note 17) Less: Regulatory adjustments Reciprocal crossholding in the CET - 1 Capital of Banking, Financial and Insurance Entities Common Equity Tier -1 capital (Going-Concern Capital) Perpetual bond Additional Tier 1 Capital	8 dated December 21, 2 In line of Basel III 11,659,068,600 10,285 11,750,000,000 8,166,144 2,957,002,831 26,374,247,860 39,626,140 26,334,621,720 3,340,000,000	In line of Basel III 11,659,068,600 10,274 10,725,443,940 8,166,144 2,650,999,337 25,043,688,295 44,820,000 24,998,868,295
The calculation of CRAR under Basel III has been made as per "Guidelines on Risk Based Capital Ac Framework for banks in line with Basel III)" issued by Bangladesh Bank vide its BRPD Circular no. 18 Common Equity Tier -1 capital (Going-Concern Capital) Paid up capital Non-controlling (Minority) interest Statutory reserve (Note 15) General reserve Retained earnings (Note 17) Less: Regulatory adjustments Reciprocal crossholding in the CET - 1 Capital of Banking, Financial and Insurance Entities Common Equity Tier -1 capital (Going-Concern Capital) Perpetual bond Additional Tier 1 Capital Total Tier- 1 Capital Tier - 2 Capital (Gone-Concern Capital)	8 dated December 21, 2 In line of Basel III 11,659,068,600 10,285 11,750,000,000 8,166,144 2,957,002,831 26,374,247,860 39,626,140 26,334,621,720 3,340,000,000 29,674,621,720	In line of Basel III 11,659,068,600 10,274 10,725,443,940 8,166,144 2,650,999,337 25,043,688,295 44,820,000 24,998,868,295 24,998,868,295
The calculation of CRAR under Basel III has been made as per "Guidelines on Risk Based Capital Ac Framework for banks in line with Basel III)" issued by Bangladesh Bank vide its BRPD Circular no. 18 Common Equity Tier -1 capital (Going-Concern Capital) Paid up capital Non-controlling (Minority) interest Statutory reserve (Note 15) General reserve Retained earnings (Note 17) Less: Regulatory adjustments Reciprocal crossholding in the CET - 1 Capital of Banking, Financial and Insurance Entities Common Equity Tier -1 capital (Going-Concern Capital) Perpetual bond Additional Tier 1 Capital Total Tier- 1 Capital Tier - 2 Capital (Gone-Concern Capital) General provision maintained against unclassified loan/investments	8 dated December 21, 2 In line of Basel III 11,659,068,600 10,285 11,750,000,000 8,166,144 2,957,002,831 26,374,247,860 39,626,140 26,334,621,720 3,340,000,000 29,674,621,720 9,092,537,000	In line of Basel III 11,659,068,600 10,274 10,725,443,940 8,166,144 2,650,999,337 25,043,688,295 44,820,000 24,998,868,295 24,998,868,295 8,727,708,000
The calculation of CRAR under Basel III has been made as per "Guidelines on Risk Based Capital Ac Framework for banks in line with Basel III)" issued by Bangladesh Bank vide its BRPD Circular no. 18 Common Equity Tier -1 capital (Going-Concern Capital) Paid up capital Non-controlling (Minority) interest Statutory reserve (Note 15) General reserve Retained earnings (Note 17) Less: Regulatory adjustments Reciprocal crossholding in the CET - 1 Capital of Banking, Financial and Insurance Entities Common Equity Tier -1 capital (Going-Concern Capital) Perpetual bond Additional Tier 1 Capital Tier - 2 Capital (Gone-Concern Capital) General provision maintained against unclassified loan/investments General provision on off-balance sheet exposure	8 dated December 21, 2 In line of Basel III 11,659,068,600 10,285 11,750,000,000 8,166,144 2,957,002,831 26,374,247,860 39,626,140 26,334,621,720 3,340,000,000 29,674,621,720 9,092,537,000 1,195,000,000	In line of Basel III 11,659,068,600 10,274 10,725,443,940 8,166,144 2,650,999,337 25,043,688,295 44,820,000 24,998,868,295 24,998,868,295 8,727,708,000 1,490,000,000
The calculation of CRAR under Basel III has been made as per "Guidelines on Risk Based Capital Ac Framework for banks in line with Basel III)" issued by Bangladesh Bank vide its BRPD Circular no. 18 Common Equity Tier -1 capital (Going-Concern Capital) Paid up capital Non-controlling (Minority) interest Statutory reserve (Note 15) General reserve Retained earnings (Note 17) Less: Regulatory adjustments Reciprocal crossholding in the CET - 1 Capital of Banking, Financial and Insurance Entities Common Equity Tier -1 capital (Going-Concern Capital) Perpetual bond Additional Tier 1 Capital Total Tier- 1 Capital Tier - 2 Capital (Gone-Concern Capital) General provision maintained against unclassified loan/investments General provision on off-balance sheet exposure Subordinated non-covertable zero coupon bonds	8 dated December 21, 2 In line of Basel III 11,659,068,600 10,285 11,750,000,000 8,166,144 2,957,002,831 26,374,247,860 39,626,140 26,334,621,720 3,340,000,000 29,674,621,720 9,092,537,000 1,195,000,000 6,000,000,000	In line of Basel III 11,659,068,600
The calculation of CRAR under Basel III has been made as per "Guidelines on Risk Based Capital Ac Framework for banks in line with Basel III)" issued by Bangladesh Bank vide its BRPD Circular no. 18 Common Equity Tier -1 capital (Going-Concern Capital) Paid up capital Non-controlling (Minority) interest Statutory reserve (Note 15) General reserve Retained earnings (Note 17) Less: Regulatory adjustments Reciprocal crossholding in the CET - 1 Capital of Banking, Financial and Insurance Entities Common Equity Tier -1 capital (Going-Concern Capital) Perpetual bond Additional Tier 1 Capital Total Tier- 1 Capital Tier - 2 Capital (Gone-Concern Capital) General provision maintained against unclassified loan/investments General provision on off-balance sheet exposure Subordinated non-covertable zero coupon bonds Total Tier- 2 Capital available	8 dated December 21, 2 In line of Basel III 11,659,068,600 10,285 11,750,000,000 8,166,144 2,957,002,831 26,374,247,860 39,626,140 26,334,621,720 3,340,000,000 29,674,621,720 9,092,537,000 1,195,000,000 6,000,000,000 16,287,537,000	In line of Basel III 11,659,068,600 10,274 10,725,443,940 8,166,144 2,650,999,337 25,043,688,295 44,820,000 24,998,868,295 24,998,868,295 24,998,868,295 1490,000,000 1,490,000,000 8,600,000,000 18,817,708,000
The calculation of CRAR under Basel III has been made as per "Guidelines on Risk Based Capital AcFramework for banks in line with Basel III)" issued by Bangladesh Bank vide its BRPD Circular no. 18 Common Equity Tier -1 capital (Going-Concern Capital) Paid up capital Non-controlling (Minority) interest Statutory reserve (Note 15) General reserve Retained earnings (Note 17) Less: Regulatory adjustments Reciprocal crossholding in the CET - 1 Capital of Banking, Financial and Insurance Entities Common Equity Tier -1 capital (Going-Concern Capital) Perpetual bond Additional Tier 1 Capital Tier - 2 Capital (Gone-Concern Capital) General provision maintained against unclassified loan/investments General provision on off-balance sheet exposure Subordinated non-covertable zero coupon bonds Total Tier- 2 Capital available Maximum Limit of Tier-2 Capital (Considering) para 3.2 (v) including foot note no. 9 of RBCA	8 dated December 21, 2 In line of Basel III 11,659,068,600 10,285 11,750,000,000 8,166,144 2,957,002,831 26,374,247,860 39,626,140 26,334,621,720 3,340,000,000 29,674,621,720 9,092,537,000 1,195,000,000 6,000,000,000	In line of Basel III 11,659,068,600
The calculation of CRAR under Basel III has been made as per "Guidelines on Risk Based Capital AcFramework for banks in line with Basel III)" issued by Bangladesh Bank vide its BRPD Circular no. 18 Common Equity Tier -1 capital (Going-Concern Capital) Paid up capital Non-controlling (Minority) interest Statutory reserve (Note 15) General reserve Retained earnings (Note 17) Less: Regulatory adjustments Reciprocal crossholding in the CET - 1 Capital of Banking, Financial and Insurance Entities Common Equity Tier -1 capital (Going-Concern Capital) Perpetual bond Additional Tier 1 Capital Tier - 2 Capital (Gone-Concern Capital) General provision maintained against unclassified loan/investments General provision on off-balance sheet exposure Subordinated non-covertable zero coupon bonds Total Tier- 2 Capital available Maximum Limit of Tier-2 Capital (Considering) para 3.2 (v) including foot note no. 9 of RBCA Guideline)	8 dated December 21, 2 In line of Basel III 11,659,068,600 10,285 11,750,000,000 8,166,144 2,957,002,831 26,374,247,860 39,626,140 26,334,621,720 3,340,000,000 29,674,621,720 9,092,537,000 1,195,000,000 6,000,000,000 16,287,537,000	In line of Basel III 11,659,068,600 10,274 10,725,443,940 8,166,144 2,650,999,337 25,043,688,295 44,820,000 24,998,868,295 24,998,868,295 8,727,708,000 1,490,000,000 1,490,000,000 18,817,708,000 17,815,600,656
The calculation of CRAR under Basel III has been made as per "Guidelines on Risk Based Capital Ac Framework for banks in line with Basel III)" issued by Bangladesh Bank vide its BRPD Circular no. 18 Common Equity Tier -1 capital (Going-Concern Capital) Paid up capital Non-controlling (Minority) interest Statutory reserve (Note 15) General reserve Retained earnings (Note 17) Less: Regulatory adjustments Reciprocal crossholding in the CET - 1 Capital of Banking, Financial and Insurance Entities Common Equity Tier -1 capital (Going-Concern Capital) Perpetual bond Additional Tier 1 Capital Total Tier- 1 Capital Tier - 2 Capital (Gone-Concern Capital) General provision maintained against unclassified loan/investments General provision on off-balance sheet exposure Subordinated non-covertable zero coupon bonds Total Tier- 2 Capital available Maximum Limit of Tier-2 Capital (Considering) para 3.2 (v) including foot note no. 9 of RBCA Guideline) Adjustment as per RBCA Guideline	8 dated December 21, 2 In line of Basel III 11,659,068,600 10,285 11,750,000,000 8,166,144 2,957,002,831 26,374,247,860 39,626,140 26,334,621,720 3,340,000,000 29,674,621,720 9,092,537,000 1,195,000,000 6,000,000,000 16,287,537,000 17,560,159,598	In line of Basel III 11,659,068,600 10,274 10,725,443,940 8,166,144 2,650,999,337 25,043,688,295 44,820,000 24,998,868,295 24,998,868,295 8,727,708,000 1,490,000,000 8,600,000,000 18,817,708,000 17,815,600,656 2,600,000,000
The calculation of CRAR under Basel III has been made as per "Guidelines on Risk Based Capital AcFramework for banks in line with Basel III)" issued by Bangladesh Bank vide its BRPD Circular no. 18 Common Equity Tier -1 capital (Going-Concern Capital) Paid up capital Non-controlling (Minority) interest Statutory reserve (Note 15) General reserve Retained earnings (Note 17) Less: Regulatory adjustments Reciprocal crossholding in the CET - 1 Capital of Banking, Financial and Insurance Entities Common Equity Tier -1 capital (Going-Concern Capital) Perpetual bond Additional Tier 1 Capital Tier - 2 Capital (Gone-Concern Capital) General provision maintained against unclassified loan/investments General provision on off-balance sheet exposure Subordinated non-covertable zero coupon bonds Total Tier- 2 Capital available Maximum Limit of Tier-2 Capital (Considering) para 3.2 (v) including foot note no. 9 of RBCA Guideline)	8 dated December 21, 2 In line of Basel III 11,659,068,600 10,285 11,750,000,000 8,166,144 2,957,002,831 26,374,247,860 39,626,140 26,334,621,720 3,340,000,000 29,674,621,720 9,092,537,000 1,195,000,000 6,000,000,000 16,287,537,000	In line of Basel III 11,659,068,600 10,274 10,725,443,940 8,166,144 2,650,999,337 25,043,688,295 44,820,000 24,998,868,295 24,998,868,295 8,727,708,000 1,490,000,000 1,490,000,000 18,817,708,000 17,815,600,656
The calculation of CRAR under Basel III has been made as per "Guidelines on Risk Based Capital Ac Framework for banks in line with Basel III)" issued by Bangladesh Bank vide its BRPD Circular no. 18 Common Equity Tier -1 capital (Going-Concern Capital) Paid up capital Non-controlling (Minority) interest Statutory reserve (Note 15) General reserve Retained earnings (Note 17) Less: Regulatory adjustments Reciprocal crossholding in the CET - 1 Capital of Banking, Financial and Insurance Entities Common Equity Tier -1 capital (Going-Concern Capital) Perpetual bond Additional Tier 1 Capital Total Tier- 1 Capital Tier - 2 Capital (Gone-Concern Capital) General provision maintained against unclassified loan/investments General provision on off-balance sheet exposure Subordinated non-covertable zero coupon bonds Total Tier- 2 Capital available	8 dated December 21, 2 In line of Basel III 11,659,068,600 10,285 11,750,000,000 8,166,144 2,957,002,831 26,374,247,860 39,626,140 26,334,621,720 3,340,000,000 29,674,621,720 9,092,537,000 1,195,000,000 6,000,000,000 16,287,537,000	In line of Basel III 11,659,068,600 10,274 10,725,443,940 8,166,144 2,650,999,337 25,043,688,295 44,820,000 24,998,868,295 24,998,868,295 8,727,708,000 1,490,000,000 8,600,000,000 18,817,708,000

	31-Dec-22	31-Dec-21
C) Minimum total capital requirement 10% D) Capital surplus (A-C)	26,318,164,286 19,643,994,434	26,590,178,741 14,626,397,554
E) Minimum total capital plus capital conservation buffer requirement @ 12.50%	32,897,705,358	33,237,723,426
F) Capital surplus (A-E) with capital conservation buffer	13,064,453,362	7,978,852,869
Capital to risk weighted asset ratio		
Common Equity Tier- 1 to RWA (minimum 4.5% under Basel III)	10.01%	9.40%
Tier- 1 to RWA (minimum 6% under Basel III)	11.28%	9.40%
Capital to Risk Weighted Assets against minimum requirement 10%	17.46%	15.50%

14.5 Percentage of shareholdings at the closing date

Category	At 31 Decem	ıber 2022	At 31 December 2021	
	No. of shares	%	No. of shares	%
Sponsors & Directors	622,067,148	53.35	624,484,380	53.56
General Public	123,526,402	10.60	154,104,666	13.22
Institutions	304,842,383	26.15	259,562,631	22.26
Investment Companies	111,733,939	9.58	124,005,748	10.64
Non-resident Bangladeshi	1,310,082	0.11	1,322,529	0.11
Foreign Investors	2,426,906	0.21	2,426,906	0.21
	1,165,906,860	100	1,165,906,860	100

14.6 Classification of shareholders by holding

1-10 oldosinouton of oldestology holding					
Holding	No. of h	olders	% of tota	ıl holding	
	31-Dec-22	31-Dec-21	31-Dec-22	31-Dec-21	
Less than 5,000	5,709	5,823	0.52	0.55	
5,000 to 50,000	1,303	1,441	1.57	1.70	
50,001 to 100,000	89	91	0.56	0.56	
100,001 to 200,000	49	43	0.59	0.52	
200,001 to 300,000	23	19	0.50	0.41	
300,001 to 400,000	16	17	0.48	0.51	
400,001 to 500,000	7	8	0.27	0.32	
500,001 to 1,000,000	35	44	2.17	2.78	
1,000,001 to 10,000,000	68	67	21.83	20.65	
Over 10,000,000	28	30	71.50	72.00	
	7,327	7,583	100.00	100.00	

14.7 Name of the Directors and their shareholdings as at 31 December 2022

SI Name of the director	Status	Closing	Opening
	Status	position	position
Mr. Romo Rouf Chowdhury	Chairman	23,323,746	23,323,746
Mr. Mohd Safwan Choudhury	Vice Chairman	45 666 246	45,666,246
(Representing Phulbari Tea Estates Ltd)		43,000,240	45,000,240
Mr. A Rouf Chowdhury	Director	23,350,148	23,350,148
Mr. Rumee A Hossain	Director	36,216,554	36,216,554
Mrs. Hosneara Sinha	Director	53,184,729	53,184,729
Ms. Naheed Akhter Sinha	Director	55,842,838	55,842,838
Ms. Romana Rouf Chowdhury	Director	41 670 106	41,679,196
(Representing MAYA Limited)		41,079,190	41,079,190
Ms. Farhana Haq	Director	58,230,519	58,230,519
Mr. Enam Chowdhury	Director	25 050 122	25,959,122
(Representing Zest Polymers Limited)		25,959,122	25,959,122
Ms. Tania Nusrat Zaman	Director	47 558 630	47,558,630
(Representing Amiran Generations Limited)	Director	47,000,000	47,550,050
	Director	24,784,734	24,784,734
Mr. Dilwar H Choudhury (Independent Director)	Director	-	-
	Mr. Mohd Safwan Choudhury (Representing Phulbari Tea Estates Ltd) Mr. A Rouf Chowdhury Mr. Rumee A Hossain Mrs. Hosneara Sinha Ms. Naheed Akhter Sinha Ms. Romana Rouf Chowdhury (Representing MAYA Limited) Ms. Farhana Haq Mr. Enam Chowdhury (Representing Zest Polymers Limited) Ms. Tania Nusrat Zaman (Representing Amiran Generations Limited) Mr. Nafees Khundker	Mr. Romo Rouf Chowdhury Mr. Mohd Safwan Choudhury (Representing Phulbari Tea Estates Ltd) Mr. A Rouf Chowdhury Director Mr. Rumee A Hossain Director Mrs. Hosneara Sinha Director Ms. Naheed Akhter Sinha Director Ms. Romana Rouf Chowdhury Director Ms. Romana Haq Director Ms. Farhana Haq Director Mr. Enam Chowdhury (Representing Zest Polymers Limited) Ms. Tania Nusrat Zaman (Representing Amiran Generations Limited) Mr. Nafees Khundker Director	Mr. Romo Rouf Chowdhury Mr. Mohd Safwan Choudhury (Representing Phulbari Tea Estates Ltd) Mr. A Rouf Chowdhury Mr. Rumee A Hossain Mr. Hosneara Sinha Mr. Hosneara Sinha Mr. Romana Rouf Chowdhury Ms. Naheed Akhter Sinha Ms. Romana Rouf Chowdhury Ms. Romana Rouf Chowdhury Ms. Romana Rouf Chowdhury (Representing MAYA Limited) Ms. Farhana Haq Mr. Enam Chowdhury (Representing Zest Polymers Limited) Ms. Tania Nusrat Zaman (Representing Amiran Generations Limited) Mr. Nafees Khundker Chairman 23,323,746 45,666,246 45,666,246 Director 23,350,148 Director 36,216,554 Director 55,842,838 Director 55,842,838 Director 58,230,519 Director 25,959,122

			31-Dec-22	31-Dec-21
13	Mr. Ashraful Haq Chowdhury (Independent Director)	Director	-	
14	Mr. Md. Abul Quasem (Independent Director)	Director	-	-
15	Mr. M. A. Baqui Khalily (Independent Director)	Director	-	-
16	Mr. Helal Ahmed Chowdhury (Independent Director)	Director	-	-
	itory reserve		10 705 440 040	0.044.000.744
	nce at the beginning of the year Addition during the year		10,725,443,940 1,024,556,060	9,844,096,744 881,347,196
	nce at the end of the year	_	11,750,000,000	10,725,443,940
	Statutory reserve	_		
	Asia Limited	_	8,166,144	8,166,144
		_	0,100,144	0,100,144
-	a) Consolidated General and other reserve		0.400.444	0.400.444
	: Asia Limited : Asia Securities Limited		8,166,144	8,166,144
	pening Balance		150,947	-
	Idition during the year		1,609,440	150,947
	djustment made during the year			
Cl	osing Balance	_	1,760,387 9,926,531	150,947 8,317,091
		_	9,920,331	0,317,091
	luation reserve			
	securities (Note 16.1)		82,779,825	61,048,535
	securities (Note 16.2)		157,340,380	167,454,171
Fixed	d Assets revaluation (Note 16.3)	_	1,876,926,919	1,930,642,171
16.1	Revaluation reserve on HTM securities	_	2,117,047,124	2,159,144,877
	nce at 1 January		61,048,535	46,593,577
	from revaluation on investments		25,706,970	22,232,864
Adjus	stment for sale/maturity of securities	_	(3,975,680)	(7,777,906)
16.2	Revaluation reserve on HFT securities	=	82,779,825	61,048,535
	nce at 1 January		167,454,171	1,746,995,202
	from revaluation on investments		449,360,664	5,282,090,860
	stment for sale/maturity of securities		(459,474,455)	(6,861,631,891)
,	•	_	157,340,380	167,454,171
16.2	Revaluation reserve on Fixed Assets			
	nce at 1 January		1,930,642,171	1,984,357,423
	eciation charged during the year		(53,715,252)	(53,715,252)
Борг	oblation onlying the your	_	1,876,926,919	1,930,642,171
16 (2) Consolidated Revaluation reserve	-		, , ,
-	Asia Limited		2,117,047,124	2,159,144,877
	Asia Securities Limited		-	2,100,144,077
	xchange Company (UK) Limited		-	-
BA E	xpress USA, Inc	_		2,159,144,877
47 D.L.:	and continue	_	2,117,047,124	2,139,144,011
	ned earnings nce at 1 January		2 204 015 050	2 001 617 001
Add:			2,804,815,058 3,045,871,705	2,091,617,881 2,706,735,981
/ luu.	Revaluation reserve transferred to retained earnings		53,715,252	53,715,252
	-	_	5,904,402,015	4,852,069,114
Less			1,748,860,290	1 105 000 000
	Issue of cash dividend for the year 2020 Transfer to statutory reserve		1,024,556,060	1,165,906,860 881,347,196
	Coupon/dividend on perpetual bond		25,016,438	-
		_	2,798,432,788	2,047,254,056
		_	3,105,969,227	2,804,815,058

			Amount in Tak
		31-Dec-22	31-Dec-21
17(a) Conso	lidated Retained earnings		
Balance at 1	_	2,650,999,337	1,918,254,038
	eign exchange revaluation reserve for opening retained earnings	-	(1,835,153)
	valuation reserve transferred to retained earnings	53,715,252	53,715,252
	st- tax profit for the year	3,052,330,481	2,728,270,279
	n controlling interest		76
	· ·	5,757,045,059	4,698,404,340
Less: Issu	e of cash dividend for the year 2021	1,748,860,290	
	e of cash dividend for the year 2020	-	1,165,906,860
	sferred to statutory reserve	1,024,556,060	881,347,196
	pon/dividend on perpetual bond	25,016,438	
Tran	sferred to General and other reserve	1,609,440	150,947
		2,800,042,228	2,047,405,003
		2,957,002,831	2,650,999,337
(b) Non-cont	rolling (Minority) interest		
Bank Asia Se	ecurities Limited	10,285	10,274
BA Exchange	e Company (UK) Limited	-	
BA Express l		-	
•		10,285	10,274
Contingent	liabilities		
_	and Islamic banking	153,506,750,679	173,948,946,762
Off-shore ba	<u> </u>	56,521,785	16,585,630
		153,563,272,464	173,965,532,392
Acceptances	and endorsements (Note 18.1)		-,,
	ntional and Islamic banking	57,446,507,689	62,539,512,475
	ore banking unit	14,488,854	
	•	57,460,996,543	62,539,512,475
Letters of gu			
	ntional and Islamic banking (Note 18.2)	38,211,461,475	37,395,022,735
Off-sho	ore banking unit	667,610	560,859
		38,212,129,085	37,395,583,594
	etters of credit	00 750 470 405	10.500.755.046
	ntional and Islamic banking (Note 18.3)	28,759,170,485	46,592,755,948
OTT-Sho	ore banking unit	16,079,604	16,024,771
Bills for colle	etion	28,775,250,089	46,608,780,719
	ction ttional and Islamic banking (Note 18.4)	27,331,428,035	24,377,029,730
	ore banking unit	25,285,717	24,577,029,730
011-5110	of banking unit	27,356,713,752	24,377,029,730
Other comm	itments	21,000,110,102	24,011,020,100
	ntional and Islamic banking (Note 18.5)	1,758,182,995	3,044,625,874
	ore banking unit	-	0,044,020,074
OII OIIC	no balliang and	1,758,182,995	3,044,625,874
		153,563,272,464	173,965,532,392
404.8			
_	tances and endorsements	57,440,507,000	00 500 540 475
	and Islamic banking	57,446,507,689	62,539,512,475
Off-shore ba	nking unit	<u>14,488,854</u> 57,460,996,543	62,539,512,475
40.0:		27,100,000,040	02,000,012,410
	s of guarantee	00 005 457 000	00.045.550.04
•	arantee (Local)	22,825,157,280	22,815,550,34
Letters of gu	arantee (Foreign)	15,386,304,195	14,579,472,392
		38,211,461,475	37,395,022,735

31-Dec-22	31-Dec-21
-	-
26,475,797,111	26,675,385,012
1,968,793,268	2,104,717,664
9,766,871,096	8,614,920,059
38,211,461,475	37,395,022,735
3,399,516,690	4,948,179,357
21,691,897,669	35,500,951,363
3,667,756,126	6,143,625,228
28,759,170,485	46,592,755,948
16,968,980,243	17,066,924,015
10,362,447,792	7,310,105,715
27,331,428,035	24,377,029,730
1,758,182,995	3,044,625,874
	26,475,797,111 1,968,793,268 9,766,871,096 38,211,461,475 3,399,516,690 21,691,897,669 3,667,756,126 28,759,170,485 16,968,980,243 10,362,447,792 27,331,428,035

18.6 Workers' profit participation fund (WPPF)

As per Bangladesh Labour Act 2006 and SRO no. 336/Law/2010, all companies falling within the scope of WPPF are required to provide 5% of its profit before charging such expense to their eligible employees within the stipulated time. Bank obtained opinion from its legal advisor regarding this issue which stated that the Bank is not required to make provision for WPPF as it is not within the scope of WPPF. As such the Bank did not make any provision during the year for WPPF.

19 Income statement

Income:		
Interest, discount and similar income (Note 19.1)	26,605,150,451	25,029,338,381
Dividend income (Note 22.1)	88,244,680	136,087,793
Fees, commission and brokerage (Note 19.2)	1,825,653,628	1,634,656,721
Gains/ less Losses arising from dealing securities	-	-
Gains/ less Losses arising from investment securities	415,604	24,181,171
Gains/ less Losses arising from dealing in foreign currencies (Note 23.1)	5,490,530,270	1,533,729,532
Income from non-banking assets	-	-
Other operating income (Note 24)	1,138,685,128	1,036,304,780
Profit/ less Losses on interest rate changes	-	-
•	35,148,679,761	29,394,298,378
Expenses:		
Interest paid/profit shared on deposits and borrowings, etc (Note 21)	14,916,319,233	12,700,889,562
Administrative expenses (Note 19.3)	6,116,677,750	4,722,660,291
Other expenses (Note 34)	2,582,537,751	2,007,368,660
Depreciation on banks assets (Note 33.1)	838,340,083	770,847,799
	24,453,874,817	20,201,766,312
	10,694,804,944	9,192,532,066
19.1 Interest, discount and similar income		
Interest income/profit on investments (Note 20)	20,423,046,139	18,340,772,912
Interest on treasury bills/reverse repo/bills	5,583,800,846	3,908,121,855
Interest income on corporate bonds	342,470,619	346,609,674
Interest on debentures	202,502,475	189,676,820
Income from investment in shares, bonds etc	-	-
Capital gain on Government securities and assets	53,330,372	2,244,157,120
	<u>26,605,150,451</u>	25,029,338,381
19.2 Fees, commission and brokerage		
Commission	1,825,653,628	1,634,656,721
Brokerage		-,,,
Diolotago	1,825,653,628	1,634,656,721
	1,020,000,020	1,007,000,721

		Amount in Taka
	31-Dec-22	31-Dec-21
40.2 Administrative sympasses		
19.3 Administrative expenses		
Salaries and allowances (Note 25)	5,045,556,865	3,870,113,954
Rent, taxes, insurance, electricity, etc (Note 26)	578,252,761	480,758,487
Legal expenses (Note 27)	25,413,828	16,556,291
Postage, stamp, telecommunication, etc (Note 28)	153,111,892	118,317,263
Stationery, printing, advertisement, etc (Note 29)	174,289,799	116,093,929
Managing Director's salary and fees (Note 30)	18,854,125	20,401,265
Directors' fees (Note 31)	3,024,000	4,040,000
Auditors' fees (Note 32)	955,000	977,625
Repair of Bank's assets (Note 33.1)	117,219,480	95,401,477
Hopaii of Dank's associa (Note 55.1)	6,116,677,750	4,722,660,291
On an overall basis, the bank has taken initiative to save extra cost against total target costs for the no. 28 dated July 26, 2022 and 30 dated July 27, 2022.	second half of 2022 un	der BRPD circular
20 Interest income/profit on investments		
Conventional and Islamic banking (Note 20.1)	19,005,809,058	17,596,574,931
Off-shore banking unit	1,452,752,732	861,488,771
	20,458,561,790	18,458,063,702
Less: inter transaction between OBU and Conventional banking	35,515,651	117,290,790
Less. Their transaction between obo and conventional banking	20,423,046,139	18,340,772,912
	20,423,040,139	10,340,772,912
20.1 Conventional and Islamic banking		
Agricultural loan	319,316,834	230,248,953
Cash credit/Bai Murabaha (Muajjal)	385,901,543	450,478,260
Credit card	449,958,131	396,593,918
Credit for poverty alleviation scheme-micro credit	109,760	63,645
Consumer credit scheme	1,381,621,172	1,287,781,175
Demand loan	2,078,318,118	2,293,343,863
Export Development Fund (EDF)	313,368,284	179,315,733
House building loan	130,161,666	146,408,154
Loans (General)	2,321,183,500	1,843,566,090
Loans against trust receipts/ Bai Murabaha post import	768,551,032	851,496,676
Overdrafts/ Quard against scheme	2,745,803,049	2,669,590,719
Packing credit	56,008,697	42,759,146
Payment against documents	20,035,972	10,033,865
Staff loan	87,177,151	74,902,706
Transport loan	169,834,986	184,755,553
Term loan- industrial	2,185,309,996	2,480,006,904
Term loan- others	2,249,608,284	1,983,400,312
Foreign bills purchased	35,128,242	7,535,041
Local bills purchased	121,156,955	102,772,448
Loan Under Covit-19 Stimulus Pkg	496,557,597	1,000,763,628
Total interest/profit on loans and advances/investments	16,315,110,969	16,235,816,789
Interest/profit on balance with other banks and financial institutions	2,668,233,248	1,359,097,512
Interest/profit received from foreign banks	22,464,841	1,660,630
	19,005,809,058	17,596,574,931
20(a) Consolidated Interest income/profit on investments		
Bank Asia limited	20,423,046,139	18,340,772,912
Bank Asia Securities Ltd	160,281,453	231,094,069
BA Exchange Company (UK) Limited		201,007,000
	-	-
BA Express USA, Inc		10 571 000 001
Land Jakon annua and Jamas Para	20,583,327,592	18,571,866,981
Less: Inter-company transactions	98,878,292	149,649,645
	20,484,449,300	18,422,217,336

		Amount in Taka
	31-Dec-22	31-Dec-21
4 Interest weid/westit showed on denseits and howeveries of		
1 Interest paid/profit shared on deposits and borrowings etc.	10 007 001 705	10 001 000 000
Conventional and Islamic banking (Note 21.1)	13,937,691,785	12,361,833,326
Off-shore banking unit	1,014,143,099	456,347,026
I I I I I I I I I I I I I I I I I I I	14,951,834,884	12,818,180,352
Less: inter transaction with OBU	35,515,651	117,290,790
01.1 Conventional and Islamia hanking	14,916,319,233	12,700,889,562
21.1 Conventional and Islamic banking Interest paid/profit shared on deposits		
	E 002 010 2E7	4 00E E01 007
Fixed deposits/ Mudaraba Fixed deposit	5,993,819,357	4,335,521,237
Scheme deposits	5,218,663,228	5,431,369,895
Sanchaya plus	43,627,266	40,834,844
Savings deposits/ Mudaraba Savings bank	1,416,936,278	1,446,078,240
Special notice deposits	643,052,201	337,207,272
	13,316,098,330	11,591,011,488
Interest on borrowings and others		
Local banks including Bangladesh Bank	51,521,260	38,813,775
Interest on subordinated non-covertable bond	567,929,314	731,753,425
Foreign banks	2,142,881	254,638
	621,593,455_	770,821,838
	13,937,691,785_	12,361,833,326
21(a) Consolidated Interest Expenses/profit paid on Deposits		
Bank Asia limited	14,916,319,233	12,700,889,562
Bank Asia Securities Limited	119,900,685	176,722,894
Bank Asia Securities Ltd	-	-
BA Express USA, Inc	-	-
	15,036,219,918	12,877,612,456
Less: Inter-company transactions	98,878,292	149,649,645
	14,937,341,626	12,727,962,811
2 Investment income		
	0.070.704.500	0.040.004.400
Conventional and Islamic banking (Note 22.1)	6,270,764,596	6,848,834,433
Off-shore banking unit		-
	6,270,764,596	6,848,834,433
22.1 Conventional and Islamic Banking		
Interest on treasury bills	1,829,572,795	387,232,252
Interest on treasury bonds	3,505,721,296	3,514,386,015
Interest income on corporate bonds	342,470,619	346,609,674
Interest on Islamic bonds	1,300,991	6,226,273
Capital gain from investment in shares	415,604	24,181,171
Dividend on shares	88,244,680	136,087,793
Profit on Govt Investment SUKUK	202,502,475	189,676,820
Capital gain on Government securities	53,330,372	2,244,157,120
Interest on reverse repo	247,205,764	277,315
	6,270,764,596	6,848,834,433
erest income on corporate bonds includes dividend income from perpetual bonds Tk. 187,2		
	100,010 (2021111111100,001,022)	
22(a) Consolidated investment income	0.070.704.500	0.040.004.400
Bank Asia Limited	6,270,764,596	6,848,834,433
Bank Asia Securities Limited BA Exchange Company (UK) Limited	-	-
BA Express USA, Inc	- -	-
5. (S.p. 300 00) ij iilo	6,270,764,596	6,848,834,433
Less: Inter-company transactions		<u>-</u>
	6,270,764,596	6,848,834,433

		AIIIUUIIL III Taka
	31-Dec-22	31-Dec-21
23 Commission, exchange and brokerage		
Conventional and Islamic banking (Note 23.1)	7,259,202,384	3,156,545,125
Off-shore banking unit	56,981,514	11,841,128
on onoto bulking unit	7,316,183,898	3,168,386,253
23.1 Conventional and Islamic Banking		0,100,000,200
	070 701 070	000 000 000
Commission on L/C	276,791,670	280,239,889
Commission on back to back L/C against Export Fees and commission including Export	819,708,152	764,754,486
Commission on L/G	288,985,233 329,703,175	211,398,936 276,648,417
Commission on export	11,845,859	5,366,953
Commission on PO, DD, TT, TC, etc	35,422,694	35,724,045
Other commission	6,215,331	48,682,867
Otto Commission	1,768,672,114	1,622,815,593
Foreign exchange gain	5,490,530,270	1,533,729,532
1 oroigii oxonango gain	7,259,202,384	3,156,545,125
22/a) Canadidated Commission, evaluate and hydrogen	.,===,===.	3,100,010,120
23(a) Consolidated Commission, exchange and brokerage	7 210 102 200	0.100.000.050
Bank Asia limited	7,316,183,898 195,774,974	3,168,386,253
Bank Asia Securities Ltd BA Exchange Company (UK) Limited	27,725,518	294,493,388 23,534,818
BA Exchange Company (OK) Limited BA Express USA, Inc	115,659,529	76,182,143
DA EXPIESS COA, IIIC	7,655,343,919	3,562,596,602
24 Other operating income	7,000,040,010	0,002,000,002
Conventional and Islamic banking (Note 24.1)	1,127,546,959	1,019,374,422
Off-shore banking unit	11,138,169	16,930,358
·	1,138,685,128	1,036,304,780
24.1 Conventional and Islamic banking		
Locker charge	12,967,350	12,159,700
Service and other charges	553,433,147	507,502,894
Master/Visa card fees and charges	359,977,730	310,674,269
Postage/telex/SWIFT/fax recoveries	123,266,754	129,699,133
Profit on sale of fixed assets	-	15,800
Non-operating income	22,489,892	10,949,554
Rebate on nostro account	55,412,086	48,373,072
	1,127,546,959	1,019,374,422
24 (a) Consolidated other operating income		
Bank Asia Limited	1,138,685,128	1,036,304,780
Bank Asia Securities Ltd	76,835,465	148,131,302
BA Exchange Company (UK) Limited	2,205,291	631,997
BA Express USA, Inc	207,532	253,613
	1,217,933,416	1,185,321,692
25 Salaries and allowances		
Conventional and Islamic banking (Note 25.1)	5,036,303,827	2 067 422 607
		3,867,432,687
Off-shore banking unit	9,253,038	2,681,267
	5,045,556,865	3,870,113,954
25.1 Conventional and Islamic banking		
Basic salary	1,696,369,921	1,380,984,008
Allowances	1,636,072,591	1,455,910,304
Festival bonus	255,435,041	234,384,584
Gratuity	865,326,617	362,400,000
Provident fund contribution	163,099,657	133,753,791
Performance bonus	420,000,000	300,000,000
	5,036,303,827	3,867,432,687

		Amount in Taka
	31-Dec-22	31-Dec-21
25(a) Consolidated Salaries and allowances		
Bank Asia Limited	5,045,556,865	3,870,113,954
Bank Asia Securities Ltd	92,687,337	86,960,433
BA Exchange Company (UK) Limited	14,381,908	13,337,732
BA Express USA, Inc	27,681,514	24,609,230
	5,180,307,624	3,995,021,349
26 Rent, taxes, insurance, electricity etc.		
Rent expenses (26.1)	493,825,552	464,663,480
Insurance	267,239,390	209,962,041
Power and electricity	123,087,328	121,017,780
	884,152,270	795,643,301
Less: Adjustment as per "IFRS 16: Leases"	410,573,674	419,543,010
Add: Interest portion on lease liabilities	104,674,165	104,658,196
	578,252,761	480,758,487
26.1 The amount represents actual rent expense before adjustment as per IFRS 16: L given below:	eases. Business segment wise actual	rent expense is
Conventional banking	481,980,758	456,173,379
Islamic banking	11,558,779	8,230,910
Off-shore banking unit	286,015	259,191
	493,825,552	464,663,480
26(a) Consolidated Rent, taxes, insurance, electricity etc.		
Bank Asia Limited	578,252,761	480,758,487
Bank Asia Securities Ltd	9,152,626	8,075,242
BA Exchange Company (UK) Limited	3,479,995	2,215,594
BA Express USA, Inc	16,020,697	13,982,599
	606,906,079	505,031,922
27 Legal expenses		
Conventional and Islamic banking (Note 27.1)	25,338,865	16 556 201
Off-shore banking unit	20,336,600 74,963	16,556,291
OIT-SHOLE DAILNING WHILE	25,413,828	16,556,291
	20,410,020	10,000,201
27.1 Conventional and Islamic Banking		
Legal expenses	25,338,865	16,556,291
Other professional charges	<u> </u>	-
	25,338,865	16,556,291
27(a) Consolidated Legal expenses		
Bank Asia Limited	25,413,828	16,556,291
Bank Asia Securities Ltd	665,869	461,598
BA Exchange Company (UK) Limited	263,670	71,519
BA Express USA, Inc	26,343,367	469,357 17,558,765
	20,040,007	17,000,700
28 Postage, stamps, telecommunication etc.		
Conventional and Islamic banking (Note 28.1)	152,491,855	117,729,891
Off-shore banking unit	620,037	587,372
	153,111,892	118,317,263
28.1 Conventional and Islamic banking		
Telephone, courier and postage	92,799,799	70,479,084
Master/VISA card process fee	27,108,934	18,804,255
ATM charge	3,584,107	2,291,285
SWIFT and Reuter charge Internet	24,427,936 4,571,079	23,037,929 3,117,338
internet	152,491,855	117,729,891

		AIIIOUIII III Taka
	31-Dec-22	31-Dec-21
28(a) Consolidated Postage, stamps, telecommunication etc.		
Bank Asia Limited	153,111,892	118,317,263
Bank Asia Securities Ltd	2,601,323	2,166,306
BA Exchange Company (UK) Limited	354,215	385,400
BA Express USA, Inc	1,423,372	380,061
29 Stationery, printing, advertisements etc.	157,490,802	121,249,030
Conventional and Islamic banking (Note 29.1)	174,196,354	116,060,261
Off-shore banking unit	93,445	33,668
on choic banking and	174,289,799	116,093,929
29.1 Conventional and Islamic banking		
Office and security stationery	68,834,997	49,046,627
Calendar, diary, souvenir, etc	23,348,620	19,271,249
ATM card /Supplies And Stationeries	26,457,880	18,939,363
Books and periodicals	1,991,278	1,335,646
Publicity and advertisement	53,563,579	27,467,376
r abilioty and advortisorment	174,196,354	116,060,261
29(a) Consolidated Stationery, printing, advertisements etc.		, ,
Bank Asia Limited	174,289,799	116,093,929
Bank Asia Securities Ltd	660,159	743,405
BA Exchange Company (UK) Limited	1,705,328	1,241,108
BA Express USA, Inc	1,016,427	778,408
5.1.2.proce co. ,o	177,671,713	118,856,850
30 Managing Director's salary and fees		
Basic salary	9,158,649	10,982,968
House rent allowance	2,032,708	2,400,000
Entertainment allowances	423,135	600,000
Incentive bonus	1,471,100	880,000
Festival bonus	2,129,600	1,760,000
Utility allowance and others	1,234,177	1,200,000
House maintenance allowance	657,252	600,000
Provident fund	779,504	1,098,297
Leave fare assistance	968,000	880,000
	18,854,125	20,401,265
31 Directors' fees		
Directors' fees	3,024,000	4,040,000
31(a) Consolidated Directors' fees		
Bank Asia Limited	3,024,000	4,040,000
Bank Asia Securities Ltd.	440,000	319,000
BA Exchange Company (UK) Limited	-	-
BA Express USA, Inc	-	_
,	3,464,000	4,359,000
32 Auditors' fees		
Audit fees	955,000	977,625
Others	-	311,023
Guioro	955,000	977,625
		011,020

		Amount in Tak
	31-Dec-22	31-Dec-21
32(a) Consolidated Auditors fees		
Bank Asia Limited	955,000	977,625
Bank Asia Securities Ltd	76,667	76,667
BA Exchange Company (UK) Limited	673,200	720,909
BA Express USA, Inc	1,934,922	1,622,149
	3,639,789	3,397,350
3 Depreciation and repair of Bank's assets		
Conventional and Islamic banking (Note 33.1)	955,531,466	866,249,276
Off-shore banking unit	28,097	-
	955,559,563	866,249,276
33.1 Conventional and Islamic banking		
Depreciation		
Owned assets	527,090,901	770,847,799
Leased assets	311,221,085	-
.	838,311,986	770,847,799
Repairs	10.001.400	0.044.001
Building Furniture and fintures	12,021,430	9,344,331
Furniture and fixtures	4,474,908	3,606,055
Equipments	20,612,629 37,108,967	21,210,990
Maintenance	80,110,513	34,161,376 61,240,101
Maintenance	955,531,466	866,249,276
33(a) Consolidated Depreciation and repairs of Bank's assets		· · · ·
Bank Asia Limited	955,559,563	866,249,276
Bank Asia Securities Ltd	21,997,848	20,197,492
BA Exchange Company (UK) Limited	621,925	292,598
BA Express USA, Inc	1,371,372	1,666,069
	979,550,708	888,405,435
4 Other expenses		
Conventional and Islamic banking (Note 34.1)	2,563,932,243	1,980,749,343
Off-shore banking unit	18,605,508	26,619,317
	2,582,537,751	2,007,368,660
34.1 Conventional and Islamic banking		
Car expenses	419,487,683	326,270,935
Contractual service expenses	771,548,450	761,415,548
Computer expenses	197,834,767	158,856,357
Other management and administrative expenses	422,098,729	460,732,208
Entertainment	65,181,056	41,354,916
AGM/EGM expenses	11,730,614	500,000
Payment to superannuation fund	15,320,000	7,320,000
Donation and subscription to institutions	627,643,701	208,151,353
Travelling expenses	15,666,461	9,939,328
Training and internship	16,920,782	5,708,698
Sharia council fees	500,000	500,000
	2,563,932,243	1,980,749,343

As per Bangladesh Bank letter ref: BRPD(CMS)651/9(24) Kha/2022-12037 dated November 29,2022 Bank has to transfer CSR fund equivalent to 50% of the income generated from Exchange Gain for the month of May-June 2022 after net of tax.

		Amount in Taka
	31-Dec-22	31-Dec-21
34(a) Consolidated other expenses		
Bank Asia Limited	2,582,537,751	2,007,368,660
Bank Asia Securities Ltd	12,896,931	24,213,486
BA Exchange Company (UK) Limited	4,928,273	8,807,334
BA Express USA, Inc	67,322,015	23,883,134
	2,667,684,970	2,064,272,614
34(b) Provision for loans and advances/investments and off-balance sheet items		
Conventional and Islamic banking	4,193,165,937	4,675,466,021
Off-shore banking unit	(44,232,698)	110,330,064
on shore banking and	4,148,933,239	4,785,796,085
	.,	.,
Break up of provision for loans and advances/Investments is shown below:		
General provision		(, , , , , , , , , , , , , , , , , , ,
Conventional and Islamic banking	2,511,924,060	(1,223,410,933)
Off-shore banking unit	(44,632,060)	110,518,933
Consider provide a	2,467,292,000	(1,112,892,000)
Specific provision	1 700 041 000	E 000 000 00E
Conventional and Islamic banking Off-shore banking unit	1,726,641,239	5,263,688,085
OII-SHOLE DANKING UNIL	1,726,641,239	5,263,688,085
Provision for off-balance sheet items	1,720,041,239	3,203,000,003
Conventional and Islamic banking	(295,399,362)	485,188,869
Off-shore banking unit	399,362	(188,869)
on onoto banking anic	(295,000,000)	485,000,000
Provision for diminution in value of investments	-	-
Other provisions	250,000,000	150,000,000
·	4,148,933,239	4,785,796,085
34(c) Consolidated Provision for loans and advances/investments		
Bank Asia Limited	4 1 40 000 000	4 70E 70C 00E
Bank Asia Securites Limited:	4,148,933,239	4,785,796,085
Specific Provision	100,000,000	8,000,000
Provision for diminution in value of investments	100,000,000	51,208,223
Other provisions	_	- 1
	100,000,000	59,208,223
BA Exchange Company (UK) Limited	-	-
BA Express USA, Inc	-	-
	4,248,933,239	4,845,004,308
Receipts from other operating activities		
Conventional and Islamic banking (Note 35.1)	1,181,292,935	2 207 712 712
Off-shore banking unit	11,138,169	3,287,712,713 16,930,358
On-Shore banking unit	1,192,431,104	3,304,643,071
	1,132,431,104	3,304,043,071
35.1 Conventional and Islamic banking		
Locker charge	12,967,350	12,159,700
Service and other charges Master card fees and charges	553,433,147 359,977,730	507,502,894 310,674,269
Postage/telex/SWIFT/ fax recoveries	123,266,754	129,699,133
Non-operating income	131,647,954	2,327,676,717
	1,181,292,935	3,287,712,713
35(a) Consolidated Receipts from other operating activities		
Bank Asia Limited	1,192,431,104	3,304,643,071
Bank Asia Securities Ltd	76,835,465	148,131,302
BA Exchange Company (UK) Limited	2,205,291	631,997

BA Express USA, Inc			AIIIUUIII III Idha
Less: Inter- companies transactions		31-Dec-22	31-Dec-21
Less: Inter- companies transactions	RA Evnress IISA Inc	207 532	253 613
Less: inter- companies transactions	DA EXPIGOS GOA, IIIC	1.271.679.392	
36 Payments for other operating activities 3,343,257,834 2,621,541,081 3,043,257,834 2,621,541,081 3,043,257,834 2,621,541,081 3,043,257,834 2,621,541,081 3,043,257,834 2,621,541,081 3,043,257,834 2,621,541,081 3,043,257,834 2,621,541,081 3,043,200	Less: inter- companies transactions	-	-
Conventional and Islamic banking (Note 36.1) 3.34, 257,834 2.62,154.10.83 2.68,78,508 3.362,149,357 2.648,419,591 3.61. Conventional and Islamic banking First (rates and taxes 577,966,746 480,499,296 1.69,262,202,203 2.64,419,591 3.61. Conventional and Islamic banking First (rates and taxes 577,966,746 480,499,296 1.69,262,203 2.64,362,303 2.64,362,303 2.64,362,303 2.64,362,303 2.64,362,363 2		1,271,679,392	3,453,659,983
Conventional and Islamic banking (Note 36.1) 3.34, 257,834 2.62,154.10.83 2.68,78,508 3.362,149,357 2.648,419,591 3.61. Conventional and Islamic banking First (rates and taxes 577,966,746 480,499,296 1.69,262,202,203 2.64,419,591 3.61. Conventional and Islamic banking First (rates and taxes 577,966,746 480,499,296 1.69,262,203 2.64,362,303 2.64,362,303 2.64,362,303 2.64,362,303 2.64,362,363 2	36 Payments for other operating activities		
		3 343 257 834	2 621 5/1 082
3.362,149,357 2,646,419,591			
Rent, rates and taxes	on short builting unit		
Rent, rates and taxes			, ,
Legal expenses 25.413.828 16.556.291 3.024.000 4.040.000 Postage, stamp, telecommunication, etc 153.111.892 118.317.263 0ther expenses 2.569.392.243 1.900.749.343 1.865.125 20.041.265 2.569.392.243 1.900.749.343 2.621.541.083 3.640.000 9.77.625 3.343.257.834 2.621.541.083 3.640.000 9.77.625 3.343.257.834 2.621.541.083 3.640.000 9.77.625 9.650.000 9.77.625 9.650.000 9.77.625 9.650.000 9.77.625 9.650.000 9.77.625 9.650.000 9.77.625 9.650.000 9.77.625 9.650.000 9.77.625 9.650.000 9.77.625 9.650.000 9.77.625 9.650.000 9.77.625 9.650.000 9.67.635 9.6	36.1 Conventional and Islamic banking		
Directors' fees	, ,		
Postage, stamp, telecommunication, etc			
Other expenses 2,563,392,243 1,980,749,343 Managing Director's salary 18,854,125 20,401,265 Auditors' fee 955,000 977,625 3,343,257,834 2,621,541,083 36(a) Payments for other operating activities Bank Asia Limited 3,362,149,357 2,648,419,591 Bank Asia Eccurities Ltd 25,833,416 35,212,299 BA Exchange Company (UK) Limited 9,699,333 12,200,756 BA Express USA, Inc 86,701,006 40,337,200 Tearnings per share (EPS) 3,045,871,705 2,736,269,946 37 Earnings per share (EPS) Net profit after tax (Numerator) 3,045,871,705 2,706,735,981 Number of ordinary shares outstanding (Denominator) 1,165,906,860 1,165,906,860 Earnings per share (EPS) 3,052,330,481 2,728,270,279 Number of ordinary shares outstanding (Denominator) 1,165,906,860 1,165,906,860 Earnings per share (EPS) 3,052,330,481 2,728,270,279 Number of ordinary shares outstanding (Denominator) 1,165,906,860 1,165,906,860 Earnings per share (
Managing Director's salary			
Auditors' fee 95,000 977,625 3,343,257,834 2,621,541,083 36(a) Payments for other operating activities Bank Asia Limited 3,362,149,357 2,648,419,591 Bank Asia Securities Ltd 25,833,416 35,312,299 BA Exchange Company (LK) Limited 25,833,416 35,312,299 BA Exchange Company (LK) Limited 86,701,006 40,337,300 3,484,383,132 2,736,269,346 34,320,320 3,484,383,132 2,736,269,346 37 Earmings per share (EPS) 3,045,871,705 2,706,735,981 Number of ordinary shares outstanding (Denominator) 3,045,871,705 2,706,735,981 1,165,906,860 1,165,906,860 2,61 2,23 2,2			
3,343,267,834 2,621,541,083 3,343,267,834 2,621,541,083 3,362,149,357 2,648,419,591 3,362,149,357 2,648,419,591 3,362,149,357 2,648,419,591 3,362,149,357 2,648,419,591 3,362,149,357 2,648,419,591 3,362,139,341 3,53,12,299 3,684,299,353 12,200,756 3,670,006 40,337,300 3,484,383,132 2,736,269,346 3,542,390 3,484,383,132 2,736,269,346 3,542,390 3,484,383,132 2,736,269,346 3,542,390 3,484,383,132 2,736,269,346 3,542,390 3,484,383,132 2,736,269,346 3,542,390 3,484,383,132 2,736,269,346 3,542,390 3,484,383,132 2,736,269,346 3,542,390 3,484,383,132 2,736,269,346 3,542,390 3,484,383,132 2,736,269,346 3,484,383,132 3,484,38			
Sank Asia Limited 3,362,149,357 2,648,419,591 3,531,2299 3,648,438,331,2299 3,648,438,331,332 3,212,299 3,648,438,333 3,220,756 3,648,438,333 3,220,756 3,648,438,333 3,220,756 3,648,438,333 3,220,756 3,648,438,333 3,248,4383,332 2,736,269,946 3,748,4383,332 2,736,269,946 3,748,736 3,484,383,132 2,736,269,946 3,748,736 3,045,871,705 2,706,735,981 3,045,871,705 2,706,735,981 3,045,871,705 2,706,735,981 3,045,871,705 2,706,735,981 3,045,871,705 2,706,735,981 3,045,871,705 2,706,735,981 3,045,871,705 2,706,735,981 3,045,871,705 2,706,735,981 3,045,871,705 2,706,735,981 3,045,871,705 2,706,735,981 3,045,871,705 2,706,735,981 3,045,871,705 3,045,871,70	Auditors lee		
Bank Asia Limited 3,362,149,357 2,648,419,591 Bank Asia Securities Ltd 25,833,416 35,312,299 BA Exchange Company (UK) Limited 9,699,353 12,200,756 BA Express USA, Inc 86,701,006 40,337,300 3,484,383,132 2,736,269,946 37 Earnings per share (EPS) Net profit after tax (Numerator) 3,045,871,705 2,706,735,981 Number of ordinary shares outstanding (Denominator) 1,165,906,860 1,165,906,860 Earnings per share (EPS) 2,61 2,32 37(a) Consolidated Earnings per share (EPS) Net profit after tax (Numerator) 3,052,330,481 2,728,270,279 Number of ordinary shares outstanding (Denominator) 1,165,906,860 1,165,906,860 Earnings per share (EPS) 2,62 2,34 38 Reconciliation of net profit with cash flows from operating activities (Solo basis) Profit before tax as per profit and loss account 6,545,871,705 4,406,735,981 Adjustment for non-cash items: 2,90,000,000 485,000,000 Provision for Loans and advances 4,193,933,239 4,150,796,085		0,040,201,004	2,021,041,000
Bank Asia Securities Ltd 25,833,416 35,312,299 BA Exchange Company (UK) Limited 9,699,353 12,200,756 BA Express USA, Inc 86,701,006 40,337,300 3,484,383,132 2,736,269,946 37 Earnings per share (EPS) 3,045,871,705 2,706,735,981 Number of ordinary shares outstanding (Denominator) 1,165,906,860 1,165,906,860 Earnings per share (EPS) 3,052,330,481 2,728,270,279 Number of ordinary shares outstanding (Denominator) 3,052,330,481 2,728,270,279 Number of ordinary shares outstanding (Denominator) 1,165,906,860 1,165,906,860 Earnings per share (EPS) 2,62 2,34 Reconciliation of net profit with cash flows from operating activities (Solo basis) 4,406,735,981 Profit before tax as per profit and loss account 6,545,871,705 4,406,735,981 Adjustment for non-cash items (295,000,000) 485,000,000 Provision for Off balance sheet items (295,000,000) 485,000,000 Provision for Off balance sheet items (295,000,000) 150,000,000 Depreciation of Property plant and equipment 955,559,563 86	36(a) Payments for other operating activities		
BA Exchange Company (UK) Limited 9,699,353 12,200,756 BA Express USA, Inc 36,701,006 40,337,300 37 Earnings per share (EPS) 3,484,383,132 2,736,269,946 37 Earnings per share (EPS) 3,045,871,705 2,706,735,981 Number of ordinary shares outstanding (Denominator) 1,165,906,860 1,165,906,860 Earnings per share (EPS) 3,052,330,481 2,728,270,279 Number of ordinary shares outstanding (Denominator) 3,052,330,481 2,728,270,279 Number of ordinary shares outstanding (Denominator) 1,165,906,860 1,165,906,860 Earnings per share (EPS) 2,262 2,34 38 Reconciliation of net profit with cash flows from operating activities (Solo basis) 4,406,735,981 Profit before tax as per profit and loss account Adjustment for non-cash items: 6,545,871,705 4,406,735,981 Provision for Loans and advances 4,133,933,239 4,150,796,085 Provision for bil balance sheet items (295,000,000) 485,000,000 Provision for other assets 250,000,000 150,000,000 Depreciation of Property plant and equipment Foreign exchange gain/(loss) (15,603,656,638) (17,624,671,6	Bank Asia Limited	3,362,149,357	2,648,419,591
BA Express USA, Inc	Bank Asia Securities Ltd	25,833,416	35,312,299
3,484,383,132 2,736,269,946			
Net profit after tax (Numerator) 3,045,871,705 2,706,735,981 Number of ordinary shares outstanding (Denominator) 1,165,906,860 1,165,906,860 Earnings per share (EPS) 2.61 2.32	BA Express USA, Inc		
Net profit after tax (Numerator) 3,045,871,705 2,706,735,981 Number of ordinary shares outstanding (Denominator) 1,165,906,860 2.61 2.32 37(a) Consolidated Earnings per share (EPS) 3,052,330,481 2,728,270,279 Number of ordinary shares outstanding (Denominator) 3,052,330,481 2,728,270,279 Number of ordinary shares outstanding (Denominator) 1,165,906,860 1,165,906,860 2.62 2.34 38 Reconciliation of net profit with cash flows from operating activities (Solo basis) Profit before tax as per profit and loss account 4,193,933,239 4,150,796,085 Provision for Loans and advances 4,193,933,239 4,150,796,085 Provision for Diminution in value of investments 250,000,000 485,000,000 Provision for Diminution in value of investments 250,000,000 50,000,000 Profit on sale of fixed assets 250,000,000 150,000,000 Profit on sale of fixed assets 250,000,000 160,000,000 160,000,000 Profit on sale of fixed assets 250,000,000 160,		3,484,383,132	2,736,269,946
Net profit after tax (Numerator) 3,045,871,705 2,706,735,981 Number of ordinary shares outstanding (Denominator) 1,165,906,860 2.61 2.32 37(a) Consolidated Earnings per share (EPS) 3,052,330,481 2,728,270,279 Number of ordinary shares outstanding (Denominator) 3,052,330,481 2,728,270,279 Number of ordinary shares outstanding (Denominator) 1,165,906,860 1,165,906,860 2.62 2.34 38 Reconciliation of net profit with cash flows from operating activities (Solo basis) Profit before tax as per profit and loss account 4,193,933,239 4,150,796,085 Provision for Loans and advances 4,193,933,239 4,150,796,085 Provision for Diminution in value of investments 250,000,000 485,000,000 Provision for Diminution in value of investments 250,000,000 50,000,000 Profit on sale of fixed assets 250,000,000 150,000,000 Profit on sale of fixed assets 250,000,000 160,000,000 160,000,000 Profit on sale of fixed assets 250,000,000 160,	27 Farnings par chara (EDC)		
Number of ordinary shares outstanding (Denominator) 1,165,906,860 2.61 2.32 2.32 37(a) Consolidated Earnings per share (EPS) 3,052,330,481 2,728,270,279 Number of ordinary shares outstanding (Denominator) 1,165,906,860 2.62 2.34 2.34 2.34		0.045.071.705	0.700.705.001
Earnings per share (EPS) 2.61 2.32			
37(a) Consolidated Earnings per share (EPS) Net profit after tax (Numerator) 3,052,330,481 2,728,270,279 Number of ordinary shares outstanding (Denominator) 1,165,906,860 1,165,906,860 Earnings per share (EPS) 2.62 2.34 38 Reconciliation of net profit with cash flows from operating activities (Solo basis) 6,545,871,705 4,406,735,981 Profit before tax as per profit and loss account Adjustment for non-cash items:			
Net profit after tax (Numerator)	Lamings per snate (Er 3)	2.01	2.02
Net profit after tax (Numerator)	37(a) Consolidated Earnings per share (EPS)		
Number of ordinary shares outstanding (Denominator) Earnings per share (EPS) 1,165,906,860 2.62 2.34		3 052 330 481	2 728 270 279
Earnings per share (EPS) 2.34			
Profit before tax as per profit and loss account 6,545,871,705 4,406,735,981 Adjustment for non-cash items: 4,193,933,239 4,150,796,085 Provision for Off balance sheet items (295,000,000) 485,000,000 Provision for Diminution in value of investments 250,000,000 150,000,000 Perceign exchange gain/(loss) 955,559,563 866,249,276 Foreign exchange gain/(loss) (15,603,656,638) (15,800) Increase/decrease in operating assets (15,603,656,638) (17,624,671,692) Other operating assets 348,218,683 19,912,982,535 14,754,328,542 Other operating liabilities 3,153,827,892 11,341,256,537 Trading liabilities (386,603,576) (406,708,893) Income tax paid (2,498,150,041) (1,215,831,944)			
Adjustment for non-cash items: Provision for Loans and advances Provision for Off balance sheet items Provision for Diminution in value of investments Provision for other assets Provision for other assets Provision for other assets Provision for other assets Provision for other assets Provision for other assets Provision for other assets Provision for other assets Provision for other assets Provision for other assets Provision for other assets Provision for other assets Provision for other assets Provision for other assets Provision for Diminution in value of investments Provision for Diminution in value of investments Provision for Diminution in value of investments Provision for Diminution in value of investments Provision for Diminution in value of investments Provision for Diminution in value of investments Provision for Diminution in value of investments Provision for Diminution in value of investments Provision for Diminution in value of investments Provision for Off balance sheet items Provision for Off balance sheet items Provision for Off balance sheet items Provision for Off balance sheet items Provision for Off balance sheet items Provision for Off balance sheet items Provision for Off balance sheet items Provision for Off balance sheet items Provision for Off balance sheet items Provision for Off balance sheet items Provision for Off balance sheet items Provision for Off balance sheet items Provision for Off balance sheet items Provision for Off balance sheet items Provision for Off balance sheet items Provision for Off balance sheet items Provision for Off balance sheet items Provision for Off balance sheet items Provision for Off balance sheet shee	38 Reconciliation of net profit with cash flows from operating activities (Solo basis)		
Adjustment for non-cash items: Provision for Loans and advances Provision for Off balance sheet items Provision for Diminution in value of investments Provision for other assets Provision for other assets Provision for other assets Provision for other assets Provision for other assets Provision for other assets Provision for other assets Provision for other assets Provision for other assets Provision for other assets Provision for other assets Provision for other assets Provision for other assets Provision for other assets Provision for Diminution in value of investments Provision for Diminution in value of investme			
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Provision for Off balance sheet items Provision for Diminution in value of investments Provision for Diminution in value of investments Provision for other assets Perovision for other assets Depreciation of Property plant and equipment Foreign exchange gain/(loss) Profit on sale of fixed assets Loans and advances to customers Other operating assets Deposits from customers and banks Deposits from customers and banks Other operating liabilities Other operating liabilities Trading liabilities Income tax paid (295,000,000 485,000,000 150,000,000 150,000,000 866,249,276 (15,800) 866,249,276 (15			
Provision for Diminution in value of investments - - - - - - - - - - - 150,000,000 866,249,276 866,249,276 866,249,276 866,249,276 866,249,276 866,249,276 866,249,276 866,249,276 866,249,276 866,249,276 - (15,800) - (15,800) - (15,800) - (15,800) - - (15,800) - - (15,800) - <			
Provision for other assets 250,000,000 150,000,000 Depreciation of Property plant and equipment 955,559,563 866,249,276 Foreign exchange gain/(loss) - (15,800) Profit on sale of fixed assets - (15,800) Increase/decrease in operating assets & liabilities: (15,603,656,638) (17,624,671,692) Other operating assets 348,218,683 258,482,635 Deposits from customers and banks 19,912,982,535 14,754,328,542 Other operating liabilities 3,153,827,892 11,341,256,537 Trading liabilities (386,603,576) (406,708,893) Income tax paid (2,498,150,041) (1,215,831,944)		(295,000,000)	485,000,000
Depreciation of Property plant and equipment 955,559,563 866,249,276 Foreign exchange gain/(loss) - (15,800) Increase/decrease in operating assets & liabilities: - (15,603,656,638) (17,624,671,692) Loans and advances to customers 348,218,683 258,482,635 Deposits from customers and banks 19,912,982,535 14,754,328,542 Other operating liabilities 3,153,827,892 11,341,256,537 Trading liabilities (386,603,576) (406,708,893) Income tax paid (2,498,150,041) (1,215,831,944)		- 050 000 000	150,000,000
Foreign exchange gain/(loss) Profit on sale of fixed assets Increase/decrease in operating assets & liabilities: Loans and advances to customers Other operating assets Deposits from customers and banks Other operating liabilities Other operating liabilities Trading liabilities Income tax paid (15,603,656,638) (17,624,671,692)			
Profit on sale of fixed assets Increase/decrease in operating assets & liabilities: Loans and advances to customers Other operating assets Deposits from customers and banks Other operating liabilities Other operating liabilities Trading liabilities Income tax paid (15,603,656,638) (17,624,671,692) (17,624,671,		900,009,003	000,249,270
Increase/decrease in operating assets & liabilities: (15,603,656,638) (17,624,671,692) Other operating assets 348,218,683 258,482,635 Deposits from customers and banks 19,912,982,535 14,754,328,542 Other operating liabilities 3,153,827,892 11,341,256,537 Trading liabilities (386,603,576) (406,708,893) Income tax paid (2,498,150,041) (1,215,831,944)		_	(15,800)
Loans and advances to customers (15,603,656,638) (17,624,671,692) Other operating assets 348,218,683 258,482,635 Deposits from customers and banks 19,912,982,535 14,754,328,542 Other operating liabilities 3,153,827,892 11,341,256,537 Trading liabilities (386,603,576) (406,708,893) Income tax paid (2,498,150,041) (1,215,831,944)			(10,000)
Other operating assets 348,218,683 258,482,635 Deposits from customers and banks 19,912,982,535 14,754,328,542 Other operating liabilities 3,153,827,892 11,341,256,537 Trading liabilities (386,603,576) (406,708,893) Income tax paid (2,498,150,041) (1,215,831,944)		(15.603.656.638)	(17,624.671.692)
Deposits from customers and banks 19,912,982,535 14,754,328,542 Other operating liabilities 3,153,827,892 11,341,256,537 Trading liabilities (386,603,576) (406,708,893) Income tax paid (2,498,150,041) (1,215,831,944)			
Other operating liabilities 3,153,827,892 11,341,256,537 Trading liabilities (386,603,576) (406,708,893) Income tax paid (2,498,150,041) (1,215,831,944)			
Income tax paid (2,498,150,041) (1,215,831,944)	Other operating liabilities	3,153,827,892	11,341,256,537
	Trading liabilities	(386,603,576)	(406,708,893)
Cash flows from operating activities as per cash flow statement 16,576,983,362 17,165,620,727	Income tax paid	(2,498,150,041)	(1,215,831,944)
Cash flows from operating activities as per cash flow statement		10.570.000.000	17 105 000 707
	Cash nows from operating activities as per cash flow statement	16,576,983,362	17,165,620,727

		/ IIIIouiit III Tura
	31-Dec-22	31-Dec-21
38(a) Reconciliation of net profit with cash flows from operating acti	vities (Consolidated basis)	
Profit before tax as per profit and loss account	6,620,303,189	4,523,005,715
Adjustment for non-cash items:		
Provision for Loans and advances	4,293,933,239	4,343,239,734
Provision for Off balance sheet items	(295,000,000)	485,000,000
Provision for Diminution in value of investments	-	51,208,223
Provision for other assets	250,000,000	150,000,000
Depreciation of Property plant and equipment	979,550,708	888,405,435
Foreign exchange gain/(loss)	-	-
Profit on sale of fixed assets	-	(15,800)
Increase/decrease in operating assets & liabilities:		
Loans and advances to customers	(15,591,983,473)	(17,667,635,689)
Other operating assets	411,064,662	298,862,909
Deposits from customers and banks	19,428,195,021	14,931,015,417
Other operating liabilities	3,153,827,892	11,341,256,537
Trading liabilities	(565,596,792)	(279,683,390)
Income tax paid	(2,569,789,573)	(1,310,722,518)
Cash flows from operating activities as per cash flow statement	16,114,504,873	17,753,936,573
Cash hows horn operating activities as per Cash how statement	10,114,004,073	11,100,900,010

39 Number of employees

The number of employees receiving remuneration of Taka 36,000 or above per employee per year were 2,865 (2021: 2,547).

40 Audit committee

The Audit Committee of the Board of Directors of Bank Asia Limited was constituted in the 44th meeting of the Board held on January 18, 2003 in compliance with the Bangladesh Bank directives. The Audit Committee was formed with the objectives to establish a platform for a compliant and secured banking structure in the Bank. The present Audit Committee was reconstituted by the Board in the 478th meeting held on 17th August, 2022 consisting of the following members:

Name	Status with the Audit Committee	Educational qualification
Mr. Dilwar H Choudhury	Chairman	BA
Mr. Mohd. Safwan Choudhury	Member	BA (Hon's) MA
Mr. Ashraful Haq Chowdhury	Member	M.Sc.
Mr. M. A. Baqui Khalily	Member	Ph.D.
Ms. Tania Nusrat Zaman	Member	M.Phil

The Company Secretary of the Bank acts as the Secretary of the Committee.

No. of meeting	Date	No. of meeting	Date
223 rd Audit	19 th January 2022	227 th Audit	21st June 2022
224 th Audit	20 th February 2022	228 th Audit	28 th July 2022
225 th Audit	16 th March 2022	229 th Audit	28th August 2022
226 th Audit	26 th April 2022	230 th Audit	30 th October 2022

In the year 2022, 8 (eight) meetings of the Audit Committee were held in which, the following issues, amongst others, were reviewed and discussed:

- 1 External Audit Report of the Bank and the recommendations made therein.
- 2 Bangladesh Bank comprehensive inspection report and the recommendations made therein.
- 3 Audit and Inspection reports on the branches, divisions and departments of the Corporate Office prepared by the Internal Control and Compliance Division (ICCD) of the Bank.
- 4 Actions taken by the management with regard to shortcomings raised in the Bangladesh Bank Inspection report and by the Internal Audit Team of the Bank.
- 5 The corrective measures taken by the management with regard to the lapses pointed out on the internal control and other issues raised by internal and external auditors and inspectors of the regulatory authority.
- 6 The compliance status of the audit objections and the recommendations made by the Bangladesh Bank Inspectors, External Auditors and the Internal Auditors in the reports.
- 7 Management Report on Accounts of the Bank for the year ended on 31.12.2021.
- 8 Implementation of Core Risk Management Guidelines including Internal Control and Compliance Risk and compliance thereof.
- 9 Review of status of recovery of classified loans and necessary guidelines provided to the management to reduce Non Performing Loan (NPL). The Audit Committee has further satisfied that
- * The rules and regulations of the Bangladesh Bank and all other regulatory authorities and Bank's own policy guidelines approved by the Board of Directors are duly complied with.

Notes to the financial statements

- * Adequate internal control and security measures have been taken by the Bank facilitating Information Technology (IT) based banking including generation of proper Management Information System (MIS).
- * The system of internal control and business processes have been strengthened including development of human resources towards creation of a compliance culture in the Bank.
- * Efforts have been made to keep assets of the Bank safe along with liabilities and commitments being transparent.
- * The Financial Statements of the Bank have been prepared in accordance with International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) which contained full disclosure.

41 RELATED PARTY TRANSACTIONS

While making any related party transactions the management always pays proper attention to economic efficiency and competitive pricing and necessary approval of Bangladesh Bank and other authorities had been obtained wherever applicable. Significant related party transactions of the Bank for the period January – December 2022 is given below:

Name of Organization	Relationship	Service Type	Transaction amount (Tk.)
Agro Food Services Ltd.	Common Directors/ Close family members Director	Office Rent	14,097,250
Romask Ltd	-do-	Printing	37,823,759
Rangs Industries Ltd.	-do-	Electronic items supplier	318,770
Garda Shield Security Service Ltd.	-do-	Maintenance	6,801,637
Rangs workshop Ltd	-do-	Car repair and Services	759,384
Ranks ITT Ltd.	-do-	Network Connectivity fees	27,273,541
DHS Motors	-do-	Car providers & Car repair and Services	255,139
Shield Security Service	-do-	Security Service providers	448,667,220
Green Bangla	-do-	Tree Plantation	226,241
Reliance Insurance	-do-	Insurance Service	39,534,676
The Daily Star	-do-	Advertising	4,436,413
Ali Estates Limited	-do-	Office Rent	126,337,106
Rancon Industrial Solutions Limited	-do-	Machinery Equipments provider	5,982,017
M/s. M Ahmed Tea & Land Co. Limited	-do-	Office Rent	378,000
Opex Fashions Limited	-do-	Office Rent	6,883,277
Rangs Power Tech Limited	-do-	Machinery Equipments provider	517,929
Rancon British Motors Ltd	-do-	Car Supplier	3,739,514
Rangs Limited	-do-	Car Supplier	3,328,464
Thai-Chi Restaurant	-do-	Food Supplier	885,190
Clean-X International Itd.	-do-	Cleaning Material	384,577
ERA Infotech	Associate Company	Software vendor	88,846,862

During the year 2022, Directors and their interest in different entities are given in Annexure F:

41.1 Key Management personnel compensation

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

Particulars	Amount Tk
Short-term employee benefit	137,509,149

Key Management personnel includes President and Managing Director, 01 no. Additional Managing Director, 04 nos. Deputy Managing Director, 11 nos Senior Executive Vice President including Company Secretary, Head of Internal Control & Compliance Division and Chief Financial Officer.

42 COVERAGE OF EXTERNAL AUDIT

The external auditors of the Bank, Hoda Vasi Chowdhury & Co , Chartered Accountants worked about 7,100 person hours. They have reviewed more than 80% of the Bank's risk weighted assets as at the Balance Sheet date.

43 SHARE TRADING

The bank started trading its ordinary shares in CDBL on 30 January 2006. The closing market price on 31 December 2022 was Tk. 20.50 (2021: Tk. 21.80) at DSE and Tk. 20.20 at CSE (2021: 20.90).

44 EVENTS AFTER THE REPORTING PERIOD

The Board of Directors in its 491st meeting held on March 18, 2023 has recommended 15% Cash dividend subject to the approval of the shareholders at the next Annual General Meeting.

Other than this, no material events which have occurred after the reporting period which could affect the values stated in the financial statements.

Bank Asia Limited Highlights on the overall activities

as at and for the year ended 31 December 2022

1 Paid-up Capital 2 Total Capital 3 Capital (deficiet)/surplus 4 Total Asset 5 Total Leposit ratio 6 Total loans and advances / investments 7 Total contingent liabilities and commitments 8 Credit deposit ratio Percentage of classified loans / investments against total loans and advances / investments 10 Profit after tax and provision 11 Amount of classified loans/investments during current year 12 Provisions kept against classified loans / investments 13 Provisions surplus (shortfall) against classified loans / investments 14 Cost of fund 15 Interest earning assets 16 Non-interest earning assets 17 Return on investment (ROI) [PAT/(Shareholders' equity + Borrowing)] 18 Return on sesets (ROA) [PAT/Average assets] 19 Income from investment 20 Capital to Risk Weighted Asset (CRAR) 21 Earnings per share		Amount in Taka	in Taka	Amount in USD	in USD
		2022	2021	2022	2021
		11,659,068,600	11,659,068,600	115,436,322.77	137,407,997.64
		46,111,114,831	41,370,381,742	456,545,691.40	487,570,792.48
		20,062,427,000	15,055,061,843	198,637,891.09	177,431,489.01
		468,400,943,572	438,293,288,433	4,637,633,104.67	5,165,507,229.62
		337,695,417,437	317,782,434,902	3,343,518,984.52	3,745,226,103.74
	ints	277,870,358,403	262,266,701,765	2,751,191,667.36	3,090,945,218.21
	itments	153,563,272,464	173,965,532,392	1,520,428,440.24	2,050,271,448.34
		68.17%	65.58%	68.17%	65.58%
	stments against total loans and advances /	4.87%	5.14%	4.87%	5.14%
		3,045,871,705	2,706,735,981	30,157,145.59	31,900,247.27
	nts during current year	13,519,786,227	13,469,542,253	133,859,269.57	158,745,341.81
	ans / investments	10,517,463,001	7,290,000,000	104,133,297.04	85,916,322.92
	classified loans / investments	222,615,901	4,174,000	2,204,117.83	49,192.69
		2.96%	2.96%	2.96%	2.96%
		426,187,538,664	388,166,235,081	4,219,678,600.63	4,574,734,650.34
		42,213,404,908	50,127,053,352	417,954,504.04	590,772,579.28
	areholders' equity + Borrowing)]	3.42%	3.23%	3.42%	3.23%
	je assets]	%290	0.64%	%29.0	0.53%
		6,270,764,596	6,848,834,433	62,086,778.18	80,716,964.44
	R)	17.70%	15.72%	17.70%	15.72%
		2.61	2.32	2.61	2.32
		2.61	2.32	2.61	2.32
23 Price earning ratio		7.85	9.4	7.85	9.40

Exchange rate used 1 USD equivalent to BDT 101 to BDT (2021 :84.85)

Bank Asia Limited Balance with other banks-Outside Bangladesh (Nostro Account)

as at of December 2022								
Name of the Bank	Account type	Currency type	FC amount	2022 Exchange rate	Equivalent Taka	FC amount	2021 Exchange rate	Equivalent Taka
Conventional and Islamic banking:								
Interest bearing								
Citibank NA, New York	00	OSN	8,579,625	103.50	887,996,838	7,173,227	85.80	615,462,873
Habib American Bank, New York		USD	780,937	103.50	225,723,382	250,186	85.80	177 616 158
Wells Fardo Bank N.A. New York	30	OSD		2000		2.191.458	85.80	188,027,096
Zhejiang Chouzhou Commercial Bank (USD)	CD	OSN	77,961	103.49	8,068,565		1	
Zhejiang Chouzhou Commercial Bank (CNY)	CD	CNY	1,513,305	14.80	22,396,916		1	- 30
Non-interest hearing					1,173,967,897			1,002,572,061
AB Bank I to Mumbai	UÜ	ACII	148 986	103 50	15 420 960	437 299	85 80	37 520 250
AKTIF Bank, Istanbiil - IPY	36	δ. Vď.	1.898.220	0.76	1,442,647	3.176.183	0.76	2,413,899
Al Raihi Bank, KSA	CO	SAR	2.064,371	27.50	56,770,209	199,335	22,85	4,554,798
AXIS Bank Ltd	CO	ACU	164,056	103.50	16,979,847	228,590	85.80	19,613,001
Bank Alfalah Limited , Karachi PAK (ACU)	CO	ACU	124,388	103.50	12,874,139	51,464	85.80	4,415,603
Bank of Sydney	CD	AUD	85,035	69.45	5,905,713	15,228	62.10	945,640
Bhutan National Bank Ltd, Thimphu	CD	OSN	56,949	103.50	5,894,157	415,749	85.80	35,671,239
Citibank N.A., London	CD	GBP	397,121	126.05	50,057,073	12,955	115.05	1,490,446
Commerzbank AG, Frankfurt (EURO)	CD	EURO	47,888	109.75	5,255,696	98	97.15	8,386
Commerzbank AG, Frankfurt (USD)	CD	OSN	139,554	103.50	14,444,095	51,667	85.80	4,442,535
Habib Metropolitan Bank Ltd, Karachi	CD	ACU	384,005	103.50	39,743,904	290,021	85.80	24,883,778
HDFC Bank Limited, Mumbai, India	CD	ACU	•	'	•	53,839	85.80	4,619,354
ICICI Bank Ltd, Hongkong	CD	OSD	91,979	103.50	9,519,691	55,426	85.80	4,755,562
ICICI Bank Ltd, Mumbai	CD	ACU	233,952	103.50	24,214,035	49,438	85.80	4,241,821
JP Morgan Chase Bank, New York	CD	OSN	'	'	1	103,746	85.80	8,901,430
Mashreqbank PSC (Dubai AE)	CD	AED	1,109,946	28.20	31,300,466	164,169	23.35	3,833,343
Mashreqbank psc, Mumbai (EURO)	CD	EURO	8,104	109.75	889,403	8,104	97.15	787,294
Muslim Commercial Bank Ltd, Colombo	CD	ACU	82,479	103.50	8,536,503	73,823	85.80	6,334,019
Nepal Bangladesh Bank Ltd, Kathmandu	CD	ACU	74,914	103.50	7,753,453	17,614	85.80	1,511,272
Riyad Bank, Riyadh (SAR)	CD	SAR	15,470	27.50	425,425	327	22.85	7,474
Standard Chartered Bank, Mumbai	CD	ACU	1,315,649	103.50	136,168,284	1,481,290	85.80	127,094,715
Standard Chartered Bank, New York	CD	OSD	1,924,556	103.50	199,197,607	147,700	85.80	12,672,697
Unicredit Bank AG Munich	CD	EURO	97,805	109.75	10,734,092	62,394	97.15	6,061,530
Wells Fargo Bank N.A, London	CD	EURO	96,788	109.75	10,622,519	4,522	97.15	439,276
Zurcher Kantonal Bank, Switzerland	CD	灹	83,032	110.95	9,212,397	24,662	93.30	2,300,923
					673,362,315			319,520,285
Off-shore banking unit:								
Commerzbank AG, Frankfurt	CD	EURO	7,589	133.04	1,009,613	7,589	114.54	869,242
Habib American Bank, New York	CD	OSD	6,094,482	101.00	615,542,715	1,040,573	84.85	88,292,605
Sonali Bank, London	CD	GBP	3	161.59	530	က	135.67	445
					616,552,858			89,162,292
					2,463,883,070			1,411,254,638

Bank Asia Limited Investment in Shares

SL. No.	Name of the company	Face	No. of shares including bonus shares	Cost of holding	Cost of Per Share	Quoted rate per share as at 31 Dec 2022	Total market value as at 31 Dec 2022	Unrealized profit/ (loss) as at 31 Dec 2022
	Quoted Shares							
-	AB Bank Limited	10	161,150	9,720,673	60.32	06.6	1,595,385	(8,125,288)
2	The ACME Laboratories Limited	10	1,000,000	57,650,000	57.65	85.00	85,000,000	27,350,000
က	Dhaka Bank Limited	10	621,272	15,811,372	25.45	13.20	8,200,790	(7,610,582)
4	Exim Bank Limited	10	1,924,051	38,577,223	20.05	10.40	20,010,130	(18,567,093)
5	Golden Son Limited	10	119,185	8,586,791	72.05	18.20	2,169,167	(6,417,624)
9	Lanka Bangla Finance Limited	10	1,310,017	59,762,976	45.62	26.00	34,060,442	(25,702,534)
	Mercantile Bank Limited	10	559,132	10,495,713	18.77	13.60	7,604,195	(2,891,518)
∞	Phoenix Finance and Investments Limited	10	1,398,248	49,440,057	35.36	16.30	22,791,442	(26,648,615)
6	Prime Finance & Investment Limited	10	72,576	12,001,821	165.37	11.50	834,624	(11,167,197)
10	Prime Insurance Company Limited	10	6,362	574,298	90.27	82.80	526,774	(47,524)
7	Southeast Bank Limited	10	1,445,823	34,741,473	24.03	13.80	19,952,357	(14,789,116)
12	United Commercial Bank Limited	10	3,031,160	63,775,606	21.04	13.00	39,405,080	(24,370,526)
13	Energypac Power Generation Limited	10	1,192,800	49,978,320	41.90	34.50	41,151,600	(8,826,720)
	A. Provision requirement for quoted shares			411,116,323			283,301,986	(127,814,337)
	Available cash balance			38,058,371				
				449,174,694				
	Mutual Fund							
14	1st Janata Bank Mutual Fund	10	7,248,082	50,000,000	06.9	6.10	44,213,300	ı
15	MBL 1st Mutual Fund	10	5,000,000	50,000,000	10.00	09'9	33,000,000	(5,290,000)
16	EBL NRB Mutual Fund	10	22,376,041	149,665,000	69.9	09:09	145,444,267	r
17	First Bangladesh Fixed Income Fund	10	38,807,348	250,000,000	6.44	2.00	194,036,740	•
18	EXIM Bank 1st Mutual Fund	10	17,078,783	119,209,905	96.98	2.80	99,056,941	-
	B. Provision requirement for Mutual Fund as per BB Circular) Circular	90,510,254	618,874,905			515,751,248	(2,290,000)

		Face	No. of Shares	Cost of	Per Unit		Unquoted Rate	
2	No. Name of the company	value	including bonus Share	holding	cost	Per share (NAV)	Total book value	Unrealized profit (loss)
	Unquoted Shares							
_	1 Industrial & Infrastructure Development Finance Co. Ltd.	10	13,380,903	59,000,260	4.41	7.58	101,437,169	42,436,909
	2 Central Depository Bangladesh Limited	10	1,142,361	3,138,890	2.75	39.14	44,712,513	41,573,623
(.)	3 Era-InfoTech Limited	100	195,650	383,700	1.96	231.67	45,326,236	44,942,536
1	4 Bangladesh Rating Agency Limited	100	32,015	3,201,512	100.00	24.80	793,871	(2,407,641)
	5 UFS-Bank Asia Unit Fund	10	2,900,000	29,000,000	10.00	12.46	36,134,000	7,134,000
	6 Investment in SWIFT share	431,333	23	9,920,667	431,333	431,333	9,920,667	1
	C. Unrealized profit of unquoted stocks		17,650,952	104,645,029			238,324,456	133,679,427
. '	7 Provision required for subsidiaries							(235,180,644)
	D. Provision for unquoted stock							(101,501,217)
	E. Total Provision Requirement (A+B+D)							(234,605,554)
	F. Provision maintained							363,383,553
	G. Provision Excess / (Shortfall) for quoted and unquoted share	noted share						128.777.999

G. Provision Excess / (Shortfall) for quoted and unquoted shareConsidered quoted and unquoted shares together as part of its investment portfolio for required provision calculation.

Bank Asia Limited

Conventional Banking, Islamic Banking and Off-shore Banking unit Schedule of fixed assets including premises, furniture and fixtures

		Cost	st		Pate			Depreciation			
Particulars	Balance	Addition	Disposal/ adjustment	Balance	of den	Balance	Charged	Charged from Revaluation	Disposal/ adjustment	Balance	Written down value as at
	01 Jan 2022	the year	during the year	31 Dec 2022		01 Jan 2022	the year	reserve during the year	during the year	31 Dec 2022	31 Dec 2022
Own assets											
Land	2,646,764,306	1	ı	2,646,764,306	'	1	1	1	ı	I	2,646,764,306
Building	3,251,439,208	26,867,474	1	3,278,306,682	2	1,573,094,461 123,205,230	123,205,230	53,715,264	1	1,750,014,955	1,528,291,727
Furniture and fixtures	1,336,770,966	341,108,971	(2,350,000)	1,675,529,937	20	20 1,182,405,353 108,579,000	108,579,000	'	(1,464,583)	1,289,519,770	386,010,167
Machinery & Equipments	1,453,607,795	240,433,817	(64,735)	1,693,976,877	20	1,016,971,883	179,294,095	1	(49,630)	1,196,216,348	497,760,529
Computer and accessories	508,248,485	27,866,955		536,115,440	20	451,704,683	26,396,814	1	,	478,101,497	58,013,943
Motor vehicles	279,461,817	10,442,592	(3,319,055)	286,585,354	20	181,588,751	35,900,497	1	(1,714,845)	215,774,403	70,810,951
Sub-total	9,476,292,577	646,719,809	(5,733,790)	10,117,278,596		4,405,765,131	473,375,636	53,715,264	(3,229,058)	4,929,626,973	5,187,651,623
Leased assets											
Furniture and fixtures	167,162,848	1	1	167,162,848	20	167,162,848	1	1	1	167,162,848	I
Machinery & Equipments	106,201,139	1	1	106,201,139	20	106,201,139	ı	1	1	106,201,139	1
Computer and accessories	72,204,100	-	-	72,204,100	20	72,204,100	-	-	-	72,204,100	-
Motor vehicles	000'000'6	-	1	9,000,000	20	000'000'6	1	-	-	9,000,000	ı
Sub-total	354,568,087	-	-	354,568,087		354,568,087	-	-	•	354,568,087	•
Total	9,830,860,664	646,719,809	(5,733,790)	10,471,846,683		4,760,333,218	473,375,636	53,715,264	(3,229,058)	5,284,195,060	5,187,651,623
Intangible assets											
Corporate Membership 1	24,000,000	1	-	24,000,000		-	-	-	1	-	24,000,000
	24,000,000	•	1	24,000,000		1	•	•	•	1	24,000,000
Work in progress -building	ding										
Kawran bazar building (2)	338,910,783	31,386,062	(370,296,845)	Ī		-	1	-	Ì	I	Ī
Renovation & Decoration	20,834,613	4,685,277	(15,519,890)	10,000,000		-	1	-	İ	•	10,000,000
	359,745,396	36,071,339	(385,816,735)	10,000,000		•	•	-	1	•	10,000,000
Total	10,214,606,060	682,791,148	(391,550,525)	10,505,846,683		4,760,333,218	473,375,636	53,715,264	(3,229,058)	5,284,195,060	5,221,651,623
Right-of-use assets											
Office space (3)	1,536,519,798	180,064,817	(150,222,771)	1,566,361,844		968,207,920	305,899,674	-	(82,704,212)	1,191,403,382	374,958,462
ATM	20,874,406	6,641,866	i	27,516,272		4,317,222	3,898,154	-	Î	8,215,376	19,300,896
Sub-total	1,557,394,204	186,706,683	(150,222,771)	1,593,878,116		972,525,142	309,797,828	-	- (82,704,212)	1,199,618,758	394,259,358
Grand Total	11,772,000,264	869,497,831	(541,773,296)	12,099,724,799		5,732,858,360	783,173,464	53,715,264	53,715,264 (85,933,270)	6,483,813,818	5,615,910,981

^{1.} Membership fees to Baridhara Cosmopolitan Club Limited (BCCL)

^{2.} For Machinery, Furniture and Fixture and Office Renovation
3. Right-of-use assets arises for implementing of the "IFRS 16: Lease". This amount comprises lease liabilities (ref: Note 13.9) and intial payment for executing the contract.

Bank Asia Limited

Conventional Banking, Islamic Banking and Off-shore Banking unit Schedule of fixed assets including premises, furniture and fixtures

as at 31 December 2021

	1										
		Cost	st		9			Depreciation			
	Balance	Addition	Disposal/	Balance	of	Balance	Charged	Charged from	Disposal/	Balance	Written down value
ramiculars	as at	during	aajustment	as at	deb.	as at	during	Revaillation	adjustment	as at	as at
	01 Jan 2021	the year	during the year	31 Dec 2021	· %	01 Jan 2021	the year	during the year	the year	31 Dec 2021	31 Dec 2021
Own assets											
Land	2,646,764,306	'	1	2,646,764,306	'	ı	1	1	ı	1	2,646,764,306
Building	3,232,313,394	19,125,814	1	3,251,439,208	5	1,398,875,120	120,504,077	53,715,264	1	1,573,094,461	1,678,344,747
Furniture and fixtures	1,264,024,914	74,271,052	(1,525,000)	1,336,770,966	20	1,114,593,341	68,914,505	'	(1,102,493)	1,182,405,353	154,365,613
Machinery & Equipments	1,216,047,288	237,560,507	I	1,453,607,795	20	881,006,920	135,964,963	1	1	1,016,971,883	436,635,912
Computer and accessories	493,230,712	15,017,773	1	508,248,485	20	413,725,727	37,978,956	1		451,704,683	56,543,802
Motor vehicles	274,882,241	22,459,576	(17,880,000)	279,461,817	20	164,900,748	34,567,998	•	(17,879,995)	181,588,751	97,873,066
Sub-total	9,127,262,855	368,434,722	(19,405,000)	9,476,292,577		3,973,101,856	397,930,499	53,715,264	53,715,264 (18,982,488)	4,405,765,131	5,070,527,446
Leased assets											
Furniture and fixtures	167,162,848	1	1	167,162,848	20	167,162,848	1	•	1	167,162,848	1
Machinery & Equipments	106,201,139	'		106,201,139	20	106,201,139	1		ı	106,201,139	1
Computer and accessories	72,204,100	1	1	72,204,100	20	72,204,100	1	1	1	72,204,100	1
Motor vehicles	000'000'6	1	ı	000'000'6	20	9,000,000	1	1	ı	000'000'6	1
Sub-total	354,568,087	1	1	354,568,087		354,568,087	•	•		354,568,087	1
Total	9,481,830,942	368,434,722	(19,405,000)	9,830,860,664		4,327,669,943 397,930,499	397,930,499	53,715,264	53,715,264 (18,982,488)	4,760,333,218	5,070,527,446
Intangible assets											
Corporate Membership 1	24,000,000	-	-	24,000,000		-	-	-	-	-	24,000,000
Work in progress -building	ding										
Kawran bazar building (2)	380,881,206	67,246,048	(109,216,471)	338,910,783		1	1	'	1		338,910,783
Sukrabad building ⁽²⁾	42,912,507	26,453,129	(69,365,636)	1		ı	ı	1	1	1	I
Renovation & Decoration	20,947,925	1,080,000	(1,193,312)	20,834,613		ı	1	1	1	1	20,834,613
Total	444,741,638	94,779,177	(179,775,419)	359,745,396		1	1		1	1	359,745,396
Grand Total	9,950,572,580	463,213,899	(199,180,419)	10,214,606,060		4,327,669,943	397,930,499	53,715,264	53,715,264 (18,982,488)	4,760,333,218	5,454,272,842
Right-of-use assets											
Office space (3)	1,739,075,475	1	(202,555,677)	1,536,519,798		653,323,106	314,884,814	1		968,207,920	568,311,878
ATM	1	20,874,406		20,874,406		1	4,317,222			4.317.222	16,557,184

^{1.} Membership fees to Baridhara Cosmopolitan Club Limited (BCCL)

1,739,075,475

Sub-total Grand Total

972,525,142 584,869,062 5,732,858,360 6,039,141,904

53,715,264 (18,982,488)

653,323,106 319,202,036 4,980,993,049 717,132,535

20,874,406 (202,555,677) 1,557,394,204 484,088,305 (401,736,096) 11,772,000,264

^{2.} For Machinery, Furniture and Fixture and Office Renovation

^{3.} Right-of-use assets arises for implementing of the "IFRS 16: Lease". This amount comprises lease liabilities (ref: Note 13.9) and intial payment for executing the contract.

Bank Asia Limited and its Subsidiaries Consolidated Schedule of fixed assets including premises, furniture and fixtures

	l	\$0°2	7			ı	ı	Donrooistion	ı		I
Particulars	Balance as at 01 Jan 2022	Addition during the year	Disposal/ adjustment during the year	Balance as at 31 Dec 2022	Rate of of dep.	Balance as at 01 Jan 2022	Charged during the year	Charged from Revaluation reserve during the year	Disposal/ adjustment during the year	Balance as at 31 Dec 2022	Written down value as at 31 Dec 2022
0wn assets											
Land	2,646,764,306	1	ı	2,646,764,306	0	1	ı	1	1	1	2,646,764,306
Building	3,264,531,173	26,867,474	2,491,870	3,293,890,517	5	1,584,372,511	124,446,237	53,715,264	2,261,513	1,764,795,525	1,529,094,992
Furniture and fixtures	1,371,912,970	341,346,971	(2,147,140)	1,711,112,801	20	1,196,535,769	115,409,256	1	(1,464,583)	1,310,480,442	400,632,359
Machinery & Equipments	1,470,402,673	241,239,174	472,671	1,712,114,518	20	1,026,843,865	181,760,307	1	384,078	1,208,988,250	503,126,268
Computer and accessories	520,045,586	30,139,155		550,184,741	20	460,186,801	27,751,366	1	'	487,938,167	62,246,574
Motor vehicles	279,461,817	10,442,592	(3,319,055)	286,585,354	20	181,588,751	35,900,497	1	(1,714,844)	215,774,404	70,810,950
Sub-total	9,553,118,525	650,035,366	(2,501,654)	10,200,652,237		4,449,527,697	485,267,663	53,715,264	(533,836)	4,987,976,788	5,212,675,449
Leased assets											
Fumiture and fixtures	167,162,848			167,162,848	20	167,162,848				167,162,848	1
Machinery & Equipments	106,201,139			106,201,139	20	106,201,139				106,201,139	1
Computer and accessories	72,204,100			72,204,100	20	72,204,100				72,204,100	I
Motor vehicles	9,000,000			000,000,6	20	000,000,6				000'000'6	1
Sub-total	354,568,087	•	•	354,568,087		354,568,087	1	1	•	354,568,087	•
Total	9,907,686,612	650,035,366	(2,501,654)	10,555,220,324		4,804,095,784	485,267,663	53,715,264	(533,836)	5,342,544,875	5,212,675,449
Intangible assets											
Corporate Membership 1	24,000,000	-	1	24,000,000		-	1	-	-	-	24,000,000
	24,000,000	•	•	24,000,000		•	•	1	•	1	24,000,000
Work in progress -building	ling										
Kawran bazar building (2)	338,910,783	31,386,062	(370,296,845)	ı		1	1	1	'	1	1
Renovation & Decoration	20,834,613	4,685,277	(15,519,890)	10,000,000		-	-	-	-	-	10,000,000
Total	359,745,396	36,071,339	(385,816,735)	10,000,000		1	1	1	•	1	10,000,000
Grand Total	10,291,432,008	686,106,705	686,106,705 (388,318,389)	10,589,220,324		4,804,095,784	485,267,663	53,715,264	(533,836)	5,342,544,875	5,246,675,449
Right-of-use assets											
Office space (3)	1,633,538,025	183,016,663	(151,651,108)	1,664,903,580		992,160,961	317,410,299	-	- (82,704,212)	1,226,867,048	438,036,532
ATM	20,874,406	6,641,866	1	27,516,272		4,317,222	3,898,154	-	•	8,215,376	19,300,896
Sub-total	1,654,412,431	189,658,529	(151,651,108)	1,692,419,852		996,478,183	321,308,453	•	- (82,704,212)	1,235,082,424	457,337,428
Grand Total	11,945,844,439	875,765,234	(539,969,497) 12	12,281,640,176		5,800,573,967	806,576,116	53,715,264	83,238,048)	6,577,627,299	5,704,012,877

^{1.} Membership fees to Baridhara Cosmopolitan Club Limited (BCCL)

^{2.} For Machinery, Furniture and Fixture and Office Renovation
3. Right-of-use assets arises for implementing of the "IFRS 16: Lease". This amount comprises lease liabilities (ref: Note 13.9) and intial payment for executing the contract.

Bank Asia Limited and its Subsidiaries Consolidated Schedule of fixed assets including premises, furniture and fixtures

as at 01 Decellises 2021											
		Cost	st		Date			Depreciation			
Particulars	Balance as at 01 Jan 2021	Addition during the year	Disposal/ adjustment during the year	Balance as at 31 Dec 2021	of of dep.	Balance as at 01 Jan 2021	Charged during the year	Charged from Revaluation aureserve	Disposal/ djustment during the year	Balance as at 31 Dec 2021	Written down value as at 31 Dec 2021
Own assets											
Land	2,646,764,306	1	1	2,646,764,306	0	1	1	1		1	2,646,764,306
Building	3,244,920,333	19,475,684	135,155	3,264,531,172	2	1,408,530,839	122,011,794	53,715,264	114,614	1,584,372,511	1,680,158,661
Furniture and fixtures	1,292,023,558	81,403,107	(1,513,695)	1,371,912,970	20	20 1,123,100,426	74,537,836	-	(1,102,493)	1,196,535,769	175,377,201
Machinery & Equipments	1,230,249,358	240,118,623	34,692	1,470,402,673	20	888,630,079	138,182,907	1	30,880	1,026,843,866	443,558,807
Computer and accessories	503,278,813	16,766,773	ı	520,045,586	20	420,815,049	39,371,752	ı	1	460,186,801	59,858,785
Motor vehicles	274,882,241	22,459,576	(17,880,000)	279,461,817	20	164,900,748	34,567,998	1) -	(17,879,995)	181,588,751	97,873,066
Sub-total	9,192,118,609	380,223,763	(19,223,848)	9,553,118,524		4,005,977,141	408,672,287	53,715,264 (18,836,994)	8,836,994)	4,449,527,698	5,103,590,826
Leased assets											
Furniture and fixtures	167,162,848			167,162,848	20	167,162,848				167,162,848	1
Machinery & Equipments	106,201,139			106,201,139	20	106,201,139				106,201,139	1
Computer and accessories	72,204,100			72,204,100	20	72,204,100				72,204,100	1
Motor vehicles	000'000'6			000'000'6	20	9,000,000				000,000,6	1
Sub-total	354,568,087	•	•	354,568,087		354,568,087	•	•	1	354,568,087	1
Total	9,546,686,696	380,223,763	(19,223,848)	9,907,686,611		4,360,545,228	408,672,287	53,715,264 (18,836,994)	8,836,994)	4,804,095,785	5,103,590,826
Intangible assets											
Corporate Membership 1	24,000,000	1	1	24,000,000		1	ı	1	1	1	24,000,000
Work in progress -building	ing										
Kawran bazar building (2)	380,881,206	67,246,048	(109,216,471)	338,910,783		•	•	_	1	•	338,910,783
Sukrabad building (2)	42,912,507	26,453,129	(69,365,636)	•		•	•	-	-	_	-
Renovation & Decoration	20,947,925	1,080,000	(1,193,312)	20,834,613		'	'	-	,	ı	20,834,613
Total	444,741,638	94,779,177	(179,775,419)	359,745,396		1	ı	1	1	1	359,745,396
Grand Total	10,015,428,334	475,002,940	(198,999,267)	10,291,432,007		4,360,545,228	408,672,287	53,715,264 (18,836,994)	8,836,994)	4,804,095,785	5,487,336,222
Right-of-use assets											
Office space (3)	1,825,332,260	13,075,282	(204,869,517)	1,633,538,025		666,111,966 326,048,995	326,048,995	-	•	992,160,961	641,377,064
ATM	-	20,874,406	-	20,874,406		-	4,317,222	-	-	4,317,222	16,557,184
Sub-total	1,825,332,260	33,949,688	(204,869,517)	1,654,412,431		666,111,966	330,366,217	•	1	996,478,183	657,934,248
Grand Total	11,840,760,594	508,952,628	(403,868,784)	11,945,844,438		5,026,657,194	739,038,504	53,715,264 (18,836,994)	8,836,994)	5,800,573,968	6,145,270,470

Membership fees to Baridhara Cosmopolitan Club Limited (BCCL)
 For Machinery, Furniture and Fixture and Office Renovation
 Right-of-use assets arises for implementing of the "IFRS 16: Lease". This amount comprises lease liabilities (ref: Note 13.9) and intial payment for executing the contract.

Bank Asia Limited Statement of tax position

Accounting year	Assessment year	Status
2000	2001-2002	Assessment Finalized
2001	2002-2003	Assessment Finalized
2002	2003-2004	Assessment Finalized
2003	2004-2005	Assessment Finalized
2004	2005-2006	Assessment Finalized
2005	2006-2007	Assessment Finalized
2006	2007-2008	Assessment Finalized
2007	2008-2009	Assessment Finalized
2008	2009-2010	Assessment Finalized
2009	2010-2011	Assessment Finalized
2010	2011-2012	At Honorable High Court stage
2011	2012-2013	At Honorable High Court stage
2012	2013-2014	Assessment Finalized
2013	2014-2015	Assessment Finalized
2014	2015-2016	Assessment Finalized
2015	2016-2017	Assessment Finalized
2016	2017-2018	Assessment Finalized
2017	2018-2019	Assessment Finalized
2018	2019-2020	Assessment Finalized
2019	2020-2021	Assessment Finalized
2020	2021-2022	Assessment Under DCT Level
2021	2022-2023	Return Submitted

Bank Asia Limited Details of Large Loan

as at 31 December 2022

	2022	2021
Number of clients	9	13
Amount of outstanding advances (Taka)	60,136	68,681
Amount of classified advances (Taka)	-	4,351
Measures taken for recovery (Taka)	-	4,351

Client-wise break up is as follows

Amount in million

CI		Outst	anding (Taka) 2	2022	Outst	anding (Taka) 2	021
SI. No.	Name of clients	Funded	Non Funded	Total	Funded	Non Funded	Total
1	ACI Group	4,426	509	4,935	-	-	-
2	Summit Group	4,561	1,275	5,836	-	-	-
3	BSRM	3,418	3,674	7,092	-	-	-
4	Doreen Power Group	5,267	1,885	7,152	-	-	-
5	Bashundhara Group	6,793	87	6,880	4,770	2,119	6,889
6	CITY Group	4,424	3,437	7,861	404	5,557	5,961
7	Western Marine Group	-	-	-	4,351	106	4,457
8	Pran Group	4,937	3,541	8,478	2,463	2,646	5,109
9	Echotex Group	1,024	4,579	5,602	1,228	3,809	5,038
10	MAX Group	3,121	3,179	6,300	3,333	1,539	4,873
11	Saiham Group	-	-	-	3,020	1,768	4,787
12	Spectra Group	-	-	-	2,076	2,708	4,784
13	AA Group	-	-	-	2,147	2,542	4,689
14	Bulk Trade International Ltd	-	-	-	82	4,227	4,309
15	Gemcon Group	-	-	-	3,116	1,073	4,188
16	Meghna Group	-	-	-	493	7,241	7,733
17	Ahmed Group	-	-	-	-	5,865	5,865
	Total	37,972	22,165	60,136	27,483	41,198	68,681

Bank Asia Limited Names of Directors and their interest in different entities

			Names of firms/companies in which interested as
SI.	Name	Status with the Bank	proprietor/director/managing agent/guarantor/
no.	Hamo	Otatus With the Bunk	employee/partner, etc.
			Ranks Telecom Limited
			Softex Communications Limited
			Ranks ITT Limited
			Shield Security Services Limited
			Rangs Properties Limited
			Rangs Limited
			Rangs Workshop Limited
			Rancon Motors Limited
			Rancon Automobiles Limited
			Rangs Industries Limited
			Rancon Electronics Limited
			Rancon Engineering Limited
			Rancon Holdings Limited
			Rancon Car Hubs Limited
			Rancon Infrastructure & Engineering Limited
			Rancon Electronic Limited
1.	Mr. Romo Rouf Chowdhury	Chairman	Rancon Oceana Limited
	,		Inspace Architects Limited
			Rancon Auto Industries Limited
			Rancon Industrial Solutions Limited
			Rancon Sea Fishing Limited
			Rancon Trucks & Buses Limited
			Rancon Motor Bikes Limited
			Ranks Agro Bioteq Limited
			Metro Foils Limited
			Agro Food Services Limited
			Sea Resources Limited
			Sea Fishers Limited
			Deep Sea Fishers Limited
			Sea Resources Agencies Limited
			Fishers Shipyard Limited
			Seamans Dockyard & Fish Meal Limited
			Bank Asia Limited
			Anandaniketan Ltd.
			Bank Asia Ltd.
			FIVDB
	Mr. Mohd. Safwan Choudhury		JVS Ltd.
2.	(Representing Phulbari	Vice Chairman	M. Ahmed Cold Storage Ltd.
۷.	Tea Estates Ltd.)	VICE CHAIIIIIAH	M. Ahmed Food & Spices Ltd.
	ica esiales eiu.)		M. Ahmed Real Estates Ltd.
			M. Ahmed Tea & Lands Co. Ltd.
			Phulbari Tea Estates Ltd.
			Premier Dyeing & Calendaring Ltd.

			Names of firms/companies in which interested as
SI.	Name	Status with the Bank	proprietor/director/managing agent/guarantor/
no.	Name	Status with the bank	employee/partner, etc.
			Agro Food Services Ltd.
			Bank Asia Ltd.
			Deep Sea Fishers Limited
			Fishers Shipyard Limited
			Mavis Ispat Limited Rancon Automobiles Limited
			Rancon Autos Limited
			Rancon Holdings Limited Rancon Motor Bikes Limited
			Rancon Motors Limited
			Rangs Industries Ltd.
			Rangs Limited
			Rangs Motors Limited
			Rangs Pharmaceuticals Limited
			Rangs Properties Limited
			Rangs Workshop Limited
3	Mr. A Rouf Chowdhury	Director	Ranks Agro Bioteq Limited Ranks Appliance Limited
			Ranks Commercial Vehicles Limited
			Ranks Dolonchapa Express Ltd.
			Ranks FC Properties Limited
			Ranks Interiors Limited
			Ranks ITT Limited
			Ranks Petroleum Limited
			Ranks Real Estate Limited
			Ranks Telecom Limited
			Sea Fishers Limited
			Sea Resources Agencies Limited
			Sea Resources Cold Storage Limited
			Sea Resources Limited
			Seamans Dockyard & Fish Meal Ltd.
			Shield Security Services Limited
			Softex Communications Limited
			The Daily Star
			Bank Asia Ltd.
			Rangs Industries Ltd.
4	Mr. Downer & Heartin	Discretes	Rangs Pharmaceuticals Limited
4.	Mr. Rumee A Hossain	Director	Ranks ITT Limited
			Ranks Petroleum Ltd.
			Ranks Telecom Limited
			Romask Limited
			Bank Asia Limited
5.	Ms. Hosneara Sinha	Director	Pritha Fashions Ltd.
J.	ms. Hoshigara Sililia	Director	Sattar Jute Mills Ltd.
			Sinha Auto Spinning Mills Ltd.
			Bank Asia Limited
6.	Ms. Naheed Akhter Sinha	Director	Cluster World Pte. Ltd. (Singapore)
U.	ma. nanecu Arntei anna	Director	Enterprise Cluster Pte. Ltd. (Singapore)
			Lafarge Holcim Bangladesh Limited

			Names of firms/companies in which interested as
SI.	Name	Status with the Bank	proprietor/director/managing agent/guarantor/
no.	Humo	Ctatas With the Bank	employee/partner, etc.
			Agro Food Services Ltd.
			Amiran Romana Ltd.
			Amreen Romana Ltd.
			Bank Asia Ltd.
			Deep Sea Fishers Limited
			Fishers Shipyard Limited
			Mavis Ispat Limited
			Maya Limited
			Metro Foils Limited
			Rancon Automobiles Limited
			Rancon Autos Limited
			Rancon Motors Limited
			Rangs Industries Ltd.
			Rangs Limited
			Rangs Motors Limited
			Rangs Motors Workshop Limited
	Ms. Romana Rouf Chowdhury (Representing Maya Limited)		Rangs Pharmaceuticals Limited
7.		Director	Rangs Properties Limited
			Rangs Workshop Limited
			Ranks Agro Bioteq Limited
			Ranks Interiors Limited
			Ranks ITT Limited
			Ranks Real Estate Limited
			Ranks Telecom Limited
			Romask Limited
			Sash Limited
			Sea Fishers Limited
			Sea Natural Food Ltd.
			Sea Natural Ltd.
			Sea Resources Agencies Limited
			Sea Resources Cold Storage Limited
			Sea Resources Limited
			Seamans Dockyard & Fish Meal Ltd.
			Shield Security Services Limited
			SRL Marine Product Ltd.
			Ali Estates Limited
			Bank Asia Ltd.
			DHS Automobiles Limited
8.	Ms. Farhana Haq	Director	DHS Motors Limited
0.	เทอ. เ สเแสแส ทสץ	חוופכנטו	FAR Limited
			Platform Services Limited
			Platform Solutions Limited
			Surja Soft Ltd.

SI.			Names of firms/companies in which interested as
no.		Status with the Bank	proprietor/director/managing agent/guarantor/
			employee/partner, etc. Agro Food Services Ltd.
			ASAP Healthy Food Limited
			Bank Asia Limited
			Deep Sea Fishers Limited
			Nessbit Technologie Limited
	Mr. Enam Chowdhury		Rangs Pharmaceuticals Limited
9.	(Representing Zest Polymers Limited)	Director	SEAMUMS Cold Storage Limited
	(Sea Fishers Limited
10			Sea Resources Agencies Limited
			Sea Resources Cold Storage Limited
			Sea Resources Limited
			Tiger Digital Ventures Limited
	Ms. Tania Nusrat Zaman		Bank Asia Limited
10.	(Representing Amiran Generations Limited)	Director	General Advisory Services Limited
			Bank Asia Ltd.
	Mr. Nafees Khundker		DHS Motors Limited
			Rangs Motors Workshop Limited
			Rangs Pharmaceuticals Limited
11.		Director	Ranks Construction Ltd.
			Ranks Interiors Limited
			Ranks Power Tech Limited
			Ranks Telecom Limited
			Sash Limited
	Mr. Dilwar H Choudhury		Bank Asia Limited
12.	(Independent Director)	Director	DHC-Associates
	()		Latif Center
13.	Mr. Ashraful Haq Chowdhury	Director	Bank Asia Limited
	(Independent Director)		Star Allied Venture Limited
			Anwar Galvanizing Ltd.
14.	Mr. Md. Abul Quasem	Director	Bank Asia Ltd.
	(Independent Director)	Diroctor	
			Baraka Patenga Power Limited
15.	Mr. M. A. Baqui Khalily	Director	Bank Asia Limited
	(Independent Director)	2000	
16.	Mr. Helal Ahmed Chowdhury (Independent Director)	Director	Bank Asia Limited

Bank Asia Limited Islamic Banking Operations

as at and for the year ended 31 December 2022

The operation of our Islamic Banking is totally different from the Bank's conventional operation as the former operates their business on the basis of Islamic Shariah. Accounting system is vital for ensuring Shariah compliance in such banking operation. Our Islamic Banking operation is committed to follow the accounting principles that refrain from interest. In a nutshell, we follow under noted principles for accounting under its Islamic Banking umbrella, run through a separate Islamic Banking software namely i-HIKMAH.

1. Deposit Collection and income Sharing Ratio (ISR) based Profit Distribution

For procuring funds from depositors, our Islamic Banking follows Al-Wadiah and Mudaraba principles. In case of Al-Wadiah Account, no profit is allowed at present. But for Mudaraba depositors, Bank Asia as the first Bank in Bangladesh, follows Income Sharing technique. It is different from traditional Weightage System so far practiced by almost all Islamic Banking operators in the country.

Income sharing module of Bank Asia has been appreciated by different quarters/institutions/organizations, particularly by the Central Shariah Board for Islamic Banks of Bangladesh and Islamic Banks Consultative Forum. Our module offers pre-defined Income Sharing Ratio (ISR) for each type of depositor and the Bank. The ISR determines the portion of income for each type of depositor and the Bank. For example, the ISR of 75: 25 would mean that 75% of distributable income is to be shared by the concerned depositors and the rest 25% to be shared by the Bank. The ISR between each type of Mudaraba depositors and the Bank (Mudarib) are duly disclosed at the time of Account opening and/or beginning of the concerned period. Profit rate is emerged at actual, as derived from the income fetched from deployment of the concerned fund. As such our rate of profit on deposit under Islamic Banking is nothing but a post facto expression of the respective agreed sharing ratios. Our profit rate is an output based on the Bank's earning on investment.

The ISR declared on Mudaraba deposits for the year 2022

Types of Mudaraba Deposit	Income Shari	Distributable Investment Income Sharing Ratio (ISR) w.e.f. 01.12.2022	
	Client	Bank	
Mudaraba Term Deposit Account (MTDA) 1 month	50%	50%	
2. Mudaraba Term Deposit Account (MTDA) 2 months	50%	50%	
3. Mudaraba Term Deposit Account (MTDA) 3 months (Individual)	90%	10%	
4. Mudaraba Term Deposit Account (MTDA) 3 months (Institutional)	80%	20%	
5. Mudaraba Term Deposit Account (MTDA) 6 months (Individual)	90%	10%	
6. Mudaraba Term Deposit Account (MTDA) 6 months (Institutional)	86%	14%	
7. Mudaraba Term Deposit Account (MTDA) 12 months to 60 months (Individual)	90%	10%	
8. Mudaraba Term Deposit Account (MTDA) 12 months to 60 months (Institutional)	90%	10%	
9. Corporate Term Deposit Account (CTDA) 3 months (Tk. 1 crore to below 10 crore)	86%	14%	
10. Corporate Term Deposit Account (CTDA) 3 months (Tk. 10 crore and above)	88%	12%	
11. Corporate Term Deposit Account (CTDA) 6 months (Tk. 1 crore to below 10 crore)	88%	12%	
12. Corporate Term Deposit Account (CTDA) 6 months (Tk. 10 crore and above)	90%	10%	
13. Corporate Term Deposit Account (CTDA) 12 months (Tk. 1 crore to below 10 crore)	90%	10%	
14. Corporate Term Deposit Account (CTDA) 12 months (Tk. 10 crore and above)	90%	10%	
15. Mudaraba Savings Account (MSA)	45%	55%	
16. Mudaraba Corporate Privilege Savings Account (MCPSA)	45%	55%	
17. Smart Junior Saver (School Banking) Account	50%	50%	
18. Mudaraba Special Notice Deposit Account (MSND)	40%	60%	
19. Mudaraba Monthly Profit Paying Deposit (MMPPD)- 1 - 2 years	85%	15%	

Types of Mudaraba Deposit	Income Shar	Distributable Investment Income Sharing Ratio (ISR) w.e.f. 01.12.2022	
	Client	Bank	
20. Mudaraba Monthly Profit Paying Deposit (MMPPD)- 3-5 years	90%	10%	
21. Mudaraba Deposit Pension Scheme (MDPS) 3-12 Years	85%	15%	
22. Mudaraba Hajj Savings Scheme (MHSA) 1- 10 Years	90%	10%	
23. Cash Waqf	90%	10%	

2. Investment Operation and Return Thereon

Investments of our Islamic Banking are broadly categorized in the following two types in respect of charging (rate of) return:

- a. Fixed return based investment
- b. Variable return based investment

Fixed return base investment system is applicable for our Bai-Murabaha Muajjal Investment mode. Under this mode, Bank sells the goods to a client at a fixed profit /mark-up on deferred payment including post import basis. Hire Purchase Shirkatul Melk (HPSM) is also a fixed return based investment mode. In this case rate of rent is fixed but amount of rent becomes variable on the basis of diminishing balance method.

Variable return based income is applied for our Musaharaka mode of investment. In these cases, only ratio of Income Sharing is stated in the agreement. Bank bags income on the basis of the concerned venture according to the agreed ratio (comparable to our Mudaraba deposit products). Genuine loss, if any, is borne according to capital ratio of the client & the Bank.

3. Income/ Revenue Recognition Principle

The bank earns income from various sources such as charges, fees, commission and investment income. To recognize all sorts of income, Bank follows Shariah principle strictly. Usually charges, fees & commission etc. are recognized on actual basis. Recognition of income from investment follows principles as under:

For Bai-Murabaha Muajjal Investment

While creating each deal, in case of Bai-Murabaha Muajjal mode of investment, markup/profit is added to the bank's purchase cost with a credit to unearned income A/c. Thereafter time apportionment of profit is recognized out of the unearned income amount at the end of each month on accrual basis. Allowance (rebate) for early repayment, if any, may however be applied at Bank's discretion.

For Hire Purchase Shirkatul Melk (HPSM) Investment

In case of HPSM mode of investment rent is charged and taken into income account at the end of each month on accrual basis.

If the account has a provision of gestation period, generally no income is earned during the period. In this case income starts just after the end of gestation period. However rent is chargeable in spite of gestation, if the delivery of asset is completed in usable condition such as a machine or a set of machinery or building etc.

All accrual income is subject to prevailing classification and provisioning rules of Bangladesh Bank.

For Musharaka Investment

In recognizing the revenue from Musharaka Investment we follow the actual (cash/ realization) basis instead of accrual i.e. no income is recognized until the result of the venture is arrived at.

4. Cost Recognition Principle

Cost in respect of profit paid on deposit is recognized on accrual basis. Monthly accruals in this respect are calculated on the basis of Income Sharing Ratio. Other costs are also recognized on the accrual basis following the matching concept of Accounting.

To ensure/ supervise Shariah compliance in banking operation, Bank Asia has a knowledgeable Shariah Supervisory Committee comprising renowned Fugaha, Islamic bankers and academicians conversant in Islamic Economics & Finance.

Bank Asia Limited Islamic Banking Unit Balance Sheet

as at of December 2022		
	31 Dec 2022	Amount in Taka
PROPERTY AND ASSETS		
Cash	1,409,700,260	1,576,470,464
Cash in hand (including foreign currencies)	56,422,354	68,253,888
Balance with Bangladesh Bank and its agent bank	1,353,277,906	1,508,216,576
(Including foreign currencies)		
Balance with other banks and financial institutions	8,702,502,662	1,600,531,809
In Bangladesh	8,702,502,662	1,600,531,809
Outside Bangladesh	-	
Placement with other banks and financial institutions	-	-
Investments in shares and securities	4,817,750,000	4,817,750,000
Government	4,317,750,000	4,317,750,000
Others	500,000,000	500,000,000
Investments	15,827,529,858	17,338,653,338
General Investment	15,738,040,803	17,333,027,938
Bills purchased and discounted	89,489,055	5,625,400
Fixed assets including premises, furniture and fixtures	3,522,869	3,569,921
Other assets	3,183,585,297	2,044,544,763
Non - banking assets		-
Total assets	33,944,590,946	27,381,520,295
LIABILITIES AND CAPITAL		
Liabilities Placement from other banks, financial institutions and agents	_	_
Deposits and other Accounts		
Al-wadeeah current and other deposits accounts, etc.	1,661,221,019	897,305,856
Bills payable	56,160,215	132,400,064
Mudaraba savings deposits	5,455,180,165	4,486,939,825
Mudaraba term deposits	23,146,572,918	19,544,150,991
	30,319,134,317	25,060,796,736
Other liabilities	3,625,456,629	2,320,723,559
Total liabilities	33,944,590,946	27,381,520,295
OFF- BALANCE SHEET ITEMS	-	-
Contingent liabilities		
Acceptances and endorsements	-	-
Letters of guarantee	411,507,356	407,396,858
Irrevocable letters of credit	-	-
Bills for collection	-	-
Other contingent liabilities	411,507,356	407,396,858
Other commitments	411,50 <i>1</i> ,550 -	407,390,030 -
Total Off-Balance Sheet items including contingent liabilities	411,507,356	407,396,858
	111,001,000	.5.,000,000

Bank Asia Limited Islamic Banking Unit Profit and Loss Statement

for the year ended 31 December 2022

		Amount in rana
	31 Dec 2022	31 Dec 2021
Operating income		
Investment income	1,244,096,784	987,456,843
Profit paid on deposits, borrowings, etc.	1,272,698,114	929,506,372
Net investment income	(28,601,330)	57,950,471
Profit on Investment with bank and financial institutions	240,603,466	204,920,737
Commission, exchange and brokerage	94,598,765	61,606,578
Other operating income	16,976,613	11,997,587
Total operating income	323,577,514	336,475,373
Salaries and allowances	101,783,021	92,785,684
Rent, taxes, insurance, electricity, etc.	13,664,062	11,579,114
Legal expenses	15,000	-
Postage, stamp, telecommunication, etc.	1,278,160	1,274,997
Stationery, printing, advertisement, etc.	945,359	1,462,096
Depreciation and repair of Bank's assets	2,230,602	2,225,126
Other expenses	34,622,805	29,971,739
Total operating expenses	154,539,009	139,298,756
Profit before provision	169,038,505	197,176,617

Bank Asia Limited Off-shore Banking Unit Balance Sheet

as at 31 December 2022

		31 Dec	c 2022	31 De	c 2021
	Notes	USD	Taka	USD	Taka
PROPERTY AND ASSETS					
Cash					
In hand (including foreign currencies)		-	-	-	-
Balance with Bangladesh Bank and its agent		_	_	_	_
bank (including foreign currencies)					
Balance with other banks and financial					
institutions	3				
In Bangladesh		10,000,000	1,010,000,000	_	_
Outside Bangladesh		6,104,484	616,552,858	1,050,823	89,162,292
Odiordo Barigiadoori		16,104,484	1,626,552,858	1,050,823	89,162,292
Investments		-, - , -	, , ,	, , .	,, -
Government		-	-	-	-
Others		-	-	-	-
		-	-	-	-
Loans and advances	4				
Loans, cash credits, overdrafts, etc.		36,793,185	3,716,111,667	43,647,689	3,703,506,372
Bills purchased and discounted		211,590,103 248,383,288	21,370,600,408	304,612,984	25,846,411,723 29,549,918,095
Fixed assets including premises, furniture		248,383,288	25,086,712,075	348,260,673	29,549,918,095
& fixtures		-	-	-	-
Other assets	5	285,115	28,796,606	337,617	28,646,829
Non - banking assets	O	-	-	-	-
Total assets		264,772,887	26,742,061,539	349,649,113	29,667,727,216
				<u> </u>	
LIABILITIES AND CAPITAL					
Liabilities					
Borrowings from other banks, financial	6	254,773,844	25,732,158,197	342,230,510	29,038,258,798
institutions and agents		201,110,011	20,102,100,101	012,200,010	20,000,200,100
Deposits and other accounts	7	0.047.110	000 550 407	0.704.440	F70 F00 4F4
Current deposits		8,847,110	893,558,137	6,724,448	570,569,454
Bills payable Savings bank deposits		-	-	-	-
Fixed deposits		1,062,248	107,287,003	649,751	55,131,354
Bearer certificate of deposit		-	-	-	-
Journ Commount of dopoon		9,909,358	1,000,845,140	7,374,199	625,700,808
Other liabilities	8	89,685	9,058,202	44,403	3,767,610
Total liabilities		264,772,887	26,742,061,539	349,649,113	29,667,727,216
OFF- BALANCE SHEET ITEMS					
Contingent liabilities					
Acceptances and endorsements	9	143,454	14,488,854	-	-
Letters of guarantee	40	6,610	667,610	6,610	560,859
Irrevocable letters of credit Bills for collection	10	159,204	16,079,604	188,860	16,024,771
Other contingent liabilities		250,354	25,285,717	-	-
other contingent habilities		559,622	56,521,785	195,470	16,585,630
Other commitments		-	-	100,770	-
Total Off-Balance Sheet items including conting	gent	FF0 000		405 470	10 505 000
liabilities		559,622	56,521,785	195,470	16,585,630

Bank Asia Limited Off-shore Banking Unit Profit and Loss Statement

for the year ended 31 December 2022

		31 Dec	2022	31 Dec	2021
	Notes - 	USD	Taka	USD	Taka
Operating Income	_				
Interest income	11	15,715,629	1,452,752,732	10,227,814	861,488,771
Interest paid on deposits and borrowings, etc.	12	10,970,825	1,014,143,099	5,417,868	456,347,026
Net interest/net profit on investments		4,744,803	438,609,633	4,809,946	405,141,745
Investment Income		-	-	-	-
Commission, exchange and brokerage	13	64,120	56,981,514	52,873	11,841,128
Other operating income	14	120,491	11,138,169	201,002	16,930,358
Total operating income (A)		4,929,414	506,729,316	5,063,820	433,913,231
		_		-	
Salaries and allowances		100,098	9,253,038	31,833	2,681,267
Rent, taxes, insurance, electricity, etc.		3,094	286,015	3,077	259,191
Legal expenses		811	74,963	-	-
Postage, stamp, telecommunication, etc.		6,707	620,037	6,973	587,372
Stationery, printing, advertisements, etc.		1,011	93,445	400	33,668
Auditors' fees		-	-	-	-
Depreciation and repair of Bank's assets		304	28,097	-	-
Other expenses		201,271	18,605,508	316,031	26,619,317
Total operating expenses (B)	_	313,296	28,961,103	358,314	30,180,815
Profit before provision (C=A-B)	_	4,616,118	477,768,213	4,705,506	403,732,416

Off-shore Banking Unit (OBU) Notes to the Financial Statements

as at and for the year ended 31 December 2022

1 Status of the unit

Off-shore banking Unit ("the Unit") is a separate business unit of Bank Asia Limited, governed under the Rules and Guidelines of Bangladesh Bank. The Bank obtained the Off-shore banking unit permission vide letter no.BRPD(P-3)744(94)/2007-1853 dated 21 June 2007 under Bangladesh Bank BCD Circular No. (P) 744(27), dated 17 December, 1985. The Bank commenced the operation of its Off-shore Banking Unit from 28 January 2008 and its office is located at Zone Service Complex, Chittagong Export Processing Zone, Chittagong.

2 Significant accounting policies and basis of preparations

2.1 Basis of preparation

The financial statements are prepared on the basis of a going concern and represent the financial performance and financial position of the Off-shore Banking Unit (OBU). The financial statements of the OBU are prepared in accordance with the Bank Companies Act 1991, in particular, Banking Regulation and Policy Department (BRPD) Circular No. 14 dated 25 June 2003, Bangladesh Bank BRPD Circular No. 02 dated 25 February 2019 & subsequent amendment circulars, other Bangladesh Bank Circulars, Bangladesh Financial Reporting Standards (BFRSs) and other rules and regulations where necessary.

2.2 Foreign currency

Items included in the financial statements of the Unit are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The financial statements of the Unit are presented in US Dollar (USD) and Taka where USD is the functional currency and Taka are the Unit's presentation currency.

2.3 Loans and advances

a) Loans and advances are stated in the balance sheet on gross basis.

b) Interest is calculated on daily product basis, but charged and accounted for quarterly on accrual basis. Interest on classified loans and advances/investments is kept in interest suspense account as per BRPD circulars no. 16 of 1998, 9 of 2001 and 10 of 2005 and recognised as income on realisation. Interest is not charged on bad and loss loans and advances/investments as per guidelines of Bangladesh Bank. Records of such interest amounts are kept in separate memorandum accounts.

c) As per BRPD circular no. 16 dated 18 November 2014, BRPD Circular 14 dated 23 September 2012, BRPD Circular no. 19 dated 27 December 2012 and BRPD Circular no. 05 dated 29 May 2013, provision for sub-standard loans, doubtful loans and bad loss loans has to be provided at 20%, 50% and 100% respectively for loans and advances depending on the duration of overdue. Provision for unclassified loan was made at the specified rate i.e. 0.25% to 5%

2.4 General

Assets and liabilities have been translated into Taka currency @USD 1 = BDT 101.00 (2021 : BDT 84.85). Income and expenses are translated at an average rate @ USD 1 = BDT 92.44 (2021 : BDT 84.23). Assets and liabilities and Income and expenses of Conventional Banking have been translated into Taka currency @ USD 1 = BDT 103.50

	31 Dec 202	22	31 Dec	2021
	USD	Taka	USD	Taka
Balance with other banks and financial institutions				
In Bangladesh	-	-	-	-
Placements with Eastern Bank Limited	10,000,000	1,010,000,000	-	-
	10,000,000	1,010,000,000		
Outside Bangladesh				
Commerzbank A.G, Frankfurt	9,996	1,009,613	10,244	869,242
Habib American Bank, New York	6,094,482	615,542,715	1,040,573	88,292,605
Sonali Bank (UK) Limited, London	5	530	5	445
	6,104,484	616,552,858	1,050,823	89,162,292
	16,104,484	1,626,552,858	1,050,823	89,162,292
Loans and advances				
Loans, cash credit, overdrafts etc. (Note 4.1)	36,793,185	3,716,111,667	43,647,689	3,703,506,372
Bills purchased and discounted (Note 4.2)	211,590,103	21,370,600,408	304,612,984	25,846,411,723
	248,383,288	25,086,712,075	348,260,673	29,549,918,095
	In Bangladesh Placements with Eastern Bank Limited Outside Bangladesh Commerzbank A.G, Frankfurt Habib American Bank, New York Sonali Bank (UK) Limited, London Loans and advances Loans, cash credit, overdrafts etc. (Note 4.1)	USD	Balance with other banks and financial institutions In Bangladesh	USD Taka USD Balance with other banks and financial institutions In Bangladesh - - - Placements with Eastern Bank Limited 10,000,000 1,010,000,000 - 10,000,000 1,010,000,000 - Commerzbank A.G, Frankfurt 9,996 1,009,613 10,244 Habib American Bank, New York 6,094,482 615,542,715 1,040,573 Sonali Bank (UK) Limited, London 5 530 5 6,104,484 616,552,858 1,050,823 16,104,484 1,626,552,858 1,050,823 16,104,484 1,626,552,858 1,050,823 16,104,484 1,626,552,858 1,050,823 16,104,484 1,626,552,858 1,050,823 16,104,484 1,626,552,858 1,050,823 16,104,484 1,626,552,858 1,050,823 16,104,484 1,626,552,858 1,050,823 16,104,484 1,626,552,858 1,050,823 16,104,484 1,626,552,858 1,050,823 16,104,484 </td

	31 Dec	2022	31 Dec	2021
	USD	Taka	USD	Taka
4.1 Loans, cash credit, overdrafts etc.				
Term loan industrial	36,377,614	3,674,138,997	43,213,399	3,666,656,89
				11,115,04
Loan against trust receipts	215,184	21,733,560	130,996	
Demand loan	- 000 007	-	100,994	8,569,31
Overdraft	200,387 36,793,185	20,239,110	202,300 43,647,689	17,165,11 3,703,506,37
		3,710,111,007	45,047,005	3,7 03,300,37
4.2 Bills purchased and discounted				
Payable in Bangladesh	211,590,103	21,370,600,408	304,612,984	25,846,411,72
Payable outside Bangladesh				
	211,590,103	21,370,600,408	304,612,984	25,846,411,72
Other assets				
Branch adjustment account	169,698	17,139,488	169,698	14,398,87
Prepaid expenses	100,417	10,142,109	167,919	14,247,95
Income receivable	15,000.09	1,515,009	-	, ,-
	285,115	28,796,606	337,617	28,646,82
Borrowings from other banks, financial insti	itutions and agents			
Borrwoing from other banks (Note 6.1)	215,190,000	21,734,190,000	213,322,478	18,100,412,2 ⁻¹
Borrowing from Bank Asia Treasury Division	270,000	27,270,000	73,765,000	6,258,960,2
Borrowing - ECA	19,313,842	1,950,697,995	21,809,699	1,850,552,9
Borrowing from IFC	20,000,002	2,020,000,202	33,333,334	2,828,333,39
Borrowing from it o	254,773,844	25,732,158,197	342,230,510	29,038,258,79
6.1 Borrwoing from other banks			= = = = = = = = = = = = = = = = = = = =	
Yes Bank, Mumbai	5,000,000	505,000,000	2,000,000	169,700,00
SCB Singapore	15,000,000	1,515,000,000	10,000,000	848,500,00
National Bank of RAK, UAE	25,000,000	2,525,000,000	15,000,000	1,272,750,0
Bank Muscat, Oman	3,000,000	303,000,000	8,000,000	678,800,0
Abu Dhabi Commercial bank	-	-	15,000,000	1,272,750,0
Mashreq Bank, UAE	-	-	10,000,000	848,500,0
Axis Bank Limited, Singapore	-	-	15,000,000	1,272,750,0
Caixa Bank, Barcelona	72,700,000	7,342,700,000	33,000,000	2,800,050,0
Standard Chartered Bank, Thailand	5,000,000	505,000,000	10,000,000	848,500,0
HDFC, Gift City, Mumbai	10,000,000	1,010,000,000	10,000,000	848,500,0
Bank Muscat SAOG	25,000,000	2,525,000,000	-	
Indusind Bank Limited	3,000,000	303,000,000	5,000,000	424,250,00
Commercial Bank of Dubai	-	-	15,000,000	1,272,750,00
State Bank of India, Hongkong	22,500,000	2,272,500,000	19,400,000	1,646,090,0
State Bank of India, Dubai	-	-	10,000,000	848,500,0
Nepal Bangladesh Bank Limited	7,500,000	757,500,000	-	40.4.050.0
The Commercial Bank, Qatar	- 000 000	-	5,000,000	424,250,00
DBS Bank Singapore	6,900,000	696,900,000	30,900,000	2,621,865,00
Banca Valsabbina SCPA Vestone Italy Emirates Islami Bank	4,590,000	463,590,000	22,478	1,907,2
Ajman Bank, U.A.E.	4,590,000 10,000,000	1,010,000,000	-	
Ajman Dalik, O.A.L.	215,190,000	21,734,190,000	213,322,478	18,100,412,2
Deposits and other accounts		, , , ,	,- , -	
Customer deposits and other accounts (Note 7.1)	9,909,358	1,000,845,140	7,374,199	625,700,80
oustomer deposits and other accounts (NOTE 1.1)	<u> </u>	1,000,040,140	1,314,133	020,700,00

Off-shore Banking Unit (OBU)Notes to the Financial Statements

		31 Dec	2022	31 Dec 2	2021
		USD	Taka	USD	Taka
	1 Customer deposits and other accounts				
	Foreign currency (Current)	6,734,203	680,154,510	5,373,244	455,919,766
	Other demand deposits(Current)	2,112,907	213,403,627	1,351,204	114,649,688
	Fixed depost	1,062,248	107,287,003	649,751	55,131,354
	·	9,909,358	1,000,845,140	7,374,199	625,700,808
	Other liabilities				
	Provision for loans and advances	(474,836)	(47,958,416)	1,302,521	110,518,933
	Provision for off balance sheet items	3,954	399,362	(2,226)	(188,869
	Due to Head Office	470,882	47,559,054	(1,300,295)	(110,330,064
	FDR on Export Bill	50,494	5,099,911	27,877	2,365,363
	Interest suspense account	39,191	3,958,291	16,526	1,402,247
		89,685	9,058,202	44,403	3,767,610
)	Acceptances and endorsements Letters of credit (Back to Back)	-	-	-	
	Letters of credit (Acceptances)	143,454	14,488,854	-	
		143,454	14,488,854	_	
0	Irrevocable letters of credit				
	Letters of credit (Back to Back)	-	-	-	
	Letters of credit (cash)	159,204	16,079,604	188,860	16,024,77
		159,204	16,079,604	188,860	16,024,77
1	Interest income				
	Demand loan	402	37,190	22,119	1,863,08
	Loan against trust receipt	20,102	1,858,188	16,281	1,371,338
	Term loan - industrial	1,203,713	111,271,238	920,353	77,521,295
	Term loan - others	-	-	-	
	Foreign bill purchased	14,287,435	1,320,730,530	9,264,367	780,337,60
	Payment against documents	- 1,207,100	-	95	8,028
	Overdraft	13,088	1,209,825	4,600	387,420
	Overdialt	15,524,740	1,435,106,971	10,227,814	861,488,77
	Interest/profit on balance with other banks				001,100,11
	and financial institutions	143,858	13,298,263	-	
	Interest/profit received from foreign banks	47,030	4,347,498		
		15,715,629	1,452,752,732	10,227,814	861,488,771
2	Interest paid on deposits and borrowings etc.	00.074	0.704.005	10.010	200 000
	Interest on deposit	29,871	2,761,295	10,218	860,681
	Interest on borrowings	10,940,954	1,011,381,804	5,407,650	455,486,345
		10,970,825	1,014,143,099	5,417,868	456,347,026
3	Commission, exchange and brokerage Commission on L/C	8,231	760,874	5,991	504,623
	Commission on export				
		45,090	4,168,108	35,984	3,030,920
	Commission on PO, DD, TT, TC, etc	10,799	998,259	10,898	917,938
	Foreign exchange gain and charges	- 64 100	51,054,273	<u> </u>	7,387,647
		64,120	56,981,514	52,873	11,841,128
4	Other operating income				
	SWIFT charge recovery	4,410	407,660	4,530	381,562
	Other	116,081	10,730,509	196,472	16,548,796
		120,491	11,138,169	201,002	16,930,358

Bank Asia Limited Statement of outstanding unreconciled entries (nostro account)

as at 31 December 2022

Amount in USD 29,375 554,421 22,159,226 21,575,430 619 563 54 7 1,203 12,966,198 12,964,995 153 155 3,879 7,580,488 8,690,534 1,106,167 150 137 12 32,119 2,187,580 2,219,698 88 ∞ 3 More than 9 months but less than 12 months More than 6 months but less than 9 months More than 3 months but less than 6 months More than 1 month but less than 3 months Period of unreconciliation More than 12 months Less than 1 month Total 4 2 က 9 7

Bank Asia Limited Reconciliation between Bangladesh Bank statement and Bank's book

as at 31 December 2022

The reconciling items relates to clearing of the following:

- a. Bangladesh Bank cheques
- b. Foreign currency demand drafts
- c. Government bonds, Sanchayapatra, etc

Local currency	As per Bangladesh Bank Statement	As per Bank's General ledger	Reconciling Difference
	BDT	BDT	BDT
Bangladesh Bank, Dhaka	17,376,424,179.52	17,584,268,289.10	(207,844,109.58)
Bangladesh Bank, Dhaka (Al-wadeeah current account)	1,354,725,943.30	1,353,277,905.80	1,448,037.50
Bangladesh Bank, Chittagong	100,808,972.86	100,808,972.86	-
Bangladesh Bank, Sylhet	33,075,481.88	33,075,481.88	-
Bangladesh Bank, Khulna	73,772,863.25	73,772,863.25	-
Bangladesh Bank, Rajshahi	5,456,145.36	5,456,145.36	-
Bangladesh Bank, Bogra	15,746,174.26	15,746,174.26	-
Bangladesh Bank, Barishal	21,361,623.56	21,358,023.56	3,600.00
Bangladesh Bank, Rangpur	1,709,126.73	1,709,230.73	(104.00)
Total	18,983,080,510.72	19,189,473,086.80	(206,392,576.08)

Bank credited but not debited by Bangladesh Bank Bank debited but not credited by Bangladesh Bank Bangladesh Bank credited but not debited by Bank Bangladesh Bank debited but not credited by Bank

3,251,495.74
1,086,683.20
16,710,973.25
225,268,361.87
(206,392,576.08)

Foreign currency	As per Bangladesh Bank statement	As per Bank's	general ledger	Reconciling difference
	USD	USD	BDT	USD
USD Clearing account	13,366,216.70	12,224,820.62	1,265,257,529.90	1,141,396.08
Total	13,366,216.70	12,224,820.62	1,265,257,529.90	1,141,396.08

Bank credited but not debited by Bangladesh Bank Bank debited but not credited by Bangladesh Bank Bangladesh Bank credited but not debited by Bank Bangladesh Bank debited but not credited by Bank

2,344,284.85
36,382.15
87,248.95
1,253,755.57
1.141.396.08

Foreign currency	As per Bangladesh Bank statement	As per Bank's gene	eral ledger	Reconciling difference
	GBP	GBP	BDT	GBP
GBP Clearing account	14,680.88	14,680.88	1,850,524.92	-
	14,680.88	14,680.88	1,850,524.92	
Bank credited but not debited by Bangladesh Bank Bank debited but not credited by Bangladesh Bank Bangladesh Bank credited but not debited by Bank Bangladesh Bank debited but not credited by Bank				- - - -
Foreign currency	As per Bangladesh Bank statement	As per Bank's gen		Reconciling difference
	EUR	EUR	BDT	EUR
EUR Clearing account	25,390.15	54,783.99	6,012,542.90	(29,393.84)
	25,390.15	54,783.99	6,012,542.90	(29,393.84)
Bank credited but not debited by Bangladesh Bank Bank debited but not credited by Bangladesh Bank Bangladesh Bank credited but not debited by Bank Bangladesh Bank debited but not credited by Bank				190.66 29,584.50 - - - (29,393.84)
Foreign currency	As per Bangladesh Bank statement	As per Bank's gen	neral ledger	Reconciling difference
	JPY	JPY	BDT	JPY
JPY Clearing account	45,238.00	45,238.00	34,380.88	-
	45,238.00	45,238.00	34,380.88	
Bank credited but not debited by Bangladesh Bank Bank debited but not credited by Bangladesh Bank Bangladesh Bank credited but not debited by Bank Bangladesh Bank debited but not credited by Bank				- - -
Total (BDT)		-	20,462,628,065	

Bank Asia Limited Segment Reporting

The Bank reports its operations under the following business segments as per Bangladesh Financial Reporting Standards (BFRS) 8 "Operating segment"

Amount in Taka

							Amount in Taka	g	
		Bank Asia	Limited		Bank Asia	Bank Asia Limited and its subsidiaries	iaries		
Particulars		Inside Banç	gladesh		Inside Bangladesh	Outside Bangladesh	ladesh	Inter	Consolidated
	Conventional Banking	Islamic Banking	Off-shore Banking unit	Total	Bank Asia Securities Ltd	BA Exchange Company (UK) Ltd	BA Express USA Inc.	transaction	
Interest income	17,726,196,623	1,244,096,784	1,452,752,732	20,423,046,139	160,281,453	1	1	(98,878,292)	20,484,449,300
Interest paid on deposits and borrowings, etc	12,629,478,020	1,272,698,114	1,014,143,099	14,916,319,233	119,900,685	1		(98,878,292)	14,937,341,626
Net interest income	5,096,718,603	(28,601,330)	438,609,633	5,506,726,906	40,380,768				5,547,107,674
Investment income	6,030,161,130	240,603,466	1	6,270,764,596	1	1	1	1	6,270,764,596
Commission, exchange and brokerage	7,164,603,619	94,598,765	56,981,514	7,316,183,898	195,774,974	27,725,518	115,659,529	ı	7,655,343,919
Other operating income	1,110,570,346	16,976,613	11,138,169	1,138,685,128	76,835,465	2,205,291	207,532	1	1,217,933,416
Total operating income (A)	19,402,053,698	323,577,514	506,729,316	20,232,360,528	312,991,207	29,930,809	115,867,061		15,144,041,931
Salaries and allowances	4,934,520,806	101,783,021	9,253,038	5,045,556,865	92,687,337	14,381,908	27,681,514	1	5,180,307,624
Rent, taxes, insurance, electricity, etc	564,302,684	13,664,062	286,015	578,252,761	9,152,626	3,479,995	16,020,697	-	606,906,079
Legal expenses	25,323,865	15,000	74,963	25,413,828	665,869	263,670	1	1	26,343,367
Postage, stamp, telecommunication, etc	151,213,695	1,278,160	620,037	153,111,892	2,601,323	354,215	1,423,372	1	157,490,802
Stationery, printing, advertisements, etc	173,250,995	945,359	93,445	174,289,799	660,159	1,705,328	1,016,427	ı	177,671,713
Managing Director's salary and fees	18,854,125	-	-	18,854,125	1	1	1	1	18,854,125
Directors' fees	3,024,000	1	1	3,024,000	440,000	1	1	ı	3,464,000
Auditors' fees	955,000	-	-	955,000	76,667	673,200	1,934,922	1	3,639,789
Depreciation and repairs of Bank's assets	953,300,864	2,230,602	28,097	955,559,563	21,997,848	621,925	1,371,372	ı	979,550,708
Other expenses	2,529,309,438	34,622,805	18,605,508	2,582,537,751	12,896,931	4,928,273	67,322,015	-	2,667,684,970
Total operating expenses (B)	9,354,055,472	154,539,009	28,961,103	9,537,555,584	141,178,760	26,408,514	116,770,319	1	9,821,913,177
Profit before provision (C=A-B)	10,047,998,226	169,038,505	477,768,213	10,694,804,944	171,812,447	3,522,295	(903,258)	1	10,869,236,428
Provision:									
Provision for loans and advances/investments				4,193,933,239	100,000,000	-	-	-	4,293,933,239
Provision for off-balance sheet items				(295,000,000)	1	1	1	1	(295,000,000)
Provision for diminution in value of investments				ı	1	1	ı	1	1
Other provisions				250,000,000	1	1	1	1	250,000,000
Total provision (D)				4,148,933,239	100,000,000		1	1	4,248,933,239
Profit before tax provision (E=C-D)				6,545,871,705	71,812,447	3,522,295	(903,258)	•	6,620,303,189
Provision for taxation				3,500,000,000	67,972,708		1	1	3,567,972,708
Profit after tax provision				3,045,871,705	3,839,739	3,522,295	(903,258)		3,052,330,481

Bank Asia Limited Segment Reporting

The Bank reports its operations under the following business segments as per Bangladesh Financial Reporting Standards (BFRS) 8 "Operating segment"

Amount in Taka

		Bank Asia	Limited		Bank Asia Lii	Bank Asia Limited and its subsidiaries	bsidiaries		
or clinitate O		Inside Bangladesh	gladesh		In side Bangladesh	Outside Bangladesh	igladesh	Inter	Consolidated
	Conventional Banking	Islamic Banking	Off-shore Banking unit	Total	Bank Asia Securities Ltd	BA Exchange Company (UK) Ltd	BA Express USA Inc.	transaction	
PROPERTY AND ASSETS									
Cash	24,387,453,435	1,409,700,260	1	25,797,153,695	107	56,806	26,621	1	25,797,237,229
Balance with other banks and financial institutions	29,251,851,532	8,702,502,662	1,626,552,858	39,580,907,052	598,386,033	16,002,011	16,002,011 157,813,356	(369,639,929)	39,983,468,523
Money at call and on short notice	3,750,000,000	-	-	3,750,000,000	-	-		-	3,750,000,000
Investments	98,031,359,937	4,817,750,000	ı	102,849,109,937	989,145,651	I	ı	ı	103,838,255,588
Loans and advances/investments	236,956,116,470 15,827,529,858	15,827,529,858	25,086,712,075	25,086,712,075 277,870,358,403	3,977,674,827	-	-	(1,256,565,786)	280,591,467,444
Fixed assets including premises, furniture and fixtures	5,612,388,112	3,522,869	1	5,615,910,981	85,357,425	156,944	2,587,527	1	5,704,012,877
Other assets	9,725,121,601	3,183,585,297	28,796,606	12,937,503,504	452,050,976	3,404,588	54,929,777	54,929,777 (2,390,199,645)	11,057,689,200
Non - banking assets	1	1	ı	1	1	1	Ī	Ī	1
Total assets	407,714,291,087 33,944,590,946	33,944,590,946	26,742,061,539	26,742,061,539 468,400,943,572 6,102,615,019	6,102,615,019	19,620,349	215,357,281	19,620,349 215,357,281 (4,016,405,360) 470,722,130,861	470,722,130,861

LIABILITIES AND CAPITAL									
Liabilities									
Borrowings from other banks,									
Financial institutions and agents	25,291,922,547	1	25,732,158,197	25,732,158,197 51,024,080,743 1,256,565,786	1,256,565,786	1	,	- (1,256,565,786) 51,024,080,743	51,024,080,743
Subordinated Non-Convertible Zero Coupon Bond	9,340,000,000	1	1	9,340,000,000	ı	1	ı	ı	9,340,000,000
Deposits and other accounts	306,375,437,980 30,319,134,317	30,319,134,317	1,000,845,140	1,000,845,140 337,695,417,437 527,347,378	527,347,378	ı		(369,639,929)	(369,639,929) 337,853,124,886
Other liabilities	38,235,717,971 3,625,456,629	3,625,456,629	9,058,202	9,058,202 41,701,194,297 2,259,945,347	2,259,945,347	65,969,666 2	270,814,608	65,969,666 270,814,608 (256,836,335) 44,041,087,583	44,041,087,583
Total liabilities	379,243,078,498 33,944,590,946	33,944,590,946	26,742,061,539	26,742,061,539 439,760,692,477 4,043,858,511	4,043,858,511	65,969,666	270,814,608	65,969,666 270,814,608 (1,883,042,050) 442,258,293,212	442,258,293,212
Total shareholders' equity	28,640,251,095	-	-	28,640,251,095 2,058,756,508	2,058,756,508	(46,349,317) (55,457,327)	(46,349,317) (55,457,327) (2,133,363,310) 28,463,837,649	28,463,837,649
Total liabilities and shareholders' equity	407,883,329,591 33,944,590,946	33,944,590,946	26,742,061,539	26,742,061,539 468,400,943,572 6,102,615,019	6,102,615,019	19,620,349 2	215,357,281	19,620,349 215,357,281 (4,016,405,360) 470,722,130,861	470,722,130,861

Annex-L

Bank AsiaSecurities Limited

Independent Auditor's Report to the Shareholders of Bank Asia Securities Limited

Opinion

We have audited the financial statements of Bank Asia Securities Limited (the "Company") which comprise the statement of financial position as at 31December 2022 and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements including a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respect, of the financial position of the Company as at 31 December 2022, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as explained in note 3.

Basis for Opinion

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

Other Matter

We note that pursuant to BSEC notification, the Company has opted to maintain partial provision against diminution in the value of investment and client margin loan for the year as at 31 December 2022. In addition, the Company has sold out all shares of some negative equity portfolio to prevent further increase of negative equity. Our opinion is not modified in respect of this matter.

Responsibilities of Management and Those Charged with Governance for the Financial Statements and Internal Controls Management is responsible for the preparation and fair presentation of the financial statements of the Company in accordance with IFRSs as explained in note 3, 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 these 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 judgement 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 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 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's to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Report on other Legal and Regulatory Requirements

In accordance with the Companies Act, 1994 and the Securities and Exchange Rules 2020, 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) in our opinion, proper books of account as required by law have been kept by the Company's so far as it appeared from our examination of those books;
- (iii) the statement of financial position and statement of profit or loss and other comprehensive income together with the annexed notes dealt with by the report are in agreement with the books of account and returns; and
- (iv) the expenditures incurred were for the purpose of the Company's business for the year.

Sabbir Ahmed FCA, Partner Enrolment No: 770 Hoda Vasi Chowdhury & Co

Salling Ahmed.

Chartered Accountants

Dhaka,14 March 2023 DVC No: 2303140770AS556093

Bank Asia

Securities Limited Statement of Financial Position

as at 31 December 2022

Amount in Taka

				Amount in Taka
		Notes	31 Dec 2022	31 Dec 2021
Non-current assets				
Property, plant and equipment		4	85,357,425	102,516,205
Demutualization membership of DSE		5	114,839,239	114,839,239
Total non- current assets			200,196,664	217,355,444
Current Assets				
Advances, deposits and prepayments		6	67,508,148	98,661,790
Investment in shares		7	874,306,412	815,404,194
Margin loans		8	3,977,674,827	4,244,364,917
Accounts receivable		9	12,093,453	3,495,881
Advance income tax		10	372,449,376	338,893,462
Deferred tax assets		23	4,671,014	3,596,494
Cash and cash equivalents		11	598,386,140	787,745,134
Total current assets			5,907,089,369	6,292,161,872
Total assets			6,107,286,033	6,509,517,316
Shareholders' equity and liabilities				
Share capital		12	2,000,000,000	2,000,000,000
Capital reserve		12.1	1,760,387	150,947
Retained earnings		13	61,667,135	58,362,315
Shareholders' equity			2,063,427,521	2,058,513,262
Non-current liabilities				
Financial lease obligation		14	47,356,532	56,158,627
Total non- current liabilities			47,356,532	56,158,627
Current Liabilities				
Clients' payable (customer deposits)		15	527,347,378	721,351,710
Loans and borrowings		16	1,256,565,786	1,511,582,711
Accounts payable		17	28,985,927	105,665,304
Other liabilities		18	27,897,120	30,429,024
Interest suspense account		19	890,799,214	890,799,214
Provision for diminution in value of investment	S	20	84,911,772	84,911,772
Provision for client margin loan		21	854,937,818	754,937,818
Provision for corporate income tax		22	325,056,964	295,167,874
Total current liabilities			3,996,501,979	4,394,845,426
Total liabilities			4,043,858,511	4,451,004,054
Total equity and liabilities			6,107,286,033	6,509,517,316
These Financial Statements should be read in conjunction v	with the annexed notes		<u> </u>	· · ·
-sd-	-sd-	_	-sd-	
Chairman	Director		Chief Executive Office	r

Dhaka,14 March 2023

DVC No: 2303140770AS556093

Sabbir Ahmed FCA, Partner Enrolment No: 770 Hoda Vasi Chowdhury & Co **Chartered Accountants**

Sallin Ahmed.

Bank Asia

Securities Limited Statement of Profit or loss and Other Comprehensive Income

for the year ended 31 December 2022

Amount in Taka

			Amount in Taka
	Notes	31 Dec 2022	31 Dec 2021
Brokerage commission	24	195,774,974	294,493,388
Interest income	25	160,281,453	231,094,069
Interest expense	26	(119,900,685)	(176,722,894)
Net interest income		40,380,767	54,371,175
Other operating income/(loss)	27	76,835,465	148,131,302
Total operating income		312,991,207	496,995,865
Operating expenses	28	(141,178,759)	(143,213,629)
Profit before provision		171,812,447	353,782,236
Provision for diminution in value of investments	20	-	(51,208,223)
Provision for client margin loan	21	(100,000,000)	(192,443,649)
Profit /(Loss)before tax		71,812,447	110,130,364
Current tax expense	22	(67,972,708)	(94,735,436)
Deferred tax Income/(expense)	23	1,074,520	850,416
Income tax expense		(66,898,188)	(93,885,020)
Profit after tax		4,914,259	16,245,344
Other comprehensive income		-	-
Total comprehensive income/(loss)		4,914,259	16,245,344
Appropriation to			
Capital reserve		(1,609,440)	(150,947)
Total Comprehensive income		3,304,820	16,094,397
Earnings per share	29	0.25	0.81

These financial statements should be read in conjunction with the annexed notes

-sd--sd--sd-Chief Executive Officer Chairman Director

Dhaka,14 March 2023

DVC No: 2303140770AS556093

Sabbir Ahmed FCA, Partner Enrolment No: 770 Hoda Vasi Chowdhury & Co **Chartered Accountants**

Bank Asia Securities Limited Statement of Cash Flows

for the year ended 31 December 2022

Amount in Taka

			31 Dec 2022	31 Dec 2021
Α.	Cash flows from operating activiti	es		
	Cash received from			
	Interest income		160,281,453	231,094,069
	Brokerage commission		195,774,974	294,493,388
	Cash payment for			
	Interest expenses		(98,878,292)	(149,649,645)
	Operating expenses		(121,712,814)	(120,841,017)
	Customers' deposits		(194,004,332)	202,285,602
	Margin loan to customers		312,177,557	677,370,928
	Other assets		22,556,070	45,950,693
	Accounts Payable		(76,679,377)	33,254,627
	Income tax paid		(71,639,532)	(94,890,574)
	Net cash flows from/ (used in) ope	erating activities	127,875,705	1,119,068,071
В.	Cash flows from investing activitie	es		
	Investment in shares		(58,902,218)	(274,616,289)
	Demutualization membership of DSE		-	-
	Acquisition of property and equipment		(3,315,557)	(11,214,467)
	Net cash used in investing activiti	es	(62,217,775)	(285,830,756)
C.	Cash flows from financing activities	es		
	Loans and borrowings		(255,016,925)	(609,386,506)
	Net cash from financing activities		(255,016,925)	(609,386,506)
D.	Net increase/(decrease) in cash a	nd cash equivalents (A+B+C)	(189,358,994)	223,850,809
E.	Opening cash and cash equivalents		787,745,134	563,894,325
F.	Closing cash and cash equivalents		598,386,140	787,745,134
These	e Financial Statements should be read in conjunction	with the annexed notes		
	-sd-	-sd-	-sd-	
	Chairman	Director	Chief Executive Office	cer

Bank Asia Securities LimitedStatement of Changes in Equity

for the year ended 31 December 2022

Amount in Taka

Particulars	Share capital	Capital reserve	Retained earnings/ (Accumulated Losses)	Total
Period ended 31 Dec 2021				
Opening balance	2,000,000,000	•	42,267,918	2,042,267,918
Net profit for the period		•	16,245,344	16,245,344
Transfer during the year		150,947	(150,947)	1
Closing balance	2,000,000,000	150,947	58,362,315	2,058,513,262
Period ended 31 Dec 2022				
Opening balance	2,000,000,000	150,947	58,362,315	2,058,513,262
Net profit for the period		1	4,914,259	4,914,259
Transfer during the year		1,609,440	(1,609,440)	ı
Closing balance	2,000,000,000	1,760,387	61,667,135	2,063,427,522

These Financial Statements should be read in conjunction with the annexed notes

-ps-	Chief Executive Officer
-ps-	Director
-ps-	Chairman

Bank Asia Securities Limited

Notes to the Financial Statements

as at and for the year ended 31 December 2022

1. Reporting Entity

Bank Asia Securities Limited ("the Company"), a majority owned subsidiary company of Bank Asia Limited was incorporated as a private limited company in Bangladesh on 04 August 2010 bearing certificate of incorporation no. C-86230/10 dated 04 August 2010 under the Companies Act 1994 having its registered office at Hadi Mansion (2nd Floor), 2 Dilkusha Commercial Area, Dhaka 1000.

The Company obtained permission from Bangladesh Securities and Exchange Commission on 16 March 2011 to operate as a full fledged stock broker and stock dealer bearing registration nos. Reg/3.1/DSE-237/2011/463 and Reg/3.1/DSE-237/2011/464 respectively.

The main objective of the Company is to act as a full fledged stock broker and stock dealer to execute buy and sell orders and to maintain own portfolio as well as customers portfolio under the discretion of customers. The Company also performs the other activities relates to capital market as and when regulators permits the company to carry out activities as per their guidelines.

2. Basis of Preparation

2.1 Statement of compliance

The financial statements of the Company are prepared on a going concern basis under historical cost conversion in accordance following International Financial Reporting Standards (IFRSs), The Companies Act-1994, and other laws and rules applicable in Bangladesh. Wherever appropriate, such principles are explained in succeeding notes.

2.2 Components of the financial statements

The financial statements referred to here comprise:

- a) Statement of Financial Position;
- b) Statement of Profit or loss and Other Comprehensive income;
- c) Statement of Changes in Equity;
- d)Statement of Cash Flows; and
- e) Notes to the Financial Statements.

2.3 Use of estimates and judgments

The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect 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 are reviewed on an ongoing basis. Revisions to accounting estimates are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the periods in which the estimate is revised and in any future periods affected.

Key estimates include the following:

- * Property, Plant and Equipment
- * Provision on margin loan and Investment in shares
- * Deferred Tax Asset/Liabilities
- * ROU assets and lease liabilities

2.4 Statement of cash flows

Statement of Cash Flows has been prepared as per International Accounting Standard IAS-7 under direct method. The Cash Flow Statement shows the structure of and changes in cash and cash equivalents during the year. Cash Flows during the year have been classified as operating activities, investing activities and financing activities.

2.5 Reporting period

These financial statements cover period from 1 January 2022 to 31 December 2022.

2.6 Date of authorization

The Board of Directors accorded its approval and authorized these financial statements on Date: 14 March 2023.

2.7 Functional and presentational currency

The financial statements are presented in Bangladesh Taka, which is the Company's functional currency.

2.8 Share capital

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

2.9 Going concern

The Company has adequate resources to continue its operation for foreseeable future. For this reason the directors continue to adopt going concern basis in preparing the financial statements. The current credit facilities and adequate resources of the Company provide sufficient funds to meet the present requirements of its existing businesses and operations to continue.

2.10 Investment in securities

These securities are bought and held primarily for the purpose of selling them in future or held for dividend incomes which are reported at fair value. Unrealized gains are not recognized in the profit and loss statement. But provision was made for diminution in value of investment as per BSEC guideline.

2.11 Provision, Contingent asset and contingent liabilities

As per IAS-37 "Provisions, Contingent Liabilities and Contingent Assets" the Bank Asia Securities Limited recognizes provisions only when it has a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and when a reliable estimate of the amount of the obligation can be made.

Any possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or nonoccurrence of one or more uncertain future events not wholly within the control of the Company; or any present obligation that arises from past events but is not recognized because:

*It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or

*The amount of the obligation cannot be measured with sufficient reliability.

Contingent liabilities are not recognized but disclosed in the financial statements unless the possibility of an outflow of resources embodying economic benefits is reliably estimated.

Contingent assets are not recognized in the financial statements as this may result in the recognition of income which may never be realized.

2.12 Taxation

Current tax

Provision for current tax is made in accordance with the provision of Income Tax Ordinance, 1984 and subsequent amendments made thereto from time to time.

Deferred Tax

Deferred Tax is calculated as per International Accounting Standard IAS-12 "Income Taxes". Deferred Tax is recognized on differences between the carrying amount 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 recognized for all taxable temporary differences. Deferred Tax assets are generally recognized for all deductible temporary differences.

Deferred Tax is measured at the tax rate that is expected to be applied to the temporary differences when they reverse based on the laws that have been enacted or substantively enacted by the reporting date.

2.13 Branch Details

The Company has a total six number of Branch offices, Two Extension Office (excluding Head Office), with no overseas branch as on December 31, 2022.

Accounts of the branches are maintained at the head offices which are included in the accompanying financial statements.

3. Significant Accounting Policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements. Certain comparative amounts have been reclassified to conform with the current year's presentation.

3.1 Revenue Recognition

In terms of provision of IFRS-15 on revenue and disclosures in the financial statements of the company the following items have been recognized as mentioned.

Brokerage commission

Income from brokerage is recognized on daily basis in the Statement of Comprehensive Income after receiving the trading note of securities transacted from Dhaka Stock Exchange Limited, at which point performance is assured to be completed.

Interest Income from margin loan

Interest on loans and advances is calculated on daily product basis, but charged and accounted for on quarterly basis except negative equity clients where interest is recognized based on effective interest rate which is estimated recoverable amount as per IFRS-9.

Dividend income and profit/ (loss) on sale of marketable securities

Dividend income is recognized when right to receive payment is established whereas profit or loss arising from the sale of securities is accounted for only when shares are sold in the market and profit is realized or loss is incurred.

3.2 Interest paid and other expenses

In terms of the provisions of IAS-1 "Presentation of Financial Statements" interest and other expenses are recognized on accrual basis.

3.3 Earnings per share

Earnings per share (EPS) has been computed by dividing the basic earnings by the weighted average number of ordinary shares outstanding at 31 December 2022 as per International Accounting Standard IAS- 33 "Earnings Per Share".

3.4 Property, plant and equipment

Items of property, plant and equipment, are measured at cost less accumulated depreciation and impairment losses, as per IAS-16: Property, Plant and Equipment. Cost includes expenditures that are directly attributable to the acquisition of the asset.

Bank Asia Securities Limited Notes to the Financial Statements

Subsequent costs

The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The cost of day-to-day servicing items of property, plant and equipment are expensed when incurred.

Depreciation

Depreciation is charged on straight-line method. Charging depreciation against fixed assets commences from the month of acquisition (for full month) and ceases at the month when the assets are disposed. Asset category-wise depreciation rates are as follows:

Asset category	Rate of depreciation (%)
Computer and accessories	20
Furniture and fixtures	20
Office equipment	20
Office renovation	20
Details are given in Annexure-I.	

3.5 Intangible assets

Computer software

Computer software acquired by the Company which have finite useful lives are measured at cost less accumulated amortization.

Subsequent costs

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognized in profit or loss.

Amortization of intangible assets

Computer software are amortized @ 20% per annum in a straight-line method.

3.6 Lease assets

The company has applied "IFRS 16: Lease" using the modified retrospective approach.

3.7 Advance, deposits and prepayments

- Advances are initially measured at cost. After initial recognition, advances are carried at cost less deductions, adjustments or charges to other account heads such as property, plant and equipment etc.
- Deposits are measured at payment value.
- Prepayments are initially measured at cost. After initial recognition, prepayments are carried at cost less charges to Statement of Comprehensive Income.

3.8 Advance Income tax

The amount of advance income tax are mainly deduction at sources by DSE on daily transaction of broker & dealer operation. Tax deduction on interest income and dividend income are also included.

3.9 Related party

As per International Accounting Standards IAS-24 "Related Party Disclosures", A party is related to the company if:

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

3.10 Events after reporting period

As per IAS-10 "Events after 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:

- (a) those that provide evidence of conditions that existed at the end of the reporting period (adjusting events after the reporting period); and
- (b) those that are indicative of conditions that arose after the reporting period (no adjusting events after the reporting period).

3.11 Directors' responsibility statement

The Board of Directors takes the responsibility for the preparation and presentation of these financial statements as per section 183 of companies Act 1994.

3.12 Departures from IFRS

The Financial Reporting Council (FRC) has been formed, but no financial reporting standards have yet been issued as per the provisions of the Financial Reporting Act (FRA), 2015. Hence, the financial statements of the Company as at and for the year ended 31 December 2020 have been prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by The Institute of Chartered Accountants of Bangladesh (ICAB) and as per the requirements of the provisions, circulars, rules and regulations issued by the Bangladesh Securities and Exchange Commission (BSEC) and The Income Tax Ordinance 1984. In case any requirements of the BSEC provisions, circulars, rules and regulations differ from those of IFRS, the requirements of BSEC provisions, circulars rules and regulations shall prevail, and such departures from IFRS have been followed accordingly. In addition, there has been a departure from the provisions of IFRS-9 with regard to interest income. Material departures from the requirements of IFRS are as follows:

i) Provision for impairment of client margin loan

IFRS: In accordance with IFRS-9, an entity should recognize a loss allowance for expected credit losses on a financial asset and shall not reduce the carrying amount of the financial asset in the statement of financial position. The objective of the impairment requirements is to recognize lifetime expected credit losses for all financial instruments for which there have been significant increases in credit risk since initial recognition, whether assessed on an individual or collective basis considering all reasonable and supportable information, including that which is forward-looking. An entity shall directly reduce the gross carrying amount of a financial asset when the entity has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof.

BSEC: As per BSEC letter no. BSEC/SRI/NE/2020/605 dated December 28, 2022, provision has been made for impairment of margin loan arising out of year-end (31.12.2022) revaluation of shares purchased through margin loan complying with the relevant instruction. Bank Asia Securities Limited has opted for the option to maintain minimum 20% of total impairment of margin loan arising from diminution in value of investments as provision as on 31.12.2022 in accordance with the aforesaid directives.

ii) Recognition of interest income from margin loan

IFRS: In accordance with IFRS-9, interest revenue should be calculated by using the effective interest method by applying the effective interest rate to the gross carrying amount of the financial asset. Interest income should be recognized when the financial asset is no longer credit-impaired and the improvement can be related objectively.

Departure: The Company recognized interest from margin loan when the loan is no longer credit-impaired. However, some margin loan interest was recognized as income from credit-impaired when the account become positive.

iii) Valuation of shares of DSE

IFRS: As per para-5.2.2 of IFRS-9, an entity shall apply the impairment requirements to financial assets that are measured at amortized cost in accordance with paragraph 4.1.2 of IFRS-9 and to financial assets that are measured at fair value through other comprehensive income in accordance with paragraph 4.1.2A of IFRS-9.

Depurture: There is no active market for shares in DSE and the sale price to Strategic Investor, Shenzhen Stock Exchange (SZSE) and Shanghai Stock Exchange (SSE), has been determined through negotiation. The sale had to be made within the time limit as given in the Exchange Demutualization Act-2013 and approved by the Bangladesh Securities and Exchange Commission (BSEC). This was not a transaction in active market. And we strongly believe that with the involvement of the strategic partners and the development of capital market under the guidance of the BSEC, the share price of the exchanges will increase significantly.

3.13 Others

Figures in these notes and in the annexed financial statements have been rounded off to the nearest Taka.

These notes from an integral part of the annexed financial statements and accordingly are to be read in conjunction therewith.

${\bf 3.14\ Application\ of\ International\ Accounting\ Standards\ (IASs):}$

The Financial Statements have been prepared in compliance with requirement of International Accounting Standards (IASs) as adopted by The Institute of Chartered Accountants of Bangladesh (ICAB) and applicable in Bangladesh. The following International Accounting Standards (IASs) are applicable for the financial statements for the period under review:

- IAS- 1 Presentation of Financial Statements
- IAS- 7 Statements of Cash Flows
- IAS- 8 Accounting Policies, Changes in Accounting Estimates and Errors
- IAS- 10 Events after the Reporting Period
- IAS- 12 Income Taxes
- IAS- 16 Properties, Plant and Equipment
- IAS- 19 Employees Benefit
- IAS- 24 Related Party Disclosure
- IAS- 32 Financial Instruments Presentation
- IAS- 33 Earning Per shares
- IAS- 37 Provisions, Contingent Liabilities and Contingent Assets

Bank Asia Securities Limited Notes to the Financial Statements

IAS- 38 Intangible Assets

IFRS- 7 Financial Instruments: Disclosures;

IFRS- 9 Financial Instruments

IFRS- 13 Fair Value Measurement

IFRS- 15 Revenue

IFRS- 16 Lease

3.15 New and amended standards and interpretations:

IFRS 16 Leases

The Company has applied "IFRS 16: Lease" using the modified retrospective approach as per paragraph C8 of IFRS 16 with necessary adjustment as stated in IAS 8 and therefore the comparative information has not been restated and continues to be reported under IAS 17 and IFRIC 4. IFRS 16 supersedes IAS 17 and applicable from January 01, 2019.

Leases previously classified as operating leases

- a) Bank Asia Securities Limited recognize a lease liability at the date of initial application for leases previously classified as an operating lease applying IAS 17 and measure that lease liability at the present value of the remaining lease payments, discounted using incremental borrowing rate at 9% at the date of initial application i.e. January 01, 2020.
- b) Recognize a right-of-use asset at the date of initial application for leases previously classified as an operating lease applying IAS 17 and choose, on a lease-by-lease basis, to measure that right-of-use asset; an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognized in the statement of financial position immediately before the date of initial application.

The right of use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right of use asset is depreciated using the straight line methods from the commencement date to the earlier of the end of the useful life of the right of use asset or the end of the lease term. The right of use asset is reduced by impairment losses as per IAS 36, and adjusted for certain measurements of the lease liability if any.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date and discounted using the incremental borrowing rate.

The lease liability is measured at amortized cost using the effective interest method. It is premeasured when there is a change in future lease payments arising from a change in an index or rate, if there is change in estimate of the amount expected to be payable under a residual value guarantee, or if changes its assessment of whether it will exercise purchase, extension or termination option.

When the lease liability is measured in this way, a corresponding adjustment is made to the carrying amount of the right to use asset, or is recorded in profit or loss if the carrying amount of the right of use asset has been reduced to zero.

The Company may elect not to apply the IFRS 16 for short-term leases and leases for which the underlying asset is of low value.

4. Property, Plant and Equipment

	31 Dec 2022	31 Dec 2021
Opening balance	29,451,019	27,269,864
Add: Addition during the period	3,315,557	11,214,467
Less: Depreciation charge for the period	10,487,223	9,033,312
A. Closing balance	22,279,353	29,451,019
ight of use of assets		
Opening balance	73,065,185	73,467,925
Add: Addition during the year	2,951,846	13,075,282
	76,017,031	86,543,206

	31 Dec 2022	31 Dec 2021
Less: Adjustment/disposal	1,428,336	2,313,840
Less: Depreciation charge for right of use of assets	11,510,625	11,164,181
B. Closing balance	63,078,070	73,065,185
Grand Total (A+B)	85,357,424	102,516,205
etails are given in Anex I		
Demutualization Membership of Dhaka Stock Exchange	114 839 239	114 839 239

5. Demutualization Membership of Dhaka Stock Exchange

The majority owned (99.99%) subsidiary company of the Bank, Bank Asia Securities Limited (BASL) has acquired the membership of Dhaka Stock Exchange for Tk 153,119,000. As per the scheme of Demutualization of DSE, BASL being the initial shareholders of DSE, is entitled to receive 7,215,106 shares of Tk 10 each, totaling Tk 72,151,060.

Under section 14(Ka) of Demutualization Act 2013, Share Purchase Agreement (SPA) executed between Dhaka Stock Exchange Ltd. (DSE) and its strategic investors namely Shenzhen Stock Exchange (SZSE) and Shanghai Stock Exchange (SSE) and completed the sale of 25% (Twentyfive percent) DSE shares to SZSE and SSE. In this connection, BASL sold 1,803,777 number of share at the rate of Tk.21 per share totaling Tk. 37,879,317. Currently BASL holding 5,411,329 shares at a cost of totaling Tk. 114,839,239.

The Scheme is not yet completed and these shares are also currently not traded. Hence the actual fair value is not readily ascertainable. However, management expect the fair value to be similar or more then the current revalued amount. Once more clarity about the Scheme and related factors are available a determination of fair value and related adjustments including impairment assessment, if any shall be made at that time.

6. Advances, Deposits and Prepayments

Advance Office Rent	-	-
Invetment in BTCL	30,000,000	-
Advance for Renovation of New Branch	7,111,658	-
Security Deposit for CSE TREC	30,000,000	30,000,000
Advance for Legal Advice & Stamp	96,490	84,290
Collateral amount for digital booth to DSE	300,000	-
Own subscription in IPOs but not yet allotted	-	22,037,500
Subscription in IPOs but not yet allotted for Client	-	46,540,000
	67,508,148	98,661,790
7. Investment in Shares (Details are given in Note 7.1, 7.2 & 7.3)	874,306,412	815,404,194
7.1 Investment in shares in Dealer Account	491,329,492	459,548,598

All investments in marketable securities are valued on an aggregate portfolio basis at cost price, at the balance sheet date. Sufficient provision has maintained as per BSEC guidelines against this unrealized loss. Please see note 20.00 for details. Details are given in Annex II

7.2 Investment In share Under SFCM

382,976,919 355,855,596

All investments in marketable securities are valued on an aggregate portfolio basis at cost price, at the balance sheet date, Investment made under Bnagladesh Bank DOS circular No. 01 dated February 10, 2020 (Details are given in Annex III).

7.3 Proprietary positions in securities and specified investments (Investments in shares)

Proprietary positions in Equity securities		
Value of "A" category instruments	807,807,861	733,646,328
Value of "B/G/N/" category instruments	10,572,987	30,026,552
Value of "Z" category instruments		
Value of "OTC" category instruments		
Value of Non-Listed Instruments	-	46,400
Proprietary positions in MFs & CISs	-	-
Value of listed funds	42,396,974	51,684,914
Value of non-listed funds	9,287,940	-

Bank Asia Securities Limited Notes to the Financial Statements

8. Margin Loans to Customers Opening balance Add: Interest charged during the period 1. 4,2 Less: Repayment of Margin Loan during the period/(addition) Closing balance 3,9 The Company extends margin loan facilities to customers for trading of shares on the secondary capital mark extended on a ratio based on the equity invested by individual customers. The ratio during the year based on Securities and Exchange Commission. 8.1 Margin loans to customers (Account receivable from margin clients) Receivable to Clients having no margin or full erosion of clients' equity (e.g.no euity against debit balance) Receivable to Clients fall under force sale condition (e.g. equity is between 100% and 125% of DB) Receivable to Clients fall under margin call (e.g. equity is >125% of DB but <150% of DB) Receivable to regular Margin Clients (e.g. equity is >150% of debit balance)		•
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Opening balance Add: Interest charged during the period 4,3 Less: Repayment of Margin Loan during the period/(addition) Closing balance 3,9 The Company extends margin loan facilities to customers for trading of shares on the secondary capital mark extended on a ratio based on the equity invested by individual customers. The ratio during the year based on Securities and Exchange Commission. 8.1 Margin loans to customers (Account receivable from margin clients) Receivable to Clients having no margin or full erosion of clients' equity (e.g. no euity against debit balance) Receivable to Clients fall under force sale condition (e.g. equity is between 100% and 125% of DB) Receivable to Clients fall under margin call (e.g. equity is >125% of DB but <150% of DB) Receivable to regular Margin Clients (e.g. equity is >150% of debit balance) Total margin loan 9. Accounts Receivable Receivable from Dhaka Stock Exchange Ltd (Broker) (note 9.1) Receivable from Chittagong Stock Exchange PLC (Broker) Receivable Dividend (Dealer & SFCM) 9.1 Receivable from Dhaka Stock Exchange Ltd (Broker) Receivable against A,B,G and N category Receivable against Z category	135,002,089 379,367,006 401,692,179 977,674,827 ket in Banglader directives issue 351,413,305 86,897,980 86,322,793 953,040,749	200,593,893 5,011,381,319 767,016,402 4,244,364,917 sh. Margin loans are ed by Bangladesh 3,141,687,584 5,441,988 119,762,579 977,472,766
Add: Interest charged during the period 4,3 Less: Repayment of Margin Loan during the period/(addition) Closing balance The Company extends margin loan facilities to customers for trading of shares on the secondary capital mark extended on a ratio based on the equity invested by individual customers. The ratio during the year based on Securities and Exchange Commission. 8.1 Margin loans to customers (Account receivable from margin clients) Receivable to Clients having no margin or full erosion of clients' equity (e.g. no euity against debit balance) Receivable to Clients fall under force sale condition (e.g. equity is between 100% and 125% of DB) Receivable to Clients fall under margin call (e.g. equity is >125% of DB but <150% of DB) Receivable to regular Margin Clients (e.g. equity is >150% of debit balance) Total margin loan 3.9 Accounts Receivable Receivable from Dhaka Stock Exchange Ltd (Broker) (note 9.1) Receivable from Chittagong Stock Exchange PLC (Broker) Receivable Dividend (Dealer & SFCM) 9.1 Receivable from Dhaka Stock Exchange Ltd (Broker) Receivable against A,B,G and N category Receivable against Z category	135,002,089 379,367,006 401,692,179 977,674,827 ket in Banglader directives issue 351,413,305 86,897,980 86,322,793 953,040,749	200,593,893 5,011,381,319 767,016,402 4,244,364,917 sh. Margin loans are ed by Bangladesh 3,141,687,584 5,441,988 119,762,579 977,472,766
Less: Repayment of Margin Loan during the period/(addition) Closing balance The Company extends margin loan facilities to customers for trading of shares on the secondary capital mark extended on a ratio based on the equity invested by individual customers. The ratio during the year based on Securities and Exchange Commission. 8.1 Margin loans to customers (Account receivable from margin clients) Receivable to Clients having no margin or full erosion of clients' equity (e.g. no euity against debit balance) Receivable to Clients fall under force sale condition (e.g. equity is between 100% and 125% of DB) Receivable to Clients fall under margin call (e.g. equity is >125% of DB but <150% of DB) Receivable to regular Margin Clients (e.g. equity is >150% of debit balance) Total margin loan Accounts Receivable Receivable from Dhaka Stock Exchange Ltd (Broker) (note 9.1) Receivable from Chittagong Stock Exchange PLC (Broker) Receivable Dividend (Dealer & SFCM) 9.1 Receivable against A,B,G and N category Receivable against Z category	379,367,006 401,692,179 977,674,827 ket in Banglades directives issue 351,413,305 86,897,980 86,322,793 953,040,749	5,011,381,319 767,016,402 4,244,364,917 sh. Margin loans are ed by Bangladesh 3,141,687,584 5,441,988 119,762,579 977,472,766
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Closing balance The Company extends margin loan facilities to customers for trading of shares on the secondary capital mark extended on a ratio based on the equity invested by individual customers. The ratio during the year based on Securities and Exchange Commission. 8.1 Margin loans to customers (Account receivable from margin clients) Receivable to Clients having no margin or full erosion of clients' equity (e.g. no euity against debit balance) Receivable to Clients fall under force sale condition (e.g. equity is between 100% and 125% of DB) Receivable to Clients fall under margin call (e.g. equity is >125% of DB but <150% of DB) Receivable to regular Margin Clients (e.g. equity is >150% of debit balance) Total margin loan Accounts Receivable Receivable from Dhaka Stock Exchange Ltd (Broker) (note 9.1) Receivable from Chittagong Stock Exchange PLC (Broker) Receivable Dividend (Dealer & SFCM) 9.1 Receivable from Dhaka Stock Exchange Ltd (Broker) Receivable against A,B,G and N category Receivable against Z category	2977,674,827 ket in Banglades directives issue 351,413,305 86,897,980 86,322,793 953,040,749	4,244,364,917 sh. Margin loans are ed by Bangladesh 3,141,687,584 5,441,988 119,762,579 977,472,766
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Receivable to Clients having no margin or full erosion of clients' equity (e.g.no euity against debit balance) Receivable to Clients fall under force sale condition (e.g. equity is between 100% and 125% of DB) Receivable to Clients fall under margin call (e.g. equity is >125% of DB but <150% of DB) Receivable to regular Margin Clients (e.g. equity is >150% of debit balance) Total margin loan Accounts Receivable Receivable from Dhaka Stock Exchange Ltd (Broker) (note 9.1) Receivable from Dhaka Stock Exchange PLC (Broker) Receivable Dividend (Dealer & SFCM) 9.1 Receivable from Dhaka Stock Exchange Ltd (Broker) Receivable against A,B,G and N category Receivable against Z category	86,897,980 86,322,793 953,040,749	5,441,988 119,762,579 977,472,766
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(e.g. equity is between 100% and 125% of DB) Receivable to Clients fall under margin call (e.g. equity is >125% of DB but <150% of DB) Receivable to regular Margin Clients (e.g. equity is >150% of debit balance) Total margin loan 3,9 Accounts Receivable Receivable from Dhaka Stock Exchange Ltd (Broker) (note 9.1) Receivable from Chittagong Stock Exchange PLC (Broker) Receivable Dividend (Dealer & SFCM) 9.1 Receivable from Dhaka Stock Exchange Ltd (Broker) Receivable against A,B,G and N category Receivable against Z category	86,322,793 953,040,749	119,762,579 977,472,766
(e.g. equity is >125% of DB but <150% of DB) Receivable to regular Margin Clients (e.g. equity is >150% of debit balance) Total margin loan 3,9 Accounts Receivable Receivable from Dhaka Stock Exchange Ltd (Broker) (note 9.1) Receivable from Dhaka Stock Exchange Ltd (Dealer) Receivable from Chittagong Stock Exchange PLC (Broker) Receivable Dividend (Dealer & SFCM) 9.1 Receivable from Dhaka Stock Exchange Ltd (Broker) Receivable against A,B,G and N category Receivable against Z category	953,040,749	977,472,766
(e.g. equity is >150% of debit balance) Total margin loan 3,9 Accounts Receivable Receivable from Dhaka Stock Exchange Ltd (Broker) (note 9.1) Receivable from Dhaka Stock Exchange Ltd (Dealer) Receivable from Chittagong Stock Exchange PLC (Broker) Receivable Dividend (Dealer & SFCM) 9.1 Receivable from Dhaka Stock Exchange Ltd (Broker) Receivable against A,B,G and N category Receivable against Z category		
Accounts Receivable Receivable from Dhaka Stock Exchange Ltd (Broker) (note 9.1) Receivable from Dhaka Stock Exchange Ltd (Dealer) Receivable from Chittagong Stock Exchange PLC (Broker) Receivable Dividend (Dealer & SFCM) 9.1 Receivable from Dhaka Stock Exchange Ltd (Broker) Receivable against A,B,G and N category Receivable against Z category	977,674,827	4,244,364,917
Receivable from Dhaka Stock Exchange Ltd (Broker) (note 9.1) Receivable from Dhaka Stock Exchange Ltd (Dealer) Receivable from Chittagong Stock Exchange PLC (Broker) Receivable Dividend (Dealer & SFCM) 9.1 Receivable from Dhaka Stock Exchange Ltd (Broker) Receivable against A,B,G and N category Receivable against Z category		
Receivable from Dhaka Stock Exchange Ltd (Dealer) Receivable from Chittagong Stock Exchange PLC (Broker) Receivable Dividend (Dealer & SFCM) 9.1 Receivable from Dhaka Stock Exchange Ltd (Broker) Receivable against A,B,G and N category Receivable against Z category		
Receivable from Chittagong Stock Exchange PLC (Broker) Receivable Dividend (Dealer & SFCM) 9.1 Receivable from Dhaka Stock Exchange Ltd (Broker) Receivable against A,B,G and N category Receivable against Z category	380,003	3,482,812
Peceivable Dividend (Dealer & SFCM) 9.1 Receivable from Dhaka Stock Exchange Ltd (Broker) Receivable against A,B,G and N category Receivable against Z category	-	
9.1 Receivable from Dhaka Stock Exchange Ltd (Broker) Receivable against A,B,G and N category Receivable against Z category	1	
Receivable against A,B,G and N category Receivable against Z category	11,713,449	13,069
Receivable against A,B,G and N category Receivable against Z category	12,093,453	3,495,881
Receivable against Z category		
Receivable against Z category	-	
Receivable against DVP category	380,003	3,479,021
	-	3,792
Total receivable from DSE	380,003	3,482,812
. Advance Income Tax		
	220 002 402	005 000 001
	338,893,462	285,922,331
Tax deducted at source from brokerage commission Tax deducted at source from dividend income	, ,	66,108,703
Advance Tax as per Section 64 & 74	6,157,480 17,516,100	5,044,490 11,068,309
Advance tax as per section 64 & 74 Advance tax others	3,000	3,000
Advance Tax for Appeal to Appellate Tribunal/High Court	3,000	9,610,964
Tax deducted at source from bank interest	3,936,541	3,055,108
Tax accacted at source from paint interest	71,639,532	94,890,574
Less: Adjusted during the period	38,083,618	41,919,443
	372,449,376	338,893,462

		31 Dec 2022	31 Dec 2021
11. Cash and Cash Equivalents			
Cash in hand (note 11.1)		107	15,772
Cash at Bank (note 11.2)		598,386,033	787,729,362
		598,386,140	787,745,134
11.1 Cash in hand			
Head-office		107	15,772
11.2 Cash at Bank			
Bank Asia Limited (Consolidated Customer A/C-00836000674)		369,482,673	78,791,998
ONE Bank Limited (Consolidated Customer A/C-0015025406003)		124,965,113	613,819,302
Midland Bank Ltd (Consolidated Customer A/C-0001-1060000011)		102,862,201	93,883,863
Bank Asia Limited (Current Deposit Account-00833007917)		157,256	64,749
Bank Asia Limited (IPO-00836000676)		-	-
ONE Bank Limited (Dealer Account-0015025405007)		918,790	1,169,450
		598,386,033	787,729,362
12. Share Capital			
Authorized capital :			
20,000,000 ordinary shares of Taka 100 each		2,000,000,000	2,000,000,000
Issued, subscribed and paid up capital:	-		
20,000,000 ordinary shares of Taka 100 each		2,000,000,000	2,000,000,000
The Company's shareholding position as at 31 December 2022 was as under:	•		
Name of shareholder	No. of shares	% of holding	Value/Taka
Bank Asia Limited	19,999,300	99.997%	1,999,930,000
Mr. Anisur Rahman Sinha	100	0.0005%	10,000
Mr. A. Rouf Chowdhury	100	0.0005%	10,000
Ms. Romana Rouf Chowdhury	100	0.0005%	10,000
Mr. Md. Nuzrul Huda	100	0.0005%	10,000
Mr. Md. Arfan Ali	100	0.0005%	10,000
Mr. Md. Sazzad Hossain	100	0.0005%	10,000
Mr. Mohammad Ibrahim Khalil	100	0.0005%	10,000
<u> </u>	20,000,000	100.00%	2,000,000,000
12.1 Capital reserve			
Opening balance		150,947	-
Add: Addition during the year		1,609,440	150,947
		1,760,387	150,947
Less: Adjusted during the period			
Closing balance		1,760,387	150,947

To compliance with Bangladesh Securities and Exchange Commission (Risk Based Capital Adequacy) Rules, 2019 the company maintained a capital reserve by 10% on profit after tax of last year.

	31 Dec 2022	31 Dec 2021
3. Retained Earnings		
Opening balance	58,362,315	42,267,918
Less: Dividend paid	-	-
	58,362,315	42,267,918
Add: Total comprehensive income during the period	4,914,259	16,245,344
Less: Transfer to capital reserve	(1,609,440)	(150,947)
Closing balance	61,667,135	58,362,315
4. Financial Lease Obligation		
Opening balance	56,158,627	55,506,820
Add: Addition during the year	2,951,846	13,075,282
	59,110,473	68,582,101
Less: Conversion to short lerm	11,753,941	12,423,474
Closing balance	47,356,532	56,158,627
5. Clients' Payable (Customer Deposits)	527,347,378	721,351,710
Customer deposits represent uninvest funds lying with the Company's account at the report	ting date.	
6. Loans and Borrowings		
Bank Asia Limited	868,403,324	1,152,611,494
Bank Asia Limited-(SFCM)	388,162,462	358,971,217
	1,256,565,786	1,511,582,711
7. Accounts Payable		
Payable for IPO Application Process	-	69,395,000
Interest Payable	21,022,393	27,073,249
Dhaka Stock Exchange Ltd (Broker)	7,963,534	9,197,055
	28,985,927	105,665,304
8. Other Liabilities	27,897,120	30,429,024
8.1 Liabilities for expenses	16,251,885	18,715,491
The amount represents provisions against operating expenses during the period.		
8.2 Current portion of lease obligation		
Opening balance	11,713,533	9,946,839
Add: Interest cahrge during the year	5,330,929	5,617,075
Add: Conversion from long term	11,753,941	12,423,474
	28,798,403	27,987,388
Less: Paid during the period	17,153,167	16,273,855
Closing balance	11,645,236	11,713,533

	31 Dec 2022	31 Dec 2021
19. Interest Suspense Account		
Opening balance	890,799,214	890,799,214
Add: Interest suspense during the year	-	-
Closing Balance	890,799,214	890,799,214

The amount represents interest income from loan accounts of the clients who have negative equity with Bank Asia Securities Limited. The amount will be recognized as income when client equity become positive balance.

20. Provision for Diminution in Value of Investments

Opening Balance	84,911,772	33,703,549
Add: Provision made during the period	-	51,208,223
Closing balance	84,911,772	84,911,772

As per BSEC instruction circular reference SEC/CMRRCD/2009-193/196 dated 28 December 2016 and SEC/CMRRCD/2009-193/203 dated 28 December 2017, BSEC/Mukhopatro(5th Khondo)/2011/60; Date: 19 December 2018, BSEC/SRI/Policy/3/2020/68; Date: 12 January 2020 subsequent BSEC letter no. BSEC/SRI/NE/2020/605 dated December 28, 2022 Bank Asia Securities Ltd has the option to maintain provision of total unrealized loss within 2023.

21. Provision for Client Margin Loan (Note 21.1 & 21.2)

Opening Balance	754,937,818	562,494,169
Add: Provision made during the period for unrealiszed loss arising for client margin loan	102,666,901	150,000,000
Add: Provision made during the period for outstanding margin loan	(2,666,901)	42,443,649
Closing Balance	854,937,818	754,937,818
21.1 Provision for unrealized loss arising for client margin loan		
Opening Balance	712,494,169	562,494,169
Add: Provision made during the period	102,666,901	150,000,000
Closing Balance	815,161,070	712,494,169

As per BSEC instruction circular reference SEC/CMRRCD/2009-193/196 dated 28 December 2016 and SEC/CMRRCD/2009-193/203 dated 28 December 2017, BSEC/Mukhopatro(5th Khondo)/2011/60; Date: 19 December 2018, BSEC/SRI/Policy/3/2020/68; Date: 12 January 2020 subsequent BSEC letter no. BSEC/SRI/NE/2020/605 dated December 28, 2022 Bank Asia Securities Ltd has the option to maintain provision of total unrealized loss arising for client margin loan within 2023.

21.2 Provision for outstanding margin exposure

Opening balance	42,443,649	-
Add: Provision made during the period	-	42,443,649
	42,443,649	42,443,649
Less: Adjusted during the period	2,666,901	-
Closing balance	39,776,748	42,443,649

To compliance with Bangladesh Securities and Exchange Commission (Risk Based Capital Adequacy) Rules, 2019 the company also maintained a mandatory provision by 1% on outstanding margin exposures. Add or adjustment will depend on size of outstanding margin loan for the respective year.

22 Provision for Corporate Income Tax

Closing balance	325,056,964	295,167,874
Less: Adjusted during the period	38,083,618	41,919,443
Add: Provision made during the period	67,972,708	94,735,436
Opening balance	295,167,874	242,351,881

	31 Dec 2022	31 Dec 2021
23. Deferred Tax		
Opening balance	3,596,494	2,746,078
Add: Provision for the during year	-	-
Less: Adjustment during the year	(1,074,520)	(850,416)
Closing balance	4,671,014	3,596,494
WDV of fixed assets as per accounts	22,279,354	29,451,020
WDV of fixed assets as per tax base	39,264,858	41,439,335
Temporary difference	(16,985,504)	(11,988,315)
Applicable tax rate	27.50%	30.00%
Deferred tax liablilities/(assets)	(4,671,014)	(3,596,494)
24. Brokerage Commission		
Brokerage commission	230,334,353	346,524,345
Less: Hawla charges	43,000	2,900
Laga charges	21,947,379	33,018,108
Service charge from clients for CDBL	12,569,000	19,009,950
	195,774,974	294,493,388
25. Interest Income		
Income from bank deposits	25,279,364	30,500,176
Income from margin loan	135,002,089	200,593,893
	160,281,453	231,094,069
26. Interest Expense		
Interest on loan	98,878,292	149,649,645
Interest expense agnt. customer deposit	21,022,393	27,073,249
	119,900,685	176,722,894
27. Others Operating Income		
BO account opening fees	1,200,500	1,908,500
Margin account renewal fees	734,000	764,000
Income from transfer/transmission/corporate action	1,590,950	1,084,369
Margin account opening fees	708,000	192,000
BO account renewal fees	1,078,700	978,300
IPO processing fees	69,015	347,555
Other income	767,299	6,547
Dividend Income from investment in shares	42,992,987	18,205,048
Capital gain from investment in shares (Note # 27.01)	27,694,015	124,644,983
	76,835,465	148,131,302
Other income includes cheque collection charge, RTGS charge, cheque dishonor charge	ge & other unclassified income	
27.1. Capital gain from investment in shares		
Sales price of shares	170,088,891	569,461,907
Less: Cost Price of Shares	142,394,876	444,816,924
Capital gain from shares investment	27,694,015	124,644,983

	31 Dec 2022	31 Dec 2021
Operating Expenses		
Audit fees	76,667	76,667
Bank charges	359,136	354,803
Bank guarantee commission	2,798,336	2,239,567
Business and promotional expenses	187,145	473,700
Cleaning expenses	413,568	444,359
Computer accessories	343,099	389,863
Traveling & Conveyance	439,552	1,182,885
Depreciation	21,997,848	20,197,492
Directors' remuneration	440,000	319,000
Entertainment	1,909,203	1,967,78°
Fuel and oil	65,230	33,100
Insurance premium	525,594	490,38
Internet charges	2,074,393	1,750,91
Internship Allowance	157,500	105,000
Investor protection fund to DSE & CSE	171,252	
License and renewal fees	1,814,437	12,745,36
Newspaper	66,403	177,25
Rent & others (Note: 28.1)	6,717,829	5,617,07
Others	38,341	288,85
Postage and courier	32,527	18,34
Printing and stationery	660,159	743,40
Professional & Legal expenses	665,869	461,59
Repair and maintenance	1,312,911	1,299,63
Salaries and allowances	92,687,337	86,960,43
Telephone & Mobile Bill	494,403	397,04
Training Expenses	89,997	66,90
Utilities	4,640,023	4,412,21
Closing balance	141,178,759	143,213,629

Bank Asia Securities Limited Notes to the Financial Statements

	31 Dec 2022	31 Dec 2021
28.1 Rent & others	-	
Office rent	1,386,900	-
Interest portion on lease liabilities	5,330,929	5,617,075
	6,717,829	5,617,075

Total rent expenses for the period was Tk. 18,540,067.34 as per IAS 17. To implement "IFRS16: Lease" this rent expense has been adjusted with depriciation arises againest right of use of assets (ref: Annex I) and interest expenses arises against lease liabilities.

29. Earning per Sharess

Profit After Tax	4,914,259	16,245,344
Number of Ordinary Shares	20,000,000	20,000,000
Earning per shares	0.25	0.81

30. Disclosure on Payments/ Perquisites to Directors and Key Management Personnel (As Per Requirement of Companies Act 1994, Schedule-Xi, Part-ii)

30.1 Paid to Directors

· · · · · · · · · · · · · · · · · · ·		
Board Meeting Attendance Fees	440,000	319,000

30.2 Paid to Key Management Personnel

Key management Personnel are those Persons having authority and responsibility for Planning, Directions and Controlling the activities of the Company.

- i) No Compensation/ Other allowance/ commission was allowed to Directors including Managing Director, Managing Agent or manager of the company except as stated above.
- ii) There is no amount payable to Directors including Managing Director, Managing Agent or manager of the Company for any sort of commission on purchases, profit or guarantee.
- iii) BOD Meeting attendance fee for attending each Board Meeting was Tk. 10,000 for each director.

31. Number Of Employee

The number of employees receiving remuneration of Tk. 36,000 or above per employee per year were 69 in 31 December 2022. (2021: 64)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BA EXCHANGE COMPANY (UK) LIMITED

Opinion

We have audited the financial statements of BA Exchange Company (UK) Limited (the 'company') for the year ended 31 December 2022 which comprise the profit and loss account, the balance sheet and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. 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 ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, 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.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The director is responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. 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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- The information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the director's report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

 Adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF BA EXCHANGE COMPANY (UK) LIMITED

- The financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of directors' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit; or
- The directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the directors' report.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, 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.

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 (UK) 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.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

We obtained an understanding of the legal and regulatory frameworks that are applicable to the Company and determined that the most significant frameworks which are directly relevant to specific assertions in the financial statements are those that relate to the financial reporting framework, the Companies Act 2006 and the relevant tax compliance regulations.

We considered the provisions of other laws and regulations that do not have a direct effect on the financial statement but compliance with which may be fundamental to the ability of the Company to operate and hence may affect the Company's ability to continue as a going concern. These include compliance with Regulation (EU) 2015/847 on information accompanying transfers of funds (the Payments Regulation), Payment Services Regulations

2017, the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 and the Proceeds of Crime Act 2002. In addition there are other laws in relation to Terrorism Finance and Anti Bribery and Corruption which are relevant.

We understood how the Company is complying with those frameworks by making enquiries of management, staff and consultants and those responsible for legal and compliance procedures. We corroborated our enquires through our review of minutes and papers provided by the Company and in during the review of the Company's reporting the Financial Conduct Authority.

We assessed the susceptibility of the Company's financial statements to material misstatements, including how fraud might occur, by discussing with the local director, where he considered there was a susceptibility to fraud.

Our audit planning identified fraud risks in relation to management override. We considered the processes and controls the Company had established to address risks identified or that otherwise prevent, deter and detect fraud; and how management monitors those processes and controls.

We designed our audit procedures to detect irregularities, including fraud. Our procedures included journal entry testing, with a focus on large or unusual transactions based on our knowledge of the business, together with enquires of the local directors and staff..

Our audit procedures were designed to respond to risks of material misstatements in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at: https://www.frc.org.uk/auditors responsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Forhad Ahmed (Senior Statutory Auditor)

For and on behalf of AGP Consulting Date: March 17, 2023

Chartered Accountants
Statutory Auditor
Q West
Great West Road Brentford
TW8 0GP

BA EXCHANGE COMPANY (UK) LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	2022 £	2021 £
Turnover	3	266,761	211,193
Cost of Sales	G	(42,084)	(76,165)
Gross Profit		224,677	135,028
Administrative expenses		(194,054)	(160,418)
Profit/(loss) before taxation		30,623	(25,390)
Tax on Profit/(loss)		-	-
Profit/(loss) for the financial Year		30,623	(25,390)

BALANCE SHEET

AS AT 31 DECEMBER 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	8		1,293		1,591
Current assets					
Debtors	9	28,171		101	
Cash at bank and in hand		132,180		191,088	
		160,351		191,189	
Creditors: amounts falling due within one year	10	(543,497)		(605,256)	
Net current liabilities			(383,146)		(414,064)
Net liabilities			(381,853)		(412,476)
Capital And Reserves		-			
Called up share capital			300,000		300,000
Profit and loss reserves		_	(681,853)		(712,476)
Total Equity			(381,853)		(412,476)

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on March 17, 2023 and are signed on its behalf by:

Mr A K H Azad

Director

Company Registration No. 7314397

BA EXCHANGE COMPANY (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

Company information

BA Exchange Company (UK) Limited is a private company limited by shares incorporated in England and Wales. The registered office is 131 Whitechapel Road (Ground Floor), London, England, E1 1DT.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, [modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value]. The principal accounting policies adopted are set out below.

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 7 'Statement of Cash Flows': Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues': Interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 26 'Share based Payment': Share-based payment expense charged to profit or loss, reconciliation of opening and closing number and weighted average exercise price of share options, how the fair value of options granted was measured, measurement and carrying amount of liabilities for cash- settled share-based payments, explanation of modifications to arrangements;
- Section 33 'Related Party Disclosures': Compensation for key management personnel.

The financial statements of the company are consolidated in the financial statements of Bank Asia Limited. These consolidated financial statements are available from its registered office. Head Office Bank Asia Corporate Office, Rangs Tower 32-34, Kazi Nazrul Islam Avenue, Kawran Bazar, Dhaka 1000, Bangladesh

1.2 Going concern

The Company reported a profit during the year after a number of years of losses in an ongoing competitive market, and the company is carrying accumulated losses. The results have improved and are in line with expectations.

The director considers that the Company will be able to rely upon sufficient additional support from the parent undertaking for at least the next 12 month or by arranging funds by way of the inter company position the Board of the Bank has approved this, to allow the Company to be able to meet all its commitments as they fall due.

Therefore the directors consider that the going concern basis is appropriate in respect of the financial statements for the year ended 31 December 2022.

1.3 Turnover

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Commission income

Income from remittance services is recognised when a customer gives instructions to the Company to make a remittance on their behalf.

1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures and fittings 25% Reducing balance basis

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.5 Cash at bank and in hand

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

1.6 Financial instruments

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the Statement of financial position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

1.7 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account 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 company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end 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. Deferred tax is charged or credited in the profit and loss account, 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 the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.8 Leases

Rentals paid under operating leases are charged to the Statement of comprehensive income on a straight line basis over the lease term.

1.9 Foreign exchange

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non - monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of comprehensive income except when deferred in other comprehensive income as qualifying cash flow hedges.

1.10 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

1.11 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2 Judgements and key sources of estimation uncertainty

Preparation of the financial statements requires management to make significant judgments and estimates. Tangible fixed assets are depreciated over their useful lives taking into account residual values where appropriate. The actual lives of the assets are assessed annually and may vary depending on a number of factors. In re-assessing useful lives, factors such as technological advances. Residual value consider such things as projected disposal values.

3 Turnover and other revenue

100% Turnover of the company for the year ended 31 December 2022 (2021 - 100%) have arisen from within the United Kingdom...

4 Operating (loss)/profit

4 Operating (1055)/profit		
	2022 £	2021 £
Operating (Loss)/profit for the year is stated after charging:		
Fees payable to the company's auditor for the audit of the company's financial statements	3,000	3,000
Depreciation of owned tangible fixed assets	298	398
Operating lease charges	20,471	16,800
5 Auditor's remuneration		
Fees payable to the company's auditor and associates:		
For audit services Audit of the financial statements of the company	3,000	3,000
6 Employees The average monthly number of persons (including directors) employed by the company during the	he year was:	<u> </u>
Management	1	1
Counter Staff	6	6
	7	7
Their aggregate remuneration comprised:		
Wages and salaries	128,181	116,558
	128,181	116,558
7 Directors' remuneration		
Remuneration paid to directors	60,200	60,200

8 Tangible fixed assets

8 Tangible fixed assets		
Cost		Plant and machinery (etc)
At 1 January 2022 and 31 December 2022		21,902
Depreciation and impairment	_	
At 1 January 2022		20,311
Depreciation charged in the year		298
At 31 December 2022	_	20,609
Carrying amount	_	
At 31 December 2022	_	1,293
At 31 December 2021		1,591
9 Debtors	_	
Amounts falling due within one year:	2022 £	2021 £
Other debtors	28,171	101
10 Creditors: amounts falling due within one year		
Trade creditors	485,288	569,391
Taxation and social security	932	6,244
Other creditors	57,277	29,621
	543,497	605,256

11 Reserves

Profit and loss account

The profit and loss account consists of the profits retained within the business and is recorded at historic cost.

12 Parent company

The Company's ultimate parent undertaking is Bank Asia Limited, a company incorporated in Bangladesh. The accounts for this entity may be obtained from Head Office Bank Asia Corporate Office, Rangs Tower,32-34,Kazi Nazrul Islam Avenue,Kawran Bazar Dhaka-1000,Bangladesh or on their website www.bankasia-bd.com.

13 Related party transactions

Transactions with related parties

During the year the company entered into the following transactions with related parties:

All of the Company's remittances are routed through it's parent entity Bank Asia Limited as part of the normal business cycles, these transactions are at arms length, these amounts have no transactional value and purely for settlement. All commission income is earned from the remitters. There is a position at the year end included in Trade Creditors of £472,127 (2021 - £562,800)

INDEPENDENT AUDITOR'S REPORT

MONIS J. SIDDIQUI, CPA P.C.

Certified Public Accountant www.monisjs.com 516.730.6064

REPORT OF INDEPENDENT PUBLIC ACCOUNTING FIRM

To the Stockholders and Board of Directors BA Express USA, Inc Jackson Heights, New York

We have audited the accompanying financial statements of BA Express USA, Inc. (the "Company") (a New York corporation), which comprise the balance sheet as of December 31, 2022, and the related statement of operations, changes in stockholder's equity and cash flows for the year then ended and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of BA Express USA, Inc as of December 31, 2022, and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Monis Suddigaii, CPA P.C.
Bellerose, New York
March 03, 2023

BALANCE SHEET

Year Ended December 31, 2022

Assets	2022 (\$)
Current Assets:	'
Cash, cash equivalents and investments	1,562,772
Accounts receivable	480,915
Other current assets	16,434
Total current assets	2,060,121
Furniture, equipment & leasehold improvements, net	25,619
Other assets	
Organization costs, net	5,845
Security deposits	40,665
Total other assets	46,510
Total assets	2,132,250
LIABILITIES AND STOCKHOLDER'S EQUITY	
Liabilities	
Remittance payable	2,298,892
Due to beneficiary	335,138
Other liabilities	47,302
Total liabilities	2,681,332
Stockholder's equity	(549,082)
Total liabilities and stockholder's equity	2,132,250

STATEMENT OF OPERATIONS

Year Ended December 31, 2022

	2022 (\$)
Revenue	
Commissions & fees	282,847
Realized gain on foreign exchange	1,104,641
Interest income	2,245
Other income	-
Total revenues	1,389,733
Expenses	
Payroll and wages	226,727
Payroll taxes	67,421
Commission fees	136,326
Professional fees	20,931
Filing and regulatory costs	22,196
Rent and lease costs	160,269
General and administrative expenses	667,134
Total expenses	1,301,004
Net Income Before Provision For taxes	88,729
Provision For Taxes	-
Net Income	88,729

STATEMENT OF CHANGES IN STOCKHOLDER'S EQUITY

Year Ended December 31, 2022

	Balance Beginning (\$)	Net Change (\$)	Balance Ending (\$)
Common stock, no par value	-	-	-
Paid-in capital	960,000	-	960,000
Deficit	(1,597,811)	88,729	(1,509,082)
Stockholders' equity	(637,811)	88,729	(549,082)

STATEMENT OF CASH FLOWS

Year Ended December 31, 2022

	2022 (\$)
Cash flows from operating activities :	
Net Porfit	88729
Adjustments to reconcile net income to net cash provided in operating activities	
Depreciation	14,835
Amortization	861
Changes in operating assets and liabilities	
Accounts receivable	720,156
Remittance payable	(1,952,018)
Other liabilities	27,830
Due to beneficiary	274,159
Withholding taxes	(6,681)
Net cash provided by operating activities	(832,129)
Cash flows from investing activities	
Furniture, equipment & leasehold improvements	-
Net increase in cash and cash equivalents	(832,129)
Cash, cash equivalents and investments - beginning of year	2,394,901
Cash, cash equivalents and investments - ending of year	1,562,772

NOTES TO FINANCIAL STATEMENTS

For the Year Ended December 31, 2022

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Business

BA Express USA, Inc (the "Company") is a New York Corporation formed on September 20, 2011 for the purpose of conducting business as an international money transmitter registered with the New York Department of Financial Services. The primary objective of the Company is to uphold the image and be a leading remittance service providing company in USA. The Company maintains its central office in Jamaica, New York. BA Express USA, Inc is a 100% owned subsidiary of Bank Asia Limited.

Basis of Accounting

The Company prepares its financial statements in accordance with accounting principles generally accepted in the United States of America (GAAP). This basis of accounting involves the application of accrual accounting; consequently, revenues and gains are recognized when earned and expenses and losses are recognized when incurred.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

Cash and Cash Equivalents

For the purpose of reporting cash flows, the Company considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents.

Accounts Receivable

The Company performs credit evaluations of its customers and generally does not require collateral. The Company does not believe significant credit risks exist at December 31, 2022, with respect to its accounts receivable. The company uses direct write-off method to recognize bad debt expense.

Revenue Recognition

The primary source of the Company's revenues is comprised of the transaction-based fees, which typically constitute a percentage of dollar volume processed, per transaction processed, or some combination thereof. Fees from money transfers are based on the principal amount of the transaction and location where the funds are to be transferred and is recorded as income at the time of the sale.

The secondary source of the Company's revenues is generated by buying and selling currency at favorable rates.

Foreign Currency Translation

Accounts with balances denominated in currencies other than U.S. dollars are translated into

U.S. dollars at applicable exchange rates as of the date of the transaction. Amounts denoted in a foreign are converted into U.S. dollars, and the exchange differences are included in the costs ands revenues under the related account.

Furniture, Equipment and Leasehold Improvements

Furniture, Equipment and Leasehold Improvements are stated at cost, less accumulated depreciation. Depreciation is recorded using a straight-line method over the estimated useful lives of the assets. When assets are retired or otherwise disposed of, the cost and the related accumulated depreciation is removed from the accounts and any resulting gain or loss is recognized. The cost of maintenance and repairs is charged to expense as incurred; significant renewals and betterments are capitalized.

Income Taxes

No provision for income taxes has been made in the financial statements. The Company has approximately \$329,530 of net operating loss carry forwards for federal income tax purposes as of December 31, 2022. Because the future utilization of these tax carry forward losses is uncertain, no related deferred tax asset has been reflected in the accompanying financial statements.

Management of the Company did not identify any uncertain tax positions taken or expected to be taken in an income tax return which would require adjustment to or disclosure in its financial statements. The Company's tax returns are subject to possible examination by the taxing authorities. For federal income tax purposes, the tax returns essentially remain open for possible examination for a period of three years after the date on which those returns are filed.

NOTES TO FINANCIAL STATEMENTS

For the Year Ended December 31, 2022

NOTE 2: FAIR VALUE OF FINANCIAL INSTRUMENTS

The Company's financial assets and liabilities are carried at fair value, or are carried at amounts which approximate fair value as the market value of such items is not materially sensitive to shifts in market interest rates due to the limited term to maturity of these instruments.

The Company adopted SFAS No. 157, which defines fair value is the price that would be received from selling an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. When determining fair value measurements for assets and liabilities required or permitted to be recorded at fair value, the Company considers the principal or most advantageous market and assumptions that market participants would use when pricing the asset or liability.

The Company categorizes the fair value of its financial assets and liabilities according to the hierarchy established by the Financial Accounting Standards Board, which prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described as follows:

Level 1: Applies to assets or liabilities for which there are quoted prices in active markets for identical assets or liabilities. These Level 1 assets represent quoted prices in active markets and, therefore, do not require significant management judgment.

Level 2: Applies to assets or liabilities for which there are inputs other than quoted prices included within Level 1 that are observable, either directly or indirectly, for the asset or liability such as: quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in less active markets; or other inputs that can be derived principally from, or corroborated by, observable market data.

Level 3: Valuations based on inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

The recorded values of accounts receivable, accounts payable, and accrued liabilities approximate fair values due to their short maturities. Unrealized gains and losses are included in earnings and are reported in the Statement of Income as a component of other income and losses. Generally, for all trading securities, fair value is determined by reference to quoted market prices and other relevant information generated by market transactions. As of December 31, 2022, the Company was liquid in its security positions.

NOTE 3: CASH. CASH EQUIVALENTS AND INVESTMENTS

Cash, cash equivalents and investments consist of the following for the year ended December 31, 2022:

FDIC insured amount	\$ 774,753
Bank deposits in-excess of insured amounts	287,969
Certificate of deposits	500,000
Cash, cash equivalents and investments	\$ 1,562,722

The certificates of deposit are restricted. The Company has a \$500,000 certificate of deposit used as collateral to satisfy the signed agreement with New York State Department of Financial Services.

NOTE 4: FURNITURE, EQUIPMENT AND LEASEHOLD IMPROVEMENTS

Furniture, equipment, and leasehold improvements consist of the following for the year ended December 31, 2022:

Furniture and fixtures	\$	12,561
Equipment		21,953
Leasehold improvements		154,295
	_	188,809
Less: accumulated depreciation	_	(163,190)
Furniture, equipment and leasehold improvements, net	\$	25,619

Depreciation expense for the year ended December 31, 2022 was \$14,835

NOTE 5: ORGANIZATION COSTS

Organization costs consist of the following for the year ended December 31, 2022:

action cools consist of the following for the year order boothiser of, 2022.	
Capitalized organization costs	\$ 12,917
Less: accumulated amortization	(7,072)
Organization costs, net	\$ 5,845

Amortization expense for the year ended December 31, 2022 was \$861.

NOTES TO FINANCIAL STATEMENTS

For the Year Ended December 31, 2022

NOTE 6: OPERATING LEASES

The company conducts its operations from offices that are leased under a five-year noncancelable operating lease expiring February 28, 2024. There is an option to renew the lease for an additional period of five years at an increased monthly rental.

Minimum future rental payments under the non-cancelable operating leases having a remaining term in-excess of one year as of December 31, 2022 for each of the next five years are:

2023	40,600
2024	6,800
Total base rent obligation	\$ 47,400

On February 20, 2020, the Company entered into a ten-year lease agreement for a retail space in Jackson Heights, New York. The lease, commenced on March 1, 2020, provides for base rent of approximately \$6,500 per month with a 3.5% annual increase. Total base rent payable over the lease period is approximately \$915,000. The Company has an option to extend the term of the lease for an additional ten-year period.

Minimum future rental payments under the non-cancelable operating leases having a remaining term in-excess of one year as of December 31, 2022 for each of the next five years are:

2023	86,500
2024	89,500
2025	92,650
2026	95,950
2027	99,250
Thereafter	221,900
Total base rent obligation	\$ 685,750

Rent expense for the year ended December 31, 2022 was \$160,269.

NOTE 7: BAD DEBT EXPENSE

Bad debt expense for the year ended December 31, 2022 was \$391,249

NOTE 8: RELATED PARTY TRASACTIONS

The Company is a 100% owned subsidiary of Bank Asia Limited. The Company signed paying agent agreement with Bank Asia Limited. For the year ended December 31, 2022, there was no expense paid for related party agent fee.

NOTE 9: CONCENTRATION OF CREDIT RISK

The company may be subject to credit risk to its cash and cash equivalents. The Federal Deposit Insurance Corporation ("FDIC") insured up to \$250,000 for substantially all depository accounts. From time to time, the Company mad have amounts on deposits in-excess of FDIC limits. Management believes the Company is not exposed to any significant credit risk on cash and cash equivalents. At December 31, 2022, the Company has \$1,203,075 in cash and cash equivalents in- excess of the FDIC limits.

NOTE 10: PRIOR PERIOD ADJUSTMENT

The accompanying financial statements of BA Express USA, Inc have been restated for a correction that was made in the prior year. The correction was a recognition of bad debt expense of \$98,499 in the prior year. Retained earnings as of December 31, 2021 have been adjusted for the effect of the restatement of the prior year.

NOTE 11: SUBSEQUENT EVENTS

Management has evaluated events and transactions that occurred subsequent to the date of the financial statements through March 3, 2023 which is the date the financial statements were available to be issued, for possible disclosure and recognition in the financial statements.

Management & Executives

President and Managing Director

Mr. Areef Billah Adil Chowdhury

Additional Managing Director

- Mr. Shafiuzzaman
- Abu Nayeem Mohammad Mahfuz

Deputy Managing Director

- Mr. Md. Sazzad Hossain
- Mr. Mohammad Ziaul Hasan Molla
- Mr. S.M. Iqbal Hossain
- Mr. Alamgir Hossain

Senior Executive Vice President

- Mr. Md. Zahid Hossain
- Mr. Md. Zia Arfin
- Mr. Tanfiz Hossain Chowdhury
- Mr. Arshadul Kabir Bhuiyan
- Mr. Aregul Arefeen
- Mr. Tahmidur Rashid
- Mr. Md. Abdul Latif
- Mr. Md. Mostafizur Rahman
- Mr. Sheikh Mohammad Anisuzzaman
- Mr. Hossain Ahmad
- Mr. Md. Shaminoor Rahman

Executive Vice President

- Mr. Md. Arshad Mahmud Khan
- Mr. A.K.M. Shaiful Islam Chowdhury
- Mr. Farhad Ahmad Khan
- Mr. Md. Murshid-Al-Amin
- Mr. Humayun Yusuf Kabir
- Mr. Md. Jahangir Alam
- Md. Rezaul Islam

Senior Vice President

- Mr. Md. Saiful Islam Laskar
- Mr. Zahirul Haque
- Mr. Golam Gaffar Imtiaz Chowdhury
- Mr. Mohammed Rashidul Kabir Rajib
- Mr. Md. Amanullah
- Mr. Sumon Das
- Mr. Md. Saiful Islam
- Mr. Mohammad Ibrahim Khalil FCA

- Mr. M. Esamul Arephin
- Mr. Quazi Mortuza Ali
- Mr. Syed Humayun Kabir
- Mr. Mohammad Mainul Islam
- Ms. Suraiya Afroz
- Mr. Mohammad Ismail Hossain
- Mr. M.M. Shariful Islam
- Mr. Md. Mazibur Rahman

Vice President

- Mr. Mohammad Burhan Uddin Khondker
- Mr. Saiful Islam
- Mr. Mehbub Hasan
- Mr. M.R. Chowdhury Rashed
- Mr. A.K.M. Mohsin Uddin
- Mr. Hasan A. Saimoom
- Mr. Zahirul Islam Khan
- Mr. Mahbub A Alam
- Mr. A.M. Saifur Rahman
- Mr. Md. Mansur Ali Miah
- Mr. S.M. Salahuddin
- Mr. Md. Kamruzzaman
- Mr. Rakibul Hasan
- Mr. Mahbubur Rahman
- Mr. M. Hasibul Alam
- Mr. Md. Fayezur Rahman
- Mr. Md. Ashraf Hossain
- Mr. Sheikh Munirul Hakim
- Mr. Mohammad Moinul Islam
- Mr. Mohammod Murad Hossain
- Mr. Md. Aminur Roshid
- Mr. A.K.M. Fakhrul Ahsan
- Mr. Md. Rezaul Islam
- Mr. Muket Abdullah
- Mr. Jakir Hossain
- Mr. Mohammad Rezwanul Islam
- Mr. Mohammad Mahbubul Hague Bhuiyan
 - Mr. Mohammad Munzur Rashid
- Mr. A.H.M. Taslim Chowdhury
- Mr. Md. Faruk Hossain
- Mr. Bipul Sarker
- Mr. Zahidul Islam Khan Majlis
- Mr. Md. Bashir Uddin Ahmed
- Mr. Md. Khairul Basher
- Mr. Nashir Uddin Ahmed Khan

Branch Name	Address	Phone/Fax Number	Swift Code
Corporate Branch	Noor Tower (1st floor), 110, Bir Uttam C.R. Dutta Road, Dhaka	Ph: 880-2-9674501-2 9677031, 9614061-3 Fax: 880-2-9677032	BALBBDDH002
Principal Office Branch	Tea Board Building, 111-113, Motijheel C/A. Dhaka - 1000	Ph: 880-2-9571450-1, 9563652, 9571020-1, 9571023 Fax: 880-2-9566223	BALBBDDH003
Gulshan Branch	Bay's Gallaria, 57, Gulshan Avenue (Ground Floor) Dhaka - 1212	Ph: 880-2-9889268-9, 8828103,8828387 Fax: 880-2-8816739	BALBBDDH004
Agrabad Branch	69, Agrabad C/A, Chittagong	Ph: 880-31-714665, 724876, 714703, 2517303 Fax: 880-31-714548	BALBBDDH005
Malkhanagar Branch	Union Parishad Bhaban, Taltola Bazar, Malkhanagar, Munshigonj	Ph: 01711831040 Fax: 06924-63225	
Scotia Branch	"Rangs Bhaban" Holding # 117/A, Old Airport Road, Tejgaon, Dhaka	Ph: 880-2-8142290, 9137512-5 Fax: 880-2-8155858	BALBBDDH007
MCB Dilkusha Branch	4, Dilkusha C/A, Dhaka	Ph: 880-2-9568871 - 3 Fax: 880-2-9563649	BALBBDDH008
MCB Sk. Mujib Road Branch	1269/b Sk. Mujib Road, Agrabad C/A, Chittagong	Ph: 880-31-715125 - 7 Fax: 880-31-710352	BALBBDDH009
Sylhet Main Branch	60, Niloy Darga Gate, Chowhatta, Sylhet	Ph: 880-821-724722, 712256 Fax: 880-821-722616	
Tarail Branch	Tarail Bazar, Kishoreganj	Ph: 09434-75099 Fax: 09434-75099	
MCB Banani Branch	A. R. Tower, 24, Kamal Ataturk Road, Banani, Dhaka - 1213	Ph: 880-2-9885610, 9894699, 9889104 Fax: 880-2-9882181	BALBBDDH012
Khatunganj Branch	Asia Center, 273/268 Khatunganj, Chittagong	Ph: 880-31-610036, 638013-4, 618419, 63841 Fax: 880-31-632905	BALBBDDH013
Lohagara Branch	Mostafa Centre, Lohagara, Chittagong.	Ph: 03034-56304 Fax: 03034-56305	
North South Road Branch		Ph: 880-2-9563768-9, 9567671 Fax: 880-2-9563223	BALBBDDH017
Uttara Branch	House # 79A, Road #07, Uttara Model Town, Dhaka	Ph: 880-2-8957427 – 9 Fax: 880-2-8957431	BALBBDDH015
Ashulia Branch	Chowdhury Plaza (1st Floor), Zamgara Bazar, Ashulia, Savar, Dhaka	Ph: 880-2-7702447 Fax: 880-2-7790448	

Branch Name	Address	Phone/Fax Number	Swift Code
Mitford Branch	Bismillah Tower (1st & 2nd floor), 147/148, Mitford Road, Dhaka	Ph: 880-2-7320620 - 1 Fax: 880-2-7314999	BALBBDDH014
CDA Avenue Branch	665, CDA Avenue, East Nasirabad, Panchlaish, Chittagong	Ph: 880-31-2850091-2, 2863640 Fax:880-31-612933	BALBBDDH018
Sylhet Uposhohor Branch	Sylhet Tower, Subhani Ghat, Bishwa Road, Sylhet	Ph: 880-821-2833448-9 Fax: 880-821-2830791	
Dhanmondi Branch	Meher Plaza, House # 13/A (2 nd Floor), Road # 5, Dhaka-1205	Ph: 880-2-9668361, 8624872-5, 9675918 Fax: 880-2-9664640	
Station Road Branch	Mohiuddin Market (1st floor), 170, Station Road, Chittagong	Ph: 88-031-2850934-5 Fax: 88-031-2850936	BALBBDDH022
Bashundhara Branch	Plot # 25, Block-A, Avenue Road, Bashundhara R/A, Dhaka.	Ph: 880-2-8402021, 8845182 Fax: 880-2-8401322, 8845181	
Khulna Branch	Al-Mashah Complex, 44, Mojid Sarani, KDA Avenue (Shib Bari Mor), Khulna-9100	Ph: 88-041-2830136-7, 2831451, 2831361 Fax: 041-2830135	
Rajshahi Branch	Ahmed Plaza, 182, Alu Patti Mor, Rajshahi-6100	Ph: 880-721-812503-4 Fax: 880-0721-812502	
Chatkhil Branch	Khilpara Road, 3147 Chatkhil Bazar, Chatkhil, Noakhali	Ph: 03222-75179 Fax: 03222-75179, 75224	
EPZ Branch	Zone Service Complex (Ground Floor), CEPZ, Chittagong	Ph: 880-31-800340, 800406 Fax: 880-31-801391	BALBBDDH027
Mohakhali Branch	82, Mohakhali C/A, Dhaka-1212	Ph: 02-9857236, 9857420, 9857429 Fax: 8855431	BALBBDDH028
Mirpur Branch	Nishi Plaza, Plot # 1, Avenue 4, Section 6, Block C, Pallabi, Mirpur, Dhaka-1216	Ph: 9013814, 9013841, 9013844 Fax: 880-2-9012122	
Anderkilla Branch	184, J.M Sen Avenue, Anderkilla, Chittagong	Ph: 880-31-2854882-3, 2854556 Fax: 880-31-2854881	BALBBDDH030
Rohitpur Branch	Rima Plaza, Rohitpur Boarding, Keranigonj, Dhaka	Ph: 880-2-7766677 Fax: 880-2-7766600, 7766444	
Bogra Branch	Jamil Shopping Centre, Baragola, Bogra	Ph: 880-51-51642-3 Fax: 880-5178641	
Jessore Branch	Jess Tower (1st Floor), 39/M.K. Road, Jessore	Ph: 0421-67783-4, 67748 Fax: 0421-67738	
Bahadderhat Branch	Mamtaz Tower, 4540 Bahadderhat, Chittagong	Ph: 031-2553741-3 Fax: 88-031-2553745	BALBBDDH018

Branch Name	Address	Phone/Fax Number	Swift Code
Shantinagar Branch	Treasure Island, 42/43, Siddeshwari Circular Road, Dhaka-1217	Ph: 8333979, 8332836, 8312729 Fax: 8333978	
Tongi Branch	Mariom Tower (1st floor), 13 Anarkoli Road, Tongi Bazar, Tongi, Gazipur	Ph: 9816303-4 Fax: 880-9816306	
Konabari Branch	Rupjan Tower, Nilnagar ,Konabari, Gazipur	Ph: 02-9298882-3 Fax: 02-9298885	
Bhatiary Branch	Bhatiary Bazar, Sitakunda, Chittagong	Ph: 031-2781077-79 Fax: 031-2781080	
Progoti Shoroni Branch	Venus Complex, Pragati Shoroni ,Badda, Dhaka	Ph:8824653,8824467, 8824687 Fax: 8825368	
Ishwardi Branch	Central Jame Masjid Market (1st floor), Station Road, Ishwardi, Pabna.	Ph: 0732664463-5 Fax: 0732664462	
Savar Branch	B-70/1 Bazar Road, Savar, Dhaka	Ph: 88-02-7744857, 7744889, 7744890 Fax: 7744891	
Beani Bazar Branch	Tajma shopping Center (1st floor), Beani Bazar, Sylhet	Ph: 08223-56103-4 Fax: 08223-56105	
Donia Branch	Hossain tower (1st & 2^{nd} Floor), 1050, Donia, Dhaka Ctg high way, Shampur, Dhaka	Ph: 880-2-7540055, 7540095 Fax: 880-2-7551188	
Moghbazar Branch	Tropical M.L. Point (1st Floor), 43, New Circular Road, Moghbazar, Dhaka-1217	Ph: 8321578, 8321245 Fax: 8312056	
Kamal Bazar Branch	Kabir Tower, Kamal Bazar, Mohora Kalurghat, Chittagong	Ph: 031-2572872-3 Fax: 031-2572874	
Cox's Bazar Branch	$\rm J.N~Plaza~(1^{st}~Floor),~Plot~\#~226~(New),~Tekpara~Main~Road,~Cox's~Bazar$	Ph: 88-0341-52240-42 Fax: 88-0341-52244	
Faridpur Branch	Plot #2354, Goalchamot, Chak Bazar, Thana Road, Faridpur	Ph: 0631-67206-7 Fax: 0631-67204	
Narayangonj Branch	Jahan plaza (1st Floor),20, Sirajuddoula Road, Falpatty, Narayangonj	Ph: 88-02-7648801-5 Fax: 88-02-7648805	
Paltan Branch	Rangs Tower (1st Floor), 68, Purana Paltan, Dhaka-1000	Ph: 7113844, 7110488, 7115594, 7119664 Fax: 7111164	
Jagannathpur Branch	76, T&T Road, Ward-07, Haji Ashid Ullah Market, Jagannathpur Bazar, Sunamganj	Ph: 0872-756013 Fax: 0872-756014	
Moulvibazar Branch	Shah Mostafa Garden City, M. Saifur Rahman Road (Central Road), Moulavi Bazar	Ph: 0861-63601, 63602 Fax: 0861-636000	

Branch Name	Address	Phone/Fax Number	Swift Code
Bhairab Branch	167 Kalibari Road, East Bhairab, Bhairab Bazar, Bhairab, Ph: 09424-72328-31 Kishoregonj Fax: 09424-72332		
Strand Road Branch	S. A. Chamber (1st Floor), Strand Road, Ph: 031-2513611-2 Majhirghat, Chittagong Fax: 031-2513906		
Shyamoli Branch	23/4 Khiljee Road, Block B, Shyamoli, Dhaka	Ph: 02-9103565-6 Fax: 02-9115239	
Patherhat Branch	Ibrahim Sobhar Tower (1st Floor), Patherhat, Noapara, Raozan, Chittagong	Ph: 031-2573111-2 Fax: 031-2573113	
Tejgaon Link Road Branch	Shanta Western Tower,186, Tejgaon I/A, Dhaka	Ph: 88-02-8870081-4 Fax: 88-02-8870086	
Rupnagar Branch	Plot #34 (1st Floor), Road#16, Rupnagar, Mirpur, Dhaka	Ph: 9016692-3 Fax: 9008757	
Laldighirpar Branch	Laldighirpar Main Road, Laldighirpar, Sylhet	Ph: 0821-719901, 719904 Fax: 0821-719907	
Madhabdi Branch	Shitlabari Bazar Road, Narshigndi	Ph: 880-2-9446553-4 Fax: 880-2-9446555	
Barisal Branch	Fakir Complex, 112, Birsreshtho Captain Mohiuddin Jahangir Sarak, Barisal	Ph: 0431-2177510-1 Fax: 0431-62227	
Oxygen Moor Branch	422, Oxygen Moor, Kulgaon, Bayezid Bostami, Chittagong	Ph: 031-2583701-2 Fax: 031-2583704	
Elephant Road Branch	64, Elephant Road, Dhaka	Ph: 9669351,9669331 Fax: 880-2-9669296	
Lalmatia Branch	Plot 4/3, Block-D, Lalmatia Housing Estate ,Dhaka	Ph: 8100067, 8100071-2 Fax: 880-2-8100070	
Dohazaria Branch	SadekTower (1st Floor), Dohajari, Chandanaish, Chittagong	Ph: 01755591572-74	
Haziganj Branch	Munshi Plaza (1st Floor), Main Road, Haziganj, Chandpur	Ph: 88424-75142 Fax: 08424-75144	
KEPZ Branch	Zone Service Complex (Ground Floor) , North Potenga, Chittagong	Ph: 031-2502391-3 Fax: 031-2502934	
Aglabazar Branch	Shophy Plaza, Aglabazar, Nawabgang, Dhaka	Mob: 01911403703, 01713920853	
Hemayetpur Branch	Molla Market (1st Floor), Hemayetpur Bus stand, Tetuljhora Union, Savar, Dhaka	Mob: 01711072110	
Dakkhinkhan Branch	KC Plaza (1st Floor), Noapara , Dakkhinkhan bazar, Uttara, Dhaka	Mob: 0119818707 Fax: 07426-75173	
Mohadevpur Branch	Saif Uddin Haider & Sons Complex, Mohadevpur, Naogaon	Ph: 01426-75194	
Nimtala Branch	Hemanta Shoping Complex (1st Floor), Nimtala, Sirajdikhan, Munshiganj	Mob:01712942590	
Comilla Branch	Chowdhury Plaza 2, House-465/401, Race Course, Comilla	Mob: 01717578720, 01771425266	
Sonaimuri Branch	ch United Plaza, Bank Road, Sonaimuri Bazar, Noakhali Mob:01711008820		

Branch Name	Address	Phone/Fax Number	Swift Code
Feni Branch	Holding No 34, Ward No 10, S.S.K. Road, Feni	Mob:01714112681	
Satmasjid Road Branch	Plot # 78, Bir Uttam M A Rob Sarak, Zigatola, Dhanmondi, Dhaka	Phone 9634926-7	
Paragram Branch	Mamtaj Plaza, Koilail Union Parishad, Nawabgonj, Dhaka HOB-01713378991, 04470009132		
Sonargaon Janapath Road Branch	"Circle Windflower" Plot No30, Sonargaon Janapath Road, Section-11, Uttara, Dhaka	HOB-01670761210; 04470009678, MOB-01819185190	
Dinajpur Branch	"Torab Uddin Complex", Road No01, Butibabu Road, Ward No3, Kotwali, Dinajpur	HOB-01712 192519	
Lichubagan Branch	"Al-Emarat Shopping Complex", Chandragona Kadamtola Union Parishad, Rangunia, Chittagong	HOB-01818 127403	
Gazipur Branch	"Akbar Trade Centre", BIDC Road, Ward No 26, Gazipur City Corporation, Gazipur Sadar, Gazipur	HOB-01913 494546	
Kalatiya Branch	"Kalatiya Shopping Centre", Kalatiya Union Parishad, Keranigonj, Dhaka	769182,7769183,7769184 Mob:01777-792164	
Chandragonj Branch	"Sharif Plaza", Chandragonj, Lakshmipur	H0B-0172776063	
Bank Asia Bhaban Branch	"Bank Asia Bhaban", Agrabad C/A, Sabder Ali Road, Ward No 28, Chittagong City Corporation, Doublemuring, Chittagong	HOB-01713106206	
Kushtia Branch	"Hira Super Market", Siraj-ud-Dowla Road, Ward No- 03, Kushtia Sadar, Kushtia	HOB-01971 733140	
Holy Family Red Crescent Medical College Hospital Branch	"OPD Building" HFRCMCH, 1 Eskaton Garden, Moghbazar Road, Ward No 19, Dhaka South City Corporation, Ramna, Dhaka	Cell: 01715023337	
Fatullah Branch	"Swiss Point", (opposite of Fatullah Police Station), Fatullah, Narayangonj	Cell: 01711663609	
BSMMU Branch	"Nurses Hostel Building" 1170, Paribagh, Kazi Nazrul Islam Avenue, Shahbagh, Dhaka	Cell: 01819299518	

Branch Name	Address	Phone/Fax Number	Swift Code
Ring Road Branch	Plot No- 842, North Adabar, Ring Road, Shyamoli, Adabar, Dhaka. Cell-04470009363, 01711969794		
Tangail Branch	Al-hajj Super Market, 279, Masjid Road, Tangail Sadar, Tangail H0B-01712965527 M0B-01714038273		
Rangpur Branch	"Rangpur Bhaban", Plot# 4737, Station Road, Kotwali, Rangpur	Cell: 01716438242	
Muksudpur Branch	Faridmia Complex, Muksudpur, Gopalgonj	Cell: 01713462602 Ph: -7648801-4	
Nangolkot Branch	"Haji Nurul Amin Tower" Nangolkot, Comilla		
Rupsha Branch	"Ma Plaza" School Road, Rupsha, Faridgonj, Chandpur		
Brahmanbaria Branch	"Muktijoddha Complex Bhaban" (Ground & 1st floor), Sadar Hospital Road, Brahmanbaria.	Cell: 01753711966	
Mirpur-1 Branch	"VTCB Tower Shopping Complex", Holding# 3 Main Road, Section-1, Mirpur, Dhaka-1216	Cell: 01715158993	
Kazipara Branch	"Kazipara Madrasha Complex" 559, Begum Rokeya Avenue, Kazipara, Mirpur, Dhaka	Cell- 01715912454	
Mymensingh Branch	"Shabit-Sharif Bhaban", 55 & 55/A, Boro Bazar, Mymensingh	HOB- 01713109434	
Gopalgonj Branch	"Noor Hossain Complex", 70, DC Road, Gopalgonj	MOB- 01715663251	
Maijdee Court Branch	Noakhali Super Market, Ward: 03, Court Road, Maijdee, Noakhali	MOB- 01727760638	
Faridganj Branch	Talukder Plaza, 640 (1st floor), Faridgonj, Chandpur	Cell- 01712866834	
Hatirdia Branch	Hatirdia New Market, Hatirdia, Monohordi, Narshingdi	Cell- 01715627900	
Companygonj Branch	Hazi Shansul Hoque Market, Companygonj, Muradnagar, Comilla	MOB- 01724931400	
Kashba Branch	Shimanto Complex Bhaban-2, 462, Kuti-Kashba Road, Kashba, Brahmanbaria	HOB-01994437200 MOB-01749400026	
Chandpur Branch	Appollo Pal Bazar Shopping, 187-189, Mizanur Rahman Road, Chandpur	H0B-01718480639 M0B-01716928912	
Bhola Branch	Nabaroon Centre, 337-341, Sadar Road, Bhola Sadar, Bhola	H0B-01715087055	
Boro Bazar Branch	28, Sir Iqbal Road, Khulna Metropolitan City, Khulna	Ph: 041-731208-9 Fax: 041-723306	
Chaktai Branch	1676/G/1, River City Market (1st floor), Shah Amanat Bridge Connecting Road, Chittagong	Ph: 031-2866395-6 Fax: 031-2866398	
Gulshan-2 Branch	"Gulshan Peledium", Holding No- 01, Road No. 95, Block- CEN(C), Ward No. 19, DNCC, Gulshan, Dhaka		

Branch Name	Address	Phone/Fax Number	Swift Code
Gouripur Branch	Priyota Plaza, Nayagaon, Gouripur, Daudkandi, Comilla HOB - 01713378987		
Kaliakair Branch	Ahmed Ali Plaza, College Road, Tengla Bari, Kaliakair, Gazipur Cell: 01843036958 01626372729 H0B - 01715327113		
Aganagar Branch	Haji Anowar Hossain Complex, Shahid Delwar Hossain Road, Aganagar, Keranigonj, Dhaka	H0B - 01712205067	
Pangsha Branch	Mahmood Plaza, Pangsa Bazaar, Narayanpur, Pangsa, Rajbari	HOB - 01713462602	
Banani-11 Branch	Nur Empori, House#77, Road#11, Block-M, Banani, Gulshan, Dhaka-1223	Ph: 9885610,9889104, 9822326	
Panchagar Branch	Chowdhury Complex, 526, Tetulia highway, Panchagar		
Chapai Nawabganj Branch	"Taher Mansion" 26, Puratan Bazar, Chapai Nawabganj Sadar, Chapai Nawabganj	Cell: 01711076067	
Jhenaidah Branch	GM Tower, Plot# 818, Sher-E-Bangla Road, Jhenaidah Sadar, Jhenaidah	Cell: 01711279195	
Bamundi Branch	"Nazrul Tower-2", Plot#732 & 733, Bamundi, Gangni, Meherpur	l Tower-2", Plot#732 & 733,Bamundi, Gangni, Meherpur Cell: 01725078196	
Barura Branch	"Manoda Mansion", College Road, Barura, Comilla	Cell: 01816586879	
Matarbari Branch	Coal Power Generation Co. Bd. Ltd., Matarbari, Moheskhali, Cox's Bazar	Cell: 01813727387, 01818571728	
Bank Asia Tower Br.	Bank Asia Tower, 32, Kazi Nazrul Islam Avenue, Kawran Bazar, Dhaka	Cell: 01711053944	
Payra Bandor Branch	Multipurpose Bhaban (1st Floor), Payra Port, Kolapara, Patuakhali	Cell: 01730301122	
Shukrabad Branch	House # 02, Mirpur Road, Ward # 17, Dhaka South City Corporation, Sher-e-Bangla Nagar, Dhaka.	Cell: 8809617128100, 01755652398	
Sirajgonj Branch	Moti Mahal, Holding#1044 & 1045, S.S Road, Ward-03, Sirajgonj Pawrashava, Sirajgonj	Cell-01716438242	
Rampura Branch	Borhan Bhaban, Holding# 68/1, DIT Road, Hazipara, Ward# 23, DNCC, Rampura, Dhaka	Cell: 01713108881	
Taragonj Branch	Al Madina Market, Kursha, Taragonj Bazar, Taragonj, Rangpur	Cell: 01710357385	
Sonargaon Branch	Shahabuddin Super Market, Habibpur, Sonargaon, Narayangonj	Cell: 01718241967	
Manikgonj Branch	Zilla Parishad Staff Quarter, Bewtha Road (Near LGED), Manikgonj Sadar, Manikgonj	Cell: 01730709856	
Satkhira Branch	Miraj Ali Market, Radha Nagar, Ward # 8, Kotwali, Satkhira	Cell: 01712168150	
Ashulia SME/Agri Branch	Tanvir Super Market (1st Floor) , Ashulia Bazar Bus Stand, Ashulia , Savar, Dhaka		
Baligaon SME/Agri Branch	Dewan Super Market ,Baligaon Bazar, Tongibari, Munshigonj	Ph: 0693251004-5 Fax: 0693251004	
Shirajdikhan SME/Agri Branch	Shirajdikhan Bazar, Sikder Market, Shirajdikhan, Munshiganj	Ph: 06924-63364 Fax: 06924-63225	

Branch Name	Address	Phone/Fax Number	Swift Code
Ramgonj SME/Agri Branch	Anupom Super Market (1st Floor), Bypass Road, Ramgonj, Laxmipur	Ph: 03824-75080,75171 Fax: 03824-75124	
	Sub-Branches		
Echotex Sub-Branch	Holding# A-30, Joydebpur-Tangail Highway, Ward# 7, KaliakairPawrashova, P.S Kaliakair, Dist Gazipur		
Shomahar Sub-Branch	Shomahar Sweaters Ltd. at A-99/1, Bokterpur, Kaliakair, Gazipur-1750		
Sreenagar Sub-Branch	Makka Complex, Bhagyakool Road, Sreenagar, Munsigonj		
Louhajang Sub-Branch	Hossen Market, College Road, Bornowpara, Louhajang, Munshigonj		
Ashuganj Sub-Branch	HaziZahirulHaqueMunshi Shopping Complex, Ashuganj Bazar, Ashuganj, Brahmanbaria		
Big Boss Sub-branch	Aptech Industrial Park, 30, Sukorno Road, Kashimpur, Gazipur		
Bancharampur Sub-branch	Razzak Super Market, Holding#174, Bancharampur, Brahmanbaria		
BGB Sub-branch	Border Guard Bangladesh (BGB) Head Quarter, Peelkhana, Dhaka		
Borhanuddin Sub-branch	SJS Jalal Complex, Hospital Road, Ward No-06, Borhanuddin Powrashova, Borhanuddin, Bhola		
Kishoregonj Sub-branch	A.S. Gondi Plaza, Zila Soroni Morh, Kishoreganj Sadar, Kishoreganj		
Robintex Sub-branch	Robintex Group, Vulta, Rupganj, Narayanganj		
Shibgonj Sub-branch	Holding# 328, Thana Road, Word# 4, Shibgonj Pourasova, ,Chapai Nawabganj		
Nazipur Sub-branch	Molla Market, Holding# 458, Najipur-Shapahar Road, Word#3, Najipur Pourasova, , Naogaon		
Singra Sub-branch	Nilmoni Super Market, Singra Bazar, Singra, Natore		
	SME CENTRES		
Jatrabari SME Service Center	Noor Tower, 76/Ga, BibirBagicha, North Jatrabari, Dhaka	6/Ga, BibirBagicha, North Jatrabari, Dhaka Ph: 7554863 Fax: 7554861-2	
Rekabi Bazar SME Service Center	Rekabi Bazar, Sylhet	Ph: 0821-710419, 710409 Fax: 0821-710406	
Jurain SME Service Center	Anaz Tower, 495 East Jurain, Kadamtali, Dhaka	Ph: 88-02-7453414-5 Fax: 88-02-7453416	
Bashabo SME Service Center	87, East Bashabo, Dhaka	Ph: 88-02-7218462-3 Fax: 88-02-7218460	
	ISLAMIC WINDOWS		
Principal Office Branch	Tea Board Building 111-113, Motijheel C/A. Dhaka - 1000.	Ph: 880-2-9571450, 9571451 Fax: 880-2-9566223	BALBBDDH003
Uttara Branch	House # 79A, Road #07, Sector # 4, Uttara Model Town, Dhaka - 1230	Ph: 880-2-8957427 – 9 BALBBDDH Fax: 880-2-8957431	
Shantinagar Branch	Treasure Island 42-43, Siddeshwari Circular Road, Shantinagar, Dhaka-1217	Ph: 8333979, 8312729 Fax: 880-8333978	
Bank Asia Bhaban Branch	"Bank Asia Bhaban", Agrabad C/A, Sabder Ali Road, Chittagong City Corporation, Doublemuring, Chittagong	Mobile: 88-01755650731	
Sylhet Uposhohor Branch			

Branch Name	Address	Phone/Fax Number	Swift Code
Islamic Banking Division, Corporate Office	Rangs Tower ,Corporate Office, 68 Purana Paltan, Dhaka-1000	Ph: 880-2- 7110062, bankasia@bankasia-bd. BALBE com	
Branch Name	Address	Phone/Fax Number	Swift Code
	OFF SHORE BANKING UNIT		
EPZ Branch	Zone Service Complex (Ground floor), CEPZ, Chittagong	Ph: 031-800320 Fax: 031-801391	
	Collection Booth		
BGB Booth	Border Guard Bangladesh (BGB) Head Quarter, Peelkhana, Dhaka		
Motijheel Model School Collection Booth	Motijheel Model School, Motijheel C/A, Dhaka		
East West University Collection Booth	EWU Campus, Plot# A/2, Aftabnagar, Dhaka	EWU Campus, Plot# A/2, Aftabnagar, Dhaka	
Begum Badrunnessa Govt. Girls College Booth	Begum Badrunnessa Govt. Girls College, Bakshi Bazar Road, Dhaka		
BSMMU Collection Booth	OPD-1 Building at BSMMU, Paribagh, PS. Shabagh, Dhaka		
EPZ Road Collection Booth, Comilla	Holding No. 0432-14, South Chartha, Comilla EPZ, Comilla		
DESCO Bill Collection Booth	Badda Sales & Distribution Division, Plot#16, Road#04, Block#D, Aftabnagar, Badda, Dhaka		
Unique Height Collection Booth	"Unique Heights" 117, Kazi Nazrul Islam Avenue, Dhaka		
Govt. Bangabandhu College Collection Booth, Gopalgonj	Govt. Bangabandhu College, Gopalgonj		
BUBT Collection Booth	BUBT Campus, Rupnagar, Mirpur-2, Dhaka-1216		
BPBS Zonal Office Bill Collection Booth, Kashba	Brahmanbaria Palli Bidyut Samity (BPBS) Zonal Office Kasba, Kharerha, Kasba, Brahmanbaria		
BPBS Bill Collection Booth, Kashba	Brahmanbaria Palli Bidyut Samity (BPBS), Sahilpur, Brahmanbaria		

Branch Name	Address	Phone/Fax Number	Swift Code
	Subsidiary-1: Bank Asia Securities Limited		
Dilkusha (Head Office)	Hadi Mansion (7 th Floor), 2 Dilkusha C/A, Dhaka-1000	Phone: 7124743, 7170896 Fax: 88-02-9567884 Email: cmd.bankasia@ gmail.com	
Dhanmondi Branch	Meher Plaza, House # 13/A, R # 05 Dhanmondi, Dhaka Phone: 8624874-5		
Mirpur Branch	Nishi Plaza, Plot # 01, Avenue-04 Section-06, Block-C, Mirpur, Dhaka	Phone: 9013814, 9013841	
Khulna Branch	28, Sir Iqbal Road (1st Floor), Khulna	Phone: 041-2830136-7	
Jurain Branch	Anaz Plaza (2 nd Floor)495,East Jurain Kadamtali, Dhaka	Phone: 7453414	
Uttara Branch	I # 79/A, (4 th Floor), R# 07, Sector # 04 Uttara Model Town, Phone: 8958371 Dhaka-1000		
Banani Branch	"Nur Empori" (1st floor), House # 77, Road# 11, Block-M, Banani, Dhaka-1213	Ph: 9885610,9889104, 9822326 Fax: 9822376	
Extension Office	tension Office 158-160, Ground Floor Motijheel C/A, Dhaka-1000		
	Subsidiary-2: BA Exchange Company (UK) Ltd.		
Office in UK	125 Whitechapel Road, London E1 1DT	Tel: 0203 005 4845-6 Fax: 0207 426 0097 Mob: 0795 081 4675	
	Subsidiary-3: BA EXPRESS USA Inc.		
Corporate Office	37-17 74th street Suite # 1F Jackson Heights, NY 11372		
Office in Jamaica	87-58 168th Street Jamaica, NY 11432 CEO: 0019173487207		
Office in Brooklyn	in Brooklyn 484, Mc Donald Avenue (1st floor), Brooklyn, NY-11218, New York, USA		



Corporate Office (Registered Office)
Bank Asia Tower
32 & 34 Kazi Nazrul Islam Avenue
Kawran Bazar, Dhaka-1215

NOTICE OF THE TWENTY FOURTH ANNUAL GENERAL MEETING

(VIRTUAL MEETING THROUGH DIGITAL PLATFORM)

Notice is hereby given to all members of Bank Asia Limited ("the Company") that the 24th Annual General Meeting (24th AGM) of the members of the Company will be held virtually by using digital platform through the following web-link, https://agmbd.live/bankasia2023 {in pursuant with Directive No. BSEC/CMRRCD/2009-193/08 dated March 10, 2021 and Letter No. SEC/SRMIC/94-231/91 dated March 31, 2021, both issued by Bangladesh Securities & Exchange Commission (BSEC)}, on April 30, 2023 at 11:00 a.m. to transact the following business and to adopt necessary resolutions:

AGENDA

- 1. To receive, consider and adopt the Profit and Loss Account of the Company for the year ended on December 31, 2022, and the Balance Sheet as at that date together with the Reports of the Directors and the Auditors thereon.
- 2. To declare dividend out of the profits for the year ended on December 31, 2022.
- 3. To elect/reelect Directors in accordance with the provisions of law and the Articles of Association of the Company.
- 4. To confirm the appointment of independent director(s).
- 5. To appoint Statutory Auditor of the Company for the term until the conclusion of the next Annual General Meeting and to fix their remuneration.
- 6. To appoint Compliance Auditor as per Corporate Governance Code for the year 2023 and to fix their remuneration.
- 7. To transact any other business with the permission of the Chair.

By order of the Board

S. M. Anisuzzaman

Company Secretary

Dated: April 5, 2023, Dhaka

Notes:

- a) The Record Date of the Company will be on April 6, 2023. Trading of the Company's shares in the Stock Exchanges will be suspended on the Record Date.
- b) The shareholders whose names will appear in the Register of Members of the Company as at the close of business on the Record Date, i.e., April 6, 2023, will be entitled to attend and vote at the AGM and to the dividend declared in the AGM, if any.
- c) In view of the Directive No. BSEC/CMRRCD/2009-193/08 dated March 10, 2021 and Letter No. SEC/SRMIC/94-231/91 dated March 31, 2021 of BSEC, the ensuing 24th AGM of the Company would be conducted virtually through digital platform or online platform. Therefore, the shareholders are requested to attend the 24th AGM through online live portal to avoid risk of spreading coronavirus among the shareholders. The detailed procedures to attend the meeting will be communicated to the shareholders' email ID in due course and it will also be available on Bank's website at 'www.bankasia-bd.com'.
- d) Shareholders may login to the system 48 hours before and during the meeting. For any guidance and support during the meeting, the members may contact the cell no. +8801711198680.
- e) Any member of the Company entitled to attend and vote at the AGM may appoint a proxy to attend and vote on his /her behalf. The proxy must be a member of the Company.
- f) The instrument appointing a proxy duly stamped and signed by the member must be submitted at the Registered Office of the Company or through email to 'ba.share@bankasia-bd.com' at least 48 (forty eight) hours before the AGM. The Proxy Form is enclosed.
- g) Election of Directors will be held in the vacant offices of Directors. Election schedule will be displayed in the notice board at the Registered Office in due course. Election rules will be available at the Registered Office of the Company and also on the Bank's website at 'www. bankasia-bd.com'.
- h) The concerned Brokerage Houses are requested to provide us with a statement having details of margin loan holders (i.e., Shareholders' name, BOID numbers, client-wise shareholding position, gross dividend receivable, applicable tax rate and net dividend receivable) as on the Record Date along with the name of the contact person of Brokerage House to the Company's Share Department or through email to 'ba. share@bankasia-bd.com' at Registered Office on or before April 20, 2023. The Brokerage Houses are also requested to provide us with their bank name, account number and routing number etc.
- i) As per Bangladesh Securities & Exchange Commission's Notification dated June 20, 2018, Annual Report 2022 will be duly sent in soft form to the members' email addresses available in their Beneficial Owner (BO) accounts maintained with the Depository. The soft copy of the Annual Report 2022 will also be available on the Bank's website at 'www.bankasia-bd.com'. The members may also collect the Annual Report 2022 from the Company's Share Department at Registered Office in person.



Corporate Office (Registered Office) Bank Asia Tower 32 & 34, Kazi Nazrul Islam Avenue Kawran Bazar, Dhaka-1215

PROXY FORM

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,or failing him/he	er Mr./Ms	Of
as my/our proxy to v	ote for me/us a	and on my/our proxy to vote for me and on my behalf at the
Twenty-fourth General Meeting of the Members of	the Company t	o be held on the April 30, 2023, at 11:00 a.m. and at any
adjournment thereof.		
In witness my hand thisday ofday	2023.	
		Signature of the Member :
Witnesses:		Name :
1.	Revenue Stamp	Folio No.
2.	Σιαπρ	BOID :
		Signature of the Proxy :
		Folio No :
		BOID :
		Sharahaldar's Attandance Slin
		Shareholder's Attendance Slip
H Bank Asia Bank Asia To 32 & 34, Kaz	Office (Registere ower i Nazrul Islam Av ar, Dhaka-1215	
I hereby record my presence at the Twenty-fou 30th April, 2023 at 11:00 a.m. virtually by using https://agmbd.live/bankasia2023. I give my particulars and put my signature belo	digital platfor	eneral Meeting of Bank Asia Limited held today the m through the following web-link:
Name :		
Folio No.		
BOID:		

(Please complete this slip and deposit at the registration counter on the day of the meeting)

Signature





Corporate Office

Bank Asia Tower 32 & 34, Kazi Nazrul Islam Avenue Karwan Bazar, Dhaka-1215 Tel +8809617001100 (IP) www.bankasia-bd.com

